

Newcastle United Ventures Limited

**Director's report and financial
statements**

Registered number 3305231

31 July 2005



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Director's report

The director presents the annual report and the audited financial statements for the year ended 31 July 2005.

Principal activities and business review

The company did not trade during the year.

Proposed dividend

The director does not recommend the payment of a dividend.

Director and director's interests

The director who held office during the year was as follows:

WF Shepherd

The director who held office at the end of the financial year did not have any disclosable interest in the shares of the company. The interests of the director in the shares of the parent company, Newcastle United PLC, are disclosed in the financial statements of that company.

According to the register of directors' interests, no rights to subscribe for shares in the company were granted to the director or his immediate family, or exercised by them, during the financial year.

Independent auditors

Pursuant to a shareholders resolution the company is not obliged to reappoint auditors annually and KPMG Audit Plc will therefore continue in office.

By order of the board



R Cushing
Secretary

St James' Park
Newcastle upon Tyne
NE1 4ST

28 October 2005

Statement of 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 affairs of the company and of the profit or loss for that period. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
United Kingdom

Report of the independent auditors to the members of Newcastle United Ventures Limited

We have audited the financial statements on pages 4 to 6.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 Companies Act 1985. 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 with the company is not disclosed.

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 as at 31 July 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
Chartered Accountants
Registered Auditor

28 October 2005

Profit and loss account
for the year ended 31 July 2005

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, the company made neither a profit nor a loss.

Balance sheet
at 31 July 2005

	<i>Note</i>	2005 £	2004 £
Current assets			
Debtors	4	15,768	15,768
Creditors: amounts falling due within one year	5	(4,962)	(4,962)
Net assets		<u>10,806</u>	<u>10,806</u>
Capital and reserves			
Called up share capital	6	2	2
Profit and loss account		<u>10,804</u>	<u>10,804</u>
Equity shareholders' funds		<u>10,806</u>	<u>10,806</u>

These financial statements were approved by the board of directors on 28 October 2005 and were signed on its behalf by:



WF Shepherd
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard (FRS) 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Newcastle United PLC, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Newcastle United PLC, within which this company is included, can be obtained from the address given in note 8.

2 Remuneration of directors

The director did not receive any remuneration in respect of his services to the company during the year (2004: £nil).

3 Staff numbers and costs

The director was the only employee of the company during the current and preceding years.

4 Debtors

	2005 £	2004 £
Amounts owed by group undertakings	15,768	15,768

5 Creditors: amounts falling due within one year

	2005 £	2004 £
Amounts owed to group undertakings	4,962	4,962

Notes *(continued)*

6 Called up share capital

	2005 £	2004 £
<i>Authorised</i>		
Equity: Ordinary shares of £1 each	1,000	1,000
<i>Allotted, called up and fully paid</i>		
Equity: Ordinary shares of £1 each	2	2

7 Related party disclosures

The company is controlled by its parent company, Newcastle United PLC. The ultimate controlling party is Newcastle United PLC.

8 Ultimate parent company

The company is a subsidiary undertaking of Newcastle United PLC.

The only group in which the results of the company are consolidated is that headed by Newcastle United PLC. The consolidated accounts of this group are available to the public and may be obtained from St James' Park, Newcastle upon Tyne, NE1 4ST.