

Company Number: 1517634

ENGLISH SKI COUNCIL LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2005

**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 2005.

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.

Principal activity

The principal activity of the company remains the promotion of Snowsports 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.

Review of activities and future prospects

We have increased the income from £405,545 to £407,081 as a result of the activities of the year. A payment of £5,000 (2004 - £8,500) was made from the Hardship Fund to ESC Skiers Foundation Trust. *The activities of the Company are more fully described in the 2005 Annual Report to members.*

The aim of the current year is to continue the work in developing the organisation in order to promote snowsports effectively and this within the cash flow and budgets set by the Key Committees and directors. *To assist with long term planning, individual budget centres are allowed to retain their surplus. Note 8 to the accounts shows the accumulated income and expenditure reserve that has been earmarked for the use of each budget centre.*

We appreciate the continued 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
B Spouge (appointed 14 May 2005)
D Hart (appointed 14 May 2005)
A Ashfield (resigned 14 May 2005)
G Pickles (resigned 13 May 2005)
A Telling (resigned 14 May 2005)

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 appointment of Stephen W Jones FCA to become the Company's Auditor.

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.

This report was approved by the board on 22 April 2006 and signed on its behalf.

A S Jolly
Company Secretary

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF ENGLISH SKI COUNCIL LIMITED

We have audited the financial statements of English Ski Council Limited for the year ended 31 December 2005 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. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we 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.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 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 December 2005 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS**

**CLEMENT KEYS
Chartered Accountants
Registered Auditor**

25 April 2006

ENGLISH SKI COUNCIL LIMITED

BALANCE SHEET

31 December 2005

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Tangible assets	2		6,867		9,216
Current assets					
Stock	3	6,865		6,697	
Debtors	4	9,459		11,023	
Cash at bank and in hand	5	<u>277,056</u>		<u>256,955</u>	
		293,380		274,675	
Creditors (amounts falling due within one year)	6	<u>(175,156)</u>		<u>(144,879)</u>	
Net current assets			<u>118,224</u>		<u>129,796</u>
Total assets less current liabilities			<u>125,091</u>		<u>139,012</u>
Reserves					
Capital reserve	8		11,803		11,803
Development reserve	8		34,279		34,279
Income and expenditure account	8		<u>79,009</u>		<u>92,930</u>
Members' funds			<u>125,091</u>		<u>139,012</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 22 April 2006 and signed on its behalf by

.....
C S Newell

.....
S G Smith

ENGLISH SKI COUNCIL LIMITED
INCOME AND EXPENDITURE ACCOUNT

31 December 2005

	Notes	2005	2004
		£	£
Income		399,328	400,999
Expenditure		<u>(421,002)</u>	<u>(345,389)</u>
Operating (deficit)/surplus	9	(21,674)	55,610
Interest receivable		<u>7,753</u>	<u>4,546</u>
Deficit on ordinary activities before taxation		(13,921)	60,156
Tax on deficit on ordinary activities	11	<u>-</u>	<u>82</u>
Deficit on ordinary activities after taxation			(13,921)
60,238			
Balance at 1 January 2005		<u>92,930</u>	<u>32,692</u>
Balance at 31 December 2005		<u><u>79,009</u></u>	<u><u>92,930</u></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 2005

	2005	2004
	£	£
(Deficit)/Surplus after taxation being the (decrease)/increase in reserves	(13,921)	60,238
Funds at 1 January 2005	<u>139,012</u>	<u>78,774</u>
Funds at 31 December 2005	<u><u>125,091</u></u>	<u><u>139,012</u></u>

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

31 December 2005

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 2005

2	Tangible fixed assets	Technical equipment £	Office equipment £	Total £
	Cost			
	At 1 January 2005	13,416	16,768	30,184
	Additions	1,500	1,069	2,569
	Disposals	<u>-</u>	<u>(347)</u>	<u>(347)</u>
	31 December 2005	<u>14,916</u>	<u>17,490</u>	<u>32,406</u>
	Depreciation			
	At 1 January 2005	11,795	9,173	20,968
	Charge in year	916	3,915	4,831
	Disposals	<u>-</u>	<u>(260)</u>	<u>(260)</u>
	At 31 December 2005	<u>12,711</u>	<u>12,828</u>	<u>25,539</u>
	Net book value			
	At 31 December 2005	<u>2,205</u>	<u>4,662</u>	<u>6,867</u>
	At 31 December 2004	<u>1,621</u>	<u>7,595</u>	<u>9,216</u>
3	Stock		2005 £	2004 £
	Goods for resale		<u>6,865</u>	<u>6,697</u>
4	Debtors		2005 £	2004 £
	Due within one year			
	Trade debtors		7,099	9,773
	Prepayments and accrued income		2,360	1,168
	Other debtors		<u>-</u>	<u>82</u>
			<u>9,459</u>	<u>11,023</u>
5	Cash at bank and in hand		2005 £	2004 £
	Bank current accounts		2,100	(6,095)
	Cash		241	27
	Savings account		202,064	210,419
	Deposit accounts		45,261	38,670
	Alpine Championships account		25,273	13,480
	All England Championships account		<u>2,117</u>	<u>454</u>
			<u>277,056</u>	<u>256,955</u>

ENGLISH SKI COUNCIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2005

6	Creditors amounts falling due within one year	2005	2004
		£	£
	Trade creditors	27,406	26,263
	Other taxes and social security costs	6,215	7,560
	Deferred income	121,054	90,261
	Accruals	<u>20,481</u>	<u>20,795</u>
		175,156	144,879
		<u><u> </u></u>	<u><u> </u></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	2005	2004
		£	£
	Capital reserve		
	At 1 January 2005 and 31 December 2005	11,803	11,803
		<u> </u>	<u> </u>
	Development reserve		
	At 1 January 2005 and 31 December 2005	34,279	34,279
		<u><u> </u></u>	<u><u> </u></u>

Income and expenditure account

	As at (Deficit)/Surplus	As at	
	01.01.2005	for the year	31.12.2005
	£	£	£
Membership support	33,181	(23,630)	9,551
Coaching	12,110	1,380	13,490
Alpine	27,194	4,596	31,790
Freestyle	4,476	(2,365)	2,111
Nordic	4,177	2,407	6,584
Schools	<u>11,792</u>	<u>3,691</u>	<u>15,483</u>
	92,930	(13,921)	79,009
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></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	2005	2004
	Operating deficit is stated after charging:	£	£
	Depreciation - owned assets	4,831	4,372
	Loss on disposal of fixed assets	37	-
	Staff costs	100,761	68,304
	Auditors' remuneration	2,000	4,000
	Operating lease rentals - land and buildings	3,000	3,000
	- other	1,948	1,737
		<u><u> </u></u>	<u><u> </u></u>

ENGLISH SKI COUNCIL LIMITED
NOTES TO THE FINANCIAL STATEMENTS

31 December 2005

10	Directors and employees	2005	2004
	Staff costs were as follows:	£	£
	Wages and salaries including head coach	92,666	64,116
	Social security costs	<u>8,095</u>	<u>4,188</u>
		<u>100,761</u>	<u>68,304</u>

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

	No	No
Directors	5	6
Administration and organisational	<u>4</u>	<u>4</u>
	9	10
	<u> </u>	<u> </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	2004
	Analysis of tax charge in the year	£	£
	Current tax (see note below)		
	UK corporation tax on taxable income of the year	-	(82)
		<u> </u>	<u> </u>

Factors affecting tax charge for year

The tax assessed is lower than the standard rate of corporation tax in the UK (10%). The differences are explained below:

	2005	2004
	£	£
Income from taxable sources	7,753	4,546
	<u> </u>	<u> </u>
Income from taxable sources multiplied by the relevant standard rate of corporation tax in the UK of Nil% (2004 – Nil%)		-
Tax deducted at source	-	(82)
	<u> </u>	<u> </u>
Current tax charge for the year	-	(82)
	<u> </u>	<u> </u>

There were no factors that may affect future tax charges.

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

31 December 2005

12 Capital and financial commitments

Contracts for capital expenditure not provided for in the accounts amount to nil (31 December 2004 - nil).

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Buildings		Other	
	2005	2004	2005	2004
	£	£	£	£
Expiry date				
Falling in one year	3,000	-	-	-
Between 2 and 5 years	-	3,000	1,948	1,948
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The lease in respect of buildings remains under review.

13 Related Party Transactions

During the year the following directors and their family members received fees for work undertaken on behalf of English Ski Council Limited:

A Ashfield - £191 (2004 : £1,300)
N Matthews - £171 (2004 : £306)

ENGLISH SKI COUNCIL LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2005

	Note	Membership support £	Coaching £	Alpine £	Freestyle £	Nordic £	Schools £	Total £
Income								
Activity income			47,283	140,096	2,099	15,616	12,266	217,360
Sports England Grants		20,885	2,875	6,930	1,875	500	500	33,565
Registration and renewals		6,174	56,408	25,292	1,820	1,642	8,610	99,946
Snowlife Awards		3,461						3,461
General office income	1	52,749						52,749
Admin charge received		78,000						78,000
		<u>161,269</u>	<u>106,566</u>	<u>172,318</u>	<u>5,794</u>	<u>17,758</u>	<u>21,376</u>	<u>485,081</u>
Expenditure								
Activity expenditure			28,422	114,109	5,969	14,332	7,371	170,203
Snowlife expenditure		1,830						1,830
General office expenditure	2	82,910						82,910
Salaries, pensions, NI & freelance		79,863		28,216				108,079
Insurances		14,433	26,202	4,043	246	37	3,834	48,795
Staff expenses		4,637						4,637
Volunteer expenses		1,226	762	1,254	244	282	780	4,548
Service charges to Head Office			49,800	20,100	1,700	700	5,700	78,000
		<u>184,899</u>	<u>105,186</u>	<u>167,722</u>	<u>8,159</u>	<u>15,351</u>	<u>17,685</u>	<u>499,002</u>
(Deficit)/surplus before taxation		(23,630)	1,380	4,596	(2,365)	2,407	3,691	(13,921)
Balance brought forward from 2004		33,181	12,110	27,194	4,476	4,177	11,792	92,930
Taxation on investment income		0	0	0	0	0	0	0
Balance carried forward to 2006		<u>9,551</u>	<u>13,490</u>	<u>31,790</u>	<u>2,111</u>	<u>6,584</u>	<u>15,483</u>	<u>79,009</u>

NOTE

Service charges

Total income and total expenditure as disclosed on page 5 have been adjusted by £78,000 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.

2 OTHER EXPENDITURE

	£
Rent, rates, electricity & cleaning	6,172
Telephone	3,340
Postage	9,811
Printing and stationery	10,653
Subscriptions	294
Equipment maintenance	1,019
Purchase of goods for resale	272
Bank charges	1,409
Professional fees	4,495
Recruitment expenses	1,918
Club insurances	2,590
Magazine	5,211
Modernisation project	9,780
Equal opportunities	5,000
Depreciation and loss on disposals	4,750
CRB fees & child protection	7,707
Staff training	135
Lottery expenditure	509
Meetings	4,941
I.T.	1,694
Ski Shows	868
Miscellaneous	342
	<u>82,910</u>

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