

**EPSOM COLLEGE ENTERPRISES LTD**  
**(FORMERLY EPSOM COLLEGE STORE LIMITED)**  
**FINANCIAL STATEMENTS**  
**31 MARCH 1998**

**HORWATH**  
**CLARK WHITEHILL**  
*Chartered Accountants*

A member of Horwath International

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**EPSOM COLLEGE ENTERPRISES LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MARCH 1998**

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**EPSOM COLLEGE ENTERPRISES LIMITED**  
**DIRECTORS' REPORT**  
**31 MARCH 1998**

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The directors have pleasure in submitting their twenty-fourth annual report and the financial statements of the company for the year ended 31 March 1998.

**REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

During the year the company entered into an agreement with Lester Bowden (1898) Ltd to take over the management of the school store and tuck shop. As part of the agreement some of the stock has been sold to Lester Bowden (1898) Ltd and a major review was carried out of the value of all the stock.

The Summer School of Sport continued to be run by the company, which also markets conferencing, meeting and other facilities.

During the year the company changed its name from Epsom College Store Ltd to Epsom College Enterprises Ltd.

**RESULTS**

The results for the year are set out in the attached financial statements. The directors do not recommend the payment of a dividend.

**DIRECTORS**

The directors during the year were:

Dr O L S Scott, MA, FRCP, MRCS  
A Hagdrup, LLB  
P G Hakim, FCA  
G B Pincus

None of the directors held any interest in the company at any time during the year.

**CLOSE COMPANY STATUS**

The company is a close company within the provisions of the Income and Corporation Taxes Act 1970, as amended. It is wholly owned by Epsom College which is incorporated by Act of Parliament and is a registered charity.

**EPSOM COLLEGE ENTERPRISES LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**31 MARCH 1998**

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**AUDITORS**

During the year the auditors Clark Whitehill changed the name under which they practice to Horwath Clark Whitehill and have signed their report in their new name.

Horwath Clark Whitehill have signified their willingness to continue in office. A resolution regarding their reappointment will be proposed at the Annual General Meeting.

By Order of the Board



Secretary

**EPSOM COLLEGE ENTERPRISES LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

**HORWATH  
CLARK WHITEHILL**

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**REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
EPSOM COLLEGE ENTERPRISES LIMITED**



We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7

**Respective Responsibilities of Directors and Auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

**Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

**Unqualified Opinion**

In our opinion, the financial statements give a true and fair view of the state of affairs of the company at 31 March 1998 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

14 October 1998

A handwritten signature in dark ink, appearing to read 'Horwath Clark Whitehill'.

Chartered Accountants  
and Registered Auditors

**EPSOM COLLEGE ENTERPRISES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 1998**

	Notes	1998 £	1997 £
<b>TURNOVER</b>	2	<b>264,451</b>	201,463
Cost of sales	3a	<u>254,409</u>	<u>160,061</u>
<b>GROSS PROFIT</b>		<b>10,042</b>	41,402
Administrative expenses	3b	<u>36,077</u>	<u>41,918</u>
<b>OPERATING LOSS</b>		<b>(26,035)</b>	(516)
Interest received		<u>1,941</u>	<u>613</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	<u>(24,094)</u>	<u>97</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b>(24,094)</b>	97
Profit and loss account brought forward		<u>494</u>	<u>397</u>
<b>PROFIT AND LOSS ACCOUNT CARRIED FORWARD</b>		<u><b>(23,600)</b></u>	<u>494</u>

All amounts relate to continuing operations.

The profit and loss account contains all the gains and losses recognised in the current and preceding years.

The notes on pages 7 to 9 form part of these financial statements.

**EPSOM COLLEGE ENTERPRISES LIMITED**

**BALANCE SHEET**

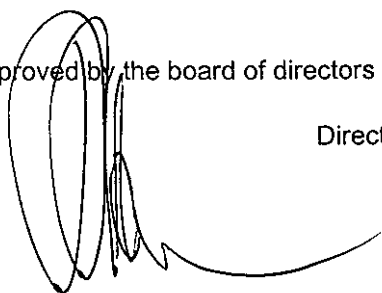
**31 MARCH 1998**

	Notes	£	1998 £	1997 £
<b>FIXED ASSETS</b>				
Tangible assets	6		3,529	2,598
<b>CURRENT ASSETS</b>				
Stocks	7	6,449		99,978
Debtors	8	86,258		1,160
Cash at bank and in hand		<u>6,331</u>		<u>12,303</u>
		99,038		113,441
<b>CREDITORS:</b> amounts falling due within one year	9	<u>51,167</u>		<u>40,545</u>
<b>NET CURRENT ASSETS</b>			<u>47,871</u>	<u>72,896</u>
<b>TOTAL NET ASSETS</b>			<u>51,400</u>	<u>75,494</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	10		75,000	75,000
Profit and loss account			<u>(23,600)</u>	<u>494</u>
<b>EQUITY SHAREHOLDER'S FUNDS</b>	11		<u>51,400</u>	<u>75,494</u>

Approved by the board of directors on

*14 October 1998*

Director



The notes on pages 7 to 9 form part of these financial statements.



**EPSOM COLLEGE ENTERPRISES LIMITED**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 MARCH 1998**

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**1. ACCOUNTING POLICIES**

**a) Accounting convention**

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**b) Turnover**

Turnover represents the amount of goods and services sold net of VAT. All trade took place in the United Kingdom.

**c) Depreciation**

Fixed assets are depreciated by equal annual instalments over their useful lives as follows:

Furniture	10% per annum
Equipment	25% per annum

**d) Stock**

Stocks have been valued at the lower of cost and net realisable value. Cost has been determined by reducing selling prices by known mark-ups on a basis consistent with previous years.

**2. TURNOVER**

	1998 £	1997 £
Turnover is analysed as follows:		
Sale of goods	221,196	196,980
Sale of services	<u>43,255</u>	<u>4,483</u>
	<u>264,451</u>	<u>201,463</u>

**3(a) STAFF COSTS**

Staff costs included in cost of sales were as follows:

Wages and salaries	5,651	3,677
Social security costs	<u>451</u>	<u>328</u>
	<u>6,102</u>	<u>4,005</u>

**EPSOM COLLEGE ENTERPRISES LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**  
**YEAR ENDED 31 MARCH 1998**

**3(b). STAFF COSTS**

	1998 £	1997 £
Staff costs included in administrative expenses were as follows:		
Wages and salaries	25,462	32,120
Social security costs	1,615	2,204
Other pension costs	1,042	1,188
Recharged to Lester Bowden (1898) Ltd	(2,443)	-
	<u>25,676</u>	<u>35,512</u>

The average number of employees, excluding directors, during the year was 3 (1997: 3).

All the above employees were engaged in the sale of goods and provision of services.

**4. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	1998 £	1997 £
This is stated after charging:		
Auditors' remuneration	1,500	1,700
Depreciation	901	443

**5. TAXATION**

UK Corporation tax at 23% (1997 24%)	<u>Nil</u>	<u>Nil</u>
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Tax losses available to carry forward against future trading profits total approximately £37,900.

**6. TANGIBLE FIXED ASSETS**

Furniture and equipment		
Cost		
At 1 April 1997	3,788	1,094
Additions during year	1,832	2,694
<b>At 31 March 1998</b>	<u>5,620</u>	<u>3,788</u>
Depreciation		
At 1 April 1997	1,190	747
Charge for year	901	443
<b>At 31 March 1998</b>	<u>2,091</u>	<u>1,190</u>
<b>Net book value</b>		
<b>At 31 March 1998</b>	<u>3,529</u>	<u>2,598</u>

**EPSOM COLLEGE ENTERPRISES LIMITED**  
**NOTES TO THE ACCOUNTS (Continued)**  
**YEAR ENDED 31 MARCH 1998**

	1998 £	1997 £
<b>7. STOCKS</b>		
Goods for resale	<u>6,449</u>	<u>99,978</u>
<b>8. DEBTORS</b>		
Amounts due within one year		
Trade debtors	6,692	1,160
Lester Bowden (1898) Ltd	47,337	-
Prepayments and accrued income	2,229	-
Amounts due in more than one year		
Lester Bowden (1898) Ltd	<u>30,000</u>	<u>-</u>
	<u>86,258</u>	<u>1,160</u>
<b>9. CREDITORS: amounts falling due within one year</b>		
Trade creditors	-	40
Amount due to parent undertaking	31,461	34,799
Other creditors	18,006	4,006
Corporation tax	-	-
Accruals and deferred income	<u>1,700</u>	<u>1,700</u>
	<u>51,167</u>	<u>40,545</u>
<b>10. SHARE CAPITAL</b>		
Authorised		
Ordinary £1 shares	<u>250,000</u>	<u>250,000</u>
Issued and fully paid:		
Ordinary shares of £1 each	<u>75,000</u>	<u>75,000</u>
<b>11. EQUITY SHAREHOLDER'S FUNDS</b>		
Reconciliation of movements in shareholder's funds:		
(Loss)/profit for the financial year	(24,094)	97
Opening Shareholder's funds	<u>75,494</u>	<u>75,397</u>
Closing Shareholder's funds	<u>51,400</u>	<u>75,494</u>
<b>12. ULTIMATE PARENT</b>		
The ultimate parent is Epsom College, incorporated by Act of Parliament, registered charity number 312046.		

**List of United Kingdom Directorships of Alan Hagdrup  
as at 6 October 1998**

**Bridge Nominees Ltd  
Epsom College Enterprises Ltd  
Hanson Holdings Ltd  
Hanson Securities Ltd  
Hanson Transport Group Ltd  
Hanson Pension Trustees Ltd  
Hanson White Productions Ltd**