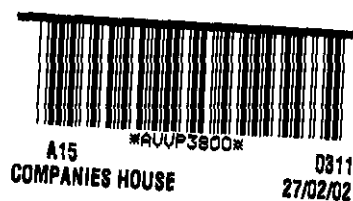


WINNING POST RACING LIMITED

DIRECTORS' REPORT AND ACCOUNTS

29 APRIL 2001



COMPANY REGISTRATION NUMBER: 2923420

WINNING POST RACING LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and financial statements for the period ended 29 April 2001.

1 PRINCIPAL ACTIVITY

The principal activity of the Company was the management of licensed betting offices.

2 BUSINESS REVIEW AND RESULTS

On 19 February 2000, the company was acquired by Stanley Racing Limited. Immediately following the acquisition the Company's trade and assets were transferred to that company. Since that date the Company has been dormant and the Directors do not expect it to trade in the foreseeable future.

3 DIRECTORS

Directors who have served during the period are:

P McManus	(Resigned 21 February 2000)
S Bold	(Resigned 21 February 2000)
T A Lowry	(Appointed 21 February 2000. Resigned 31 December 2000)
A M Riddy	(Appointed 21 February 2000)
R Wiper	(Appointed 31 December 2000)

The interests of the Directors in office at 29 April 2001 in the share capital of the ultimate parent undertaking, Stanley Leisure plc, are shown in the Report and Financial Statements of that undertaking.

4 DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements on pages 4 to 11, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

WINNING POST RACING LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

5 AUDITORS

Westmore Brennand resigned as auditors subsequent to the year end. The Directors appointed PricewaterhouseCoopers as auditors to fill the casual vacancy in accordance with Section 388(1) of the Companies Act 1985. In accordance with Section 386 of the Companies Act 1985, by an elective resolution of the Company, PricewaterhouseCoopers are deemed reappointed as auditors for the succeeding year.

By Order of the Board

S J Goulbourne
Secretary

S J Goulbourne

25 February 2002

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINNING POST RACING LIMITED

We have audited the financial statements, which comprise the Profit and Loss Account, the Balance Sheet and the related notes, which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out in Note 1.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' Responsibilities.

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

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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors' Report.

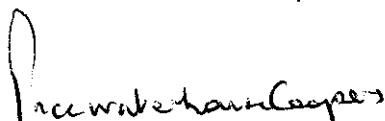
Basis of audit opinion

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 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 at 29 April 2001 and of its results for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Manchester

25 FEBRUARY 2002

WINNING POST RACING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 29 APRIL 2001

	20 February 2000 to 29 April 2001 £	1 March 1999 to 19 February 2000 £
TURNOVER (Note 2)	-	1,920,787
Cost of sales	-	(1,638,655)
	<hr/>	<hr/>
GROSS PROFIT	-	282,132
Administrative expenses	-	(231,214)
	<hr/>	<hr/>
	-	50,918
Other operating income	-	49,907
Net interest payable (Note 5)	-	(50)
	<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 4)	-	100,775
Taxation on profit on ordinary activities (Note 6)	-	(23,486)
	<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	-	77,289
Dividends (Note 7)	-	(15,000)
	<hr/>	<hr/>
RETAINED PROFIT FOR THE FINANCIAL PERIOD	-	62,289
	<hr/>	<hr/>

On a historical cost basis, the reported profit would have risen by £647,724, being the realisation of the Revaluation reserve on the disposal of the assets.

The notes on pages 7 to 11 form part of these financial statements.

WINNING POST RACING LIMITED

BALANCE SHEET – 29 APRIL 2001

	29 April 2001 £	19 February 2000 £
FIXED ASSETS		
Tangible assets (Note 8)	-	132,276
	<hr/>	<hr/>
CURRENT ASSETS		
Debtors (Note 9)	802,437	17,842
Cash at bank and in hand	<hr/>	<u>67,934</u>
	802,437	85,776
CREDITORS – Amounts falling due within one year (Note 10)	-	(58,633)
	<hr/>	<hr/>
NET CURRENT ASSETS	802,437	27,143
	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES	802,437	159,419
PROVISIONS FOR LIABILITIES AND CHARGES (Note 11)	<hr/>	<u>(4,706)</u>
	802,437	154,713
	<hr/>	<hr/>
CAPITAL AND RESERVES		
Called up share capital (Note 12)	10,000	10,000
Revaluation reserve (Note 13)	-	-
Profit and loss account (Note 13)	<u>792,437</u>	<u>144,713</u>
EQUITY SHAREHOLDERS' FUNDS	802,437	154,713
	<hr/>	<hr/>

APPROVED BY THE BOARD ON 25 February 2002


A M Riddy
DIRECTOR

The notes on pages 7 to 11 form part of these financial statements.

WINNING POST RACING LIMITED

RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS FOR THE PERIOD ENDED 29 APRIL 2001

	20 February 2000 to 29 April 2001 £	1 March 1999 to 19 February 2000 £
Profit for the financial period	-	62,289
Revaluation of tangible fixed assets	<u>647,724</u>	<u>-</u>
Net increase in shareholders' funds	647,724	62,289
Opening shareholders' funds – equity interest	<u>154,713</u>	<u>92,424</u>
Closing shareholders' funds – equity interest	<u>802,437</u>	<u>154,713</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE PERIOD ENDED 29 APRIL 2001

	20 February 2000 to 29 April 2001 £	1 March 1999 to 19 February 2000 £
Profit for the financial period	-	62,289
Realised surplus on revaluation of assets	<u>647,724</u>	<u>-</u>
Total gains recognised since last annual report	<u>647,724</u>	<u>62,289</u>

WINNING POST RACING LIMITED

NOTES TO THE ACCOUNTS – 29 APRIL 2001

1 ACCOUNTING POLICIES

(a) Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain properties and in accordance with applicable accounting standards. Following the change of ownership, Financial Statements are prepared for the financial period ending on the Sunday nearest to 30 April. For the current period this was 29 April 2001.

(b) Turnover

Turnover represents the value of stakes received during the year before any charges for betting duty.

(c) Depreciation

The Company's properties were revalued by the Directors as at the date of acquisition on an open market value and fully operational basis for their existing use, including the benefit of betting licences.

2 TURNOVER

All of the Company's business falls within a single class of activity, being the management of betting shops in the United Kingdom.

3 STAFF COSTS

	20 February 2000 to 29 April 2001 £	1 March 1999 to 19 February 2000 £
Wages and salaries	-	80,422
Social security costs	-	3,987
	-	84,409

The average number of employees was NIL (2000 – 17)

WINNING POST RACING LIMITED

NOTES TO THE ACCOUNTS – 29 APRIL 2001

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging the following:

	20 February 2000 to 29 April 2001	1 March 1999 to 19 February 2000
	£	£
Auditors' remuneration	-	11,506
Depreciation of tangible fixed assets	-	17,940
	<u> </u>	<u> </u>

5 NET INTEREST PAYABLE

	20 February 2000 to 29 April 2001	1 March 1999 to 19 February 2000
	£	£
Loan interest payable	-	1,200
Interest receivable	<u>-</u>	<u>(1,150)</u>
	-	50
	<u> </u>	<u> </u>

6 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	20 February 2000 to 29 April 2001	1 March 1999 to 19 February 2000
	£	£
The taxation charge comprises:		
Corporation tax (2000 – 21.6%)	-	23,633
Deferred taxation	<u>-</u>	<u>(147)</u>
	-	23,486
	<u> </u>	<u> </u>

WINNING POST RACING LIMITED

NOTES TO THE ACCOUNTS – 29 APRIL 2001 (CONTINUED)

7 DIVIDENDS

	20 February 2000 to 29 April 2001 £	1 March 1999 to 19 February 2000 £
Interim dividend	-	15,000

8 TANGIBLE FIXED ASSETS

	<u>Leasehold property</u> £	<u>Fixtures, fittings and equipment</u> £	<u>Total</u> £
COST OR VALUATION			
At 20 February 2000	97,616	89,586	187,202
Revaluation	628,384	(35,586)	592,798
Transfer	(726,000)	(54,000)	(780,000)
At 29 April 2001	-	-	-
DEPRECIATION			
At 20 February 2000	18,147	36,779	54,926
Revaluation	(18,147)	(36,779)	(54,926)
At 29 April 2001	-	-	-
NET BOOK AMOUNT			
At 29 April 2001	-	-	-
At 19 February 2000	79,469	52,807	132,276

The Company's properties were revalued by the Directors at 19 February 2000, on an open market value and fully operational basis for their existing use, including the benefit of betting licences.

WINNING POST RACING LIMITED

NOTES TO THE ACCOUNTS – 29 APRIL 2001 (CONTINUED)

9 DEBTORS

	29 April 2001 £	19 February 2000 £
Trade debtors	-	4,298
Amounts owed by group undertakings	802,437	-
Prepayments and accrued income	<u>-</u>	<u>13,544</u>
	<u>802,437</u>	<u>17,842</u>

10 CREDITORS - Amounts falling due within one year

	29 April 2001 £	19 February 2000 £
Trade creditors	-	10,099
Taxation and social security	-	36,270
Accruals and deferred income	<u>-</u>	<u>12,264</u>
	<u>-</u>	<u>58,633</u>

11 PROVISIONS FOR LIABILITIES AND CHARGES

Amounts provided for deferred taxation and the potential deferred tax liability are as follows:

	Provided		Potential	
	29 April 2001 £	19 February 2000 £	29 April 2001 £	19 February 2000 £
Accelerated capital allowances	-	4,706	-	4,706

The movement on the deferred taxation provision during the year was as follows:

	£
At 20 February 2000	4,706
Transfer	<u>(4,706)</u>
At 29 April 2001	<u>-</u>

WINNING POST RACING LIMITED

NOTES TO THE ACCOUNTS – 29 APRIL 2001 (CONTINUED)

12 CALLED UP SHARE CAPITAL

	29 April 2001 £	19 February 2000 £
Authorised		
Equity:- ordinary shares of £1 each	10,000	10,000
	<u> </u>	<u> </u>
Allotted, issued and fully paid		
Equity:- ordinary shares of £1 each	10,000	10,000
	<u> </u>	<u> </u>

13 RESERVES

	Profit and loss account £	Revaluation Reserve £
At 20 February 2000	144,713	-
Revaluation of assets	-	647,724
Transfer to Profit and loss account	<u>647,724</u>	<u>(647,724)</u>
At 29 April 2001	<u>792,437</u>	<u>-</u>

14 ULTIMATE PARENT UNDERTAKING

Stanley Leisure plc, a company registered in England, is the ultimate parent undertaking of the smallest and largest group of undertakings for which group accounts are drawn up and of which the Company is a member.

Copies of the accounts of Stanley Leisure plc may be obtained from the Company Secretary, Stanley House, 151 Dale Street, Liverpool, L2 2JW.

15 ASSETS TRANSFERRED TO STANLEY RACING LIMITED

	£
Fixed assets	780,000
Other net assets	<u>22,437</u>
	<u>802,437</u>

The transfer of assets on 20 February 2000 was settled by way of an interest free inter company balance with Stanley Racing Limited.