

REGISTERED NUMBER: 00014667 (England and Wales)

**STRATEGIC REPORT, DIRECTORS REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
HIGH GOSFORTH PARK LIMITED**

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HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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HIGH GOSFORTH PARK LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

Directors:	S A J Nahum M Spincer
Secretary:	M J Hill
Registered office:	Millbank Tower 21-24 Millbank London SW1P 4QP
Registered number:	00014667 (England and Wales)
Auditors:	BDO LLP 55 Baker Street London W1U 7EU

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report for the year ended 31 December 2020.

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

Review of business

Newcastle Racecourse hosted 21 race meetings during 2020 (2019: 64). Turnover for the year ended 31 December 2020 was £12,352,142 (2019: £16,845,225). The decrease was a result of the COVID-19 pandemic in March 2020, which has caused a significant impact on the UK and global economy. Operating profit decreased from £1,290,842 in 2019 to £317,880 in 2020. The Company has made use of all applicable Covid-19 government support schemes during the year, in particular the coronavirus job retention scheme. As a result of the impact the pandemic had on operations during the reporting period, there has been a reduction in both working capital and cash with a closing balance of £187,747. Trade debtors and accrued income have significantly reduced driven by lower turnover at the end of the year. Other material balance sheet movements relate to changing intercompany balances as funds are moved around supporting other group entities through the pandemic. Investment in fixed assets has been minimised during the year with all other expenditure closely monitored.

The company's principal revenue streams are dependent on British horseracing fixtures being staged. Racing was suspended for a period approaching two and a half months and whilst racing resumed on 1 June 2020 this remained behind closed doors at the Newcastle Racecourse. As a result, the company's revenue streams have been profoundly impacted by the temporary cessation of racing and continued to be affected by the ongoing prohibition of on-course spectators. However, the lifting of restrictions has since seen the return of people in their capacity as spectators and guests, which will be seen in the performance of the 2021 financial year.

As a result of the impact COVID-19 had on the results of the company, the directors are satisfied with the results for the year and are optimistic for the future.

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Principal risks and uncertainties

The company operates in the sporting and leisure sector within the UK and as such faces the same risks as other similar businesses, primarily economic welfare, the availability of disposable income and competing interests for the leisure pound..

In addition, as with any business that is conducted outdoors in the UK, a further risk is that of weather-related abandonments. It is impossible to mitigate this risk but the company does allow for a certain number of abandonments when completing its business plans.

As evidenced by the forced closure of the business during the period and subsequent restrictions in response to the Covid-19 coronavirus pandemic, uncertainty will persist until the virus is under control worldwide which poses a risk to the business

The main risks arising from the company's financial instruments are interest rate risk, liquidity risk and credit risk. The financial risk management objectives and policies for each of these risks are described in more detail below.

Interest rate risk

Given the current low interest rate economic climate, hedging for interest risk is not deemed necessary, although the position is kept under regular review by the Board.

Liquidity risk

Liquidity risk is managed centrally. The current loan facilities have been agreed at appropriate levels given the Group's forecasted operating cash flows, loan repayments, expected future capital expenditure and trading income over the course of the foreseeable future.

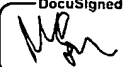
Credit risk

Due to the nature of the company's income streams, the exposure to credit risk is considered minimal. One of the main sources of income is received from the HBLB and media income from the transmission of pictures through the SIS contract. Other third-party income is derived from customers on race days and this is either paid in advance of the event or paid on the day. Of the income received by the company that is subject to credit risk, there are established credit procedures and collection policies in place which are reviewed and monitored centrally.

Going concern

After reviewing the company's forecasts and projections for not less than 12 months from the date of approval of these financial statements and taking into account current financial resources, the directors have a reasonable expectation that High Gosforth Park Limited has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties that give rise to significant doubt as to the company's ability to continue to prepare its financial statements on a going concern basis. Further details regarding the directors' considerations in drawing this conclusion are provided in note 2 to the financial statements.

On behalf of the board:

DocuSigned by:


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M Spincer - Director

Date: 11/01/2022.....

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

Dividends

No dividends will be distributed for the year ended 31 December 2020.

No dividend was distributed for the year ended 31 December 2019.

Post balance sheet events

The lifting of restrictions has seen the return of people in their capacity as spectators and guests, which will be seen in the performance of the 2021 financial year

Directors

The directors shown below has held office during the whole of the period from 1 January 2020 to the date of this report:

S A J Nahum
M Spincer

Qualifying third party indemnity provisions

The company has put in place qualifying third party indemnity provisions for all the directors of High Gosforth Park Limited.

Matters covered in the strategic report

As permitted by S414c(11) of the Companies Act 2006, the directors have elected to disclose information, required to be in the directors' report by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008', in the strategic report.

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 (REGISTERED NUMBER: 00014667)

**DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

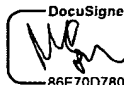
Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to section 487(2) of the Companies Act 2006, the auditors, BDO LLP, will be deemed to be reappointed and will therefore continue in office.

On behalf of the board:

DocuSigned by:


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M Spincer - Director

Date: 11/01/2022.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HIGH GOSFORTH PARK LIMITED

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 2020 and of its loss for the year 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.

We have audited the financial statements of High Gosforth Park Limited ("the Company") for the year ended 31 December 2020 which comprise the Income Statement and Statement of Comprehensive Income and Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The notes on pages 12 to 23 form part of these financial statements

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGH GOSFORTH PARK LIMITED - continued**

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of Directors

As explained more fully in the Strategic and Directors Reports, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Where the risks were considered higher, we performed audit procedures to address each identified fraud risk. These procedures were designed to provide reasonable assurance that the financial statements were free of fraud or error.
- Based on the understanding obtained we designed audit procedures to identify non-compliance with the laws and regulations, as noted above. This included enquiries of management, review of Board minutes and review of relevant correspondence.
- We tested journal entries, focusing on journal entries containing characteristics of audit interest such as manual journals and journals relating to revenue.
- We tested and challenged the key estimates and judgements made by management in preparing the financial statements for indications of bias or management override when presenting the results and financial position of the Company.

The notes on pages 12 to 23 form part of these financial statements

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HIGH GOSFORTH PARK LIMITED - continued**

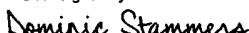
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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 auditor's 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.

DocuSigned by:



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Dominic Stammers (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
55 Baker Street,
London,
W1U 7EU
Date 11 January 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The notes on pages 12 to 23 form part of these financial statements

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)
INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

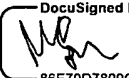
	Notes	2020 £	2019 £
Turnover	3	12,352,142	16,845,225
Cost of sales		<u>(7,231,861)</u>	<u>(10,040,721)</u>
Gross profit		5,120,281	6,804,504
Administrative expenses		<u>(5,394,118)</u>	<u>(5,514,022)</u>
		(273,837)	1,290,482
Other operating income	4	<u>591,717</u>	<u>-</u>
Operating profit	6	317,880	1,290,482
Income from fixed asset investments		511	897
Interest receivable and similar income	7	<u>4,451</u>	<u>-</u>
Profit before taxation		322,842	1,291,379
Tax on profit	8	<u>(90,311)</u>	<u>66,609</u>
Profit for the financial year		232,531	1,357,988
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>232,531</u></u>	<u><u>1,357,988</u></u>

The notes on pages 12 to 23 form part of these financial statements

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)**BALANCE SHEET
31 DECEMBER 2020**

		2020	2019
	Notes	£	£
Fixed assets			
Intangible assets	9	-	-
Tangible assets	10	18,154,783	17,693,180
		18,154,783	17,693,180
Current assets			
Stocks	11	99,317	223,416
Debtors	12	7,895,373	5,715,196
Investments	13	1,188	1,188
Cash at bank		187,747	1,123,765
		8,183,625	7,063,565
Creditors			
Amounts falling due within one year	14	(3,758,476)	(2,499,655)
Net current assets		4,425,149	4,563,910
Total assets less current liabilities		22,579,932	22,257,090
Provisions for liabilities	15	(150,673)	(60,362)
Net assets		22,429,259	22,196,728
Capital and reserves			
Called up share capital	16	90,960	90,960
Revaluation reserve	17	2,351,124	2,351,124
Retained earnings	17	19,987,175	19,754,644
Shareholders' funds		22,429,259	22,196,728

The financial statements were approved by the Board of Directors and authorised for issue on ..11/01/2022.. and were signed on its behalf by:

DocuSigned by:

 86E70D7809C2414...

.....
 M Spincer - Director

The notes on pages 12 to 23 form part of these financial statements

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2019	90,960	18,396,656	2,351,124	20,838,740
Changes in equity				
Total comprehensive income	-	<u>1,357,988</u>	-	<u>1,357,988</u>
Balance at 31 December 2019	<u>90,960</u>	<u>19,754,644</u>	<u>2,351,124</u>	<u>22,196,728</u>
Changes in equity				
Total comprehensive income	-	<u>232,531</u>	-	<u>232,531</u>
Balance at 31 December 2020	<u>90,960</u>	<u>19,987,175</u>	<u>2,351,124</u>	<u>22,429,259</u>

The notes on pages 12 to 23 form part of these financial statements

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Statutory information

High Gosforth Park Limited is a private company limited by shares incorporated in England and Wales. The registered office is Millbank Tower, 21-24 Millbank, London, SW1P 4QP. The principal place of business of the company is Newcastle Racecourse, High Gosforth Park, Newcastle Upon Tyne, NE3 5HP.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The directors are required to make an assessment of the appropriateness of using the going concern assumption in preparing these financial statements. Cash flow forecasts under a number of trading scenarios have been prepared to support their considerations.

During the period of suspended racing, during behind closed doors racing and now, it has been possible to significantly reduce a number of operational costs, including race day variable costs. The company has placed a high proportion of permanent staff on furlough through the Coronavirus Job Retention Scheme and stopped all non-essential development and marketing activity.

Forecasts demonstrate that the company will have sufficient funds to operate as a going concern for the foreseeable future. If racing must go back to being behind closed doors or if spectator levels must be reduced in future, forecasts demonstrate that the going concern assumptions hold for other reasonably foreseeable scenarios.

Having reviewed the company's financial forecasts and expected future cash flows and considering the effects of COVID-19, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. NR Acquisitions Limited's facility agreement in place with TFB Mortgages Designated Activity Company provides sufficient headroom to enable the company to continue in operational existence under all the trading scenarios considered by the directors. Assurance has been received from Omaha Business Holdings Corp that it will continue to make funds available to enable the company to meet its obligations as they fall due for the foreseeable future, and at least 12 months from the date of approval of these financial statements. Thus, the directors continue to adopt the going concern basis in preparing the financial statements for the period ended 31 December 2020.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of paragraph 33.7.

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies - continued

Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into account in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation and uncertainty:

- Tangible fixed assets

The company recognises fixed assets where such expenditure enhances the racecourse assets, whereas any expenditure classed as maintenance is expensed in the period incurred. Determining enhancement from maintenance is a subjective area. The estimated useful economic lives of fixed assets are based on management judgement and experience.

- Intercompany debtor recoverability

An assessment of intercompany debtor recoverability has been made by the Directors as at 31 December 2020. The recoverability of these debts was based on expected future trade. Due to the material nature of the intercompany balance this is considered a significant judgement area.

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. Turnover is also derived from the operation of a golf course and public house.

Income is recognised once a race meeting or non-raceday event has been held or upon use of the golf course and public house. 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 in respect of media rights over the broadcasts from the racecourse 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.

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies - continued

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is derecognised. Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

Depreciation is provided at rates calculated to write off cost or valuation less estimated residual value of each asset over its expected useful life as follows:

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the profit and loss account.

Impairment of fixed assets

At each reporting end date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account unless the relevant asset is carried in a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Stocks

Closing stock is stated at lower of cost and net realisable value. The cost includes all expenditure which has been incurred in bringing the stock to its present location and condition. Stock is valued using the first in first out method.

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies - continued

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date, where applicable.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies - continued

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies - continued

Basic financial liabilities, including trade and other payables and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Government grants

Government grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

3. Turnover

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

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****4. Other operating income**

	2020	2019
	£	£
Government grants	<u>591,717</u>	<u>-</u>
Government grants relate to furlough income.		

5. Employees and directors

	2020	2019
	£	£
Wages and salaries	1,996,305	2,273,897
Social security costs	134,778	153,756
Other pension costs	<u>41,058</u>	<u>43,000</u>
	<u>2,172,141</u>	<u>2,470,653</u>

The average number of employees during the year was as follows:

	2020	2019
Total permanent staff	<u>53</u>	<u>55</u>

The Company employs casual staff to assist during racedays. Casual staff are not included in the staff numbers stated above.

	2020	2019
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

6. Operating profit

The operating profit is stated after charging:

	2020	2019
	£	£
Hire of plant and machinery	43,872	42,751
Depreciation - owned assets	1,343,434	1,379,505
Purchased racing fixtures amortisation	-	9,211
Auditors' remuneration	3,120	3,119
Group management charges	1,613,097	1,152,955
Inventory recognised as an expense	<u>255,219</u>	<u>989,461</u>

7. Interest receivable and similar income

	2020	2019
	£	£
Other interest receivable	<u>4,451</u>	<u>-</u>

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****8. Taxation****Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	2020	2019
	£	£
Deferred tax	<u>90,311</u>	<u>(66,609)</u>
Tax on profit	<u>90,311</u>	<u>(66,609)</u>

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
Profit before tax	<u>322,842</u>	<u>1,291,379</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	61,340	245,362
Effects of:		
Expenses not deductible for tax purposes	48,095	96,064
Adjustments to tax charge in respect of previous periods	(3,246)	(203,437)
Group relief	(22,787)	(188,435)
Change in rate	<u>6,909</u>	<u>(16,163)</u>
Total tax charge/(credit)	<u>90,311</u>	<u>(66,609)</u>

9. Intangible fixed assets

	Purchased racing fixtures £
Cost	
At 1 January 2020 and 31 December 2020	<u>200,000</u>
Amortisation	
At 1 January 2020 and 31 December 2020	<u>200,000</u>
Net book value	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>-</u>

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****10. Tangible fixed assets**

	Freehold land and buildings £	Plant and machinery £	Motor vehicles £	Totals £
Cost				
At 1 January 2020	26,587,716	3,445,430	383,665	30,416,811
Additions	<u>1,586,246</u>	<u>218,791</u>	<u>-</u>	<u>1,805,037</u>
At 31 December 2020	<u>28,173,962</u>	<u>3,664,221</u>	<u>383,665</u>	<u>32,221,848</u>
Depreciation				
At 1 January 2020	9,600,401	2,965,362	157,868	12,723,631
Charge for year	<u>1,154,481</u>	<u>153,535</u>	<u>35,418</u>	<u>1,343,434</u>
At 31 December 2020	<u>10,754,882</u>	<u>3,118,897</u>	<u>193,286</u>	<u>14,067,065</u>
Net book value				
At 31 December 2020	<u>17,419,080</u>	<u>545,324</u>	<u>190,379</u>	<u>18,154,783</u>
At 31 December 2019	<u>16,987,315</u>	<u>480,068</u>	<u>225,797</u>	<u>17,693,180</u>

The freehold land and buildings included above at valuation could alternatively be stated at a cost of £25,329,795 (2019: £23,673,221) with accumulated depreciation of £10,101,435 (2019: £9,005,243).

The value of land not depreciated is £1,453,202 (2019: £1,453,202).

Deferred tax on the revaluation gain has not been provided under FRS102 as indexation allowance mitigates any potential gain.

11. Stocks

	2020 £	2019 £
Stocks	<u>99,317</u>	<u>223,416</u>

12. Debtors: amounts falling due within one year

	2020 £	2019 £
Trade debtors	187,796	306,783
Amounts owed by group undertakings	7,079,184	4,545,780
Other debtors	60,381	57,599
Corporation Tax	-	500,000
VAT	377,428	77,598
Prepayments and accrued income	<u>190,584</u>	<u>227,436</u>
	<u>7,895,373</u>	<u>5,715,196</u>

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****13. Current asset investments**

	2020	2019
	£	£
Unlisted investments	<u>1,188</u>	<u>1,188</u>

14. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	373,162	515,963
Amounts owed to group undertakings	2,383,128	1,256,683
Social security and other taxes	24,459	44,876
Other creditors	150,548	34,111
Accruals and deferred income	<u>827,179</u>	<u>648,022</u>
	<u>3,758,476</u>	<u>2,499,655</u>

15. Provisions for liabilities

	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	152,285	61,974
Other timing differences	<u>(1,612)</u>	<u>(1,612)</u>
	<u>150,673</u>	<u>60,362</u>

	Deferred tax £
Balance at 1 January 2020	60,362
Provided during year	<u>90,311</u>
Balance at 31 December 2020	<u>150,673</u>

16. Called up share capital

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
90,960	Ordinary Shares	£1	<u>90,960</u>	<u>90,960</u>

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. Reserves

Called up share capital

Represents the nominal value of equity shares issued.

Revaluation reserve

The revaluation reserve represents revaluation movements on the company's land and buildings held as tangible fixed assets.

Retained earnings

Retained earnings represent the company's cumulative net gains and losses.

18. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund.

There was a pension creditor at the yearend amounting to £5,222 (2019: £8,695).

19. Ultimate parent company

The immediate parent company is Northern Races Limited. The ultimate parent company is Omaha Business Holdings Corp., a company registered in the British Virgin Islands.

The company's ultimate UK parent is NR Acquisitions Topco Limited. NR Acquisitions Topco Limited prepares group financial statements and copies can be obtained from Companies House.

The registered address and principal place of business of NR Acquisitions Topco Limited and Northern Races Limited is Millbank Tower, 21-24 Millbank, London, SW1P 4QP.

The registered address and principal place of business of Omaha Business Holdings Corp is 2nd Floor, O'Neal Marketing Associates Building, PO Box 3174, Wickham's Cay II, Road Town, Tortola, British Virgin Islands.

HIGH GOSFORTH PARK LIMITED (REGISTERED NUMBER: 00014667)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****20. Related party disclosures**

The company has taken advantage of exemption, under the terms of FRS102 not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year, the company provided racing services to and received similar services from the following related parties:

	Recharges to/(from)	
	2020	2019
	£	£
The Doncaster Racecourse Management Company Limited	101,354	89,094
Uttoxeter Leisure and Development Company Limited	(5,073)	1,169
Worcester Racecourse Limited	-	1,920
Brighton Racecourse Company Limited	(459)	(25)
Great Yarmouth Racecourse Limited	112	(2,082)
Sedgefield Steeplechase Company (1927) Limited	99,532	150,313

The above companies are under common control with the company. There were no balances outstanding with the above companies at 31 December 2020 or 31 December 2019 except for a debtor balance due to The Doncaster Racecourse Management Company Limited of £nil (2019: £96,250) and a debtor balance due from Sedgefield Steeplechase Company (1927) Limited of £14,364 (2019: £nil).

The bank loans and overdrafts of the NR Acquisitions Topco Group are secured by a legal charge over the racecourse properties in the NR Acquisitions Topco Group.

21. Post balance sheet events

The lifting of restrictions has seen the return of people in their capacity as spectators and guests, which will be seen in the performance of the 2021 financial year.