

Company Registration No. 00014667 (England and Wales)

HIGH GOSFORTH PARK LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2012

MONDAY



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HIGH GOSFORTH PARK LIMITED

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HIGH GOSFORTH PARK LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2012

The company changed its accounting reference date from 31 March to 31 December during the period under review. Consequently, the results shown are for a 9 month period, with the comparative figures being for the 12 months to March 2012. The directors present their report and financial statements for the period ended 31 December 2012.

Principal activities and review of the business

The principal activity of the company continued to be that of operation of a racecourse, under Jockey Club and National Hunt Rules at Newcastle Racecourse, and management of an owned estate including the Parklands Golf Course.

Results and dividends

The results for the period are set out on page 5.

Directors

The following directors have held office since 1 April 2012:

A B Kelly

S Nahum

P O'Driscoll

R Renton

(Appointed 30 May 2012 and resigned 31 August 2012)

Auditors

The auditors, Gerald Edelman, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

HIGH GOSFORTH PARK LIMITED

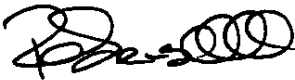
DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



P O'Dnscoll

Director

27/9/2013

HIGH GOSFORTH PARK LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HIGH GOSFORTH PARK LIMITED

We have audited the financial statements of High Gosforth Park Limited for the period ended 31 December 2012 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

HIGH GOSFORTH PARK LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF HIGH GOSFORTH PARK LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Stephen Coleman ACA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman

27/9/2013

Chartered Accountants
Statutory Auditor

25 Harley Street
London
W1G 9BR

HIGH GOSFORTH PARK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2012

		Period ended 31 December 2012 £	Year ended 31 March 2012 £
	Notes		
Turnover	2	5,640,885	7,429,349
Cost of sales		(2,752,066)	(4,029,417)
Gross profit		2,888,819	3,399,932
Administrative expenses		(2,242,101)	(2,412,539)
Operating profit	3	646,718	987,393
Investment income	4	584	-
Profit on ordinary activities before taxation		647,302	987,393
Tax on profit on ordinary activities	5	-	-
Profit for the period	15	647,302	987,393

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

Note of historical cost profits and losses

	Period ended 31 December 2012 £	Year ended 31 March 2012 £
Reported profit on ordinary activities before taxation	647,302	987,393
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	7,120	9,493
Historical cost profit on ordinary activities before taxation	654,422	996,886
Historical cost profit for the period retained after taxation, extraordinary items and dividends	654,422	996,886

HIGH GOSFORTH PARK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012 £	2012 £
Fixed assets			
Intangible assets	6	103,442	112,784
Tangible assets	7	9,890,463	10,276,480
		9,993,905	10,389,264
Current assets			
Stocks	8	172,291	189,875
Debtors	9	10,468,688	11,011,089
Investments	10	1,188	1,188
Cash at bank and in hand		347,602	583,329
		10,989,769	11,785,481
Creditors: amounts falling due within one year	11	(4,936,791)	(6,795,231)
Net current assets		6,052,978	4,990,250
Total assets less current liabilities		16,046,883	15,379,514
Creditors amounts falling due after more than one year	12	(20,067)	-
		16,026,816	15,379,514
Capital and reserves			
Called up share capital	14	90,960	90,960
Revaluation reserve	15	2,360,617	2,367,737
Profit and loss account	15	13,575,239	12,920,817
Shareholders' funds	16	16,026,816	15,379,514

Approved by the Board and authorised for issue on 27/1/2013



P O'Driscoll
Director

Company Registration No. 00014667

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover principally relates to income derived directly from the holding of horse race meetings, including industry related funding from the HBLB, and the non-raceday use of the racecourse facilities

Income is recognised once a race meeting or non-raceday event has been held. This includes admissions revenue, other racing income and catering income. In certain circumstances income is taken over the life of the agreement to which it relates, such as rental income and annual memberships

Media rights

Income received from SIS and At The Races (ATR) in respect of media rights over the broadcasts from the Group's racecourses is recognised within revenue in the period in which the relevant race meetings are held

HBLB revenue

The HBLB provides revenue to racecourses to support the holding of race meetings. For taxation purposes, this revenue can be waived by racecourses, with HBLB approval, and transferred to 'capital credits', which is a tax-efficient scheme operated by the HBLB. These capital credits may be claimed by racecourses against expenditure on HBLB-approved capital projects and as a result, are not assessable to tax. It is the Company's policy that, as they are derived from and are dependent upon trading activities, capital credit receipts are recognised within revenue when the race meetings to which they relate are held. A corresponding receivable is recognised until the cash is received

1.4 Purchased goodwill

Purchased goodwill is shown at cost. Goodwill is written off in equal instalments over its estimated useful economic life of 25 years

1.5 Purchased racing fixtures

Purchased racing fixtures are shown at cost. The amortisation on the purchased racing fixtures is calculated to write off the cost of the assets in equal annual instalments over their estimated useful economic life of 20 years

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

1 Accounting policies

(continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	over 50 years
Plant and machinery	10%-20%
Motor vehicles	25%

Freehold property is carried at modified cost, not amended since the valuation in 1995 as permitted by FRS 15 "Tangible Fixed Assets"

1.7 Leasing

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

1.8 Investments

Current asset investments are stated at the lower of cost and net realisable value

1.9 Stock

Stock is valued at the lower of cost and net realisable value

1.10 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.12 Comparative figures

The figures included in the accounts are for the 9 month period ended 31 December 2012. The comparative figures are for the 12 month period ended 31 March 2012.

2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

3	Operating profit	2012	2012
		£	£
	Operating profit is stated after charging		
	Amortisation of intangible assets	9,342	13,289
	Depreciation of tangible assets	576,713	544,121
	Operating lease rentals		
	- Plant and machinery	17,988	-
	Fees payable to the company's auditor	5,000	5,000
	- Audit fees	1,000	1,000
	- Accounts	1,000	1,000
	- Tax	1,000	1,000
		<u> </u>	<u> </u>
4	Investment income	2012	2012
		£	£
	Income from fixed asset investments	584	-
		<u> </u>	<u> </u>
5	Taxation	2012	2012
	Total current tax	-	-
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	647,302	987,393
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24 00% (2012 - 26 00%)	155,352	256,722
		<u> </u>	<u> </u>
	Effects of		
	Non deductible expenses	138,610	141,471
	Capital allowances	(39,120)	(47,222)
	Tax losses utilised	(254,842)	(350,971)
		<u> </u>	<u> </u>
		(155,352)	(256,722)
		<u> </u>	<u> </u>
	Current tax charge for the period	-	-
		<u> </u>	<u> </u>

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

6 Intangible fixed assets

	Purchased goodwill	Purchased racing fixtures	Total
	£	£	£
Cost			
At 1 April 2012 & at 31 December 2012	61,500	200,000	261,500
Amortisation			
At 1 April 2012	25,420	123,296	148,716
Charge for the period	1,845	7,497	9,342
At 31 December 2012	27,265	130,793	158,058
Net book value			
At 31 December 2012	34,235	69,207	103,442
At 31 March 2012	36,080	76,704	112,784

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

7 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 April 2012	13,449,822	1,784,475	22,807	15,257,104
Additions	190,696	-	-	190,696
	<u>13,640,518</u>	<u>1,784,475</u>	<u>22,807</u>	<u>15,447,800</u>
At 31 December 2012	13,640,518	1,784,475	22,807	15,447,800
Depreciation				
At 1 April 2012	3,694,906	1,262,911	22,807	4,980,624
Charge for the period	385,867	190,846	-	576,713
	<u>4,080,773</u>	<u>1,453,757</u>	<u>22,807</u>	<u>5,557,337</u>
At 31 December 2012	4,080,773	1,453,757	22,807	5,557,337
Net book value				
At 31 December 2012	<u>9,559,745</u>	<u>330,718</u>	<u>-</u>	<u>9,890,463</u>
At 31 March 2012	<u>9,754,916</u>	<u>521,564</u>	<u>-</u>	<u>10,276,480</u>

The freehold land building included above at valuation could alternatively be stated at a cost of £10,721,023 (March 2012 £10,530,327) with accumulated depreciation of £4,034,072 (March 2012 £3,819,652). The property was valued on 31 December 1995 at open market value on the basis of existing use by the directors. The value of land not depreciated is £1,453,202 (March 2012 £1,453,202).

8 Stocks

	2012 £	2012 £
Finished goods and goods for resale	<u>172,291</u>	<u>189,875</u>

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

9 Debtors	2012	2012
	£	£
Trade debtors	1,167,738	511,954
Amounts owed by parent and fellow subsidiary undertakings	8,358,673	9,055,165
Other debtors	231,601	409,370
Prepayments and accrued income	710,676	1,034,600
	<u>10,468,688</u>	<u>11,011,089</u>
10 Current asset investments	2012	2012
	£	£
Other unlisted investments	<u>1,188</u>	<u>1,188</u>
11 Creditors: amounts falling due within one year	2012	2012
	£	£
Bank overdraft	12,395	-
Levy board loans	114,822	44,133
Trade creditors	1,599,316	2,117,733
Amounts owed to parent and fellow subsidiary undertakings	2,563,247	3,326,014
Taxes and social security costs	159,696	285,895
Other creditors	15,642	94,844
Accruals and deferred income	471,673	926,612
	<u>4,936,791</u>	<u>6,795,231</u>

The loans and overdraft of the Group are secured by a legal charge over the racecourse properties. An unlimited guarantee exists across the group for the liabilities of the same.

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

12 Creditors: amounts falling due after more than one year	2012	2012
	£	£
Levy board loan	20,067	-
	<u>20,067</u>	<u>-</u>
Analysis of loans		
Wholly repayable within five years	134,889	44,133
	<u>134,889</u>	<u>44,133</u>
Included in current liabilities	(114,822)	(44,133)
	<u>20,067</u>	<u>-</u>
Loan maturity analysis		
In more than one year but not more than two years	20,067	-
	<u>20,067</u>	<u>-</u>
13 Pension and other post-retirement benefit commitments		
Defined contribution		
	2012	2012
	£	£
Contributions payable by the company for the period	6,905	7,325
	<u>6,905</u>	<u>7,325</u>
14 Share capital	2012	2012
	£	£
Allotted, called up and fully paid		
90,960 Ordinary Shares of £1 each	90,960	90,960
	<u>90,960</u>	<u>90,960</u>
15 Statement of movements on reserves		
	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 April 2012	2,367,737	12,920,817
Profit for the period	-	647,302
Transfer from revaluation reserve to profit and loss account	(7,120)	7,120
	<u>2,360,617</u>	<u>13,575,239</u>
Balance at 31 December 2012	2,360,617	13,575,239

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

16 Reconciliation of movements in shareholders' funds	2012	2012
	£	£
Profit for the financial period	647,302	987,393
Opening shareholders' funds	15,379,514	14,392,121
Closing shareholders' funds	<u>16,026,816</u>	<u>15,379,514</u>

17 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	Other	2012
	2012	2012
	£	£
Operating leases which expire		
Within one year	<u>18,671</u>	<u>-</u>

18 Employees

Number of employees

The average monthly number of employees (including directors) during the period was

	2012	2012
	Number	Number
	<u>35</u>	<u>37</u>

Employment costs

	2012	2012
	£	£
Wages and salaries	869,557	969,495
Social security costs	71,420	73,918
Other pension costs	6,905	7,325
	<u>947,882</u>	<u>1,050,738</u>

HIGH GOSFORTH PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2012

19 Control

The immediate parent company is Northern Races Limited and the ultimate UK parent company is NR Acquisitions Topco Limited

NR Acquisitions Topco Limited prepares group financial statements and copies can be obtained from Companies House. The ultimate parent company is Landal Worldwide Corp a company registered in the British Virgin Islands

20 Related party transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group

Brighton Racecourse Company Limited ('Brighton') and Great Yarmouth Racecourse Limited ('Great Yarmouth') are 81%-owned subsidiaries of Northern Races Limited, Uttroter Leisure and Development Company Limited ('ULDC') is a 92.4%-owned subsidiary of Northern Races Limited and Sedgefield Steeplechase Company (1972) Limited ('Sedgefield') is a 99.9%-owned subsidiary of Northern Races Limited. During the period, the company provided racing services to and received similar services from those fellow subsidiaries. The company made purchases of £704 (March 2012: £nil) from Brighton. At 31 December 2012 the balance due to Brighton was £238,106 (March 2012: £237,402). The company made sales of £nil (March 2012: £nil) to Great Yarmouth and purchases of £nil (March 2012: £nil). At 31 December 2012 the balance due to Great Yarmouth was £591,580 (March 2012: £507,580). The company made sales of £1,000 (March 2012: £nil) to ULDC and purchases of £14,311 (March 2012: £nil). At 31 December 2012 the balance due to ULDC was £17,586 (March 2012: £24,385). The company made sales of £9,199 (March 2012: £14,643) to Sedgefield and purchases of £2,018 (March 2012: £256). At 31 December 2012 the balance due to Sedgefield was £16,996 (March 2012: £28,177).

Arena Leisure Limited, a company under common control within the Landal Worldwide Corp group, owns an equity share in Atteraces Holdings Limited ('ATR'), a joint venture company. During the period ended 31 December 2012, S Nahum and A Kelly were Directors of ATR. During the period the company made sales of £216,030 (March 2012: £168,880) to ATR. The balance due from ATR at 31 December 2012 was £nil (March 2012: £88,890).