

**R.A.M. Racing Leisure Limited** — 2136244

**Report and Financial Statements**

**Year Ended**

**31 December 2006**

WEDNESDAY



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COMPANIES HOUSE

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**BDO**

**BDO Stoy Hayward**  
Chartered Accountants

**R.A.M. Racing Leisure Limited**

**Annual report and financial statements for the year ended 31 December 2006**

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**Directors**

R I Renton  
M J Elliott

**Secretary and registered office**

W A Parker, Dunstall Park, Gorsebrook Road, Wolverhampton, WV6 OPE

**Company number**

2136244

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## **R.A.M. Racing Leisure Limited**

### **Report of the directors for the year ended 31 December 2006**

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The directors present their report together with the audited financial statements for the year ended 31 December 2006

#### **Results and dividends**

The profit and loss account is set out on page 5 and shows the profit for the year

The directors paid a dividend of £2,270,000 (2005 - £17,600,000) during the year

#### **Principal activities, trading review and future developments**

The principal activity of the company during the year has continued to be that of a holding company. The subsidiary companies, Dunstall Park Centre Limited and Southwell Racecourse Limited carried on business as racecourse operators.

#### **Directors**

The directors of the company during the year were

E C Taylor                      (resigned 30 March 2006)  
R I Renton  
M J Elliott

No director had any interest in the ordinary share capital of the company

M J Elliott and R I Renton were also directors of the company's parent company, Arena Leisure Plc. Their interests in its ordinary share capital and share options are disclosed in its financial statements.

#### **Directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**R.A.M. Racing Leisure Limited**

**Report of the directors for the year ended 31 December 2006 (Continued)**

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**Directors' responsibilities (Continued)**

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**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

**On behalf of the Board**

M J Elliott



**Director**

Date

26 June 2007

## **R.A.M. Racing Leisure Limited**

### **Report of the independent auditors**

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#### **To the shareholders of R.A.M. Racing Leisure Limited**

We have audited the financial statements of R A M Racing Leisure Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### *Respective responsibilities of directors and auditors*

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been 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 those 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 other transactions is not disclosed.

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

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *Basis of audit opinion*

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

**R.A.M. Racing Leisure Limited**

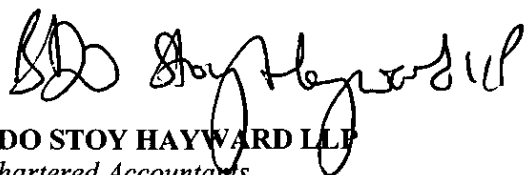
**Report of the independent auditors (*Continued*)**

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*Opinion*

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its profit for the year then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 1985
- the information given in the directors' report is consistent with the financial statements



**BDO STOY HAYWARD LLP**  
*Chartered Accountants  
and Registered Auditors*  
London

2 July 2007

**R.A.M. Racing Leisure Limited**

**Profit and loss account for the year ended 31 December 2006**

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	Note	2006 £	2005 £
<b>Dividend from subsidiary undertakings and transferred to reserves</b>	2	<b>2,270,000</b>	<b>17,600,000</b>

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All amounts relate to continuing activities

The notes on pages 7 to 9 form part of these financial statements

**R.A.M. Racing Leisure Limited**

**Balance sheet at 31 December 2006**

	Note	2006 £	2006 £	2005 £	2005 £
<b>Fixed assets</b>					
Investments	3		149,042		149,042
<b>Current assets</b>					
Debtors	4	3,445,592		3,445,592	
<b>Creditors: amounts falling due within one year</b>	5	598,279		598,279	
<b>Net current assets</b>			<u>2,847,313</u>		<u>2,847,313</u>
<b>Net assets</b>			<u>2,996,355</u>		<u>2,996,355</u>
<b>Capital and reserves</b>					
Called up share capital	6,7		35,501		35,501
Capital redemption reserve	7		66,501		66,501
Profit and loss account	7		2,894,353		2,894,353
<b>Shareholders' funds</b>			<u>2,996,355</u>		<u>2,996,355</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26 June 2007

M J Elliott  
Director



The notes on pages 7 to 9 form part of these financial statements



## R.A.M. Racing Leisure Limited

### Notes forming part of the financial statements for the year ended 31 December 2006

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#### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

##### *Tangible fixed assets and depreciation*

Fixed asset investments are stated at the lower of cost and market value.

##### *Deferred taxation*

Deferred tax is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

##### *Dividend*

Equity dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when paid by the company. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.

#### 2 Dividends

	2006 £	2005 £
Interim dividend paid £63.94 per share (2005 - £495.76)	<u>2,270,000</u>	<u>17,600,000</u>

#### 3 Investments

Shares in group undertakings

At 1 January 2006 and at 31 December 2006	<u>149,042</u>
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The following companies, all incorporated and registered in Great Britain are 100% direct subsidiaries of R A M Racing Leisure Limited:

Name	Activity
Southwell Racecourse Limited	Racecourse operator
Dunstall Park Centre Limited	Racecourse operator
Rowanglen Limited	Dormant
Southwell Race Company Limited	Dormant
Dunstall Park Stables Limited	Dormant

# **R.A.M. Racing Leisure Limited**

## **Notes forming part of the financial statements for the year ended 31 December 2006 (Continued)**

### **4 Debtors**

	2006 £	2005 £
Amounts owed by group undertaking	3,444,592	3,444,592
Other debtors	1,000	1,000
	<u>3,445,592</u>	<u>3,445,592</u>

### **5 Creditors: amounts falling due within one year**

	2006 £	2005 £
Amounts owed to group undertakings	598,279	598,279
	<u>598,279</u>	<u>598,279</u>

### **6 Share capital**

	Authorised 2006 £	2005 £	Allotted, called up and fully paid 2006 £	2005 £
950,000 'A' ordinary shares of £1 each	950,000	950,000	35,501	35,501
50,000 'B' ordinary shares of £1 each	50,000	50,000	-	-
	<u>1,000,000</u>	<u>1,000,000</u>	<u>35,501</u>	<u>35,501</u>

### **7 Reserves**

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2006	35,501	66,501	2,894,353	2,996,355
Profit for the year	-	-	2,270,000	2,270,000
Dividends Paid	-	-	(2,270,000)	(2,270,000)
	<u>35,501</u>	<u>66,501</u>	<u>2,894,353</u>	<u>2,996,355</u>
At 31 December 2006	35,501	66,501	2,894,353	2,996,355

## **R.A.M. Racing Leisure Limited**

### **Notes forming part of the financial statements for the year ended 31 December 2006 (*Continued*)**

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#### **8 Related party transactions**

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with entities that are included in the consolidated financial statements of Arena Leisure Plc

#### **9 Cash flow statement**

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company

#### **10 Ultimate parent company**

At 31 December 2006, the company's ultimate parent company was Arena Leisure Plc. Copies of its financial statements are available from Arena Leisure Plc, 1 Hay Hill, Berkeley Square, London, W1J 6DH