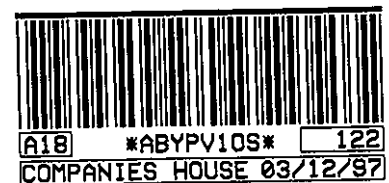


INDEX

Year ended 31 March 1997

	Page
GENERAL INFORMATION	2
REPORT OF THE DIRECTORS	3
STATEMENTS OF DIRECTORS' RESPONSIBILITIES	4
AUDITORS' REPORT	5
PROFIT AND LOSS ACCOUNT	6
BALANCE SHEET	7
ACCOUNTING POLICIES	8
NOTES TO THE FINANCIAL STATEMENTS	9



FAIRTHORNE MANOR RECREATION LIMITED

GENERAL INFORMATION

DIRECTORS

J C G Binfield (Chair)
A D Banks
N J Nightingale
A P Linsey
K L Holmes

SECRETARY

A P Linsey

REGISTERED OFFICE

Hadfield House
Lancashire Hill
Stockport
SK4 1TW

AUDITORS

Dixon Wilson
Rotherwick House
(P O Box 900)
3 Thomas More Street
London
E1 9YX

BANKERS

Barclays Bank PLC
Bedford Square Business Centre
P O Box 314
6 Bedford Square
London
WC1B 3TB

SOLICITORS

Hunters
9 New Square
Lincoln's Inn
London
WC2A 3QN

FAIRTHORNE MANOR RECREATION LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and accounts for the year ended 31 March 1997.

PRINCIPAL ACTIVITY

The company continues its operations as a golf course.

RESULT, DIVIDEND AND CHARITABLE CONTRIBUTION

The trading surplus for the year was £19,097 (1996 - £35,157) and in accordance with the Deed of Covenant with the parent company, The National Council of YMCAs (Incorporated), this sum has been donated to that company giving an overall nil result for the year. The company is unable to pay a dividend.

DIRECTORS

The directors who held office during the year were as set out on page 2.


DIRECTORS' INTERESTS

No director had any interests in the shares of the company or its parent company during the year.

AUDITORS

A resolution to re-appoint Dixon Wilson as auditors of the company under Section 385 of the Companies Act 1985 will be proposed at the forthcoming annual general meeting.

By order of the board



A P LINSEY

Secretary

18 October
1997

FAIRTHORNE MANOR RECREATION LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 and other irregularities.

DIXON WILSON

CHARTERED ACCOUNTANTS

PO Box 900 Rotherwick House 3 Thomas More Street London E1 9YX

AUDITORS' REPORT TO THE MEMBERS OF FAIRTHORNE MANOR RECREATION LIMITED

We have audited the financial statements on pages 6 to 10 which have been prepared under the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 4 the company's directors are responsible for the preparation of the 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 director 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 information in the financial statements.

OPINION

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1997 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Dixon Wilson

DIXON WILSON

Registered Auditors

13 November, 1997

FAIRTHORNE MANOR RECREATION LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 March 1997

	Note	1997 £	1996 £
TURNOVER	1	131,328	136,899
Administration expenses		(112,231)	(101,742)
		19,097	35,157
Surplus covenanted to National Council of YMCAs		(19,097)	(35,157)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	-	-
Tax on profit on ordinary activities		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
Retained profit brought forward		-	-
		-	-

Turnover and operating result arose from continuing operations. Other than as shown above the company has no recognised gains or losses for the year, or the previous year and there was no movement in shareholders funds.

FAIRTHORNE MANOR RECREATION LIMITED

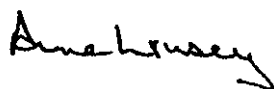
BALANCE SHEET

At 31 March 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Goodwill	4	<u>1</u>	<u>1</u>
CURRENT ASSETS			
Stocks		701	1,386
Debtors	5	4,714	-
Cash at bank and in hand		154,132	72,631
		<u>159,547</u>	<u>74,017</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	<u>(154,548)</u>	<u>(69,018)</u>
NET CURRENT ASSETS		<u>4,999</u>	<u>4,999</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,000</u>	<u>5,000</u>
CAPITAL AND RESERVES			
Called up share capital	7	<u>5,000</u>	<u>5,000</u>

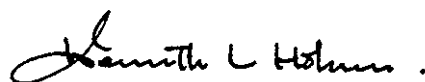
The financial statements on pages 6 to 10 were approved by the board of directors on 18 October 1997 and were signed on its behalf by:

A P LINSEY



Director

K L HOLMES



Director

FAIRTHORNE MANOR RECREATION LIMITED

ACCOUNTING POLICIES

Year ended 31 March 1997

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Stock

This is stated at the lower of cost and net realisable value.

Cash flow

Under the provisions of Financial Reporting Standard No 1, no cash flow statement is required as the company is a small company as defined by Section 247 of the Companies Act 1985.

FAIRTHORNE MANOR RECREATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 1997

1. TURNOVER

Turnover represents the value of goods and services invoiced during the year stated exclusive of value added tax. All turnover arose in the United Kingdom

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1997 £	1996 £
This is stated after charging:		
Auditors remuneration	<u>1,050</u>	<u>400</u>

3. DIRECTORS REMUNERATION

None of the directors received any remuneration from the company for services provided by them during the year (1996 - £nil).

4. GOODWILL

	£
Cost	
At 1 April 1996 and 31 March 1997	<u>1</u>

5. DEBTORS

	1997 £	1996 £
Other debtors	3,423	-
Prepayments	<u>1,291</u>	<u>-</u>
	<u>4,714</u>	<u>-</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Amounts due to group undertakings	154,431	68,838
Accruals	<u>117</u>	<u>180</u>
	<u>154,548</u>	<u>69,018</u>

FAIRTHORNE MANOR RECREATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 1997

7. SHARE CAPITAL	1997 £	1996 £
Authorised 50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted and fully paid 5,000 ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

8. PARENT COMPANY

The ultimate parent company is the National Council of YMCA's (Incorporated), a company limited by guarantee and registered in England. That company is the parent of the only group of which this company is a member and for which group accounts are prepared. Advantage has accordingly been taken of the exemption contained within Financial Reporting Standard No 8 to exclude details of any transactions with its parent or fellow subsidiaries. Copies of the group accounts can be obtained from Companies House.
