

HOTCHKISS PATENTS AND INVESTMENTS LIMITED

129

AND SUBSIDIARY COMPANIES

DIRECTORS' REPORT AND

FINANCIAL STATEMENTS

31ST OCTOBER 1980

Registrar's
Copy

KIDSONS

Chartered Accountants



HOTCHKISS PATENTS AND INVESTMENTS LIMITEDDirectors

L. D. Thompson
 W. G. Thompson
 B. J. Thompson
 E. C. Ayling
 P. J. Stones

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the year ended 31st October 1980.

TRADING RESULTS

The trading results are shown in the profit and loss account on page 4. The directors do not recommend payment of a dividend.

PRINCIPAL ACTIVITIES

The principal activities of the company and its subsidiaries continue to be the operation of amusement devices.

EXPORTS

The company's exports from the United Kingdom were £NIL.

DIRECTORS

The following were directors for the whole of the period:-

L. D. Thompson
 W. G. Thompson
 B. J. Thompson
 E. C. Ayling
 P. J. Stones

The director retiring at the annual general meeting is Mrs. L. D. Thompson who, being eligible, offers herself for re-election.

DIRECTORS' SHAREHOLDING

The interests of the directors in the company's share capital are set out below:-

<u>Director</u>	<u>Ordinary Shares of £1 each</u>	
	<u>1980</u>	<u>1979</u>
L.D. Thompson	2,134	2,134
W.G. Thompson	1,500	1,500
B.J. Thompson	N11	N11
E.C. Ayling	N11	N11
P.J. Stones	N11	N11

HOTCHKISS PATENTS AND INVESTMENTS LIMITED

DIRECTORS' REPORT (Continued)

DIRECTORS' SHAREHOLDING (Continued)

In addition, Mr. W.G. Thompson had a non-beneficial interest as trustee in a further 1,366 Ordinary Shares at 31st October 1980 (1979 - 1,366). None of the directors have any beneficial interest in the share capital of any other company in the group.


FIXED ASSETS

Changes in fixed assets during the year are set out in note 6 to the financial statements.

AUDITORS

The auditors, Messrs. Kidsons, Chartered Accountants, have intimated their willingness to continue in office, subject to the approval of the members in general meeting.

By Order of the Board


C. WREN-HILTON

Secretary

5th June 1981

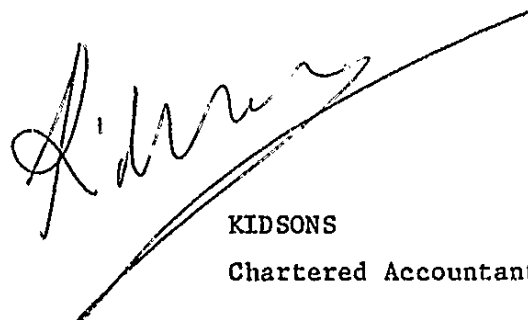
Registered Office:

69 Aldwych,
London WC2B 4DY

HOTCHKISS PATENTS AND INVESTMENTS LIMITEDREPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements set out on pages 4 to 14 in accordance with approved Auditing Standards.

In our opinion, the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the group and of the company at 31st October 1980 and of its results and source and application of funds of the group for the year ended on that date and comply with the Companies Acts 1948 to 1980.



KIDSONS
Chartered Accountants

5th June 1981

HOTCHKISS PATENTS AND INVESTMENTS LIMITEDCONSOLIDATED PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST OCTOBER 1980

	(Note)	<u>1980</u> £	<u>1979</u> £
TURNOVER	(1)	255,227 =====	239,495 =====
LOSS BEFORE TAXATION	(2)	(53,876)	(43,363)
TAXATION	(3)	(27,749)	3,000
LOSS AFTER TAXATION		(26,127)	(46,363)
EXTRAORDINARY ITEMS	(5)	-	23,546
LOSS FOR THE YEAR	(10)	(26,127) =====	(22,817) =====

The notes on pages 9 to 14 form part of these financial statements.

HOTCHKISS PATENTS AND INVESTMENTS LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST OCTOBER 1980


	(Note)	<u>1980</u> £	<u>1979</u> £
TURNOVER	(1)	16,147 =====	22,916 =====
PROFIT (LOSS) BEFORE TAXATION	(2)	(22,675)	5,529
TAXATION	(3)	(10,900)	4,500
PROFIT (LOSS) AFTER TAXATION	(10)	(11,775) =====	1,029 =====

The notes on pages 9 to 14 form part of these financial statements.

HOTCHKISS PATENTS AND INVESTMENTS LIMITED
CONSOLIDATED BALANCE SHEET - 31ST OCTOBER 1980

<u>EMPLOYMENT OF FUNDS</u>	(Note)	£	<u>1980</u>	£	£	<u>1979</u>	£
FIXED ASSETS							
GOODWILL ON CONSOLIDATION	(6)		225,226				286,865
DEPOSIT	(8)		78,440				78,440
			9,000				9,000
CURRENT ASSETS							
Unquoted Investments			1				1
Stock	(1)	2,783			2,208		
Debtors		1,444			17,264		
Taxation Recoverable		710			710		
Tax Reserve Certificates		180			180		
Cash and Bank		788			5,417		
			<u>5,906</u>				<u>25,780</u>
CURRENT LIABILITIES							
Creditors		221,969			28,115		
Bank Overdraft		1,093			225,733		
			<u>223,062</u>				<u>253,848</u>
NET CURRENT LIABILITIES			<u>(217,156)</u>				<u>(228,068)</u>
FUNDS EMPLOYED			<u>95,510</u>				<u>146,237</u>
SHARE CAPITAL	(9)		5,000				5,000
RESERVES	(10)		40,510				66,637
SHAREHOLDERS' FUNDS			<u>45,510</u>				<u>71,637</u>
LOAN CAPITAL	(11)		50,000				50,000
DEFERRED TAXATION	(12)		-				24,600
			<u>95,510</u>				<u>146,237</u>

L.D. THOMPSON)
) Directors
W.G. THOMPSON)

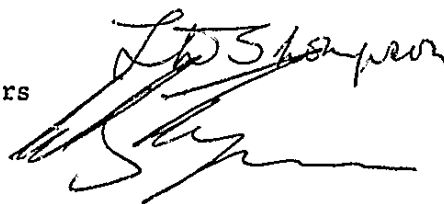
L.D. Thompson


The notes on pages 9 to 14 form part of these financial statements.

HOTCHKISS PATENTS AND INVESTMENTS LIMITEDBALANCE SHEET - 31ST OCTOBER 1980

	(Note)	1980	1979
		£	£
<u>EMPLOYMENT OF FUNDS</u>			
FIXED ASSETS	(6)	15,987	20,895
SUBSIDIARY COMPANY			
Shares at Cost	(7)	122,304	122,304
Current Account		208,722	236,338
		<hr/>	<hr/>
DEPOSIT	(8)	331,026	358,642
		9,000	9,000
CURRENT ASSETS			
Debtors		-	17,264
Taxation Recoverable		240	240
Tax Reserve Certificates		180	180
Dividend Receivable		-	-
		<hr/>	<hr/>
		420	17,684
CURRENT LIABILITIES			
Creditors		209,379	11,885
Bank Overdraft		1,093	225,700
		<hr/>	<hr/>
		210,472	237,585
NET CURRENT (LIABILITIES)		(210,052)	(219,901)
		<hr/>	<hr/>
		145,961	168,636
		=====	=====
<u>FUNDS EMPLOYED</u>			
SHARE CAPITAL	(9)	5,000	5,000
RESERVES	(10)	90,961	102,736
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		95,961	107,736
LOAN CAPITAL	(11)	50,000	50,000
DEFERRED TAXATION	(12)	-	10,900
		<hr/>	<hr/>
		145,961	168,636
		=====	=====

L.D. THOMPSON)
) Directors
 W.G. THOMPSON)



The notes on pages 9 to 14 form part of these financial statements.

HOTCHKISS PATENTS AND INVESTMENTS LIMITED
CONSOLIDATED SOURCE AND APPLICATION OF FUNDS STATEMENT
YEAR ENDED 31ST OCTOBER 1980

FUNDS ARISING FROM TRADE	£	<u>1980</u>	£	<u>1979</u>	£
Loss before Taxation			(53,999)		(19,817)
Depreciation			<u>55,530</u>		<u>66,308</u>
			1,531		<u>46,491</u>
FUNDS FROM OTHER SOURCES					
Increase in assets on acquisition of subsidiary		-			99
Corporation tax refund		3,149			-
Proceeds of sale of fixed assets		<u>17,877</u>			<u>65,366</u>
		<u>21,026</u>			<u>65,465</u>
APPLICATION OF FUNDS					
Purchase of fixed assets		<u>11,768</u>			<u>131,508</u>
			9,258		<u>(66,043)</u>
NET INFLOW (OUTFLOW) OF FUNDS					
			<u>10,789</u>		<u>(19,552)</u>
WORKING CAPITAL MOVEMENTS					
Stock increase		575			1,248
Creditors (increase)		(193,977)			(16,588)
Debtors (decrease)		<u>(15,820)</u>			<u>(35,060)</u>
Increase in Net Liquid Funds					
			(209,222)		(50,400)
			<u>220,011</u>		<u>30,848</u>
			<u>10,789</u>		<u>(19,552)</u>

HOTCHKISS PATENTS AND INVESTMENTS LIMITEDNOTES ON FINANCIAL STATEMENTS - 31ST OCTOBER 19801. ACCOUNTING POLICIES

a) Turnover

Turnover is defined as takings excluding Value Added Tax.

b) Depreciation

Depreciation is provided on the fixed assets at varying rates in order to write them off over the period of their expected life. The annual rates of depreciation on fixed assets which have not been written down to a nominal value are 15% and 25%.

c) Stock

Stock is valued at the lower of cost and net realisable value.

d) Taxation

Taxation is based on the results for the year and is calculated at the rate of 52%. No Corporation Tax is payable. The Corporation tax losses for the year have been carried forward to offset against future trading profits.

e) Deferred Taxation

Provision is made for taxation at the rate of 52% which is deferred because of differences between depreciation provided in the financial statements and the corresponding allowances for taxation purposes, after offsetting Corporation Tax losses carried forward.

2. (LOSS) PROFIT BEFORE TAXATION

	<u>1980</u>	<u>1979</u>
	£	£
GROUP		
The loss is stated after charging:-		
Depreciation	55,530	66,308
Directors' Fees	-	-
Other Remuneration	-	-
Auditors' Remuneration	860	1,300
Loan Interest	7,978	5,318
	=====	=====
and crediting:-		
Loss of Profits Insurance following fire	-	9,547
	=====	=====

HOTCHKISS PATENTS AND INVESTMENTS LIMITED
NOTES ON FINANCIAL STATEMENTS - 31ST OCTOBER 1980

(Continued)

2. (LOSS) PROFIT BEFORE TAXATION (Continued)

COMPANY	<u>1980</u> £	<u>1979</u> £
The loss is stated after charging:-		
Depreciation	4,908	5,180
Directors' Fees	-	-
Other Remuneration	-	-
Auditors' Remuneration	500	500
Loan Interest	7,978	5,318
	=====	=====
and crediting:-		
Profit on sale of fixed assets	-	6,462
Loss of Profits Insurance following fire	-	9,547
	=====	=====

3. TAXATION

GROUP	<u>1980</u> £	<u>1979</u> £
Corporation tax	(3,149)	-
Transfer to deferred taxation	(24,600)	3,000
	(27,749)	3,000
	=====	=====
COMPANY		
Transfer (from)/to deferred taxation	(10,900)	4,500
	(10,900)	4,500
	=====	=====

HOTCHKISS PATENTS AND INVESTMENTS LIMITED
NOTES ON FINANCIAL STATEMENTS - 31ST OCTOBER 1980

(Continued)

4. DIRECTORS' REMUNERATION

GROUP	<u>1980</u> £	<u>1979</u> £
Emoluments of the Chairman	NIL	Nil
Number of other directors whose emoluments were within the range:- £0 - £5,000	4	4
The number of directors who have waived rights to receive emoluments was	==== 3	==== 3
The aggregate amount of the emoluments waived	==== 12,000 =====	==== 11,500 =====
 COMPANY		
Emoluments of the Chairman	-	-
Number of other directors whose emoluments were within the range:- £0 - £5,000	4	4
The number of directors who have waived rights to receive emoluments was	==== 3	==== 3
The aggregate amount of the emoluments waived	==== 4,000 =====	==== 4,000 =====

5. EXTRAORDINARY ITEMS

GROUP	<u>1980</u> £	<u>1979</u> £
Loan owing by a subsidiary company waived	- =====	23,546 =====

HOTCHKISS PATENTS AND INVESTMENTS LIMITED

NOTES ON FINANCIAL STATEMENTS - 31ST OCTOBER 1980

(Continued)

6. FIXED ASSETS

GROUP

	<u>Short Lease</u> £	<u>Amusement Devices</u> £	<u>Fixtures & Fittings</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
COST					
31st October 1979	12,811	424,680	1,000	2,930	441,521
Additions	-	3,518	4,259	3,991	11,768
Re-allocation	-	(6,248)	6,248	-	-
Disposals	-	(24,480)	-	(2,930)	(27,410)
31st October 1980	12,811	397,470	11,607	3,991	425,879
DEPRECIATION					
31st October 1979	12,810	138,910	772	2,164	154,656
Disposals	-	(7,344)	-	(2,189)	(9,533)
Re-allocation	-	(902)	902	-	-
Charged to Profit and Loss Account	-	54,394	1,111	25	55,530
	12,810	185,058	2,785	-	200,653
NET BOOK VALUE					
31st October 1980	1	212,412	8,822	3,991	225,226
31st October 1979	1	285,770	328	766	286,865

COMPANY

	<u>Amusement Devices</u>	
	<u>1980</u>	<u>1979</u>
	£	£
COST		
31st October 1979		
Disposals	37,765	45,982
	-	(8,217)
31st October 1980	37,765	37,765
DEPRECIATION		
31st October 1979		
Disposals	16,870	18,369
Charged to Profit and Loss Account	-	(6,679)
	4,908	5,180
31st October 1980	21,778	16,870
NET BOOK VALUE		
31st October 1980	15,987	20,895
31st October 1979	20,895	27,163

HOTCHKISS PATENTS AND INVESTMENTS LIMITEDNOTES ON FINANCIAL STATEMENTS - 31ST OCTOBER 1980

(Continued)

7. SUBSIDIARY COMPANIES

The under-mentioned are subsidiary companies, all of which are incorporated in England.

	Proportion of issued capital held	
	By the Company	Via a Subsidiary
Helters Limited	100%	-
Helters Skatepark (Southport) Limited	-	100%

8. DEPOSIT

The company is a founder member of the South Shore Mutual Insurance Company Limited, which is limited by guarantee. The reserves of South Shore Mutual Insurance Company Limited at 31st October 1980 amounted to £228,595 in which the company has a substantial interest, the precise amount of which depends upon a formula set out in the Insurance Company's Articles of Association.

9. SHARE CAPITAL

	<u>1979 and 1980</u>	
	<u>Authorised</u> £	<u>Issued and Fully Paid</u> £
Ordinary shares of £1 each	5,000 =====	5,000 =====

HOTCHKISS PATENTS AND INVESTMENTS LIMITED
NOTES ON FINANCIAL STATEMENTS - 31ST OCTOBER 1980

(Continued)

10. RESERVE

GROUP

	<u>Share Premium</u> £	<u>Capital</u> £	<u>Revenue</u> £	<u>Total</u> £
31st October 1979 (Loss) for year	8,000 -	7,098 -	51,539 (26,127)	66,637 (26,127)
31st October 1980	8,000	7,098	25,412	40,510

COMPANY

	<u>Share Premium</u> £	<u>Capital</u> £	<u>Revenue</u> £	<u>Total</u> £
31st October 1979 (Loss) for year	8,000 -	7,098 -	87,638 (11,775)	102,736 (11,775)
31st October 1980	8,000	7,098	75,863	90,961

11. LOAN CAPITAL

	<u>1980</u> £	<u>1979</u> £
10% Unsecured Loan Stock 1987/1996	50,000	50,000

12. DEFERRED TAXATION

GROUP

	<u>1980</u> £	<u>1979</u> £
31st October 1979 Charge for year	24,600 (24,600)	21,600 3,000
31st October 1980	-	24,600

COMPANY

31st October 1979 Charge for year	10,900 (10,900)	6,400 4,500
31st October 1980	-	10,900

MRS. LILIAN DORIS THOMPSON

LIST OF DIRECTORSHIPS

Morecambe Pleasure Park (Holdings) Company
Morecambe Pleasure Park Limited
Park Inventions and Devices
Hotchkiss Patents and Investments Limited
Halters Limited
South Shore Mutual Insurance Company Limited
Blackpool Pleasure Beach Company
American Concessions
Velvet Coaster
Monitor and Merrimac
South Shore Construction Company
Park Inventions and Devices Manufacturing Company (formerly South Shore Features)
South Shore Refrigeration
Velvet Coaster (Blackpool)
Milleride (Blackpool)
Pleasure Beach Exhibitions (Blackpool)
Milleride Limited (formerly W.G.T. Investments Limited)

15.1.82

MR. WILLIAM GEOFFREY THOMPSON

LIST OF DIRECTORSHIPS

Morecambe Pleasure Park (Holdings) Company
Morecambe Pleasure Park Limited
Park Inventions and Devices
Hotchkiss Patents and Investments Limited
Helters Limited
Helters (Skateparks) Limited
South Shore Mutual Insurance Company Limited
Cable Chutes (Blackpool) Limited
Cable Chutes (Morecambe) Limited
Blackpool Pleasure Beach Company
American Concessions
Velvet Coaster
Monitor and Merrimac
South Shore Construction Company
Park Inventions and Devices Manufacturing Company (formerly South Shore Features)
Blackpool Pleasure Beach (Bingo) Company
South Shore Refrigeration
Ocean Parkway
Velvet Coaster (Blackpool)
Milleride (Blackpool)
Pleasure Beach Exhibitions (Blackpool)
Milleride Limited (formerly W.G.T. Investments Limited)

15.1.82

MRS. BARBARA JOAM THOMPSON

LIST OF DIRECTORSHIPS

Morecambe Pleasure Park (Holdings) Company
Morecambe Pleasure Park Limited
Park Invention and Devices
Hotchkiss Patents and Investments Limited
Helters Limited
Blackpool Pleasure Beach Company
American Concessions
Velvet Coaster
Monitor and Merrimac
Ocean Parkway — 1982
Mileride Limited (Formerly W.G.T. Investments Limited)

15.1.82

MISS AMANDA JEAN THOMPSON

LIST OF DIRECTORSHIPS

Cable Chutes (Blackpool) Limited
Cable Chutes (Morecambe) Limited
Morecambe Pleasure Park (Holdings) Company
Hotchkiss Patents and Investments Limited

MR. P.J. STONES

LIST OF DIRECTORSHIPS

Morecambe Pleasure Park Limited
Hotchkiss Patents and Investments Limited
Helters Limited
American Concessions
Park Inventions and Devices Manufacturing Company

15.1.81

