

**Company Registration No. 607589**

**Windsor (Sporting Investments)  
Limited**

**Report and Financial Statements**

**30 December 2003**



# **Windsor (Sporting Investments) Limited**

## **Report and financial statements 2003**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>4</b>
<b>Independent auditors' report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the accounts</b>	<b>8</b>

# **Windsor (Sporting Investments) Limited**

## **Report and financial statements 2003**

### **Officers and professional advisers**

#### **Directors**

Mr W L Haygarth  
Mr D Lowrey  
Mr T D Singer  
Mr I J Spearing  
Mr S Wasani

#### **Secretary**

Ms A Macqueen

#### **Registered office**

15 Mark Lane  
Leeds LS1 8LB

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
London

# **Windsor (Sporting Investments) Limited**

## **Directors' report**

The directors present their report and audited financial statements for the 52 week period ended 30 December 2003.

### **Principal activity**

The principal activity of the Company is that of an intermediate holding company. The Company is a subsidiary of William Hill PLC, which together with other subsidiaries of that company forms the William Hill Group of companies ("the Group").

### **Review of business developments and future activities**

The Company's affairs and trading results for the period are shown in the attached financial statements.

On 17 June 2003, the Company paid an interim dividend of £60,000,000 (2002: £70,000,000). The directors do not recommend payment of a final dividend (2002: £nil).

### **Directors**

The present membership of the Board of Directors is set out on page 1.

The directors who served throughout the period and subsequently are:

Mr W L Haygarth  
Mr D Lowrey  
Mr T D Singer  
Mr I J Spearing  
Mr S Wasani

The directors' interests in the shares and rights to subscribe for shares in the Company's ultimate parent company (William Hill PLC) are disclosed in the financial statements of William Hill Organization Limited. Neither the directors nor the secretary had any interests in the share capital of the Company or any other Group company (except as disclosed in the accounts of William Hill Organization Limited) at any time during the period.

### **Terms of payment**

The Company has made no trade purchases during the current financial period and therefore the number of creditor days outstanding is not presented.

# **Windsor (Sporting Investments) Limited**


## **Directors' report**

### **Auditors**

On 1 August 2003 Deloitte & Touche transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP under the provisions of section 26(5) of the Companies Act 1989.

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



S Wasani

Director

20 August 2004

## **Windsor (Sporting Investments) Limited**

### **Statement of directors' responsibilities**

United Kingdom company law requires the directors to prepare financial statements for each financial period which *give a true and fair view of the state of affairs of the Company as at the end of the financial period 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;

state whether applicable accounting standards have been followed; and

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 the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report to the members of Windsor (Sporting Investments) Limited**

We have audited the financial statements of Windsors (Sporting Investments) Limited for the 52 weeks ended 30 December 2003 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This 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 auditors' 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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above period and consider the implications for our report if we become aware of any apparent misstatements.

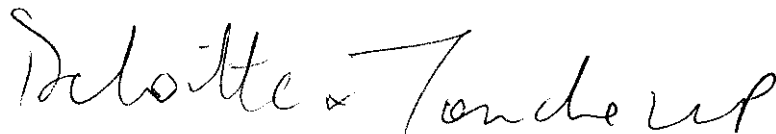
### **Basis of audit opinion**

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 30 December 2003 and of its profit for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.



**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors  
London

31 August 2004

## Windsor (Sporting Investments) Limited

### Profit and loss account

52 week period ended 30 December 2003

	Note	52 week period ended 30 December 2003 £'000	52 week period ended 31 December 2002 £'000
Income from fixed asset investments	4	60,000	70,000
<b>Profit on ordinary activities before taxation</b>		60,000	70,000
Tax on profit on ordinary activities	5	-	-
<b>Profit on ordinary activities after taxation</b>		60,000	70,000
Dividends payable	6	(60,000)	(70,000)
<b>Result for the period</b>		-	-

There have been no recognised gains or losses or movements in shareholders' funds other than those included in the profit and loss account for the current and preceding financial periods and accordingly no statement of total recognised gains or losses has been presented.

All transactions in the current and preceding financial periods are attributable to continuing activities.

There have been no net movements in reserves or shareholders' funds during the period.



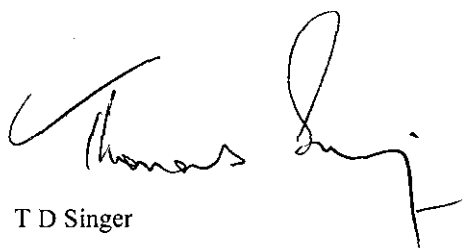
# Windsor (Sporting Investments) Limited

## Balance sheet 30 December 2003

	Note	30 December 2003 £'000	31 December 2002 £'000
<b>Fixed assets</b>			
Investments	7	205,000	205,000
<b>Current assets</b>			
Debtors	8	98,899	98,899
<b>Net current assets</b>		98,899	98,899
<b>Net assets</b>		303,899	303,899
<b>Capital and reserves</b>			
Called up share capital	10	302,236	302,236
Profit and loss account		1,663	1,663
		303,899	303,899
<b>Shareholders' funds</b>			
Shareholders' funds are attributable to:			
Equity shareholders		277,263	277,263
Non-equity shareholders		26,636	26,636
		303,899	303,899

These financial statements were approved by the Board of Directors on 20 August 2004.

Signed on behalf of the Board of Directors



T D Singer  
Director



S Wasani  
Director

# **Windsor (Sporting Investments) Limited**

## **Notes to the accounts**

**52 week period ended 30 December 2003**

### **1. Accounting policies**

The significant accounting policies of the Company are as follows:

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention.

A cash flow statement, as required by Financial Reporting Standard ("FRS") 1 (Revised), has not been prepared as the Company is a wholly owned subsidiary of William Hill PLC, a company incorporated in Great Britain and the consolidated accounts of William Hill PLC include a cash flow statement in the form prescribed by FRS 1 (see note 11).

These financial statements present information about the individual Company and not about its Group. The Company has not prepared group accounts as, in accordance with S228 of the Companies Act 1985, the Company is a wholly owned subsidiary of another company incorporated in Great Britain (see note 11).

#### **Fixed asset investments**

Investments are stated at cost less provision, if any, for any impairment.

#### **Tax**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

## Windsor (Sporting Investments) Limited

### Notes to the accounts

#### 52 week period ended 30 December 2003

##### 2. Staff costs

There were no employees of the Company in either the current or preceding financial periods.

The directors of the Company are also directors of other trading and holding companies within the Group and it is not practicable to allocate their remuneration for the current or preceding period between their services to each company. Therefore details of their remuneration, for the 52 week period ended 30 December 2003 and the 52 week period ended 31 December 2002 are disclosed in the financial statements of William Hill Organization Limited.

	52 week period ended 30 December 2003 No.	52 week period ended 31 December 2002 No.
The number of directors who are members of: Defined benefit pension scheme	<u>5</u>	<u>5</u>

Disclosures in respect of the defined benefit pension scheme, which has a deficit at 30 December 2003 of £31,727,000 (2002: £27,949,000), are provided in the financial statements of William Hill Organization Limited.

##### 3. Auditors' remuneration

Auditors' remuneration is borne by a fellow subsidiary of William Hill PLC, William Hill Organization Ltd, and is disclosed in the financial statements of that company.

##### 4. Income from fixed asset investments

	52 week period ended 30 December 2003 £'000	52 week period ended 31 December 2002 £'000
Income from shares in subsidiary undertakings	<u>60,000</u>	<u>70,000</u>

# Windsor (Sporting Investments) Limited

## Notes to the accounts

### 52 week period ended 30 December 2003

#### 5. Tax on profit on ordinary activities

The Company has not traded during the current and preceding period and hence no provision for taxation has been made.

	52 week period ended 30 December 2003 £'000	52 week period ended 31 December 2002 £'000
<b>Reconciliation to current tax charge:</b>		
Profit before taxation	60,000	70,000
Dividends payable	(60,000)	(70,000)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Tax at 30% (31 December 2002: 30%)	-	-
	<hr/>	<hr/>
Current tax charge for the period	-	-
	<hr/>	<hr/>

#### 6. Dividends payable

	52 week period ended 30 December 2003 £'000	52 week period ended 31 December 2002 £'000
Equity shares:		
Interim dividend paid of £0.01089 per share (2002 - £0.01270 per share)	60,000	70,000
	<hr/>	<hr/>

#### 7. Investments held as fixed assets

	£'000
At 1 January 2003 and 30 December 2003:	
Investments in subsidiaries at cost and net book value	205,000
	<hr/>

In the directors' opinion, the value of the Company's total investments in its subsidiaries is not less than the amounts at which they are stated in the balance sheet.

The principal subsidiaries, all of which are incorporated in Great Britain, ownership of their share capital and the nature of their trade are listed below:

	Proportion of all classes of issued share capital owned by the Company	Nature of trade
William Hill (Southern) Limited	100%	Betting services
William Hill (North Eastern) Limited	100%	Betting services
William Hill (North Western) Limited	100%	Betting services
William Hill Credit Limited	100%	Betting services
William Hill (Caledonian) Limited	100%	Betting services
William Hill (Football) Limited	100%	Betting services

# Windsor (Sporting Investments) Limited

## Notes to the accounts

52 week period ended 30 December 2003

### 8. Debtors

	30 December 2003 £'000	31 December 2002 £'000
Amounts owed by Group undertakings	98,899	98,899

### 9. Deferred taxation

	Unprovided 30 December 2003 £'000	31 December 2002 £'000
Deferred taxation: Tax losses	(10,110)	(10,110)

The deferred taxation asset has been computed at 30% (2002 – 30%).

### 10. Called up share capital

	30 December 2003 £'000	31 December 2002 £'000
<b>Authorised:</b>		
5,513,000,000 ordinary shares of 5p each	275,650	275,650
150,000,000 deferred ordinary shares of £1 each	150,000	150,000
	<u>425,650</u>	<u>425,650</u>
<b>Called up, allotted and fully paid:</b>		
5,512,000,000 ordinary shares of 5p each	275,600	275,600
26,636,302 deferred ordinary shares of £1 each	26,636	26,636
	<u>302,236</u>	<u>302,236</u>

Holders of the deferred shares are not entitled to receive any dividend or other distribution. The shares have no voting rights and do not entitle the holders to a return on capital, on a winding up of the Company or otherwise, other than the return of the amount paid up in respect thereof. The Company may cancel all or any of the deferred shares in accordance with the Companies Act 1985 without making any payment thereof or obtaining the consent of the holders thereof.

## **Windsor (Sporting Investments) Limited**

### **Notes to the accounts**

#### **52 week period ended 30 December 2003**

##### **11. Ultimate parent company and related party transactions**

The Company is taking advantage of the exemption granted by paragraph 3(c) of FRS 8, Related Party Disclosures, not to disclose transactions with companies within the William Hill PLC Group which are related parties.

At the balance sheet date, the Company's ultimate parent company and controlling party was William Hill PLC, a company incorporated in Great Britain. The Company's immediate parent company and controlling entity is William Hill Organization Limited, a company incorporated in Great Britain.

The parent company of the largest and smallest groups for which group accounts are prepared of which this Company is a member is William Hill PLC, a company incorporated in Great Britain.

Copies of the financial statements of William Hill PLC and William Hill Organization Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

##### **12. Contingent liabilities**

The Company has jointly and severally together with a number of other fellow subsidiaries of the William Hill PLC Group given a guarantee in respect of the Group's obligations under the £660 million Facility Agreement between William Hill PLC and Barclays Capital, Deutsche Bank AG London and The Royal Bank of Scotland PLC. At 30 December 2003 the outstanding borrowings guaranteed were £410 million (2002 - £515 million).