

" COPY FOR REGISTRAR OF COMPANIES "

COMPANY NO: 3092680

NIAL A MCLOUGHLIN BLOODSTOCK SERVICES LIMITED

PAGE 1

REPORT AND ACCOUNTS

PERIOD ENDED 31 AUGUST 1996

DIRECTOR

MR N A MCLOUGHLIN

SECRETARY

SP SECRETARIAL SERVICES LIMITED

REGISTERED OFFICE

62 NEW CAVENDISH STREET
LONDON W1M 7LD

ACCOUNTANTS

SINGER HOME DESAI
62 NEW CAVENDISH STREET
LONDON W1M 7LD



ANNUAL REPORT AND STATEMENT OF ACCOUNTS
PERIOD ENDED 31 AUGUST 1996

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DIRECTOR REPORT
FOR THE PERIOD ENDED 31 AUGUST 1996

The Director presents his first Annual Report to the members together with the Accounts and Notes thereto.

The company was incorporated on 18 August 1995, and commenced to trade on that date.

PRINCIPAL ACTIVITY

The Principal Activity of the company in the period under review as that of Bloodstock Commission Agents and Brokers.

REVIEW OF BUSINESS

The Director reports the results shown in the accounts for the period under review and anticipates improved results for the current year.

DIVIDEND

The Director recommends that a dividend of £2,500 per Ordinary Share be declared for the period under review.

RESERVES

The Director propose that no formal transfer be made to or from reserves for the period.

DIRECTOR

The constitution of the Board, his interests (and those of his immediate families) in the Capital of the company were as follows:

	<u>Beneficial Holdings</u> <u>Shares of £1 Each</u> <u>1996</u>
Mr N A McLoughlin	1
	--
	1
	==

The following changes in the constitution of the Board has taken place during the period.

Mr N A McLoughlin was appointed as a Director on 18 August 1996.

FIXED ASSETS

Details of Fixed Assets are shown in the Notes to the Accounts.

DIRECTOR REPORT

FOR THE PERIOD ENDED 31 AUGUST 1996 (CONTINUED)

ISSUE OF SHARES

For the purpose of capitalising the company the following Issue of Shares have been made during the financial period:

2 Ordinary Shares of £1 Each Issued at Par

£ 2
=====

TAXATION

So far as the Director is aware the company falls within the meaning of a "Close Company" as defined by the Income and Corporation Taxes Act 1988.

BY ORDER OF THE BOARD

N mel

X *James*
CHAIRMAN

3 Jan 1997
.....
DATE

STATEMENT OF DIRECTOR'S 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 affairs of the company and of the profit or loss of the company for that period . In preparing those financial statements, the Director are required to:

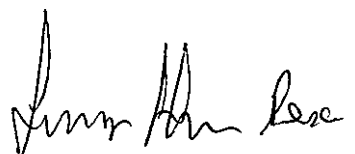
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Director 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.

ACCOUNTANT'S REPORT
PERIOD ENDED 31 AUGUST 1996

The Director has taken advantage of the total exemption from audit conferred by Section 249A(1) of Companies Act 1985 and confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985.

In accordance with instructions given to us we have prepared, without carrying out an audit, the attached accounts from the accounting records and information and explanations supplied to us by the Directors.



SINGER HOME DESAI

62 NEW CAVENDISH STREET

LONDON W1M 7LD

4 June 1997

BALANCE SHEET AS AT 31 AUGUST 1996

<u>FIXED ASSETS</u>	<u>NOTES</u>	<u>1996</u>
Tangible Assets	2	£ 225
<u>CURRENT ASSETS</u>		
Debtors	3	£ 2,250
Cash at Bank and in Hand		5

		£ 2,255
		=====
<u>CREDITORS</u>		
Amounts falling due within One Year	4	£(2,381)

<u>NET CURRENT (LIABILITIES)</u>		(126)

<u>TOTAL ASSETS LESS</u>		
<u>CURRENT (LIABILITIES)</u>		£ 99
		=====
<u>CAPITAL AND RESERVES</u>		
<u>CALLED UP SHARE CAPITAL</u>	5	£ 2
<u>PROFIT AND LOSS ACCOUNT</u>		97

		£ 99
		=====

The Director has taken advantage of the total exemption from audit conferred by Section 249A(1) of Companies Act 1985 and confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985. The Director acknowledges his responsibilities for ensuring that:

1. The company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
2. The financial statements give a true and fair view of the state of affairs of the company as at 31 August 1996 and of its loss for the period then ended in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

N M L & DIRECTOR

Approved by the Board on 3rd June 1997.

To be read in conjunction with the Notes on pages 9 to 11.

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 1996

	<u>NOTES</u>	<u>PERIOD</u> <u>ENDED</u> <u>31 AUGUST</u> <u>1996</u>
<u>TURNOVER</u>	6	£ 18,700
<u>LESS: DIRECT COSTS</u>		3,868

<u>GROSS PROFIT</u>		14,832
<u>OPERATING EXPENSES</u>		
Administration Expenses		£ 7,096
Other Operating Expenses		980

<u>PROFIT ON ORDINARY</u> <u>ACTIVITIES BEFORE TAXATION</u>	7	6,756
<u>TAXATION</u>	8	1,659

<u>PROFIT FOR THE PERIOD</u>		5,097
<u>DIVIDEND</u>		5,000

<u>PROFIT AND LOSS ACCOUNT</u> <u>BALANCE BROUGHT FORWARD</u>		£ 97
		=====

There are no recognised Gains and Losses for the period ended 31 August 1996, other than those included in the Profit and Loss Account.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 1996

NOTE: 1

ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a 'Small Company'.

1.2 TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful working life less its residual value.

Furniture, Fittings and Equipment 25% p.a on reducing balance.

1.3 TURNOVER

Turnover represents the total income receivable by the company (exclusive of Value Added Tax) in respect of services rendered.

NOTE: 2

<u>TANGIBLE FIXED ASSETS</u>		<u>FIXTURES</u>	
		<u>FITTINGS &</u>	
		<u>EQUIPMENT</u>	<u>TOTAL</u>
<u>Cost:</u>			
Additions		£ 300	£ 300
Disposals		-	-
<u>Balance:</u>			
	31 August 1996	£ 300	£ 300
<u>Depreciation:</u>			
Provided in the Period		£ 75	£ 75
Disposals		-	-
<u>Balance:</u>			
	31 August 1996	£ 75	£ 75
<u>NET BOOK VALUE:</u>			
	31 August 1996	£ 225	£ 225

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 1996 (CONTINUED)NOTE: 3DEBTORS1996

Trade Debtors

£ 2,250

=====

NOTE: 4CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR1996

Sundry Creditors

£ 705

Directors Current Account

17

Corporation Tax

1,659

£ 2,381

=====

NOTE: 5CALLED UP SHARE CAPITAL1996Authorised

1,000 Ordinary Shares of £1 Each

£ 1,000

=====

Issued and Fully Paid

2 Ordinary Shares of £1 Each

£ 2

=====

NOTE: 6TURNOVER

The Turnover is attributable to the one Principal Activity of the company, carried on wholly in the United Kingdom.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 1996 (CONTINUED)

NOTE: 7

OPERATING RESULTS

The Operating Results are stated after charging:

		<u>PERIOD</u> <u>ENDED</u> <u>31 AUGUST</u> <u>1996</u>
Staff Costs	(Note: 7.1)	£ 3,000
Depreciation		75
		=====

NOTE: 7.1

STAFF COSTS

	<u>PERIOD</u> <u>ENDED</u> <u>31 AUGUST</u> <u>1996</u>
Social Security Costs	£ -
Wages and Salaries	3,000

	£ 3,000
	=====

The average weekly number of employees including Director during the period was as follows:

	<u>PERIOD</u> <u>ENDED</u> <u>31 AUGUST</u> <u>1996</u>
Office and Administration	1
	==

NOTE:8

TAXATION

A provision for Corporation Tax on the results shown for the period is as follows:

	<u>PERIOD ENDED</u> <u>31 AUGUST</u> <u>1996</u>
Corporation Tax due at 25/24%	£ 1,659
	=====

ANNUAL REPORT AND STATEMENT OF ACCOUNTS
PERIOD ENDED 31 AUGUST 1996

THE INFORMATION WHICH APPEARS ON THE FOLLOWING PAGES HAS BEEN
PREPARED AT THE REQUEST OF THE COMPANY'S MANAGEMENT AND FOR
MANAGEMENT PURPOSES ONLY AND DOES NOT FORM PART OF THE
STATUTORY ACCOUNTS AND IS SUBMITTED TO THE INLAND REVENUE
AND TO OTHER THIRD PARTIES AS INSTRUCTED BY THE DIRECTOR.