

Purchase of subsidiary undertakings

Analysis of the acquisition of Speed Investments Limited, SLEC Holdings Limited and their subsidiary undertakings

	Book and fair value
	2006
	\$000
Net assets acquired	
Tangible fixed assets	22,121
Intangible fixed assets	328,581
Debtors and prepayments	635,454
Cash at bank and in hand	692,452
Creditors and accruals	(943,402)
Long term liabilities	(604,911)
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	130,295
Goodwill	1,584,081
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	1,714,376
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Satisfied by	
Cash	1,710,312
Capitalised acquisition costs	4,064
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	1,714,376
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The profit after tax for SLEC Holdings Group and Speed Investments Limited for the year ended 31 December 2005 was \$313,743,185 and \$762,239 respectively

In accordance with FRS 10, 'Goodwill and Intangible Assets', \$1,584m of goodwill which arose on the acquisitions is being amortised evenly from the date of acquisition over its presumed useful economic life of 20 years

Goodwill also includes an amount of \$321m in respect of payments made in April 2001 by SLEC Holdings Limited to acquire the commercial interests in the FIA Formula One World Championship. The group will not start to amortise this goodwill until such time as the rights have been brought into use, the date of which will be 1 January 2011 at the latest