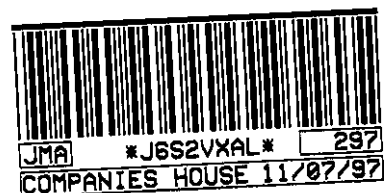


REGISTRAR

DAVID PLUCK (WIDNES) LIMITED
1996 ABBREVIATED REPORT AND ACCOUNTS
COMPANY REGISTRATION NUMBER 1477372

KIDSONS IMPEY
CHARTERED ACCOUNTANTS
MANCHESTER



DAVID PLUCK (WIDNES) LIMITED

DIRECTOR'S REPORT

The director presents his annual report and the audited accounts for the year ended 31 December 1996.

RESULTS AND DIVIDENDS

The profit for the year after taxation was £46,020 (1995 : £47,314).

The director does not recommend the payment of a dividend.

BUSINESS REVIEW

The company's principal activity during the year continued to be that of turf accountants.

Turnover for the year has increased by 10.7% to £7,402,641, as competition from the National Lottery has diminished.

FIXED ASSETS

Movements in fixed assets are shown in note 7 to the accounts.

DIRECTOR AND HIS INTEREST

The director who served during the year and his interest in the share capital of the company was as follows :

	At 31 December 1996	At 31 December 1995
	Ordinary Shares	Ordinary Shares
D L Pluck	198	198

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 of the profit or loss of the Company 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 company 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 company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

DAVID PLUCK (WIDNES) LIMITED

DIRECTOR'S REPORT continued

AUDITORS

On 1 March 1997 Halpern and Woolf merged their practice with Kidsons Impey and accordingly have signed their audit report in their new name.

Kidsons Impey are deemed to be reappointed in accordance with Section 386 of the Companies Act 1985 by virtue of an elective resolution passed on 2 July 1993.

BY ORDER OF THE BOARD

X  X

F J SEYMOUR

SECRETARY

23 April 1997

AUDITORS' REPORT TO THE DIRECTORS OF DAVID PLUCK (WIDNES) LIMITED
PURSUANT TO PARAGRAPH 10 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 12 together with the full financial statements of David Pluck (Widnes) Limited for the year ended 31 December 1996. 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 5 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the Company is entitled under sections 246 to 247 of the Companies Act 1985 to the exemptions conferred by Part III of Schedule 8 to that Act in respect of the year ended 31 December 1996, and the abbreviated accounts on pages 4 to 12 have been properly prepared in accordance with that Schedule.

On 23 April 1997 we reported, as auditors of David Pluck (Widnes) Limited to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1996, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS

As described in the director's report on pages 1 and 2, the company'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

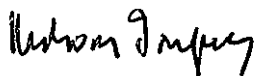
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 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 the company's affairs as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

KIDSONS IMPEY



**Chartered Accountants
and Registered Auditors
Devonshire House
36 George Street
Manchester
M1 4HA**

23 April 1997

DAVID PLUCK (WIDNES) LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 1996

	Notes	1996	1995
GROSS PROFIT		976,578	951,433
Administrative expenses		870,260	864,169
Other operating income		(7,941)	(11,307)
Interest payable	2	51,584	30,876
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	62,675	67,695
Tax on profit on ordinary activities	5	16,655	20,381
RETAINED PROFIT FOR THE FINANCIAL YEAR		£ 46,020	£ 47,314

There were no recognised gains or losses other than those included in the profit and loss account.

Movements on reserves are set out in note 14

The notes on pages 7 to 12 form part of these accounts

DAVID PLUCK (WIDNES) LIMITED
BALANCE SHEET AT 31 DECEMBER 1996

	Notes	1996	1995
FIXED ASSETS			
Tangible assets	6	823,961	718,056
CURRENT ASSETS			
Stocks	7	6,510	5,150
Debtors	8	6,041	23,926
Cash at bank and in hand		72,067	55,229
		84,618	84,305
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	9	442,626	337,905
NET CURRENT LIABILITIES		(358,008)	(253,600)
TOTAL ASSETS LESS CURRENT LIABILITIES		465,953	464,456
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	10	275,255	318,550
PROVISIONS FOR LIABILITIES AND CHARGES	11	38,272	39,500
NET ASSETS		£ 152,426	£ 106,406
CAPITAL AND RESERVES			
Called up share capital	12	200	200
Share premium account	13	42,291	42,291
Profit and loss account	13	109,935	63,915
SHAREHOLDERS' FUNDS	14	£ 152,426	£ 106,406

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985 on the basis that the company qualifies as a medium company.

Approved by the Board on 23 April 1997

D L PLUCK } Sole Director

The notes on pages 7 to 12 form part of these accounts

DAVID PLUCK (WIDNES) LIMITED
CASHFLOW STATEMENT
YEAR ENDED 31 DECEMBER 1996

	Notes	1996	1995
NET CASH INFLOW FROM OPERATING ACTIVITIES	15	448,552	17,558
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		(51,584)	(30,876)
Net cash outflow from returns on investments and servicing of finance		(51,584)	(30,876)
TAXATION			
Corporation tax paid		(15,582)	(3,028)
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(174,547)	(85,238)
Sale of tangible fixed assets		-	1,000
Net cash outflow from investing activities		(174,547)	(84,238)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		£ 206,839	£ (100,584)
FINANCING			
New secured loans		-	30,000
Repayment of amounts borrowed		(39,902)	(14,848)
Net cash (outflow)/inflow from financing	17	(39,902)	15,152
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	16	£ 166,937	£ (85,432)

The notes on pages 7 to 12 form part of these accounts

DAVID PLUCK (WIDNES) LIMITED
NOTES TO THE 1996 ACCOUNTS

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Company's accounts.

BASIS OF PREPARATION OF ACCOUNTS

The accounts have been prepared under the historical cost convention and incorporate the results of the principal activity which is described in the director's report and which is continuing.

TURNOVER

Turnover represents bets taken by the Company during the year.

DEPRECIATION

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life. The annual depreciation rates used are as follows:

Freehold buildings	2% straight line
Short leasehold land and buildings	period of lease
Fixtures, fittings and equipment	15% reducing balance
Computer equipment	25% reducing balance

STOCKS

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

DEFERRED TAXATION

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that the director considers that a liability will crystallise in the foreseeable future.

2 INTEREST PAYABLE

	1996	1995
On bank overdraft	4,960	8,509
On bank loans	18,624	22,367
On directors loan account	28,000	-
	<hr/>	<hr/>
	£ 51,584	£ 30,876
	<hr/>	<hr/>

DAVID PLUCK (WIDNES) LIMITED
NOTES TO THE 1996 ACCOUNTS

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging the following :

	1996	1995
Depreciation of tangible fixed assets :		
Owned assets	68,642	45,719
Auditors' remuneration	2,500	2,500
Director's remuneration	2,600	2,600

and after crediting the following :

	1996	1995
Rental income	7,368	11,307

4 DIRECTOR AND EMPLOYEES

The average number of persons (including the director) employed by the company during the year were as follows :

	1996 No	1995 No
Management and administration	63	71

The aggregate payroll costs of these persons were as follows :

	1996	1995
Wages and salaries	356,347	399,996
Social Security costs	22,785	25,687
	£ 379,132	£ 425,683

Details of director's emoluments are set out below :

	1996	1995
Emoluments :		
Executive remuneration	£ 2,600	£ 2,600

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

	1996	1995
Based on the profit for the year :		
Corporation tax at 24.25% (1995 : 25%)	17,883	15,581
Transfer (from)/to deferred taxation	(1,228)	4,800
	£ 16,655	£ 20,381

DAVID PLUCK (WIDNES) LIMITED
NOTES TO THE 1996 ACCOUNTS

6 TANGIBLE FIXED ASSETS

	Total	Freehold land and buildings	Short leasehold land and buildings	Fixtures fittings and equipment	Computer equipment
COST					
At 1 January 1996	957,575	397,845	38,445	521,285	-
Additions	174,547	101,475	-	17,428	55,644
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1996	1,132,122	499,320	38,445	538,713	55,644
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION					
At 1 January 1996	239,519	31,198	9,605	198,716	-
Charge for year	68,642	8,766	1,921	51,000	6,955
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1996	308,161	39,964	11,526	249,716	6,955
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE					
At 31 December 1996	£ 823,961	£ 459,356	£ 26,919	£ 288,997	£ 48,689
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1995	£ 718,056	£ 366,647	£ 28,840	£ 322,569	£ -
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

7 STOCKS

	1996	1995
Consumables	£ 6,510	£ 5,150
	<u> </u>	<u> </u>

8 DEBTORS

	1996	1995
Due within one year:		
Other debtors	-	14,742
Prepayments	6,041	9,184
	<u> </u>	<u> </u>
	£ 6,041	£ 23,926
	<u> </u>	<u> </u>

DAVID PLUCK (WIDNES) LIMITED
NOTES TO THE 1996 ACCOUNTS

9 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996	1995
Bank loan and overdraft	21,773	168,480
Trade creditors	3,124	2,861
Corporation tax	17,883	15,581
Other taxation and social security	40,799	59,130
Director's current account	315,440	52,757
Other creditors	29,350	24,985
Accruals	14,257	14,111
	<hr/>	<hr/>
	£ 442,626	£ 337,905
	<hr/>	<hr/>

The bank loan and overdraft are secured by a fixed and floating charge on the assets of the company and specific charges on the company's freehold land and buildings and leasehold land and buildings.

10 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1996	1995
Bank loan	175,255	218,550
Director's current account	100,000	100,000
	<hr/>	<hr/>
	£ 275,255	£ 318,550
	<hr/>	<hr/>

Included above are amounts repayable after more than five years as follows :

	By instalments	
	1996	1995
Bank loan	£ 84,723	£ 128,018
	<hr/>	<hr/>

The bank loan is secured by a fixed and floating charge on the assets of the company and specific charges on the company's freehold land and buildings and leasehold land and buildings.

11 PROVISIONS FOR LIABILITIES AND CHARGES

	Taxation including deferred taxation
At 1 January 1996	39,500
Credit for year	(1,228)
	<hr/>
At 31 December 1996	£ 38,272
	<hr/>

PROVISIONS FOR LIABILITIES AND CHARGES continued.....

The deferred taxation provided in the accounts and the potential deferred taxation liability on a full provision basis is as follows :

	Full potential liability and amount provided	
	1996	1995
Accelerated capital allowances	£ 38,272	£ 39,500

12 CALLED UP SHARE CAPITAL

	1996	1995
Authorised :		
Ordinary shares of £1 each	£ 1,000	£ 1,000
Allotted, called up and fully paid :		
Ordinary shares of £1 each	£ 200	£ 200

13 RESERVES

	Total	Share premium account	Profit and loss account
At 1 January 1996	106,206	42,291	63,915
Retained profit for year	46,020	-	46,020
At 31 December 1996	£ 152,226	£ 42,291	£ 109,935

14 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1996	1995
Profit for year	46,020	47,314
Shareholders' funds at 31 December 1995	106,406	59,092
SHAREHOLDERS' FUNDS AT 31 DECEMBER 1996	£ 152,426	£ 106,406

DAVID PLUCK (WIDNES) LIMITED
NOTES TO THE 1996 ACCOUNTS

**15 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW
FROM OPERATING ACTIVITIES**

	1996	1995
Profit before taxation	62,675	67,695
Depreciation charges	68,642	45,719
Interest charges	51,584	30,876
(Increase)/decrease in stocks	(1,360)	600
Decrease/(increase) in debtors	17,885	(285)
Increase/(decrease) in creditors	249,126	(127,047)
	<hr/>	<hr/>
Net cash inflow from operating activities	£ 448,552	£ 17,558
	<hr/>	<hr/>

16 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	1996	1995
Beginning of year	(94,870)	(9,438)
Net cash inflow/(outflow)	166,937	(85,432)
	<hr/>	<hr/>
End of year	£ 72,067	£ (94,870)
	<hr/>	<hr/>
Comprising :		
	1996	1995
Cash at bank and in hand	72,067	55,229
Bank overdraft	-	(150,099)
	<hr/>	<hr/>
	£ 72,067	£ (94,870)
	<hr/>	<hr/>

17 ANALYSIS OF CHANGES IN FINANCING

	1996	Loans 1995
Beginning of year	236,931	221,779
Cash (outflows)/inflows from financing	(39,902)	15,152
	<hr/>	<hr/>
End of year	£ 197,029	£ 236,931
	<hr/>	<hr/>