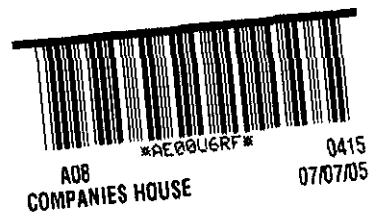


The Chepstow Racecourse Limited

**Directors' report and financial
statements**

Registered number 05145475

30 June 2005



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Directors' report

The directors present their annual report and the audited financial statements for the period ended 30 June 2005.

The company was incorporated on 4 June 2004 as The Chepstow Racecourse Limited.

Principal activities

The company was dormant during the period.

Dividend

The directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the period were as follows:

Sir Stanley W Clarke	(Appointed 3 June 2004, Resigned 19 September 2004)
Simon W Clarke	(Appointed 3 June 2004)
RG Street	(Appointed 3 June 2004)

None of the directors held any interest in the shares of the company. The directors who held office at the end of the year were also directors of the holding company, Northern Racing PLC, during the period and their interest in the shares of other companies in the group are disclosed in the directors' report of that company.

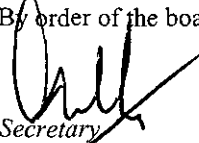
Comparatives

As this is the first accounting period no comparative figures have been presented.

Auditors

This company is entitled to the exemption under subsection 1 of section 249AA of the Companies Act 1985 from the requirement to have its accounts audited.

By order of the board


Secretary

The Racecourse
Chepstow
Monmouthshire
NP16 3BE

5 July 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;
- 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.

Profit and loss account
for the period ended 30 June 2005

During the financial year the company did not trade and received no income and incurred no expenditure. Consequently, during the year the company made neither a profit or a loss and incurred no other gains or losses

Balance sheet
at 30 June 2005

	Note	£
Current assets		
Debtors	2	1
		<hr/>
Capital and reserves		
Called up share capital	3	1
		<hr/>

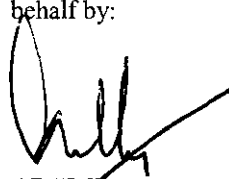
The Chepstow Racecourse Limited was dormant (within the meaning of section 250 of Companies Act 1985) throughout the period ended 30 June 2005.

The directors:

- a) confirm that the company was entitled to exemption under subsection (1) of section 249AA of the Companies Act 1985 from the requirement to have its accounts for the financial period ended 30 June 2005 audited.
- b) confirm that members have not required the company to obtain an audit of its accounts for that financial period in accordance with subsection (2) of section 249B(2) of that Act.
- c) acknowledge their responsibilities for:
 - i. ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - ii. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on
behalf by:

2005 and were signed on its


AB Kelly
Director


Simon W Clarke
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 historical cost accounting rules.

2 Debtors

	2005 £
Amounts owed to group undertakings	1

3 Called up share capital

	2005 £
<i>Authorised</i> 1,000 ordinary shares of £1 each	1,000
<i>Called up, allotted and fully paid</i> 1 ordinary shares of £1 each	1

4 Ultimate parent company

The company is a subsidiary undertaking of Northern Racing PLC which is incorporated in Great Britain and registered in England and Wales.

The group in which the results of the company are consolidated is that headed by Northern Racing PLC.

5 Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Northern Racing PLC and its cash flows are included within the consolidated cash flow statement of that company.