

MARK BAILEY RACING LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

Company No. 2324924



MARK BAILEY RACING LIMITED

Directors' Report for the year ended 31 March 2000

The directors have pleasure in submitting their report together with the accounts of the company for the year ended 31 March 2000.

Principal activity and future developments

The principal activity of the company during the year was that of racing car transmission repairing, servicing and running of racing cars and the whole of the turnover was attributable to this activity. The directors of the company expect that the position of the company will be maintained during the next year.

Directors

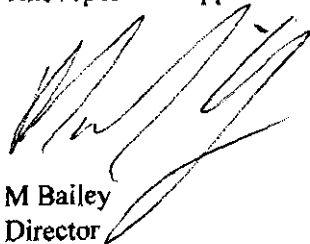
The directors at 31 March 1999 and their interests in the share capital of the company were as follows:

	31 March 2000	31 March 1999
M A C Bailey	80	80
C A Bailey	-	-
B E A Bailey	-	-

Small company rules

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the board on 25 January 2001 and signed on its behalf.

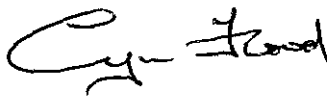


M Bailey
Director

MARK BAILEY RACING LIMITED

Accountants' Report on the unaudited accounts to the Directors of
Mark Bailey Racing Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 2000 set out on pages 3 to 9, and you consider that the company is exempt from audit. In accordance with your instructions, I have compiled these unaudited accounts in order to assist you to fulfill your statutory responsibilities, from the accounting records and information and explanations supplied to us, and I report that they are in accordance therewith.



Cyril Flood
Chartered Accountant
3 Churchgates
Church Lane
Berkhamsted
Herts
HP4 2UB

25 January 2001

MARK BAILEY RACING LIMITED

Profit and Loss Account
for the year ended 31 March 2000

	Notes	2000 £	1999 £
Turnover	2	250,705	208,741
Cost of Sales		(197,842)	(148,775)
Gross Profit		<u>52,863</u>	<u>59,966</u>
Overhead expenses		(54,415)	(49,822)
Operating (Loss)/Profit	3	<u>(1,552)</u>	<u>10,144</u>
Interest receivable	4	-	1
Interest payable		(2,020)	(5,283)
(Loss)/Profit on ordinary activities before taxation		<u>(3,572)</u>	<u>4,862</u>
Taxation	5	-	-
(Loss)/Profit on ordinary activities after taxation		<u>(3,572)</u>	<u>4,862</u>
Retained deficit brought forward		(19,595)	(24,457)
Retained deficit carried forward		<u>(23,167)</u>	<u>(19,595)</u>

The notes on pages 6 to 9 form part of these accounts.

MARK BAILEY RACING LIMITED

Balance Sheet as at 31 March 2000

	Notes	2000		1999	
		£	£	£	£
Fixed assets					
Tangible assets	6		38,284		46,095
Freehold property	7		45,028		44,082
Current assets					
Stocks	8	39,997		41,360	
Debtors	9	27,347		15,602	
Cash at bank and in hand		31		30	
		<u>67,375</u>		<u>56,992</u>	
Creditors: amounts falling due within one year	10	119,718		115,247	
Net current liabilities			(52,343)		(58,255)
Creditors: amounts falling due after more than one year	11		(54,036)		(51,417)
Net liabilities			<u>(23,067)</u>		<u>(19,495)</u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss account			(23,167)		(19,595)
Shareholders' funds	13		<u>(23,067)</u>		<u>(19,495)</u>

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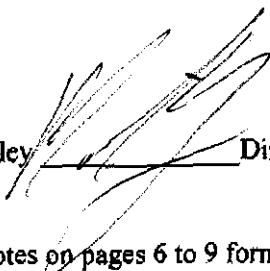
The notes on pages 6 to 9 form part of these accounts.

MARK BAILEY RACING LIMITED

Balance Sheet as at 31 March 2000 (Continued)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of s.249A(1) of the Companies Act 1985. No notice requiring an audit for the year ended 31 March 2000 has been deposited under s.249(B)(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with s.221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 March 2000 and of its profit for the year then ended in accordance with the requirements of s.226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 25 January 2001 and signed on its behalf

M Bailey  Director

The notes on pages 6 to 9 form part of these accounts.

MARK BAILEY RACING LIMITED

Notes to the accounts for the year ended 31 March 2000

1. Accounting policies

Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases :

Freehold property	-2 % straight line basis
Fixtures and fittings	-10% straight line basis
Plant and machinery	-15% straight line basis
Motor vehicles	-25% straight line basis
Patterns	-15% straight line basis

2. Turnover

The whole of the turnover is attributable to the one principal activity of the company. The turnover and pre-tax profit are entirely attributable to the principal activity of the company.

3. Operating profit

The operating profit is stated after charging:

	2000 £	1999 £
Directors remuneration	10,020	9,180
Depreciation	9,929	3,625

4. Interest received

Bank deposit interest	-	1

MARK BAILEY RACING LIMITED

Notes to the accounts for the year ended 31 March 2000

5. Taxation

No liability arises to corporation tax on the results for the year.

6. Tangible fixed assets

	Patterns	Fixtures and fittings	Motor vehicles	Plant & Machinery	Total
Cost					
At 1 April 1999	5,900	6,334	104,964	20,868	138,066
Additions	-	1,218	-	-	1,218
Disposal	-	-	(36,950)	-	(36,950)
At 31 March 2000	5,900	7,552	68,014	20,868	102,334
Depreciation					
At 1 April 1999	5,900	5,834	59,719	20,518	91,971
Charge for year	-	1,109	7,845	75	9,029
Disposal	-	-	(36,950)	-	(36,950)
At 31 March 2000	5,900	6,943	30,614	20,593	64,050
Net Book Values					
31 March 2000	-	609	37,400	275	38,284
31 March 1999	-	500	45,245	350	46,095

7. Freehold property

	2000 £	1999 £
Cost		
Brought forward	44,982	44,982
Additions	1,846	-
Amortisation	(1,800)	(900)
	45,028	44,082

MARK BAILEY RACING LIMITED

Notes to the accounts for the year ended 31 March 2000

8. Stocks

	2000 £	1999 £
Raw materials & consumables	39,997	41,360

9. Debtors

Trade debtors	19,102	4,429
Sundry debtors & prepayments	-	8,853
Vat recoverable	8,245	2,320
	<u>27,347</u>	<u>15,602</u>

10. Creditors: amounts falling due within one year

Trade creditors	17,551	18,677
Bank overdraft	25,235	12,402
Bank loan	18,251	19,490
Other taxation and social security	609	75
Accruals	1,290	1,200
Sundry creditors	55,382	62,003
Hire purchase	1,400	1,400
	<u>119,718</u>	<u>115,247</u>

The mortgage is secured by way of a fixed charge over the freehold property and is repayable over 25 years by March 2022.

11. Creditors: amounts falling due after more than one year

Directors loan	24,101	19,650
Mortgage	27,952	28,384
Hire purchase	1,983	3,383
	<u>54,036</u>	<u>51,417</u>

MARK BAILEY RACING LIMITED

Notes to the accounts for the year ended 31 March 2000

	2000 £	1999 £
12. Share capital		
Authorised		
Ordinary Shares of £1 each	100	100
	—	—
Allotted, Called up and fully paid		
Ordinary Shares of £1 each	100	100
	—	—
 13. Movement on shareholders funds		
(Loss)/Profit for the year	(3,572)	4,862
Opening shareholders funds	(19,495)	(24,357)
Closing shareholders funds	<u>(23,067)</u>	<u>(19,495)</u>