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ORCHARD RESTAURANT  
(TAUNTON RACECOURSE) LIMITED  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1997



COMPANY NUMBER: 3387237

**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**

**Directors**

E F Dunn  
E J Edwards-Heathcote  
J S B White  
M J Foden  
A M MacEwan  
A G M Shewen  
P K Barber

**Company Secretary**

J E B Hills

**Bankers**

Barclays Bank Plc  
46 North Street  
Taunton  
TA1 1LZ

**Accountants**

Albert Goodman  
Chartered Accountants  
Mary Street House  
Mary Street  
Taunton  
Somerset  
TA1 3NW

**Registered Office**

Mary Street House  
Mary Street  
Taunton  
Somerset  
TA1 3NW

**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 1997**

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**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**  
**DIRECTORS' REPORT**

The Directors present their report together with the Financial Statements for the period ended 31 December 1997.

**Principal Activities**

The principal activities of the Company are the provision of catering and restaurant services.

**Incorporation**

The Company was incorporated on 16 June 1997 and commenced trading on 1 August 1997.

**Directors**

The Directors of the Company, and their interests in the shares of the Company at the beginning and end of the period were as follows:

	<u>£1 Ordinary Shares</u>	
	<u>31.12.97</u>	<u>On Appointment</u>
G Stephens (Resigned 14.07.97)	-	1
S Jones (Resigned 14.07.97)	-	1
E F Dunn (Appointed 14.07.97)	-	-
E J Edwards-Heathcote (Appointed 14.07.97)	-	-
J S B White (Appointed 14.07.97)	-	-
M J Foden (Appointed 14.07.97)	-	-
A M MacEwan (Appointed 14.07.97)	-	-
A G M Shewen (Appointed 14.07.97)	-	-
P K Barber (Appointed 14.07.97)	-	-

The Directors are also directors of the parent undertaking, Taunton Racecourse Company Limited, and their interests in the shares of that company are shown in its Financial Statements.

**Small Company**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board

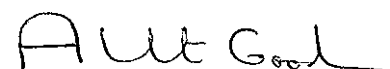
  
J E B Hills  
Secretary

15 July 1998

**ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL STATEMENTS**  
**TO THE DIRECTORS OF**  
**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**

As described on the Balance Sheet you are responsible for the preparation of the Financial Statements for the period ended 31 December 1997, set out on pages 3 to 7, and you consider that the Company is exempt from an audit. In accordance with your instructions given to us, we have prepared the Financial Statements set out on pages 3 to 7, in order to assist you to fulfil your statutory responsibilities, from the accounting records of Orchard Restaurant (Taunton Racecourse) Limited, and from the information and explanations supplied to us by the management of the Company. We have not audited the accompanying Financial Statements and, accordingly, do not express an opinion or any other form of assurance on them.

Mary Street House  
Mary Street  
Taunton



Albert Goodman  
Chartered Accountants

20 July 1998

**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED 31 DECEMBER 1997**

	<u>Notes</u>	<u>1997</u> £
Turnover	1	109551
Cost of Sales		(43127)
Gross Profit		<u>66424</u>
Administrative Expenses		(79700)
Loss on Ordinary Activities Before Taxation	2	(13276)
Tax on Loss on Ordinary Activities	3	-
Loss for the Financial Period	8	<u><u>(13276)</u></u>

**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 1997**

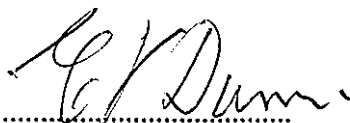
	<u>Notes</u>	<u>1997</u> £
<b>Fixed Assets</b>		
Tangible Assets	4	16130
<b>Current Assets</b>		
Stocks		8046
Debtors	5	21147
Cash at Bank and in Hand		41887
		<u>71080</u>
<b>Creditors</b>		
Amounts Falling Due Within One Year	6	(100484)
		<u>(100484)</u>
<b>Net Current Liabilities</b>		(29404)
<b>Total Assets Less Current Liabilities</b>		<u>(13274)</u>
<b>Capital and Reserves</b>		
Called Up Share Capital	7	2
Profit and Loss Account	8	(13276)
		<u>(13274)</u>
<b>Shareholders' Funds</b>	8	<u>(13274)</u>

The Financial Statements were approved by the Board of Directors on 15 July 1998

For the period in question, the Company was entitled to the exemption from an audit under S249A(1) of the Companies Act 1985. No notice has been deposited under s249B(2) of the Act in relation to the Financial Statements for the financial period. The Directors acknowledge their responsibilities for:

- (a) ensuring that the Company keeps accounting records which comply with s221 of the Companies Act 1985; and
- (b) preparing Financial Statements which give a true and fair view of the state of affairs of the Company, as at the end of the financial period, and of its profit or loss for the financial period in accordance with the requirements of s226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to Financial Statements so far as applicable to the Company.

The Financial Statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

.....  
Director

**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 1997**

**1 Accounting Policies**

The Financial Statements are prepared in accordance with the historical cost convention and applicable Accounting and Reporting Standards.

**Turnover**

Turnover represents the amounts, excluding VAT, receivable by the Company for goods and services provided.

**Depreciation**

Depreciation is provided to write off the cost of the assets over their expected useful lives at the following rates;

Plant and Equipment	25% on Cost
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**Stocks**

Stocks are stated at the lower of cost and net realisable value on the assumption that goods acquired first are sold first.

**Deferred Taxation**

Deferred taxation is provided only on those timing differences that in the opinion of the Directors will give rise to a liability in the foreseeable future. The provision is calculated on the liability method at corporation tax rates ruling at the Balance Sheet date.

**Pension Scheme**

The Company operates a defined contribution pension scheme. Premiums are charged to the Profit and Loss Account as they are incurred. At the year end, contributions amounting to £628 were outstanding and included in creditors.

**Going Concern**

The Company meets its day to day working capital requirements through a loan from its parent undertaking. The parent undertaking has agreed to continue to supplement the Company and the Directors therefore consider it appropriate to prepare these Financial Statements on the going concern basis.

**2 Loss on Ordinary Activities Before Taxation**

	<u>1997</u>
	£
Is Stated After Charging:	
Depreciation	1876
Defined Contribution Pension Costs	628
	<hr/>

**3 Tax on Loss on Ordinary Activities**

There was no taxation charge to the Company for this period, due to the losses incurred.



**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 1997**

4	<b><u>Tangible Assets</u></b>	<b>Plant and Equipment £</b>
	Cost	
	Additions	18006
	At 31 December 1997	<u>18006</u>
	Depreciation	
	Charge for Year	1876
	At 31 December 1997	<u>1876</u>
	Net Book Value	
	At 31 December 1997	<u><u>16130</u></u>
5	<b><u>Debtors</u></b>	<b>1997 £</b>
	Trade Debtors	<u>21147</u>
6	<b><u>Creditors - Amounts Falling Due Within One Year</u></b>	<b>1997 £</b>
	Amounts Owed to Parent Undertaking	59574
	Trade Creditors	20955
	Taxation and Social Security	16441
	Accruals	2264
	Other Creditors	1250
		<u>100484</u>
7	<b><u>Called Up Share Capital</u></b>	<b>1997 £</b>
	Authorised	
	1000 Ordinary Shares of £1 Each	<u>1000</u>
	Allotted, Called Up and Fully Paid	
	2 Ordinary Shares of £1 Each	<u>2</u>

Two ordinary shares of £1 were issued at par on incorporation.

**ORCHARD RESTAURANT (TAUNTON RACECOURSE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 1997**

**8 Shareholders' Funds**

	<u>Share Capital</u> £	<u>Profit and Loss Account</u> £	<u>1997 Total</u> £
Shares Issued	2	-	2
Loss for the Financial Year	-	(13276)	(13276)
	<hr/>	<hr/>	<hr/>
At 31 December 1997	2	(13276)	(13274)
	<hr/>	<hr/>	<hr/>

**9 Related Party Transactions**

During the year the Company traded with the following related parties:

<u>Related Party</u>	<u>Relationship</u>	<u>Transactions During the Year</u> £	<u>Amount Outstanding at 31.12.97</u> £
Taunton Racecourse Company Limited	Parent Undertaking	Commission Paid	16636
			11877
		Management Charges	8770
			8770
		Sales	7758
			7758

**10 Ultimate Parent Undertaking**

The ultimate parent undertaking is Taunton Racecourse Company Limited, a Company registered in England.

**11 Ultimate Controlling Party**

The Company is controlled by its Directors.