

Company number: 3477752

**TRAKBAK RACING LIMITED**  
(Formerly Trakbak Services Limited)

**Annual Report and Financial Statements**

**For the period 9 December 1997 to 31 December 1998**



**Thomas Cooke**  
**Chartered Accountants**  
**Registered Auditor**  
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**TRAKBAK RACING LIMITED**  
**(Formerly Trakbak Services Limited)**

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**TRAKBAK RACING LIMITED**  
**(Formerly Trakbak Services Limited)**

**COMPANY INFORMATION**

**REGISTERED NUMBER** 3477752 (England and Wales)

**DIRECTORS** K.R. Bartlett

**SECRETARY** S.J. Hampshire

**REGISTERED OFFICE** Bridge House  
London Bridge  
London  
SE1 9QB

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

**BANKERS** Lloyds Bank Plc  
Kensington High Street  
London

**SOLICITORS** Memery Crystal  
31 Southampton Row  
London  
WC1B 5HT

**TRAKBAK RACING LIMITED**  
**(Formerly Trakbak Services Limited)**

**DIRECTORS' REPORT**

The directors present their annual report together with the company's financial statements for the period ended 31 December 1998.

**PRINCIPAL ACTIVITY**

The company was incorporated on 9 December 1997 and commenced trading on 6 February 1998.

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

**CHAIRMAN'S REPORT**

The company commenced trading on 6 January 1998 with the express role of operating Santa Pod Raceway in Bedfordshire.

Your company traded successfully in a year that proved to be one of the most difficult for outdoor eventing in England for many years, due to severely inclement weather. No fewer than six of our major events were weather affected including the largest and most prestigious European Finals in September. These events were all insured under a comprehensive pluvial policy which enabled us to recover the majority of the costs involved but the potential profits from these events were lost to the company. It was also decided not to hold the "Cannonball" event in early July as the date coincided with a semi-final match in the football World Cup in which England could well have participated.

The company invested significant sums in achieving improved television coverage for the FIA rounds, both at Santa Pod Raceway and the three additional rounds in Scandinavia.

We believe our marketing, promotion and public relations worked successfully throughout the year. Historically, children between the ages of 12 and 16 have been charged at 50% of the adult level. With effect from the Summer Nationals we decided to remove that charge in an effort to encourage families to attend our drag racing events and to bolster our low gates. This change was heavily advertised and the initial response was favourable and we intend to continue the practice into the 1999 season.

We enter the next financial period with confidence after a positive first season but in the hope that weather conditions will be far kinder to us at event weekends.

Finally, thanks to our staff, both permanent and temporary, and all our suppliers for their assistance and understanding throughout the year.

**DIRECTORS AND THEIR INTERESTS IN SHARES**

The directors who held office in the year and their beneficial interests in the issued share capital of the company were as follows:

		Ordinary shares of £1 each	
		31 December 1998	9 December 1997
Formation Director Limited	(resigned 6 February 1998)		1
K.R. Bartlett	(appointed 6 February 1998)	1	
R.A. Catling	(appointed 6 February 1998, resigned 30 September 1998)	1	

**TRAKBAK RACING LIMITED**  
**(Formerly Trakbak Services Limited)**

**DIRECTORS' REPORT**  
**(continued)**

**COMPARATIVE FIGURES**

There are no comparative figures this being the company's first accounting period.

**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 the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are 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 directors are 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. 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.

**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 11 May 2000 and signed on its behalf.



**S.J. Hampshire**  
**Secretary**

**AUDITORS' REPORT**  
**TO THE MEMBERS OF**  
**TRAKBAK RACING LIMITED**  
**(Formerly Trakbak Services Limited)**

We have audited the financial statements on pages 5 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and 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 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 an 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 whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We have 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*

Continuance of the company's activities is dependent upon the support of the company's bankers and creditors and these financial statements have been drawn up on a going concern basis which assumes that adequate finance will continue to be made available.

Subject to the foregoing and the going concern basis being appropriate, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1998 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**Thomas Cooke**

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

11 May 2000

**TRAKBAK RACING LIMITED**  
(Formerly Trakbak Services Limited)

**PROFIT AND LOSS ACCOUNT**

For the period 9 December 1997 to 31 December 1998

		47 Trading Weeks to 31 December 1998 £
	Note	
<b>TURNOVER</b>	3	1,386,706
Cost of sales		(718,350)
<b>GROSS PROFIT</b>		668,356
Administrative expenses		(727,393)
<b>OPERATING LOSS</b>	4	(59,037)
Interest payable		(531)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(59,568)
Taxation		—
<b>RETAINED LOSS FOR THE PERIOD</b>		(59,568)

The notes on pages 7 to 9 form an integral part of these accounts.

Auditors' report page 4.

**TRAKBAK RACING LIMITED**  
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**BALANCE SHEET**

As at 31 December 1998

	Note	£
<b>Assets employed:</b>		
<b>FIXED ASSETS</b>		
Tangible assets	5	36,382
<b>CURRENT ASSETS</b>		
Stocks	6	5,114
Debtors	7	201,705
Cash at bank and in hand		19,418
		<u>226,237</u>
<b>CREDITORS: amounts falling due within one year</b>	8	<u>(322,185)</u>
<b>NET CURRENT ASSETS</b>		<u>(95,948)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>(59,566)</u></u>
<b>Financed by:</b>		
<b>CAPITAL AND RESERVES</b>		
Called up share capital	9	2
Profit and loss account		(59,568)
		<u><u>(59,566)</u></u>

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 11 May 2000 and signed on its behalf.

  
 K.R. BARTLETT – Director

The notes on pages 7 to 9 form part of these accounts.



**TRAKBAK RACING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

For the period 9 December 1997 to 31 December 1998

**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) 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

**(d) Stocks**

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

**(e) 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.

**2. COMPARATIVE FIGURES**

There are no comparative figures, this being the company's first accounting period.

**3. TURNOVER**

The turnover and profit before taxation is attributable to the one principal activity of the company.

**4. OPERATING LOSS**

This is stated after charging:

	47 Trading Weeks 1998 £
Directors' consultancy fees	46,745
Depreciation	12,128
Auditors' remuneration	<u>3,000</u>

**TRAKBAK RACING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

For the period 9 December 1997 to 31 December 1998  
(continued)

**5. TANGIBLE FIXED ASSETS**

	Office equipment and computers £	Raceway plant and equipment £	Total £
<b>Cost</b>			
Additions and at 31 December 1998	14,500	34,010	48,510
<b>Depreciation</b>			
Charge for the year and at 31 December 1998	3,625	8,503	12,128
<b>Net book value</b>			
At 31 December 1998	10,875	25,507	36,382

**6. STOCKS**

	1998 £
Goods held for resale	5,114

**7. DEBTORS**

	1998 £
Trade debtors	4,326
Other debtors	197,119
Prepayments	260
	201,705

All debtors are due within one year.

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

	1998 £
Trade creditors	11,767
Other taxes and social security	12,165
Other creditors	92,923
Accruals and deferred income	205,330
	322,185

**TRAKBAK RACING LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

For the period 9 December 1997 to 31 December 1998  
(continued)

**9. CALLED UP SHARE CAPITAL**

	1998 £
Authorised: 1,000 ordinary shares of £1 each	<u>1,000</u>
Allotted, called up and fully paid: 2 ordinary shares of £1 each	<u>2</u>

**10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	£
Retained loss for the period	(59,568)
Other recognised gains and losses	<u>-</u>
At 31 December 1998	<u>(59,568)</u>

**11. TRANSACTIONS WITH DIRECTORS**

During the year K.R. Bartlett received consultancy fees amounting to £26,000 included in administration expenses. There is no balance on his Directors' loan account at the Balance Sheet date.

During the year Richard Catling Associates received £20,745 consultancy fees included in administration expenses. R.A. Catling has an interest in transactions between this company and Richard Catling Associates arising from shareholding in this company and sole proprietorship of the latter firm. He is owed £7,937 at the Balance Sheet date in Directors' loan account.

**12. RELATED PARTIES**

The wife of Richard Catling, director, received £5,000 during the season for her assistance in running the Events.

Mrs. Catling also loaned the company monies during the period. At the balance sheet date she is owed £27,658 included in other creditors.

Auditors' report page 4.