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Racing Green Limited  
Report for the period ended  
27 June 2002

Registered Number: 2460533



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# Racing Green Limited

## Report for the period ended

27 June 2002

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# **Racing Green Limited**

## **Directors and advisors**

### **Directors**

DN Brown  
CP Duckels  
AA Goldman  
IP Jackman

### **Secretary**

RJ Stevenson

### **Auditors**

PricewaterhouseCoopers  
Benson House  
33 Wellington Street  
Leeds  
LS1 4JP

### **Solicitors**

Clifford Chance  
200 Aldersgate Street  
London  
EC1A 4JJ

### **Registered Office**

Colegrave House  
70 Berners Street  
London  
W1T 3NL

### **Registered Number**

2460533

# Racing Green Limited

## Directors' report for the period ended 27 June 2002

The directors present their report together with the audited financial statements of the Company for the ten months ended 27 June 2002.

### Post balance sheet event and change of accounting reference date

On 28 June 2002, the Company was acquired by Speciality Retail Group plc. Pursuant to this purchase, the Company has changed its accounting reference date from 31 August to 28 June. These financial statements cover the ten months ended 27 June 2002.

### Principal activity and review of business

The principal activity of the Company during the period was to act as an undisclosed agent for Arcadia Group Brands Limited and latterly, Warehouse Fashion Limited, two fellow subsidiaries of Arcadia Group plc, in respect of its former business. On 27 June 2002, the Company terminated its agency agreement with Warehouse Fashion Limited and will shortly re-commence trading in its own right.

The results for the period under review are shown on page 5. The directors do not recommend the payment of a final dividend (2001: £2,044,000) and hence the retained profit for the period of £7,000 will be transferred to reserves.

### Directors and directors' interests

The following served as directors during the period:

DN Brown  
CP Duckels  
AA Goldman  
IP Jackman

At the period end none of the directors had an interest in the share capital of the Company. Their interests in the share capital of the ultimate parent undertaking, Arcadia Group plc were as follows:

	DN Brown	CP Duckels	AA Goldman	IP Jackman
<b>At 27 June 2002</b>				
Ordinary shares of 80p each	3,305	7,490	676	42,155
Options to acquire ordinary shares of 80p each	95,828	109,795	76,459	372,996
Options exercised	-	-	(6,250)	-
Options granted	-	-	-	-
<b>At 26 August 2001</b>				
Ordinary shares of 80p each	3,305	7,490	1,721	42,155
Options to acquire ordinary shares of 80p each	95,828	109,795	82,709	372,996

# **Racing Green Limited**

## **Directors' report for the period ended 27 June 2002 (continued)**

### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period that 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 period. The directors are required to prepare financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently and that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 27 June 2002 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and 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, PricewaterhouseCoopers, have indicated that they will not be seeking re-election at the forthcoming Annual General Meeting. A resolution recommending the appointment of Baker Tilly will therefore be proposed.

**By order of the Board**



**CP Duckels**

Director

28 June 2002

# Racing Green Limited

## Independent auditors' report to the members of Racing Green Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and related notes, which have been prepared under the historical cost convention and the accounting policies set out on page 7.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the report and the financial statements in accordance with applicable United Kingdom law and 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 issued by the Auditing Practices Board.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

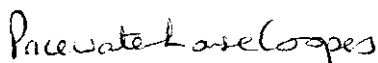
### Basis of audit opinion

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 at 27 June 2002 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**

Chartered Accountants and Registered Auditors

Leeds

28 June 2002

## **Racing Green Limited**

### **Profit and loss account for the period ended 27 June 2002**

	Notes	10 months ended 27 June 2002 £'000	Year ended 25 August 2001 £'000
Turnover		10	49
Cost of sales		-	-
Gross profit and profit before taxation	2	10	49
Taxation	3	(3)	(15)
Profit for the financial period / year		7	34
Dividends - proposed		-	(2,044)
Retained profit / (loss) for the period / year	5	7	(2,010)

All of the results above relate to discontinued activities.

The only recognised gains and losses are those dealt with in the profit and loss account above.


There is no difference between the results disclosed above and the results on an unmodified historical cost basis.

# Racing Green Limited

## Balance Sheet as at 27 June 2002

	Notes	27 June 2002 £'000	25 August 2001 £'000
<b>Current assets</b>			
Debtors : Amounts owed by group undertakings		671	2,705
<b>Creditors (due within one year)</b>			
Taxation		(164)	(161)
Proposed dividend		-	(2,044)
		(164)	(2,205)
<b>Net current assets</b>		<b>507</b>	<b>500</b>
<b>Net assets</b>		<b>507</b>	<b>500</b>
<b>Capital and reserves</b>			
Share capital	4	500	500
Profit and loss account	5	7	-
<b>Equity shareholders' funds</b>	<b>5</b>	<b>507</b>	<b>500</b>

The financial statements on pages 5 to 8 were approved by the Board on 28 June 2002 and were signed on its behalf by:



**CP Duckels**  
Director



# Racing Green Limited

## Notes to the financial statements for the period ended 27 June 2002

### 1 Accounting policies

#### Accounting convention

The financial statements are drawn up under the historical cost convention and in accordance with applicable accounting standards.

### 2 Profit before taxation

	10 months ended 27 June 2002 £'000	Year ended 25 August 2001 £'000
Profit before taxation is stated after crediting:		
Agency income	10	49

None of the directors received any emoluments in respect of their services to the Company. Auditors' remuneration has been borne by Arcadia Group plc.

### 3 Taxation

	10 months ended 27 June 2002 £'000	Year ended 25 August 2001 £'000
Based on the profit for the period / year:		
UK corporation tax at 30% (2001: 30%)		
- Current	3	15

# Racing Green Limited

## Notes to the financial statements for the period ended 27 June 2002 (continued)

### 4 Called up share capital

	27 June 2002 £'000	25 August 2001 £'000
<b>Authorised:</b>		
10,000,000 ordinary shares of 10p each	1,000	1,000
<b>Allotted and fully paid:</b>		
5,000,000 ordinary shares of 10p each	500	500

### 5 Shareholders' funds

	Share capital £'000	Profit and loss account £'000	Total 27 June 2002 £'000	Total 25 August 2001 £'000
Profit for the financial period / year	-	7	7	34
Dividends	-	-	-	(2,044)
Net change in the period / year	-	7	7	(2,010)
Opening shareholders' funds	500	-	500	2,510
Closing shareholders' funds	500	7	507	500

### 6 Ultimate parent undertakings and related party disclosures

At the balance sheet date the Company's ultimate parent undertaking and controlling party was Arcadia Group plc, a company whose consolidated financial statements are publicly available. Consequently, the Company has taken advantage of the exemption under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of Arcadia Group plc group or investees of Arcadia Group plc. Copies of the consolidated financial statements of Arcadia Group plc can be obtained by writing to the Secretary at Colegrave House, 70 Berners Street, London W1T 3NL.

Following its purchase of the Company's shares on 28 June 2002, Speciality Retail Group plc became the Company's ultimate parent undertaking.