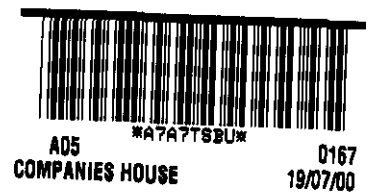


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THE CARLISLE RACECOURSE COMPANY LIMITED

NOTICE OF ANNUAL GENERAL MEETING,  
REPORT OF THE DIRECTORS  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER 1999

David Coates & Co  
Chartered Accountants and Registered Auditors  
Hexham



**THE CARLISLE RACECOURSE COMPANY LIMITED**

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Ninety Second Annual General Meeting of the Company will be held at the Racecourse, Grandstand, Carlisle at 12.00 noon on Wednesday 5<sup>th</sup> July 2000 to transact the following business:-

**AGENDA**

1. To read the minutes of the last Annual General Meeting.
2. To receive and adopt the Directors Report and audited financial statements for the year ended 31<sup>st</sup> December 1999.
3. To re-elect directors.
4. To authorise and fix directors fees.
5. To confirm the dividend.
6. To re-appoint David Coates & Co as auditors and authorise the directors to fix their remuneration.
7. To transact any other business of an Annual General Meeting.

By Order of the Board



Mrs A Bliss  
Secretary  
Grandstand Office  
The Racecourse  
Durdar Road  
Carlisle CA2 4TS

1<sup>st</sup> June 2000

Note: Any member of the company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and on a poll vote on their behalf. A proxy need not also be a member of the company.

**THE CARLISLE RACECOURSE COMPANY LIMITED**

**INDEX TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 1999**

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**THE CARLISLE RACECOURSE COMPANY LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 1999**

Directors:	T E Robinson (Chairman and Managing Director) H J B Fitzgerald (Vice Chairman) D I Osborne Mrs A Bliss (Administration Director) James Westoll Mrs R C Carr Mrs S Wood Mr R A Green
Secretary:	Mrs A Bliss
Registered Number:	90873 (England and Wales)
Registered Office:	The Grandstand Office Carlisle Racecourse Co Ltd Durdar Road Carlisle CA2 4TS
Auditors:	David Coates & Co Chartered Accountants and Registered Auditors 5/7 Eastgate Hexham Northumberland NE46 1BH
Bankers:	Barclays Bank PLC English Street Business Centre 33 English Street Carlisle CA3 8JS

## **THE CARLISLE RACECOURSE COMPANY LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 1999**

The directors present their report together with the financial statements of the company for the year ended 31<sup>st</sup> December 1999.

#### Results and Dividends

The profit for the year after taxation amounted to £1,430 (1998 £61,781) and the directors recommend a dividend of £3,822 (1998 £3,822) on the ordinary shares. Shareholders will be asked to confirm this at the Annual General Meeting.

#### Principal Activity

The principal activity of the company continued to be that of Racecourse Proprietors.

#### Chairman's Statement

Sadly I have to report of the death of Teddy Robinson shortly after he had relinquished his position as Chairman of your Board. Teddy retired at our board meeting in January 2000 having been ill for some time, an illness he bore with the fortitude and humour you would have expected from him. Teddy had given wonderful service to the racecourse for some thirty years in various difference capacities culminating in him being Chairman from 1993. Teddy had succeeded Tim Westoll as Chairman of the Board. He too died during the year to 31<sup>st</sup> December 1999. Tim had been the Chairman for many years and after his resignation in 1993 had been the President of the racecourse until his death. The Westoll family have long been associated with the racecourse and his son James Westoll continues in his role as a director of our company. Our deepest sympathy goes out to their families.

During the year Raymond Anderson Green joined your board and following Teddy Robinson's retirement I was appointed Chairman and he was appointed Vice Chairman of the Board.

The year to December 1999 saw an increase in the average daily attendance for those days we raced of an encouraging amount, and it is to be hoped that the trend will continue for this coming year and the future. Our most profitable day has been the Saturday evening fixture at the beginning of July, but as you will be aware the powers that be in their wisdom have decreed that Sunday fixtures are the order of the day at that time of year, and so it has been moved to 18<sup>th</sup> June this year. Your Board will do all they can to ensure this is a success for the company, but we have to start afresh.

Tony Wootten, the head groundsman, was runner up in the groundsman of the year award for courses running under both codes. This is a tremendous achievement and shows consistency in the quality of his work and that of all the groundstaff.

Of much the most significance for the company in future years is a fresh grandstand which is to be commissioned. Your Board had arranged for a structural report on the existing stands and unfortunately they have been found not to comply with safety standards. To repair the stands would have cost a huge amount of money with no certainty that more defects would not appear and so the decision has been taken to demolish the existing mains stands and put up a new one. This has to be financed and we are investigating ways of doing that. The new stand will be modern and hopefully will generate a greater income for your company, but in the initial stages that income will be required to repay the loans.

Our thanks go out to all who work for and help us including the Clerk of the Course/Racing Manager, the Administrative Director and the groundstaff without whose efforts the continued success we are enjoying would not exist.

# THE CARLISLE RACECOURSE COMPANY LIMITED

## REPORT OF THE DIRECTORS (CONT) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 1999

### Directors and their Interests

The directors at 31<sup>st</sup> December 1999 and their interests in the share capital of the company were as follows:-

	<u>31/12/99</u>	<u>31/12/98</u>
T E Robinson (Chairman & Managing Director)	180	180
D I Osborne	-	-
Mrs A Bliss (Administration Director)	-	-
Mr James Westoll (Jnr)	380	380
Mrs R C Carr	-	-
Mrs S Wood	-	-
H J B Fitzgerald	-	-
R A Green	1,100	1,100

Mrs R Carr retires from the board by rotation and, being eligible, offers herself for re-election. Mr R A Green was appointed to the board on 28<sup>th</sup> June 1999.

### 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 the company's affairs and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to:-

- A) select suitable accounting policies and then apply them consistently;
- B) make judgements and estimates that are reasonable and prudent and;
- C) 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 also 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 that the financial statements comply with the Companies Act 1985.

They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

David Coates & Co have expressed their willingness to continue in office as auditors, and in accordance with Section 385 of the Companies Act 1985 a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

### Small Company Exemptions

In preparing this report the directors have taken advantage of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

On behalf of the Board



H J B Fitzgerald  
Chairman

25<sup>th</sup> May 2000

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
THE CARLISLE RACECOURSE COMPANY LIMITED**

**FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 1999**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described on page 3 the company directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

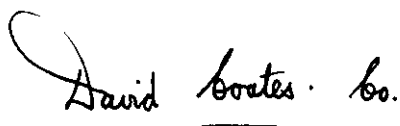
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31<sup>st</sup> December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

A handwritten signature in black ink that reads "David Coates & Co." with a horizontal line underneath.

David Coates & Co  
Chartered Accountants and Registered Auditors  
5/7 Eastgate  
Hexham  
Northumberland  
NE46 1BH

27<sup>th</sup> May 2000

**THE CARLISLE RACECOURSE COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 1999**

	1999	1998
TURNOVER - Note 2	1,274,876	1,197,879
External Charges	1,031,683	966,677
	<u>243,193</u>	<u>231,202</u>
Staff Costs	113,934	110,161
Depreciation	32,753	33,299
Other Operating Charges	90,385	104,581
	<u>237,072</u>	<u>248,041</u>
OPERATING PROFIT/(LOSS) - Note 3	<u>6,121</u>	<u>-16,839</u>
Income from Investments		100,992
Interest Received	2,027	1,335
Interest Payable		-1,007
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>8,148</u>	<u>84,481</u>
Tax on Profit on Ordinary Activities - Note 4	-6,718	-22,700
PROFIT FOR THE FINANCIAL YEAR	<u>1,430</u>	<u>61,781</u>
Dividends	-3,822	-3,822
(LOSS)/PROFIT RETAINED FOR THE FINANCIAL YEAR - Note 14	<u><u>-£2,392</u></u>	<u><u>£57,959</u></u>

All the activities of the company are classed as continuing.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There were no recognised gains and losses for 1999 or 1998 other than the profit attributable to the Shareholders for the year ended 31st December 1999 of £1,430 and the profit for the year ended 31st December 1998 of £61,781





## THE CARLISLE RACECOURSE COMPANY LIMITED

## BALANCE SHEET AS AT 31ST DECEMBER 1999

	1999	1998
<b>FIXED ASSETS</b>		
Tangible Assets - Note 5	638,238	660,812
Investments - Note 6	25	25
	<u>638,263</u>	<u>660,837</u>
<b>CURRENT ASSETS</b>		
Debtors - Note 7	73,797	75,655
Cash at Bank and In Hand	65,358	59,663
	<u>139,155</u>	<u>135,318</u>
CREDITORS: Amounts Falling due Within one Year - Note 8	102,091	117,596
<b>NET CURRENT ASSETS</b>	<u>37,064</u>	<u>17,722</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>675,327</u>	<u>678,559</u>
CREDITORS: Amounts Falling due After more than one Year		
HBLB Loan - Note 9	-30,000	-69,000
<b>PROVISIONS FOR LIABILITIES AND CHARGES - Note 10</b>	-11,853	-12,693
	<u>£633,474</u>	<u>£596,866</u>
<b>GRANT ACCOUNT - Note 11</b>	147,373	113,793
<b>CAPITAL AND RESERVES</b>		
Called Up Share Capital - Note 12	9,100	9,100
Grant Reserve - Note 13	186,705	181,285
Profit and Loss Account - Note 14	290,296	292,688
	<u>£633,474</u>	<u>£596,866</u>

In preparing these financial statements, the directors have taken advantage of the special exemptions applicable to small companies conferred by Part 1 of Schedule 8 to the Companies Act 1985, on the grounds that in their opinion, the Company is entitled to the benefits of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

.....  ..... H J B Fitzgerald (Director)

.....  ..... Mrs A Bliss (Director)

25th May 2000

**THE CARLISLE RACECOURSE COMPANY LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 1999****1. ACCOUNTING POLICIES****a. Accounting Convention**

The financial statements have been prepared under the historical cost convention. The principal policies which the directors have adopted within that convention are set out below.

**b. Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**c. Depreciation**

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful life as follows:-

Freehold Buildings - Over 50 years

All Other Fixed Assets - Over 10 years

The cost of fixed assets, for depreciation purposes, is taken as the cost after taking into account capital grants received from the Horserace Betting Levy Board.

**d. Deferred Taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**e. Capital Grants**

Capital Grants are received from the Horserace Betting Levy Board ("HBLB") in respect of capital expenditure.

Capital grants received are taken to the grant account. Credits are made to the profit and loss account by equal annual instalments over a period of 30 years which, on average, matches the period over which the relevant fixed assets are depreciated. An amount equal to the credits so made is transferred from the profit and loss account to the grant reserve.

**f. Pensions**

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

## THE CARLISLE RACECOURSE COMPANY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONT) FOR THE YEAR ENDED 31ST DECEMBER 1999

#### 2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts received from third parties.

Turnover is attributable to the one continuing activity, ie. income from holding race meetings and associated activities. It arose wholly in the UK.

Pre tax profit is all attributable to the holding of race meetings and associated activities.

#### 3. OPERATING PROFIT/(LOSS)

This is stated after charging/(crediting)

	1999	1998
Auditors Remuneration	3,150	3,000
Depreciation of Owned Fixed Assets	32,723	33,299
Directors Remuneration	33,391	50,481
Transfer to Grant Reserve	5,420	4,120
Amortisation of Capital Grants	-5,420	-4,120

#### 4. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

The charge based on the profits for the year comprises of:-

	1999	1998
Based on the profit for the Year:-		
UK Corporation Tax at 20%	6,084	-2,444
Transferred to Deferred Taxation Account	-840	4,945
Tax Credits Attributable to Dividends Received		20,199
Prior Year Adjustment	1,474	
	<u>£6,718</u>	<u>£22,700</u>

The transfer (from)/to deferred taxation represents the difference between Capital Allowances claimed over the depreciation charged in the financial statements on plant and equipment, furniture and fittings.

**THE CARLISLE RACECOURSE COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONT)  
FOR THE YEAR ENDED 31ST DECEMBER 1999**

**5. TANGIBLE FIXED ASSETS**

	Freehold Land and Buildings	Safety Expenditure	Plant Equipment Furniture & Fittings	Total
<b>COST</b>				
At 1st January 1999	599,672	48,543	313,667	961,882
Additions	7,565		2,614	10,179
At 31st December 1999	607,237	48,543	316,281	972,061
<b>DEPRECIATION</b>				
At 1st January 1999	96,705	23,543	180,822	301,070
Charge for Year	10,109	2,500	20,144	32,753
At 31st December 1999	106,814	26,043	200,966	333,823
<b>NET BOOK VALUES</b>				
At 31st December 1999	£500,423	£22,500	£115,315	£638,238
At 31st December 1998	£502,967	£25,000	£132,845	£660,812

**6. INVESTMENTS**

	1999	1998
Unlisted Investments	£25	£25

The Company has an interest amounting to 1.264% in the holding by the Racecourse Association Limited of 10% of the issued share capital of Satellite Information Services which it holds in trust for its members on the terms set out in the relevant Trust Deed.

**7. DEBTORS**

	1999	1998
Trade Debtors	54,340	60,059
Other Debtors	19,457	15,596
	£73,797	£75,655

**THE CARLISLE RACECOURSE COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONT)  
FOR THE YEAR ENDED 31ST DECEMBER 1999**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	1999	1998
Trade Creditors	20,624	39,468
Current Corporation Tax	6,084	
Other Creditors	32,561	35,306
Horserace Betting Levy Board	39,000	39,000
Proposed Dividend	3,822	3,822
	<u>£102,091</u>	<u>£117,596</u>

**9. HORSERACE BETTING LEVY BOARD**

The Horserace Betting Levy Board has made interest free loans to the company as follows:-

	Due Within One Year	Due After One Year	Total
A) Refurbishment of Red Rum Bar area and New Toilets	29,000		29,000
B) New Irrigation System	10,000	30,000	40,000
	<u>£39,000</u>	<u>£30,000</u>	<u>£69,000</u>

**Repayment Terms**

A) By an instalment of £29,000 on 24th September 2000.

B) By equal instalments of £10,000 on 1st October 2000 - 2003

**10. PROVISIONS FOR LIABILITIES AND CHARGES**

	Deferred Taxation	
	1999	1998
At 1st January 1999	12,693	7,748
Added During the Year		4,945
Utilised During the Year	-840	
At 31st December 1999	<u>£11,853</u>	<u>£12,693</u>

**11. GRANT ACCOUNT**

	1999	1998
At 1st January 1999	113,793	82,913
Received during the Year	39,000	35,000
Released during the Year	-5,420	-4,120
Balance at 31st December 1999	<u>£147,373</u>	<u>£113,793</u>

**THE CARLISLE RACECOURSE COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONT)  
FOR THE YEAR ENDED 31ST DECEMBER 1999**

**12. CALLED UP SHARE CAPITAL**

	1999	1998
<u>Authorised</u>		
13,000 Ordinary Shares of £1 each	£13,000	£13,000
<u>Issued and Fully Paid</u>		
9,100 Ordinary Shares of £1 each	£9,100	£9,100

**13. GRANT RESERVE**

	1999	1998
At 1st January 1999	181,285	177,165
Transfer from Profit and Loss Account of an amount equal to credits made from the Grant Account	5,420	4,120
Balance at 31st December 1999	£186,705	£181,285

**14. PROFIT AND LOSS ACCOUNT**

	1999	1998
At 1st January 1999	292,688	234,729
(Loss)/Profit for the Year	-2,392	57,959
At 31st December 1999	£290,296	£292,688

**15. RECONCILIATION OF SHAREHOLDERS FUNDS**

	1999	1998
At 1st January 1999	301,788	243,829
Profit for the Year	1,430	61,781
Dividends	-3,822	-3,822
	£299,396	£301,788

**THE CARLISLE RACECOURSE COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONT)  
FOR THE YEAR ENDED 31ST DECEMBER 1999**

**16. CAPITAL COMMITMENTS**

	1999	1998
Authorised future Capital Expenditure		
Contracted	NIL	NIL
Not Contracted	NIL	£500,000

**17. CONTINGENT LIABILITY**

Under a Deed dated 18th September 1978, between the Company and the Horserace Betting Levy Board, the Company received a capital grant of £24,472 from the HBLB towards approved expenditure.

The terms of the Deed state that there is a contingent liability to repay the loan, together with interest thereon, for a period of 30 years from 31st March 1979, if the company were to cease trading.

The contingent liability at 31st December 1999 is £38,618.