

1304849

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**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

HOLDING COMPANY'S STATUTORY INFORMATION

YEAR ENDED 31 MARCH 1995

Company Number:

1304849

Director:

B C Ecclestone

Secretary:

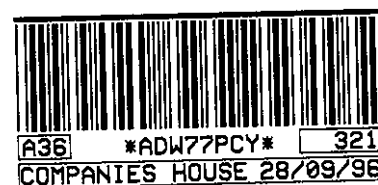
M H Andani

Registered Office:

14/16 Great Portland Street
London W1N 6BL

Registered Auditors:

Blinkhorns
14/16 Great Portland Street
London W1N 6BL



FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED AND SUBSIDIARIES

DIRECTOR'S REPORT

The director submits his report and consolidated financial statements for the year ended 31 March 1995.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activities of the group during the year were those of promoting, organising and administering motorsport world-wide.

The group performed satisfactorily during the year and the director considered the group to be in a reasonable trading position at the balance sheet date.

SUBSIDIARY COMPANIES

The holding company owns the whole of the issued share capital of the following:

1. Motor Racing Developments Corporation - a company formed in the U.S.A. in 1983 to facilitate aircraft registration formalities but which has not otherwise operated to date, and has been excluded from these financial statements.
2. International Race Tire Service Limited - a non-trading UK company, which has been excluded from these financial statements.
3. Formula One Race Car Engineering Limited - a non-trading UK company, which has been excluded from these financial statements.
4. General Promotions Inc., and its wholly-owned subsidiary GP Racing Services Inc., were incorporated in the USA on 29 March 1989 in order to facilitate promotion of the US Grand Prix. These companies did not trade during the year to 31 March 1995, and have been excluded from these financial statements.
5. Long / Dilamarter Inc., a non-trading USA Corporation, which has been excluded from these financial statements.
6. Formel Eins Gesellschaft Fur Motorsport MBH, a German company, was acquired on 23 August 1990 in order to facilitate promotion of the German Grand Prix. Gesellschaft Fur Motorradrennsport MBH, a German company, is a wholly owned subsidiary of Formel Eins Gesellschaft Fur Motorsport MBH, and was formed on 13 May 1992 in order to facilitate promotion of the German Motor Cycle Grand Prix. The results of these companies are included in these financial statements.
7. Racing Francorchamps Promotion SPRL, a Belgian company, was acquired on 23 August 1990 in order to facilitate promotion of the Belgian Grand Prix, and the results for which are included in these financial statements.

FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED AND SUBIDIARIES

DIRECTOR'S REPORT (CONTINUED)

SUBSIDIARY COMPANIES (CONTINUED)

8. FOCA World Travel Limited - a UK company, was acquired on 4 August 1994 in order to organise travel facilities related to motorsport, and the results for which are included in these financial statements.

The holding company also owns 75% of the issued share capital of the following:

1. Hungarian Formula One Grand Prix KFT, a Hungarian company, was formed on 23 April 1991 in order to facilitate promotion of the Hungarian Grand Prix. The results for the year ended 31 December 1994 have been included in these financial statements as all Hungarian companies are required to produce financial statements for calendar years only. There were no material transactions in this company between 1 January 1995 and 31 March 1995.

FUTURE DEVELOPMENTS

The director expects the group's activities to continue at a similar level during the foreseeable future.

EVENTS SINCE THE END OF THE YEAR

There have been no events since the balance sheet date which affect the state of affairs shown in these financial statements.

FIXED ASSETS

The changes in fixed assets are shown in notes 9, 10, 11 and 12 to these financial statements.

RESULTS AND DIVIDENDS

The results for the year under review are summarised in the profit and loss account on page 7.

The director does not recommend the payment of a dividend for the year.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES****DIRECTOR'S REPORT (CONTINUED)****DIRECTOR**

Mr B C Ecclestone, the Executive Chairman of the holding company, was the only Director to serve as a Director during the year. His interest in the share capital of the holding company (all beneficially held) was as follows:

	<u>Ordinary shares of £1 each</u>	
	31 March 1995 Number	1 April 1994 Number
B C Ecclestone	99	99

DONATIONS

During the year the group made various charitable contributions totalling £14,032.

AUDITORS

The Registered Auditors, Messrs. Blinkhorns, have indicated their willingness to accept re-appointment under Section 385 of the Companies Act 1985.

By the order of the board.



M H Andani
Secretary

25 September 1996

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and to enable him to ensure that the financial statements comply with Companies Act 1985. He is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF

FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED

We have audited the consolidated financial statements on pages 7 to 23 which have been prepared under the historical cost convention and the accounting policies set out on pages 11 and 12.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS

As described on page 5, the group's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 mis-statement, 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 affairs of the company and the group at 31 March 1995 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Blinkhorns
14 / 16 Great Portland Street
London W1N 6BL

26 September 1996

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1995

	NOTES	1995	1994
		£	£
TURNOVER	2	50,543,155	43,710,416
Cost of Sales		<u>14,604,920</u>	<u>9,862,854</u>
GROSS PROFIT		35,938,235	33,847,562
Establishment expenses		395,136	516,954
Administrative expenses		<u>38,023,255</u>	<u>36,066,984</u>
		(38,418,391)	(36,583,938)
Other operating income		1,361,097	1,793,069
OPERATING LOSS	3	<u>(1,119,059)</u>	<u>(943,307)</u>
Interest receivable and similar income	5	1,588,901	1,401,279
Interest payable	6	<u>45,828</u>	<u>(36,762)</u>
		1,543,073	1,364,517
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		424,014	421,210
Tax on profit on ordinary activities	7	<u>512,700</u>	<u>258,951</u>
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(88,686)	162,259
MINORITY INTEREST		97,973	(66,373)
Retained Profit for the year	19	<u>9,287</u>	<u>95,886</u>

All gains and losses for the period have been recognised in arriving at the profit for the year. All amounts relate to continuing activities.

The attached notes form part of these financial statements.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**
CONSOLIDATED BALANCE SHEET
AT 31 MARCH 1995

	NOTES	1995		1994	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		5,185,578		4,847,785
Investments	11		565,765		233,072
			<u>5,751,343</u>		<u>5,080,857</u>
CURRENT ASSETS					
Debtors	13	21,916,885		19,670,600	
Cash at bank and in hand		<u>39,207,066</u>		<u>18,962,714</u>	
		61,123,951		38,633,314	
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	15	<u>52,438,586</u>		<u>29,306,768</u>	
			8,685,365		9,326,546
			<u>14,436,708</u>		<u>14,407,403</u>
NET ASSETS					
			<u>14,436,708</u>		<u>14,407,403</u>
REPRESENTED BY					
CAPITAL AND RESERVES					
Called up share capital	18		100		100
Profit and loss account	19		14,396,916		14,262,673
			<u>14,397,016</u>		<u>14,262,773</u>
Reserve on consolidation			100,540		100,540
Minority Interest			(60,848)		44,090
SHAREHOLDERS' FUNDS	20		<u>14,436,708</u>		<u>14,407,403</u>

The financial statements were approved by the sole director on 25 September 1996.

B C ECCLESTONE - DIRECTOR

The attached notes form part of these financial statements.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

HOLDING COMPANY'S BALANCE SHEET

AT 31 MARCH 1995

	NOTES	1995		1994	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		4,823,194		4,594,716
Investments	12		<u>575,293</u>		<u>242,598</u>
			5,398,487		4,837,314
CURRENT ASSETS					
Debtors	13	19,546,851		19,426,899	
Cash at bank and in hand		<u>29,313,127</u>		<u>15,554,865</u>	
		48,859,978		34,981,764	
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	15	<u>38,773,841</u>		<u>25,788,961</u>	
			10,086,137		9,192,803
NET ASSETS			<u>15,484,624</u>		<u>14,030,117</u>
REPRESENTED BY					
CAPITAL AND RESERVES					
Called up share capital	18		100		100
Profit and loss account	19		15,484,524		14,030,017
SHAREHOLDERS' FUNDS	20		<u>15,484,624</u>		<u>14,030,117</u>

The financial statements were approved by the sole director on 25 September 1996

B C ECCLESTONE - DIRECTOR

The attached notes form part of these financial statements.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 1995

	NOTES	1995	1994
		£	£
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	21	20,394,092	(20,646,619)
RETURN ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		1,588,901	1,401,279
Interest paid		(45,828)	(36,762)
Minority Interest's share of loss / (profit) for the year		<u>97,973</u>	<u>(66,373)</u>
		1,641,046	1,298,144
TAXATION			
Corporation tax paid		(273,674)	(785,020)
INVESTING ACTIVITIES			
Purchase of investments		(332,693)	(54,602)
Purchase of tangible fixed assets		(1,235,438)	(1,156,936)
Sale of tangible fixed assets		<u>350</u>	<u>1,706,510</u>
		<u>(1,567,781)</u>	<u>494,972</u>
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	22	20,193,683	(19,638,523)

The attached notes form part of these financial statements.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

COMPLIANCE WITH ACCOUNTING STANDARDS

The financial statements have been prepared in accordance with applicable accounting standards. There were no material departures from those standards.

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and also have been consistently applied within the same financial statements.

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

The effect of events relating to the year ended 31 March 1995 which occurred before the date of approval of the financial statements by the sole Director, have been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 1995 and for the results for the year ended on that date.

BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Formula One Promotions and Administration Limited and all of its active subsidiaries.

All accounts are made up to 31 March, with the exception of the Hungarian subsidiary, whose accounts are made up to 31 December in accordance with Hungarian legislation.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

1. ACCOUNTING POLICIES (continued)

Depreciation

Depreciation is provided on all tangible assets, other than land and buildings within the UK, at the following annual rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life:

Aircraft	- over 10 years on a straight line basis.
Plant and equipment	- between 14 1/2% to 33 1/3% straight line basis and 20% and 25% reducing balance basis.
Motor Vehicles	- 25% and 33 1/3% reducing balance basis, and 20% straight line basis.
Improvements to Leasehold Premises outside the UK	- 6% straight line basis.

Foreign Currency Translation

Foreign currency transactions in the holding company are translated into sterling at the rates prevailing at the date of the transaction, but the trading results of overseas subsidiaries are translated at the rates prevailing at the balance sheet date.

Assets and liabilities expressed in foreign currencies are translated into sterling at the rates prevailing at the balance sheet date. Exchange adjustments arising from the retranslation of the opening fixed assets are taken to reserves. All other exchange differences are taken into account in determining profit on ordinary activities before taxation.

2. TURNOVER

Turnover represents the total amount of net revenue receivable from motor car and motor cycle racing promotion, related television coverage and ancillary foreign currency trading.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	1995 £	1994 £
3. OPERATING LOSS		
This is stated after charging / (crediting):		
Director's remuneration	600,000	29,364,855
Director's benefits in kind	36,021	33,128
Director's social security costs	61,200	3,033,883
Auditors remuneration - audit fees	92,293	89,451
- in other capacities	19,752	40,701
Depreciation of owned assets	857,895	806,152
Loss / (profit) on disposal of fixed assets	8,748	(560,795)
Loss on exchange	<u>1,176,553</u>	<u>31,620</u>

The executive duties of the Chairman were mainly discharged outside of the United Kingdom, Paragraph 3 of Part I of Schedule 6 to the Companies Act 1985 applies.

4. STAFF COSTS

	Number	Number
Average number of persons employed during the year	<u>71</u>	<u>68</u>
The aggregate payroll costs of these persons were as follows:	£	£
Wages and salaries	1,890,292	30,432,466
Social security costs	<u>387,897</u>	<u>3,170,488</u>
	<u>2,278,189</u>	<u>33,602,954</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	1995 £	1994 £
5. INTEREST RECEIVABLE		
Bank deposit account	<u>1,588,901</u>	<u>1,401,279</u>
6. INTEREST PAYABLE		
Bank loans and overdrafts	<u>45,828</u>	<u>36,762</u>
7. TAX ON PROFIT ON ORDINARY ACTIVITIES		
Corporation tax:		
Based on the profit for the year at 33%	689,804	264,328
(Under) / over provided in respect of prior years	32,591	(5,136)
Interest received	(10,648)	(241)
Refund due to losses	(199,047)	-
	<u>512,700</u>	<u>258,951</u>

**8. FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
PROFIT AND LOSS ACCOUNT**

Formula One Promotions and Administration Limited has not presented its own profit and loss account as permitted by Section 230(1) of the Companies Act 1985.

Included in the consolidated loss for the financial year is a profit dealt with in the accounts of the parent undertaking relating to the year of £1,454,507 (1994 loss - 325,827)

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

9(A) TANGIBLE FIXED ASSETS - GROUP

	Aircraft £	Motor Vehicles £	TV Production Equipment £	Plant and Equipment £	Total £
Cost:					
1 April 1994	1,657,459	478,791	3,020,943	903,450	6,060,643
Additions	-	114,000	630,508	142,506	887,014
Disposals	-	-	(12,875)	(15,514)	(28,389)
Exchange adjustment	-	2,168	-	22,495	24,663
31 March 1995	<u>1,657,459</u>	<u>594,959</u>	<u>3,638,576</u>	<u>1,052,937</u>	<u>6,943,931</u>
Depreciation:					
1 April 1994	211,491	257,903	1,490,464	596,728	2,556,586
Provided during the year	105,746	83,772	538,471	115,240	843,229
Disposals	-	-	(6,774)	(12,517)	(19,291)
Exchange adjustment	-	(1,171)	-	13,003	11,832
31 March 1995	<u>317,237</u>	<u>340,504</u>	<u>2,022,161</u>	<u>712,454</u>	<u>3,392,356</u>
Net book value:					
31 March 1995	<u>1,340,222</u>	<u>254,455</u>	<u>1,616,415</u>	<u>340,483</u>	<u>3,551,575</u>
31 March 1994	<u>1,445,968</u>	<u>220,888</u>	<u>1,530,479</u>	<u>306,722</u>	<u>3,504,057</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

9(B). TANGIBLE FIXED ASSETS - HOLDING COMPANY

	Aircraft	Motor vehicles	TV Production Equipment	Office Equipment	Total
	£	£	£	£	£
Cost:					
1 April 1994	1,657,459	437,567	3,020,943	753,252	5,869,221
Additions	-	114,000	630,508	122,392	866,900
Disposals	-	-	(12,875)	(15,514)	(28,389)
31 March 1995	<u>1,657,459</u>	<u>551,567</u>	<u>3,638,576</u>	<u>860,130</u>	<u>6,707,732</u>
Depreciation:					
1 April 1994	211,491	246,541	1,490,464	459,978	2,408,474
Provided during this year	105,746	76,255	538,471	103,331	823,803
Disposals	-	-	(6,774)	(12,517)	(19,291)
31 March 1995	<u>317,237</u>	<u>322,796</u>	<u>2,022,161</u>	<u>550,792</u>	<u>3,212,986</u>
Net book value:					
31 March 1995	<u>1,340,222</u>	<u>228,771</u>	<u>1,616,415</u>	<u>309,338</u>	<u>3,494,746</u>
31 March 1994	<u>1,445,968</u>	<u>191,026</u>	<u>1,530,479</u>	<u>293,274</u>	<u>3,460,747</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

9(C). TANGIBLE FIXED ASSETS

	GROUP	HOLDING COMPANY
	Land and Buildings	Land and Buildings
	£	£
Cost:		
1 April 1994	1,365,816	1,133,969
Additions	348,424	194,479
Exchange adjustment	(51,012)	-
31 March 1995	<u>1,663,228</u>	<u>1,328,448</u>
Depreciation:		
1 April 1995	22,088	-
Provided during the year	14,666	-
Exchange adjustment	(7,529)	-
31 March 1995	<u>29,225</u>	<u>-</u>
Net book value:		
31 March 1995	<u>1,634,003</u>	<u>1,328,448</u>
31 March 1994	<u>1,343,728</u>	<u>1,133,969</u>

The net book value of Land and Buildings may be split as follows:

Freehold land and buildings	194,479	194,479
Long leasehold land and buildings	1,439,524	1,133,969
	<u>1,634,003</u>	<u>1,328,448</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	GROUP		HOLDING COMPANY	
	1995 £	1994 £	1995 £	1994 £
10. TANGIBLE FIXED ASSETS				
- SUMMARY				
Aircraft, vehicles, plant & equipment (Note 9a & b)	3,551,575	3,504,057	3,494,746	3,460,747
Land and Buildings (Note 9c)	1,634,003	1,343,728	1,328,448	1,133,969
	<u>5,185,578</u>	<u>4,847,785</u>	<u>4,823,194</u>	<u>4,594,716</u>

Capital commitments

Plant and equipment:

Authorised but not contracted for

	1995 £	1994 £
	<u>305,298</u>	<u>-</u>

	GROUP	
	1995 £	1994 £
11. FIXED ASSET INVESTMENTS (AT COST) -		
Wholly owned subsidiary companies:		
International Race Tire Service Limited	100	100
Formula One Race Car Engineering Limited	1,000	1,000
Motor Racing Developments Corporation (USA)	2,104	2,104
General Promotions Incorporated (USA)	2,206	2,206
Long / Dilamarter Incorporated (USA)	8,979	8,979
	<u>14,389</u>	<u>14,389</u>
Other Investments:		
Classic and historic motor racing cars	551,376	218,683
	<u>565,765</u>	<u>233,072</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	HOLDING COMPANY	
	1995 £	1994 £
12. FIXED ASSET INVESTMENTS (AT COST) -		
Wholly owned subsidiary companies:		
International Race Tire Service Limited	100	100
Formula One Race Car Engineering Limited	1,000	1,000
FOCA (World Travel) Limited	2	-
Formel Eins Gesellschaft Fur Motorsport MBH (Germany)	667	667
Racing Francorchamps Promotion SPRL (Belgium)	290	290
Motor Racing Developments Corporation (USA)	2,104	2,104
General Promotions Incorporated (USA)	2,206	2,206
Long / Dilamarter Incorporated (USA)	8,979	8,979
75% owned subsidiary company:		
Hungarian Formula One Grand Prix KFT (Hungary)	8,569	8,569
	<u>23,917</u>	<u>23,915</u>
Other Investments:		
Classic and historic motor racing cars	551,376	218,683
	<u>575,293</u>	<u>242,598</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	GROUP		HOLDING COMPANY	
	1995	1994	1995	1994
	£	£	£	£
13. DEBTORS				
Trade debtors	12,289,456	13,628,372	10,670,562	13,603,948
Subsidiary undertakings (Note 14)	308,716	314,089	1,783,040	428,192
Loans to companies controlled by the director	5,932,317	4,881,906	5,932,317	4,881,906
Corporation tax refundable	448,632	262,221	259,935	212,930
Other debtors	1,852,257	271,830	811,310	161,635
Prepayments	1,085,507	312,182	89,687	138,288
	<u>21,916,885</u>	<u>19,670,600</u>	<u>19,546,851</u>	<u>19,426,889</u>

	1995	1994
	£	£
14(A). SUBSIDIARY UNDERTAKINGS -		
	GROUP	
International Race Tire Service Ltd.	40,754	40,736
General Promotions Inc. (USA)	220,256	225,679
Formula One Race Car Engineering Ltd	47,706	47,674
	<u>308,716</u>	<u>314,089</u>

14(B). SUBSIDIARY UNDERTAKINGS -	HOLDING COMPANY	
International Race Tire Service Ltd.	40,754	40,736
Formula One Race Car Engineering Ltd.	47,706	47,674
General Promotions Inc. (USA)	220,256	225,679
Long / Dilamarter Inc. (USA)	-	-
Formel Eins Gesellschaft Fur Motorsport MBH (Germany)	548,887	-
Racing Francorchamps Promotion SPRL (Belgium)	609,908	103,989
Hungarian Formula One Grand Prix KFT (Hungary)	826	10,114
FOCA (World Travel) Limited	314,703	-
	<u>1,783,040</u>	<u>428,192</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATIONS LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	GROUP		HOLDING COMPANY	
	1995	1994	1995	1994
	£	£	£	£
15. CREDITORS				
Trade creditors	20,723,275	11,654,529	8,650,311	8,435,469
Subsidiary undertakings (Note 16)	-	-	-	73,727
Loans from companies controlled by the director	11,579	5,087,426	11,579	5,087,426
Current corporation tax payable	756,503	331,065	525,952	10,500
Other taxes and social security costs	13,447,572	1,190,564	13,162,915	1,187,592
Other creditors	16,797,534	204,986	15,720,961	156,049
Unpaid director's emoluments	-	10,500,000	-	10,500,000
Director's current account	702,123	338,198	702,123	338,198
	<u>52,438,586</u>	<u>29,306,768</u>	<u>38,773,841</u>	<u>25,788,961</u>

16. SUBSIDIARY UNDERTAKINGS -

HOLDING COMPANY

Formel Eins Gesellschaft Fur Motorsport MBH (Germany)	<u>-</u>	<u>73,727</u>
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17. CONTINGENT LIABILITIES

- i. At the balance sheet date, the holding company had various outstanding forward foreign exchange contracts totalling £34,992,912 which, upon maturity, would result in a loss of £2,355,679.
- ii. The holding company has signed several "Charges over Credit Balances" in favour of National Westminster Bank plc, which totalled US \$13 million in respect of forward dealings in foreign currency.

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	1995 £	1994 £
18. SHARE CAPITAL		
Authorised Ordinary Shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>100</u>	<u>100</u>

	GROUP		HOLDING COMPANY	
	1995 £	1994 £	1995 £	1994 £
19. PROFIT AND LOSS ACCOUNT				
Balance brought forward	14,262,673	14,088,928	14,030,017	14,355,844
Retained Profit / (loss) for the year	9,287	95,886	1,454,507	(325,827)
Write back of subsidiary's loss no longer consolidated	-	48,642	-	-
Exchange Adjustment	124,956	29,217	-	-
	<u>14,396,916</u>	<u>14,262,673</u>	<u>15,484,524</u>	<u>14,030,017</u>

20. RECONCILIATION OF SHAREHOLDERS FUNDS

(Loss) / Profit for the financial year	9,287	95,886	1,454,507	(325,827)
Increase in reserve on consolidation	-	60,894	-	-
Exchange Adjustment	124,956	29,217	-	-
Write back of subsidiary's loss no longer consolidated	-	48,642	-	-
(Decrease) / increase in minority interest	(104,938)	70,947	-	-
Opening shareholder's funds	14,407,403	14,101,817	14,030,117	14,355,944
Closing shareholder's funds	<u>14,436,708</u>	<u>14,407,403</u>	<u>15,484,624</u>	<u>14,030,117</u>

**FORMULA ONE PROMOTIONS AND ADMINISTRATION LIMITED
AND SUBSIDIARIES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 MARCH 1995

	1995 £	1994 £
21. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES		
Operating loss	(1,119,059)	(943,307)
Depreciation charges	857,896	806,152
Loss / (profit) on disposal of fixed assets	8,748	(560,795)
Increase in debtors	(2,059,874)	(68,117)
Increase / (decrease) in creditors	22,706,381	(19,880,552)
	<u>20,394,092</u>	<u>(20,646,619)</u>

	1995	1994	Change in year
22. CHANGE IN CASH AND CASH EQUIVALENTS DURING YEAR			
	£	£	£
Bank and cash balance	39,207,066	18,962,714	20,244,352
Minority interest balance	60,848	(44,090)	104,938
Effect of foreign exchange rate changes	(368,089)	(212,482)	(155,607)
	<u>38,899,825</u>	<u>18,706,142</u>	<u>20,193,683</u>

23. DIRECTOR'S INTEREST IN TRANSACTIONS

During the financial year the holding company leased properties from Mr Ecclestone, and companies controlled by him, at market rentals. The total value of these transactions amounted to £227,610.