

Company number: 3477752

**TRAKBAK RACING LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 December 2002**



**Thomas Cooke  
Chartered Accountants  
Registered Auditor  
1 Kilmarsh Road  
London  
W6 0PL**

**Tel: 020 8748 8080  
Fax: 020 8741 8334**

# TRAKBAK RACING LIMITED

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# TRAKBAK RACING LIMITED

## COMPANY INFORMATION

|                   |   |
|-------------------|---|
| REGISTERED NUMBER | 3477752 (England and Wales)   |
| DIRECTOR          | K.R. Bartlett   |
| SECRETARY         | S.J. Hampshire  |
| REGISTERED OFFICE | Bridge House<br>London Bridge<br><i>London</i><br>SE1 9QB   |
| OFFICES           | Blackheath Grove<br>London<br><i>SW3 0DG</i>  |
| RACEWAY ADDRESS   | Santa Pod Raceway<br>Airfield Road<br><i>Podington</i><br>Wellingborough<br>Northants<br>NN29 7XA |
| AUDITORS          | Thomas Cooke<br>Chartered Accountants<br>1 Kilmarsh Road<br>London W6 0PL                         |
| BANKERS           | Barclays Bank Plc<br>50 Pall Mall<br>London SW1A 1QD  |

# TRAKBAK RACING LIMITED

## DIRECTOR'S REPORT

The director presents his annual report together with the company's financial statements for the period ended 31 December 2002.

### PRINCIPAL ACTIVITY

The principal activity of the company remains the operating of a motor racing dragstrip at Santa Pod, Wellingborough.

### DIRECTOR AND HIS INTERESTS IN SHARES

The director who held office in the year and his beneficial interests in the issued share capital of the company was as follows:

|               | Ordinary shares of<br>£1 each |                   |
|---------------|-------------------------------|-------------------|
|               | 31 December<br>2002           | 1 January<br>2002 |
| K.R. Bartlett | 1                             | 1                 |

### DIRECTORS' 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 the 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:

- make 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 them 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.

### AUDITORS

The auditors, Thomas Cooke, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

### SMALL COMPANY EXEMPTIONS

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the Board on 29 December 2003 and signed on its behalf.



S.J. Hampshire  
Secretary

**AUDITORS' REPORT  
TO THE MEMBERS OF  
TRAKBAK RACING LIMITED**

We have audited the financial statements of Trakbak Racing Limited for the 31 December 2002 which comprise the Profit and Loss Account, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein and in accordance with the Financial Reporting Standard for Smaller Entities.

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 auditor's 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*

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

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 with the company are not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

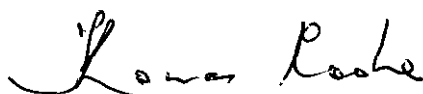
*Basis of audit opinion*

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 misstatements, 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Thomas Cooke**

**Chartered Accountants  
Registered Auditor  
London W6 0PL**

29 December 2003

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# TRAKBAK RACING LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31 December 2002

|  | Note | 2002<br>£   | 2001<br>£   |
|--|------|-------------|-------------|
| <b>TURNOVER</b>  | 2    | 2,033,829   | 1,514,360   |
| Cost of sales  |      | (1,590,484) | (1,197,703) |
| <b>GROSS PROFIT</b>                                    |      | 443,345     | 316,657     |
| Administrative expenses                                |      | (532,820)   | (461,197)   |
| <b>OPERATING LOSS</b>                                  | 3    | (89,475)    | (144,540)   |
| Interest payable                                       |      | (25,816)    | (17,787)    |
| <b>LOSS ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |      | (115,291)   | (162,327)   |
| Taxation   | 4    | —           | —           |
| <b>RETAINED LOSS FOR THE YEAR</b>                      |      | (115,291)   | (162,327)   |

## STATEMENT OF RETAINED DEFICIT

|   |           |           |
|---|-----------|-----------|
| Balance, brought forward                    | (696,892) | (534,565) |
| Loss for the year                           | (115,291) | (162,327) |
| Balance, carried forward to future reserves | (812,183) | (696,892) |

The notes on pages 6 to 9 form an integral part of these accounts.

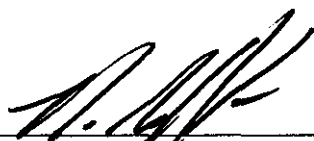
Auditors' report page 3.

# TRAKBAK RACING LIMITED

## BALANCE SHEET As at 31 December 2002

|  | Note | £         | 2002<br>£ | 2001<br>£   |
|--|------|-----------|-----------|-------------|
| <b>Assets employed:</b>  |      |           |           |             |
| <b>FIXED ASSETS</b>  |      |           |           |             |
| Tangible assets  | 5    |           | 193,578   | 155,720     |
| <b>CURRENT ASSETS</b>  |      |           |           |             |
| Stocks   | 6    | 29,694    |           | 2,682       |
| Debtors  | 7    | 119,745   |           | 237,003     |
| Cash at bank and in hand                                       |      | 13,021    |           | 29,302      |
|  |      | 162,460   |           | 268,987     |
| <b>CREDITORS: amounts falling due within one year</b>          | 8    | (988,219) |           | (1,121,597) |
| <b>NET CURRENT LIABILITIES</b>                                 |      |           | (825,759) | (852,610)   |
|  |      |           | (632,181) | (696,890)   |
| <b>CREDITORS: amounts falling due after more than one year</b> |      |           | (180,000) | -           |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      |           | (812,181) | (696,890)   |
| <b>Financed by:</b>  |      |           |           |             |
| <b>CAPITAL AND RESERVES</b>                                    |      |           |           |             |
| Called up share capital  | 11   |           | 2         | 2           |
| Profit and loss account  |      |           | (812,183) | (696,892)   |
|  |      |           | (812,181) | (696,890)   |

These financial statements, which have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities, were approved by the Board on 29 December 2003 and signed on its behalf.



K.R. BARTLETT – Director

The notes on pages 6 to 9 form part of these accounts.

# TRAKBAK RACING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002

### 1. ACCOUNTING POLICIES

#### (a) Basis of accounting

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

#### (b) Turnover

Turnover represents the invoiced amount of goods sold, less credit notes and discounts, excluding value added tax.

#### (c) Intangible assets

The cost of an event name is amortised over three years on a straight line basis.

#### (d) Depreciation

All tangible fixed assets are depreciated at rates calculated to write off the cost, less estimated realisable value, of each asset over its expected useful life using the following methods and rates:

|                                | % per annum | Method           |
|--------------------------------|-------------|------------------|
| Office equipment and computers | 25%         | Reducing balance |
| Raceway plant and equipment    | 25%         | Reducing balance |

#### (e) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### (f) Deferred taxation

Provision is made for deferred taxation on the liability method for the amount of taxation deferred by reason of capital allowance being obtained before the equivalent depreciation charge.

#### (g) Hire purchase commitments

Assets held under hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The corresponding hire purchase obligation is capitalised in the balance sheet as a liability. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant portion of the balance of capital repayments outstanding.

### 2. TURNOVER

The turnover is attributable to the one principal activity of the company.



# TRAKBAK RACING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002 (continued)

### 3. OPERATING LOSS

This is stated after charging:

|   | 2002<br>£         | 2001<br>£         |
|---|-------------------|-------------------|
| Depreciation and amortisation of owned fixed assets       | 64,543            | 40,955            |
| Director's consultancy fees                               | 42,000            | 36,500            |
| Director's remuneration                                   | 7,829             | 6,000             |
| Auditors' remuneration                                    | 7,000             | 6,000             |
| Depreciation of assets held under hire purchase contracts | —                 | 3,412             |
|   | <u>          </u> | <u>          </u> |

### 4. TAXATION

There is no liability to corporation tax due on the loss for the year.

### 5. TANGIBLE FIXED ASSETS

|                        | Office<br>equipment<br>and<br>computers<br>£ | Raceway<br>plant<br>and<br>equipment<br>£ | Total<br>£     |
|------------------------|--|---|----------------|
| <b>Cost</b>            |  |   |                |
| At 1 January 2002      | 52,714                                       | 264,451                                   | 317,165        |
| Additions              | 4,255  | 98,785                                    | 103,040        |
| Disposals              | —  | (1,250)                                   | (1,250)        |
|                        | <u>56,969</u>                                | <u>361,986</u>                            | <u>418,955</u> |
| At 31 December 2002    |  |   |                |
| <b>Depreciation</b>    |  |   |                |
| At 1 January 2002      | 31,339                                       | 130,106                                   | 161,445        |
| Charge for the year    | 6,412  | 58,131                                    | 64,543         |
| Eliminated on disposal | —  | (611)                                     | (611)          |
|                        | <u>37,751</u>                                | <u>187,626</u>                            | <u>225,377</u> |
| At 31 December 2002    |  |   |                |
| <b>Net book value</b>  |  |   |                |
| At 31 December 2002    | <u>19,218</u>                                | <u>174,360</u>                            | <u>193,578</u> |
| At 31 December 2001    | <u>21,375</u>                                | <u>134,345</u>                            | <u>155,720</u> |

### 6. STOCKS

|                       | 2002<br>£     | 2001<br>£    |
|-----------------------|---------------|--------------|
| Goods held for resale | <u>29,694</u> | <u>2,682</u> |

# TRAKBAK RACING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2002 (continued)

### 7. DEBTORS

|                                | 2002<br>£      | 2001<br>£      |
|--------------------------------|----------------|----------------|
| Trade debtors                  | 36,705         | 16,094         |
| Other debtors                  | 35,846         | 208,975        |
| Prepayments and accrued income | 47,194         | 11,934         |
|                                | <u>119,745</u> | <u>237,003</u> |

All debtors are due within one year.

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 2002<br>£      | 2001<br>£        |
|---------------------------------|----------------|------------------|
| Bank overdraft and loan         | 60,463         | 315,918          |
| Trade creditors                 | 40,339         | 48,821           |
| Other taxes and social security | 49,034         | 19,190           |
| Other creditors                 | 755,685        | 634,413          |
| Director's loan account         | 34,666         | 31,436           |
| HP creditor                     | —              | 3,841            |
| Accruals and deferred income    | 48,032         | 67,978           |
|                                 | <u>988,219</u> | <u>1,121,597</u> |

### 9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

|                                      | 2002<br>£      | 2001<br>£ |
|--------------------------------------|----------------|-----------|
| Bank loan                            | <u>180,000</u> | <u>—</u>  |
| Debt due after more than one year    |                |           |
| Repayable between one and five years | <u>180,000</u> | <u>—</u>  |

The bank loan is secured by way of a fixed and floating charge over the company assets.

### 10. OTHER FINANCIAL COMMITMENTS

At 31 December the company had annual commitments under non-cancellable operating leases as set out below:

|                                | <i>Land and buildings</i> |                | <i>Other</i> |           |
|--------------------------------|---------------------------|----------------|--------------|-----------|
|                                | 2002<br>£                 | 2001<br>£      | 2002<br>£    | 2001<br>£ |
| Operating leases which expire: |                           |                |              |           |
| Within one year                | —                         | —              | —            | —         |
| Within two to five years       | —                         | 318,000        | —            | —         |
|                                | <u>—</u>                  | <u>318,000</u> | <u>—</u>     | <u>—</u>  |

# TRAKBAK RACING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2002

(continued)

### 11. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

The maturity of these amounts is as follows:

|  | 2002<br>£ | 2001<br>£ |
|--|-----------|-----------|
| Amounts payable:                                 |           |           |
| Within one year                                  | —         | 4,688     |
| Within two to five years                         | —         | —         |
|  | <hr/>     | <hr/>     |
|  | —         | 4,688     |
| Less finance charges allocated to future periods | —         | (847)     |
|  | <hr/>     | <hr/>     |
|  | —         | 3,841     |
|  | <hr/>     | <hr/>     |
| Hire purchase contracts are analysed as follows: |           |           |
| Current obligations                              | —         | 3,841     |
| Non-current obligations                          | —         | —         |
|  | <hr/>     | <hr/>     |
|  | —         | 3,841     |
|  | <hr/>     | <hr/>     |

### 12. CALLED UP SHARE CAPITAL

|                                     | 2002<br>£ | 2001<br>£ |
|-------------------------------------|-----------|-----------|
| Authorised:                         |           |           |
| 1,000 ordinary shares of £1 each    | 1,000     | 1,000     |
|                                     | <hr/>     | <hr/>     |
| Allotted, called up and fully paid: |           |           |
| 2 ordinary shares of £1 each        | 2         | 2         |
|                                     | <hr/>     | <hr/>     |

### 13. TRANSACTIONS WITH DIRECTORS

During the year K.R. Bartlett received consultancy fees amounting to £42,000 (2001 – £36,500) included in administration expenses. At the Balance Sheet date the company owed the Director £34,666 (2001 – £31,436) included in Creditors.

### COMMITMENTS

At 31 December capital expenditure commitments were as follows:

|                         | 2002<br>£ | 2001<br>£ |
|-------------------------|-----------|-----------|
| Authorised by the Board | 1,850,000 | —         |
|                         | <hr/>     | <hr/>     |