

Company Number: 1517634

ENGLISH SKI COUNCIL LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2006

**ENGLISH SKI COUNCIL LIMITED
REPORT OF THE DIRECTORS**

The directors present their annual report of the company together with the audited accounts for the year ended 31 December 2006.

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 surplus or deficit of the company for that year. In preparing those financial statements, the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) 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.

In the case of each of the persons who are directors at the time when the directors report is approved:

- so far as the director is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing his report) of which the company's auditor is unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Principal activity

The principal activity of the company remains the promotion of Snow Sports through participation at all levels up to British Team standard and by the organisation of competitions and national coaching scheme activities for instructors, coaches and officials.

We have increased the income from £401,328 to £470,600 as a result of the activities of the year. A payment of £5000 was made from the Hardship Fund to ESC Skiers Foundation Trust. The effect of this is that it has strengthened the 2006 closing reserves of just over £123,700 to around £128,443 – a good position to be in for the start of 2007. The activities of the company are more fully described in the 2006 Annual Report to members.

The aim of the current year has been to remain within the cashflow and budgets set by the Key Committees and directors and this has been achieved. A point for comment is that the dependency on grant income over the last 5 years has fallen from the grant being 11% of total income to 7% in 2006. In 2007 this is forecast to fall to 3% due to the Government cutting back on sports funding following the 2006 Comprehensive Spending Reviews.

We appreciate the 2006 financial support from Sport England and 'in kind' sponsorship from other sources which are listed in the Annual Report. Very special thanks must also be given to all the volunteers that give their time, effort and commitment in making Snow Sports successful.

Directors

The directors who served during the year were:

S G Smith
N J Matthews
C S Newell (resigned 20 May 2006)
B K Spouge
D R Hart
M F Whyatt (appointed 20 May 2006)
P Stratton (appointed 4 December 2006)
N Parr (appointed 4 December 2006)

ENGLISH SKI COUNCIL LIMITED
REPORT OF THE DIRECTORS - continued

Auditors

A resolution will be put to the Members at the Annual General Meeting for the re-appointment of Stephen W Jones FCA as the Company's Auditor.

Small company rules

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to smaller companies. It was approved by the board on 27th March 2007 and signed on its behalf.

T Chalk

Company Secretary

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
ENGLISH SKI COUNCIL LIMITED**

I have audited the financial statements of English Ski Council Limited for the year ended 31 December 2006 set out on pages 4 to 10. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) under the historical cost convention and accounting policies set out on page 6.

The report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. (United Kingdom Generally Accepted Accounting Practice)

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

I report to you whether in my opinion the information given in the Directors' Report is consistent with the financial statements.

Basis of audit opinion

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

I have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available to Small Entities, in the circumstances set out in note 14 to the financial statements.

Opinion

In my opinion

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2006 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.
- The information given in the Director's Report is consistent with the financial statements.

**King Edward House
82 Stourbridge Road
Halesowen
West Midlands B63 3UP**

**Stephen W Jones FCA
Chartered Accountant
Registered Auditor**

27 March 2007

ENGLISH SKI COUNCIL LIMITED

BALANCE SHEET

31 December 2006

	Notes	2006		2005	
		£	£	£	£
Fixed assets					
Tangible assets	2		3,005		6,867
Current assets					
Stock	3	7,387		6,865	
Debtors	4	21,919		9,459	
Cash at bank and in hand	5	<u>302,639</u>		<u>277,056</u>	
		331,945		293,380	
Creditors (amounts falling due within one year)	6	<u>(206,507)</u>		<u>(175,156)</u>	
Net current assets			<u>125,438</u>		<u>118,224</u>
Total assets less current liabilities			<u>128,443</u>		<u>125,091</u>
Reserves					
Capital reserve	8		11,803		11,803
Development reserve	8		74,279		34,279
Income and expenditure account	8		<u>42,361</u>		<u>79,009</u>
Members' funds			<u>128,443</u>		<u>125,091</u>

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 in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements on pages 4 to 10 were approved by the Board of directors on 27 March 2007 and signed on its behalf by

.....
D R Hart

.....
S G Smith

ENGLISH SKI COUNCIL LIMITED
INCOME AND EXPENDITURE ACCOUNT

31 December 2006

	Notes	2006	2005
		£	£
Income		470,600	401,328
Expenditure		<u>(476,254)</u>	<u>(423,002)</u>
Operating Deficit	9	(5,654)	(21,674)
Interest receivable		<u>9,006</u>	<u>7,753</u>
Surplus/(Deficit) on ordinary activities before taxation		3,352	(13,921)
Tax on deficit on ordinary activities	11	<u>-</u>	<u>-</u>
Surplus/(Deficit) on ordinary activities after taxation		3,352	(13,921)
Balance at 1 January 2006		<u>79,009</u>	<u>92,930</u>
Balance at 31 December 2006		<u>82,361</u>	<u>79,009</u>

Movements in reserves are set out in note 8 to the accounts

The income and expenditure account contains all the recognised gains and losses of the year. There were no material acquisitions or disposals in the year.

RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

For the year ended 31 December 2006

		2006	2005
	£	£	
Surplus/(Deficit) after taxation being the increase in reserves		3,352	(13,921)
Funds at 1 January 2006		<u>125,091</u>	<u>139,012</u>
Funds at 31 December 2006		<u>128,443</u>	<u>125,091</u>

**ENGLISH SKI COUNCIL LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

31 December 2006

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2 Cashflow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Technical equipment	25% straight line
Office equipment	25% straight line

1.4 Grants receivable

Grants receivable are credited to revenue in the same period in which the expenditure to which they relate is incurred.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value and are valued on a first in first out basis.

1.6 Foreign currency

Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date; other assets are translated at the rate of exchange as at the date of the transaction. Profits and losses on translation and conversion are included as part of the results from ordinary activities for the year unless they relate to extraordinary items when they are included as part of those items.

1.7 Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the term of the lease.

ENGLISH SKI COUNCIL LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 December 2006

2	Tangible fixed assets	Technical equipment	Office equipment	Total
	Cost	£	£	£
	At 1 January 2006	14,916	17,490	32,406
	Additions	-	607	607
	Disposals	-	-	-
	31 December 2006	<u>14,916</u>	<u>18,097</u>	<u>33,013</u>
	Depreciation			
	At 1 January 2006	12,711	12,828	25,539
	Charge in year	915	3,554	4,469
	Disposals	-	-	-
	At 31 December 2006	<u>13,626</u>	<u>16,382</u>	<u>30,008</u>
	Net book value			
	At 31 December 2006	<u>1,290</u>	<u>1,715</u>	<u>3,005</u>
	At 31 December 2005	<u>2,205</u>	<u>4,662</u>	<u>6,867</u>
3	Stock		2006	2005
			£	£
	Goods for resale		7,387	6,865
4	Debtors		2006	2005
	Due within one year		£	£
	Trade debtors		17,966	7,099
	Prepayments and accrued income		3,953	2,360
	Other debtors		-	-
			<u>21,919</u>	<u>9,459</u>
5	Cash at bank and in hand		2006	2005
			£	£
	Bank current accounts		42,580	2,100
	Cash		105	241
	Savings account		174,378	202,064
	Deposit accounts		58,235	45,261
	Alpine Championships account		23,960	25,273
	All England Championships account		<u>3,381</u>	<u>2,117</u>
			<u>302,639</u>	<u>277,056</u>

ENGLISH SKI COUNCIL LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 December 2006

6	Creditors amounts falling due within one year	2006	2005
		£	£
	Trade creditors	37,707	30,863
	Other taxes and social security costs	2,277	6,215
	Deferred income	134,749	117,597
	Accruals	<u>31,774</u>	<u>20,481</u>
		<u>206,507</u>	<u>175,156</u>

7 Share capital

The company does not have a share capital and is limited by guarantee. According to the Memorandum of Association the liability of the members is limited to a maximum of £1 each in the event of the company being wound up while a member or within one year of ceasing to be a member.

8	Reserves	2006	2005
		£	£
	Capital reserve		
	At 1 January 2006 and 31 December 2006	11,803	11,803
		<u>11,803</u>	<u>11,803</u>
	Development reserve		
	At 1 January 2006	34,279	34,279
	Transfer from income and expenditure account	<u>40,000</u>	<u>-</u>
	At 31 December 2006	<u>74,279</u>	<u>34,279</u>

Income and expenditure account

	As at 01.01.2006 £	(Deficit)/Surplus for the year £	Transfer to Dev. Reserve £	As at 31.12.2006 £
Membership support	9,550	(25,127)	-	(15,577)
Coaching	13,490	2,074	(10,000)	5,564
Alpine	31,790	15,441	(15,000)	32,231
Freestyle	2,111	1,535	-	3,645
Nordic	6,585	(1,440)	-	5,145
Schools	15,483	10,869	(15,000)	11,352
	<u>79,009</u>	<u>3,352</u>	<u>(40,000)</u>	<u>42,361</u>

The Directors have earmarked, within the Income and Expenditure account, monies available to each individual discipline to assist in the future long term planning of the company and the disciplines.

9	Operating deficit	2006	2005
		£	£
	Operating deficit is stated after charging:		
	Depreciation - owned assets	4,470	4,831
	Loss on disposal of fixed assets	-	37
	Staff costs	100,761	100,761
	Auditors' remuneration	2,520	2,272
	Operating lease rentals - land and buildings	5,117	3,000
	- other	<u>2,181</u>	<u>1,948</u>

ENGLISH SKI COUNCIL LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 December 2006

10	Directors and employees	2005	2005
	Staff costs were as follows:	£	£
	Wages and salaries including head coach	94,094	92,666
	Social security costs	<u>8,893</u>	<u>8,095</u>
		<u>102,987</u>	<u>100,761</u>

The average number of directors and employees during the year were as follows:

	No	No
Directors	7	6
Administration and organisational	<u>4</u>	<u>4</u>
	<u>11</u>	<u>10</u>

In accordance with section 4 of the Memorandum of Association no director received any remuneration for services as a director during the year.

11	Taxation	2005	2005
	Analysis of tax charge in the year	£	£
	UK corporation tax on taxable income of the year	<u>-</u>	<u>-</u>

At 1st April 2006 the zero rate band of corporation tax was removed. This had previously covered the interest received resulting in no liability to corporation tax. However the tax authorities have indicated that clubs and associations could be exempted from corporation tax on such interest received and application for exemption has currently been applied for. Therefore no provision has been made in these financial statements.

**ENGLISH SKI COUNCIL LIMITED
NOTES TO THE FINANCIAL STATEMENTS**

31 December 2006

12 Capital and financial commitments

Contracts for capital expenditure not provided for in the accounts amount to nil (31 December 2005 - nil).

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as follows:

	Buildings		Other	
	2006	2005	2006	2005
	£	£	£	£
Expiry date				
Falling in one year	-	3,000	-	-
Between 2 and 5 years	5,600	-	2,181	1,948
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13 Related Party Transactions

There have been no material transactions during the year with directors and their family members requiring disclosure.

14 APB Ethical Standard – Provisions Available For Small Entities

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

ENGLISH SKI COUNCIL LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2006

	Note	Membership support £	Coaching £	Alpine £	Freestyle £	Nordic £	Schools £	Total £
Income								
Activity income			60,912	163,185	18,916	16,478	22,984	282,475
Sports England Grants		36,109						36,109
Registration and renewals		7,613	55,687	26,014	1,798	1,518	12,699	105,329
Snowlife Awards		5,311						5,311
General office income	1	50,382						50,382
Admin charge received		90,540						90,540
		<u>189,955</u>	<u>116,599</u>	<u>189,199</u>	<u>20,714</u>	<u>17,996</u>	<u>35,683</u>	<u>570,146</u>
Expenditure								
Activity expenditure			36,857	109,131	16,385	17,380	8,225	187,978
Snowlife expenditure		3,323						3,323
General office expenditure	2	119,421						119,421
Salaries, pensions, NI & freelance		74,712		36,985				111,697
Insurances		13,484	24,198	2,283	501	385	3,569	44,420
Staff expenses		3,249						3,249
Volunteer expenses		893	1,270	2,859	403	321	420	6,166
Service charges to Head Office			52,200	22,500	1,890	1,350	12,600	90,540
		<u>215,082</u>	<u>114,525</u>	<u>173,758</u>	<u>19,179</u>	<u>19,436</u>	<u>24,814</u>	<u>566,794</u>
(Deficit)/surplus before taxation		(25,127)	2,074	15,441	1,535	(1,440)	10,869	3,352
Balance brought forward from 2005		9,550	13,490	31,790	2,111	6,585	15,483	79,009
Taxation on investment income		0	0	0	0	0	0	0
Transfer to development reserve		0	(10,000)	(15,000)	0	0	(15,000)	(40,000)
Balance carried forward to 2007		<u>(15,577)</u>	<u>5,564</u>	<u>32,231</u>	<u>3,646</u>	<u>5,145</u>	<u>11,352</u>	<u>42,361</u>

NOTE

Service charges

Total income and total expenditure as disclosed on page 5 have been adjusted by £90,540 being the adjustment required to eliminate the service charge received by head office from the activity centre.

The income and expenditure account and associated notes on pages 11 and 12 represent additional information presented to assist members in understanding the statutory accounts upon which the auditors have reported.

These pages do not form part of the statutory accounts of the company.

ENGLISH SKI COUNCIL LIMITED

1 GENERAL OFFICE INCOME

	£
Bank interest	9,006
Affiliation fees	38,856
less Regional rebates	(9,714)
Sale of goods & services	211
CRB fees	3,294
Lottery income	520
Insurance scheme income	5,841
Miscellaneous	2,368
	<u>50,382</u>

2 OTHER EXPENDITURE

	£
Rent, rates, electricity & cleaning	6,041
Telephone	5,075
Postage	13,653
Printing and stationery	9,761
Subscriptions	2,165
Equipment maintenance	1,945
Purchase of goods for resale	111
Bank charges	2,902
Professional fees	14,629
Magazine	7,793
Modernisation project	6,029
Equal opportunities	5,000
Depreciation	4,470
CRB fees & child protection	26,810
Staff training	1,088
Lottery expenditure	240
Meetings	5,376
I.T.	5,780
Ski Shows	318
Miscellaneous	236
	<u>119,421</u>

The income and expenditure account and associated notes on pages 11 and 12 represent additional information presented to assist members in understanding the statutory accounts upon which the auditors have reported.

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