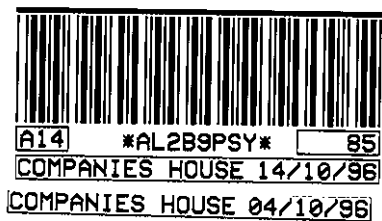


LUDLOW RACE CLUB LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 1995

Company No. 508758



LUDLOW RACE CLUB LIMITED

AUDITORS REPORT TO THE MEMBERS
LUDLOW RACE CLUB LIMITED

TO THE DIRECTORS OF LUDLOW RACE CLUB LIMITED PURSUANT TO PARAGRAPH 24 OF
SCHEDULE 8 TO THE COMPANIES ACT 1985, AS AMENDED.

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of Ludlow Race Club Limited for the year ended 31st December 1995. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 as amended, to the exemptions conferred by Section A Part III of Schedule 8 to that Act in respect of the year ended 31st December 1995 and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with that schedule.

On the 8th May 1996 we reported, as auditors of Ludlow Race Club Limited to the members on the full financial statements prepared under section 226 of the Companies Act 1985, as amended, for the year ended 31st December 1995 and our audit report was as follows:

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 and 9.

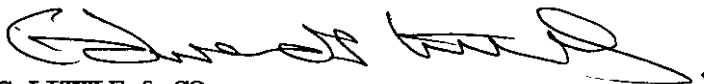
As described on page 4 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion based on our audit on these statements and to report our opinion to you.

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 evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud and other irregularity or error.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st December 1995 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



EDWARDS LITTLE & CO.
Registered Auditor,
Chartered Accountants,
Hereford.

8th May 1996.

LUDLOW RACE CLUB LIMITED

ABBREVIATED BALANCE SHEET
YEAR ENDED 31ST DECEMBER 1995

	Notes	1995	1994
		£	£
FIXED ASSETS			
Tangible assets	2	1,053,430	1,044,853
Investments	3	16	16
		-----	-----
		1,053,446	1,044,869
CURRENT ASSETS			
Debtors		37,061	47,029
Cash at bank and in hand		591	189
		-----	-----
		37,652	47,218
CURRENT LIABILITIES			
Creditors - amounts falling due within one year		(93,564)	(103,207)
		-----	-----
NET CURRENT (LIABILITIES)		(55,912)	(55,989)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		997,534	988,880
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	4	(45,418)	(48,000)
ACCRUALS AND DEFERRED INCOME		(358,860)	(338,226)
		-----	-----
NET ASSETS		£593,256	£602,654
		=====	=====
CAPITAL AND RESERVES			
Profit and loss account		474,905	497,793
Other Reserves		118,351	104,861
		-----	-----
		£593,256	£602,654
		=====	=====

Advantage has been taken of the exemptions conferred by Section A, Part III Schedule 8 to the Companies Act 1985, as amended on the grounds that in the directors opinion the company is a small company as defined.

The financial statements on pages 2 to 5 were approved by the Board of Directors on 7th May 1996 and signed on its behalf by:

M.P. Wiggin

)
) Directors

P. Bengough

)

M. P. Wiggin
P. Bengough

The notes on pages 3 to 5 form part of these financial statements.

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

The principal accounting policies of the company are as follows:

a) Basis of accounting

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

b) Turnover

Turnover consists of Club membership, Raceday, Betting Shop and Royalty Fund Income.

c) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation except as stated below.

Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives at the following annual rates and methods:

Freehold Property	- Nil
Short term leasehold Property	- Straight line over the lease term
Fixtures and Fittings, Tools and Equipment	- 20% per annum reducing balance
Plant and Machinery including vehicles	- 25% per annum reducing balance

The directors are of the opinion that the residual value of the freehold property is not less than cost and that therefore the depreciation charge per annum is £Nil.

d) Capital Grants

Capital Grants are received from the Horserace Betting Levy Board (HBLB) and Others in respect of Capital Expenditure.

Capital Grants received are taken to the grant account. Credits are made to the profit and loss account by equal annual instalments over a period which on average matches the period over which the relevant fixed assets are depreciated.

An amount equal to the credits so made is transferred from the profit and loss account to the grant reserve.

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES (continued)

e) Leases

Leasing charges in respect of operating leases are recognised in the profit and loss account over the lives of the lease agreements using the straight line method.

Rental Income due from operating leases is included in the Profit and Loss account on a straight line basis over the period of the lease.

f) Investments

Investments are stated at cost.

g) Deferred taxation

No provision is made for deferred taxation, as the company has an excess of losses available for offset against future profits.

h) Pension Scheme

The Company operates a defined contribution pension scheme for its permanent staff. Contributions payable in the year are charged in the profit and loss account.

2. TANGIBLE FIXED ASSETS

The movement on these accounts during the year was as follows:

	Freehold Property	Shortterm Leasehold Improvements	Plant & Machinery	Fixture & Fittings	Total
<u>COST</u>	£	£	£	£	£
Beginning of Year	15,000	1,024,145	15,629	112,441	1,167,215
Additions	-	34,224	388	2,458	37,070
	-----	-----	-----	-----	-----
	15,000	1,058,369	16,017	114,899	1,204,285
	-----	-----	-----	-----	-----
<u>ACCUMULATED DEPRECIATION</u>					
Beginning of Year	-	50,054	10,785	61,523	122,362
Charge for the Year	-	16,509	1,308	10,676	28,493
	-----	-----	-----	-----	-----
End of Year	-	66,563	12,093	72,199	150,855
	=====	=====	=====	=====	=====
<u>NET BOOK VALUE</u>					
Beginning of Year	15,000	974,091	4,844	50,918	1,044,853
	=====	=====	=====	=====	=====
End of Year	15,000	991,806	3,924	42,700	1,053,430
	=====	=====	=====	=====	=====

NOTES AND ACCOUNTING POLICIES
YEAR ENDED 31ST DECEMBER 1995

3. INVESTMENTS

a) These comprised:

	1995	1994
	£	£
Quoted Investments	-	-
Unquoted Investments	16	16
	-----	-----
	£ 16	£ 16
	=====	=====

b) The Quoted Securities were repaid in November 1994 for £7,135.93. The market value in 1993 was £7,379.

c) The client has an interest amounting to 0.776% in the holding by the Racecourse Association Limited of 9.9% of the Issued Share Capital of Satellite Information Systems Limited which is held in trust for its members on the terms set out in the relevant Trust Deeds.

4. CREDITORS

Included in creditors falling due for payment after one year that are repayable by instalments are the following aggregate of instalments due:

	1995	1994
Within two to five years	£45,418	£48,000
	=====	=====
After five years	£ Nil	£ Nil
	=====	=====