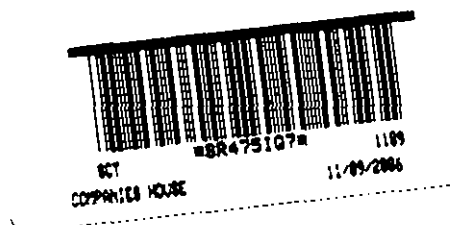


Company Registration No. 78564 (Scotland)

R S A C MOTORSPORT LIMITED
(COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 DECEMBER 2005



R S A C MOTORSPORT LIMITED
(COMPANY LIMITED BY GUARANTEE)

Company Information

Directors	I B M Lyle J S Cowan M N C Gascoigne J S McRae C N Hilton (resigned 4 February 2006) J G Hastie
Director/ Secretary	J C Lord
Company Number	78564 Registered in Scotland
Registered Office	31 Melville Street Edinburgh EH3 7JQ
Accountants	Bain & Company 11 The Grange Perceton Ayrshire KA11 2EU
Business address	St James Business Centre Linwood Road Paisley PA3 3AT
Bankers	The Bank of Scotland 235 Sauchiehall Street Glasgow G2 3EY

R S A C MOTORSPORT LIMITED
(COMPANY LIMITED BY GUARANTEE)

Contents

	Page
Directors' Report	1
Accountants Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to Financial Statements	5 – 7

R S A C MOTORSPORT LIMITED
(COMPANY LIMITED BY GUARANTEE)

Directors' Report
For the year ended 31 December 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Principal activities

The principal activity of the company continued to be that of the promotion and administration of Motor Sport in Scotland.

Directors

The following directors have held office since 1 January 2005.

I B M Lyle
J S Cowan
M N C Gascoigne
J S McRae
C N Hilton (resigned 4 February 2006)
J G Hastie
J C Lord

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 of the company 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 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.

Small Company exemptions

This report has been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

By order of the board

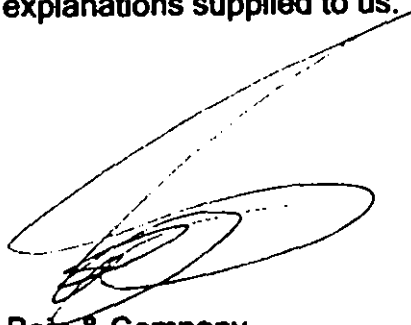
J C Lord
Director/Secretary
22 nd August 2006



**R S A C MOTORSPORT LIMITED
(COMPANY LIMITED BY GUARANTEE)**

**Accountants Report
To The Directors On The Un-audited Accounts Of
R S A C MOTORSPORT LIMITED**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2005, set out on pages 3 to 7 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these un-audited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



**Bain & Company
Accountants
11 The Grange
Perceton
Ayrshire
KA11 2EU**

22nd August 2006

R S A C MOTORSPORT LIMITED
(COMPANY LIMITED BY GUARANTEE)

Profit And Loss Account
For The Year Ended 31 December 2005

	Notes	2005 £	2004 £
Turnover		165,547	170,033
Cost of sales		122,851	125,482
Gross Profit		<u>42,696</u>	<u>44,551</u>
Administrative expenses		46,032	(43,401)
Operating profit/(loss)	3	<u>(3,336)</u>	<u>1,150</u>
Other income		616	20,553
Profit/(loss) on ordinary activities before taxation		<u>(2,720)</u>	<u>21,703</u>
Tax on profit/(loss) on ordinary activities	4	-	55
Profit/(loss) on ordinary activities after taxation	8	<u>(2,720)</u>	<u>21,648</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

R S A C MOTORSPORT LIMITED
(COMPANY LIMITED BY GUARANTEE)

Balance Sheet
As At 31 December 2005

	Notes	£	2005 £	£	2004 £
Fixed assets					
Tangible assets	5		1		1
Current assets					
Debtors	6	23,954		26,640	
Cash at bank and in hand		<u>21,295</u>		<u>10,690</u>	
		45,249		37,330	
Creditors: amounts falling due within one year	7	<u>(50,519)</u>		<u>(39,881)</u>	
Net current liabilities			(5,270)		(2,551)
Total assets less current liabilities			<u>(5,269)</u>		<u>(2,550)</u>
Reserves					
Profit and loss account	8		<u>(5,269)</u>		<u>(2,550)</u>

In preparing these financial statements:

The directors are of the opinion that the company is entitled to exemption from audit conferred by Section 249A(1) of the Companies Act 1985.

Members have not requested the company to obtain an audit of its accounts for the year in question in accordance with Section 249B(2) of the Companies Act 1985, and

The directors acknowledge their responsibilities for:

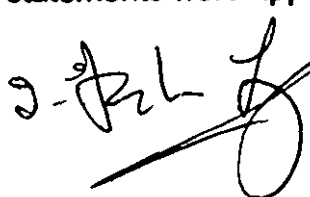
Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and

Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

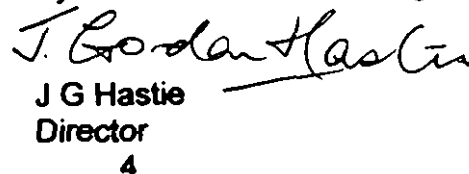
These financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 22 nd August 2006.

I B M Lyle
 Director



J G Hastie
 Director



Notes To The Financial Statements

For The Year Ended 31 December 2005

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the financial reporting standard for smaller entities (effective March 2000).

1.2 Turnover

Turnover represents amounts receivable for goods and services.

1.3 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 less estimated residual value of each asset over its expected useful life, as follows:

Equipment	25% Straight line
Motor vehicles	25% Straight line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Basis of preparing the financial statements

At the year end the balance sheet reflected net liabilities of £(5,269) (2004 - £(2,550)) but the income and expenditure for the year showed a surplus/(deficit) of £(2,720) (2004 - £21,648). The directors have prepared projected cash flow information to the end of 2005 and projected income and expenditure information to the end of 2005. This information indicates a positive cash- flow situation and a continuing operating surplus and therefore the directors consider it appropriate to prepare the financial statements on the going concern basis.

3 Operating profit/(loss)

	2005	2004
	£	£
Operating profit/(loss) is stated after charging		
Depreciation of tangible assets	-	-
Operating lease rentals	3,153	3,159
Accountancy fees	<u>500</u>	<u>500</u>

4 Taxation

The company has estimated losses of £6,148 (2004- £3,428) available for carry forward against future trading profits.

No corporation tax is payable for the year as a result of trading losses brought forward.

Notes To The Financial Statements (Continued)
For The Year Ended 31 December 2005

5 Tangible fixed assets

	Plant and Machinery £
Cost	
As at 1 January 2005	550
As at 31 December 2005	<u>550</u>
Depreciation	
As at 1 January 2005	549
Charge for the year	-
As at 31 December 2005	<u>549</u>
Net book value	
As at 31 December 2005	<u>1</u>
As at 31 December 2004	<u>1</u>

6 Debtors

	2005	2004
	£	£
Other debtors	22,907	24,728
Prepayments	1,047	1,912
	<u>23,954</u>	<u>26,640</u>

7 Creditors: amounts falling due within one year

	2005	2004
	£	£
Trade creditors	28,092	27,666
Development fund	3,623	2,117
Accruals	18,804	10,043
Other creditors	-	55
	<u>50,519</u>	<u>39,881</u>

Notes To The Financial Statements (Continued)
For The Year Ended 31 December 2005

8 Statement of movements on profit and loss account

	2005	Profit and loss account 2004
	£	£
Balance at 1 January 2005	(2,550)	(24,198)
Retained profit/ (loss) for the year	(2,720)	21,648
	<u> </u>	<u> </u>
Balance at 31 December 2005	(5,270)	(2,550)
	<u> </u>	<u> </u>

9 Reconciliation of movements in members' funds

	2005	2004
	£	£
Profit/(loss) for the financial year	(2,720)	21,648
Opening members' funds	(2,550)	(24,198)
	<u> </u>	<u> </u>
Closing members' funds	(5,270)	(2,550)
	<u> </u>	<u> </u>