

Roy Harris Limited

Registered No. 1087652

DIRECTORS

S A Jones
P Whitehead

SECRETARY

P Whitehead

AUDITORS

Ernst & Young
Becket House
1 Lambeth Palace Road
London SE1 7EU

ERNST & YOUNG



DIRECTORS' REPORT

The directors present their report and accounts for the year ended 28 September 1996.

RESULTS AND DIVIDENDS

A summary of the results of the year's trading is set out on page 5 to the accounts. The directors do not propose the payment of a dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company was that of Bookmakers.

On 28 September 1995 the business and assets of the company were transferred to Arthur Prince (Turf Accountants) Limited. The company is not likely to trade in the near future.

FIXED ASSETS

The movements in fixed assets during the year are set out in note 4 to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors of the company who served during the year were as follows:

S A Jones	
R Haincock	(resigned 3 June 1996)
P Whitehead	(appointed 3 June 1996)

None of the directors have any interest in the share capital of the company. Their interests in the share capital of the ultimate parent undertaking are shown in the accounts of other wholly owned entities.

AUDITORS

Littlestone Martin Glenton have resigned as auditors and Ernst & Young have been appointed in their place.

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board

Secretary



114 FEB 1997

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 the year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts 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 accounts 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.

REPORT OF THE AUDITORS
to the members of Roy Harris Limited

We have audited the accounts on pages 5 to 9, 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 accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

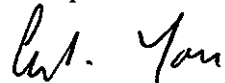
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 28 September 1996 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
London

9 April 1997

Roy Harris Limited

PROFIT AND LOSS ACCOUNT for the year ended 28 September 1996

		<i>9 months</i>	
		<i>Year ended</i>	<i>period ended</i>
		<i>28 September</i>	<i>27 September</i>
		<i>1996</i>	<i>1995</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
TURNOVER	1	–	1,076,437
Direct costs		–	(926,396)
		<hr/>	<hr/>
GROSS PROFIT		–	150,041
Administrative expenses		–	(102,041)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES	2	–	48,000
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR/PERIOD		–	48,000
		<hr/>	<hr/>
RETAINED PROFIT BROUGHT FORWARD		137,749	89,749
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD		137,749	137,749
		<hr/>	<hr/>

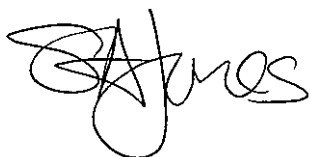
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses for the year ended 28 September 1996 other than a profit of £137,749 for the period ended 27 September 1995.

Roy Harris Limited

BALANCE SHEET at 28 September 1996

		28 September 1996	27 September 1995
	Notes	£	£
FIXED ASSETS			
Tangible assets	4	—	10,652
Investments	5	—	3,000
		<u>—</u>	<u>13,652</u>
CURRENT ASSETS			
Debtors	6	137,849	155,066
Cash at bank and in hand		—	1,634
		<u>137,849</u>	<u>156,700</u>
CREDITORS: amounts falling due within one year	7	—	(32,503)
		<u>137,849</u>	<u>124,197</u>
NET CURRENT ASSETS		<u>137,849</u>	<u>124,197</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>137,849</u>	<u>137,849</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account		137,749	137,749
		<u>137,849</u>	<u>137,849</u>
EQUITY SHAREHOLDERS' FUNDS	10	<u>137,849</u>	<u>137,849</u>



Director

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NOTES TO THE ACCOUNTS
at 28 September 1996

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Fixtures, fittings and equipment	—	10% per annum straight line
Leasehold property	—	straight line over the period of the lease

Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences other than those which are expected with reasonable probability to continue in the foreseeable future.

Turnover

Turnover represents gross stakes received and commissions.

2. PROFIT ON ORDINARY ACTIVITIES

This is stated after charging:

	Year ended 28 September 1996 £	9 months period ended 27 September 1995 £
Directors' remuneration	—	—
Depreciation	—	904
Operating lease rentals — plant and machinery	—	7,605
— leasehold property	—	1,063
	<u> </u>	<u> </u>

3. STAFF COSTS

The average number of employees during the year/period was as follows:

	Year ended 28 September 1996 No.	9 months period ended 27 September 1995 No.
Directors	—	—
Other	—	5
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS
at 28 September 1996

3. STAFF COSTS (continued)

Staff costs, including directors, during the year/period amounted to:

	Year ended 28 September 1996 £	9 months period ended 27 September 1995 £
Wages and salaries	—	40,630
Social security costs	—	3,389
Pension contributions	—	623
	<u>—</u>	<u>44,642</u>

4. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £	Total £
Cost/valuation:		
At 27 September 1995	24,468	24,468
Transfers	(24,468)	(24,468)
	<u>—</u>	<u>—</u>
At 28 September 1996	—	—
Depreciation:		
At 27 September 1995	13,816	13,816
Transfers	(13,816)	(13,816)
	<u>—</u>	<u>—</u>
At 28 September 1996	—	—
Net book value:		
At 28 September 1996	<u>—</u>	<u>—</u>
	<u>10,652</u>	<u>10,652</u>
At 27 September 1995	10,652	10,652

5. INVESTMENTS

	28 September 1996 £	27 September 1995 £
3,000 £1 ordinary shares in RHH (Credit) Limited a wholly owned subsidiary incorporated in England	—	3,000
	<u>—</u>	<u>3,000</u>

The aggregate capital and reserves of the subsidiary at 28 September 1996 was £30,894 (1995 – £30,894).
The subsidiary was dormant throughout the year.

6. DEBTORS

	28 September 1996 £	27 September 1995 £
Amounts owed by parent undertaking	137,849	155,066
	<u>137,849</u>	<u>155,066</u>

Roy Harris Limited

NOTES TO THE ACCOUNTS at 28 September 1996

7. CREDITORS: amounts falling due within one year

	28 September 1996	27 September 1995
	£	£
Amount due to parent undertaking	—	32,503

8. DEFERRED TAXATION

	Amount provided 28 September 1996	Potential liability unprovided £	Amount provided 27 September 1995	Potential liability unprovided £
Accelerated capital allowances	—	—	—	449

9. SHARE CAPITAL

	28 September 1996	27 September 1995
	£	£
Authorised: 1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid: 2 Ordinary shares of £1 each	100	100

10. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	28 September 1996	27 September 1995
	£	£
Opening equity shareholders' funds	137,849	89,849
Profit for the financial period	—	48,000
Closing equity shareholders' funds	137,849	137,849

11. CAPITAL COMMITMENTS

There were no capital commitments at 28 September 1996, and no amounts authorised but not contracted for at this date.

12. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Bass PLC, a company registered in England and Wales. The consolidated accounts of the Group are available to the public and may be obtained from the Registered Office, 20 North Audley Street, London W1Y 1WE.