

**Newcastle United Ventures Limited**

**Directors' and Auditors' reports and financial statements**

**31 July 1999**

**Registered number 3305231**



## DIRECTORS' AND AUDITORS' REPORTS AND FINANCIAL STATEMENTS

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## **DIRECTORS' REPORT**

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The directors present their annual report and the audited financial statements for the year ended 31 July 1999.

### **Principal activity**

The principal activity of the company is that of information technology development and sales.

### **Business review**

The company did not achieve any sales in the year under review. The result for the year after taxation amounted to £Nil (1998: loss £5,025).

### **Going concern**

The company had net liabilities of £17,550 at 31 July 1999. However, Newcastle United Football Company Limited has agreed not to demand repayment of amounts due of £17,552 if in so doing Newcastle United Ventures Limited could not meet its debts as they fall due. Accordingly the directors have prepared the financial statements on a going concern basis.

### **Directors and directors' interests**

The directors who held office during the year were as follows:

A O Fletcher

AB Price (resigned 29 January 1999)

LA Wheatley (appointed 29 January 1999)

None of the directors who held office at the end of the financial year had any interests in the ordinary share capital of the company.

The interests of the directors in the shares of the parent and ultimate parent undertaking are disclosed in the respective financial statements of those companies.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company or any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

### **Year 2000**

The directors do not believe that the company faces any significant risks associated with the year 2000 issues.

### **Auditors**

The company passed an elective resolution on 31 July 1997, in accordance with S379A of the Companies Act 1985, to dispense with the obligation to appoint auditors annually.

## DIRECTORS' REPORT

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### Statement of directors' responsibilities

Company law requires the directors 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 year. 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, subject to any material departures disclosed and explained in the financial statements, 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 maintaining 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

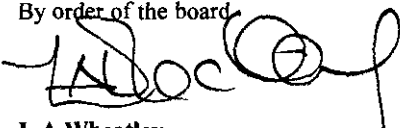
### Statement of auditors' responsibilities

Company law requires auditors to form an independent opinion on the financial statements presented by the directors based on their audit and to report their opinion to the shareholders. The Companies Act 1985 also requires auditors to report to the shareholders if the following requirements are not met:

- that the company has maintained proper accounting records;
- that the financial statements are in agreement with the accounting records;
- that directors' emoluments and other transactions with directors are properly disclosed in the financial statements; and
- that the auditors have obtained all the information and explanations which, to the best of their knowledge and belief, are necessary for the purpose of their audit.

The auditors' opinion does not encompass the directors' report. However, the Companies Act 1985 requires auditors to report to the shareholders if the matters contained in the directors' report are inconsistent with the financial statements.

By order of the board



**L A Wheatley**  
Director

St James' Park  
Newcastle upon Tyne  
NE1 4ST  
10 January 2000

# AUDITORS' REPORT

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## Auditors' report to the members of Newcastle United Ventures Limited

We have audited the financial statements on pages 5 to 8, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

## Respective responsibilities of directors and auditors

As described on page 3 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 those statements and to report our opinion to you.

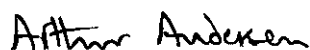
## Basis of opinion

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 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 31 July 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



10 January 2000

Arthur Andersen  
Chartered Accountants & Registered Auditors  
Pearl Assurance House,  
7 New Bridge Street,  
Newcastle upon Tyne,  
NE1 8BQ

## PROFIT AND LOSS ACCOUNT

for the year ended 31 July 1999

	Note	1999 £	1998 £
Turnover - continuing operations	3	-	(5,025)
Operating expenses		-	-
Operating loss		-	(5,025)
Loss on ordinary activities before tax		-	(5,025)
Loss for the financial year	10	-	(5,025)

*The company has no recognised gains or losses other than those included in the profit and loss account.*

*The accompanying notes form an integral part of this profit and loss account.*

# BALANCE SHEET

at 31 July 1999

	Note	1999 £	1998 £
<b>Current assets</b>			
<u>Debtors</u>	7	2	2
		2	2
<b>Creditors: amounts falling due within one year</b>	8	(17,552)	(17,552)
<u>Net current liabilities</u>		(17,550)	(17,550)
<b>Net liabilities</b>		(17,550)	(17,550)
<b>Capital and reserves</b>			
Called up share capital	9	2	2
<u>Profit and loss account</u>	10	(17,552)	(17,552)
<b>Equity shareholders' funds</b>	11	(17,550)	(17,550)

These financial statements were approved by the board of directors on 10 January 2000 and were signed on its behalf by:



**L A Wheatley**  
Director

The accompanying notes form an integral part of this balance sheet.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Basis of preparation

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

The company had net liabilities of £17,550 at 31 July 1999. However, Newcastle United Football Company Limited has agreed not to demand repayment of amounts due of £17,552 if in so doing Newcastle United Ventures Limited could not meet its debts as they fall due. Accordingly the directors have prepared the financial statements on a going concern basis.

### 2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

The company is exempt from the requirement of Financial Reporting Standard No 1 (revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Newcastle United PLC and its accounts are publicly available.

#### Turnover

Turnover represents all income arising from the ordinary activities of the company excluding value added tax.

#### Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax except to the extent that it is probable that such taxation will not become payable.

### 3. Turnover

All turnover is derived from the company's principal activity. The origin and destination of all turnover is the United Kingdom.

### 4. Directors' remuneration

None of the directors received any remuneration during the year (1998-£nil).

### 5. Auditors' remuneration

The company's audit fee was borne by the immediate parent company, Newcastle United PLC.

### 6. Taxation

No tax charge arises on the result for the year.

### 7. Debtors

	1999 £	1998 £
Amounts owed by immediate parent undertaking	2	2

### 8. Creditors: amounts falling due within one year

	1999 £	1998 £
Amounts owed to fellow subsidiary undertaking	(17,552)	(17,552)



## NOTES TO THE FINANCIAL STATEMENTS

9.	<b>Called up share capital</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	<b>Authorised</b>		
	1,000 Ordinary shares of £1 each	1,000	1,000
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	<b>Allotted, called-up and fully paid</b>		
	2 Ordinary shares of £1 each	2	2
<hr/>			

10.	<b>Reserves</b>	<b>Profit and loss account</b>
		<b>£</b>
	At 1 August 1998	(17,552)
	Result for the year	-
<hr/>		
	At 31 July 1999	(17,552)
<hr/>		

11.	<b>Reconciliation of movements in equity shareholders' funds</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Result for the year	-	(5,025)
	Opening equity shareholders' funds	(17,550)	(12,525)
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	Closing equity shareholders' funds	(17,550)	(17,550)
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12. **Ultimate parent**

The Company is an associate undertaking of Cameron Hall Developments Limited, a Company registered in England and Wales. The accounts of that company are available from Companies House.

The smallest group in which the results of the Company are consolidated is that headed by Newcastle United PLC. The accounts of that company are available from Companies House.

13. **Related party transactions**

As a wholly owned subsidiary of Newcastle United PLC, the company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" not to disclose transactions with other members of the group headed by Newcastle United PLC.