

Thirsk Racecourse Limited

Report and Accounts

For the year ended 31 March 2000



Thirsk Racecourse Limited

Registered No. 193619

DIRECTORS

E C York (Chairman)

C M Tetley (Managing Director)

J F Sanderson

J Bell

D A Howie

M Holford

SECRETARY

C M Tetley

AUDITORS

Ernst & Young

Norham House

12 New Bridge Street West

Newcastle upon Tyne

NE1 8AD

BANKERS

Midland Bank Plc

77 Market Place

Thirsk

North Yorkshire

REGISTERED OFFICE

The Racecourse

Station Road

Thirsk

North Yorkshire

YO7 1QL

Thirsk Racecourse Limited

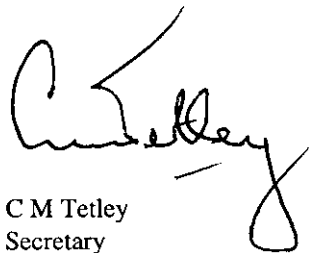
NOTICE OF MEETING

Notice is hereby given that the seventy sixth Annual General Meeting of the company will be held at The Racecourse, Thirsk at 12 noon on Friday 28 July 2000 to transact the business of the meeting of the company in accordance with the Articles of Association.

AGENDA

1. To read the minutes of the last Annual General Meeting.
2. To receive and adopt the directors' report and the audited accounts for the year ended 31 March 2000.
3. To approve fees for the directors.
4. To confirm the appointment of directors.
5. To confirm the dividend.
6. To consider a special resolution to alter the Memorandum and Articles of Association
7. To appoint Ernst & Young as auditors and authorise the directors to fix their remuneration.
8. To transact any other business of an Annual General Meeting.

By order of the Board.


C M Tetley
Secretary

The Racecourse
Station Road
Thirsk

5 June 2000

Note: A member of the company entitled to attend and vote at this meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the company.

Thirsk Racecourse Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 2000.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £92,576 (1999 profit: £10,545). The directors recommended a final ordinary dividend amounting to £1,428 making the total of ordinary dividends £1,428 for the year. Payment of this dividend will accompany this report. A loss of £94,004 is therefore retained.

Shareholders will be asked to confirm this action at the Annual General Meeting.

PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of racecourse proprietors.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

1999 was a very good year for Thirsk. For once the second May Saturday did not clash with the Cup Final and the attendance on that day was up 2,840 as a consequence. This very successful day contributed to an overall increase in attendance for the season of 4.8% on 1998. The number of runners remained almost static at 1,036 despite an increase in Prize Money of 8.8%.

Success on the track was, however, overshadowed by what appeared to be a perpetual building site behind the stands. After a late start in November 1998 Blakedell Construction called in the receivers in March 1999. This totally unforeseen bankruptcy resulted first in a six week period of inaction on the site of the New Cherry Tree Bar and second, following appointment of replacement builders Allerton Construction, a huge increase in the final account. We finally took possession of the new building just before Christmas and I should pay tribute to Allerton for the very professional way in which they picked up the contract and produced, in the end, a delightful building built to a very high standard.

After 30 years as a Director, Lord Manton retired from the Board last autumn. During his long tenure Lord Manton has helped to guide Thirsk from difficult times in the '70's to its current position of strength both financially and in the racing world as a whole. His deep knowledge of racing and his sound business sense have been invaluable and I thank Lord Manton for his long contribution to Thirsk. I am pleased to announce that Mr Michael Holford has been appointed to the Board. Mr Holford has a long connection with Thirsk and is a senior director of Spencer Stuart Management Consultants.

DIRECTORS AND THEIR INTERESTS

The directors during the year and their interests in the share capital of the company were as follows:

	<i>31 March 2000</i>	<i>31 March 1999</i>
	<i>£100 ordinary shares</i>	<i>£100 ordinary shares</i>
C M Tetley	3	3
Lord Manton (retired 31 December 1999)	7	7
J F Sanderson	4	4
J Bell	50	50
E C York	7	5
D A Howie	2	2
M Holford (appointed 1 January 2000)	-	-

DIRECTORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company Law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. The directors 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.

CHARITABLE DONATIONS

The company made charitable donations during the year totalling £1,575.

YEAR 2000 COMPLIANCE

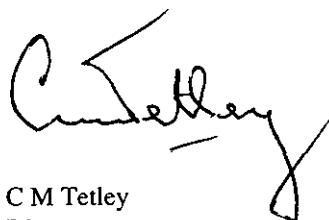
As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

Given the complexity of the problem, it is not possible for any organisation to guarantee that no Year 2000 problems will remain, because at least some level of failure may still occur. However, the Board believes that it achieved an acceptable state of readiness.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board.



C M Tetley
Director

5 June 2000

REPORT OF THE AUDITORS
to the members of Thirsk Racecourse Limited

We have audited the accounts on pages 7 to 15 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

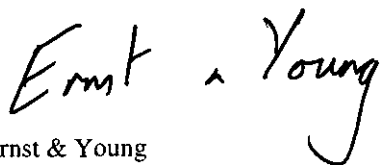
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
Newcastle upon Tyne

5 June 2000

Thirsk Racecourse Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 March 2000

	Notes	2000 £	1999 £
TURNOVER	2	688,396	624,622
Other operating income		291,065	250,829
		<hr/>	<hr/>
External charges		979,461	875,451
		742,229	688,621
		<hr/>	<hr/>
		237,232	186,830
		<hr/>	<hr/>
Staff costs	5	135,556	119,271
Depreciation		28,722	16,099
Other operating charges		184,433	146,483
		<hr/>	<hr/>
		348,711	281,853
		<hr/>	<hr/>
OPERATING (LOSS)	3	(111,479)	(95,023)
		<hr/>	<hr/>
Income from investments	6	10,106	92,798
Interest receivable		9,501	17,654
Interest payable	7	(10)	(19)
		<hr/>	<hr/>
		19,597	110,433
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(91,882)	15,410
Taxation on (loss)/profit on ordinary activities	8	(694)	(4,865)
		<hr/>	<hr/>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(92,576)	10,545
Dividends - equity shares	9	(1,428)	(1,428)
		<hr/>	<hr/>
(LOSS)/PROFIT RETAINED FOR THE FINANCIAL YEAR	18	£(94,004)	£9,117
		<hr/>	<hr/>

RECOGNISED GAINS AND LOSSES

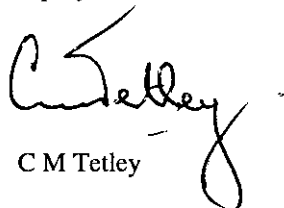
There were no recognised gains or losses other than the loss attributable to shareholders for the year ended 31 March 2000 of £92,576 and the profit of £10,545 for the year ended 31 March 1999.

Thirsk Racecourse Limited

BALANCE SHEET

at 31 March 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	10	1,403,860	687,413
Investments	11	171,990	165,872
		<u>1,575,850</u>	<u>853,285</u>
CURRENT ASSETS			
Stocks	12	3,780	4,241
Debtors	13	21,676	43,429
Cash at bank and in hand		191,111	245,055
		<u>216,567</u>	<u>292,725</u>
CREDITORS: amounts falling due within one year	14	<u>124,306</u>	<u>87,574</u>
NET CURRENT ASSETS		<u>92,261</u>	<u>205,151</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,668,111</u>	<u>1,058,436</u>
CREDITORS: amounts falling due after more than one year			
HBLB Loan		410,000	134,155
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	16	-	-
ACCRUALS AND DEFERRED INCOME			
Grant account	15	753,180	325,346
		<u>1,163,180</u>	<u>459,501</u>
		<u>£504,931</u>	<u>£598,935</u>
CAPITAL AND RESERVES			
Called up share capital	17	27,200	27,200
Grant reserve	18	43,277	23,180
Profit and loss account	18	434,454	548,555
Equity shareholders' funds		<u>£504,931</u>	<u>£598,935</u>



C M Tetley

Director

5 June 2000

NOTES TO THE ACCOUNTS

at 31 March 2000

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

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
Leasehold land and buildings	-	over 50 years
Plant and machinery	-	over 4 years
Office equipment	-	over 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value and consist of articles for re-sale in the souvenir kiosk.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

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 instalment over a period of 4 to 50 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 (which is non distributable).

Pensions

The company contributes to a defined contribution pension scheme for one of its directors and an employee. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. TURNOVER

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

Turnover is attributable to one continuing activity, the 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.

Thirsk Racecourse Limited

NOTES TO THE ACCOUNTS at 31 March 2000

3. OPERATING (LOSS)

This is stated after charging/(crediting):

	2000 £	1999 £
Amortisation of capital grants	(20,097)	(7,150)
Auditors' remuneration	4,250	4,150
Depreciation of owned fixed assets	28,722	16,099

4. DIRECTORS' EMOLUMENTS

	2000 £	1999 £
Fees	750	750
Other emoluments	15,080	15,080
Estimated benefits in kind	350	340
Contributions made by company to money purchase pension schemes	965	1,051
	<u>£17,145</u>	<u>£17,221</u>

The company contributes to a money purchase plan for one (1999: one) of its directors.

5. STAFF COSTS

	2000 £	1999 £
Wages and salaries	124,953	108,913
Social security costs	8,348	8,457
Other pension costs	2,255	1,901
	<u>£135,556</u>	<u>£119,271</u>

The average weekly number of employees during the period was as follows:

	2000 No.	1999 No.
Management and administration	3	3
Racecourse	11	9
	<u>14</u>	<u>12</u>

Thirsk Racecourse Limited

NOTES TO THE ACCOUNTS at 31 March 2000

6. INCOME FROM INVESTMENTS

	2000 £	1999 £
Unlisted	-	80,152
Listed	10,106	12,646
	<u>£10,106</u>	<u>£92,798</u>

7. INTEREST PAYABLE

	2000 £	1999 £
Bank loans and overdrafts	<u>£10</u>	<u>£19</u>

8. TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

The charge based on the (loss)/profit for the year comprises:

	2000 £	1999 £
UK corporation tax	-	-
UK income tax deducted at source	-	427
Corporation tax repayable resulting from carry back of losses to prior year	-	(6,600)
Corporation tax under/(over) provided in previous years	694	(394)
Tax credits attributable to dividends received	-	16,732
Deferred taxation (note 16)	-	(5,300)
	<u>£694</u>	<u>£4,865</u>

Taxation losses of approximately £130,000 are available for off-set against future trading profits.

9. DIVIDEND

	2000 £	1999 £
Equity dividend:		
Ordinary - final proposed	<u>£1,428</u>	<u>£1,428</u>

Thirsk Racecourse Limited

NOTES TO THE ACCOUNTS at 31 March 2000

10. TANGIBLE FIXED ASSETS

	<i>Land and buildings</i>	<i>Long</i>	<i>Plant and</i>	<i>Fixtures,</i>	
	<i>Freehold</i>	<i>leasehold</i>	<i>machinery</i>	<i>fittings &</i>	<i>Total</i>
	£	£	£	office	£
				<i>equipment</i>	
				£	
Cost:					
At 1 April 1999	68,378	733,524	18,952	9,539	830,393
Additions	-	685,070	24,978	35,121	745,169
Disposals	-	-	-	-	-
At 31 March 2000	68,378	1,418,594	43,930	44,660	1,575,562
Depreciation:					
At 1 April 1999	6,006	117,870	11,494	7,610	142,980
Provided during the year	1,367	10,437	9,262	7,656	28,722
Disposals	-	-	-	-	-
At 31 March 2000	7,373	128,307	20,756	15,266	171,702
Net book value:					
At 31 March 2000	£61,005	£1,290,287	£23,174	£29,394	£1,403,860
At 1 April 1999	£62,372	£615,654	£7,458	£1,929	£687,413

11. INVESTMENTS

	£	
Cost:		
At 1 April 1999		165,872
Additions		35,174
Transferred to cash at bank		1,604
Disposals		(30,660)
At 31 March 2000		£171,990
	2000	1999
	£	£
Listed on the London stock exchange	166,630	162,116
Unlisted investments	20	20
Cash	5,340	3,736
	£171,990	£165,872
Valuation:		
Listed investments - market value	£215,435	£211,897
Taxation on potential capital gain if sold at valuation	£8,000	£8,000

Thirsk Racecourse Limited

NOTES TO THE ACCOUNTS at 31 March 2000

12. STOCKS

	2000 £	1999 £
Goods for resale	£3,780	£4,241

13. DEBTORS

	2000 £	1999 £
Trade debtors	11,095	2,014
Other debtors	3,474	23,532
Prepayments and accrued income	7,107	17,883
	£21,676	£43,429

14. CREDITORS: amounts falling due within one year

	2000 £	1999 £
Trade creditors	38,216	11,784
Current corporation tax	-	-
Other taxes and social security costs	2,398	1,272
Accruals and deferred income	22,201	16,909
Horse Race Betting Levy Board - interest free loans	60,000	54,000
Proposed dividend	1,428	1,428
Other creditors	63	2,181
	£124,306	£87,574

15. GRANT ACCOUNT

	<i>Deferred HBLB grants</i>	
	2000 £	1999 £
Balance at 1 April 1999	325,346	278,496
Capital grants received during the year	447,931	54,000
Amortisation of grant credited to profit and loss account	(20,097)	(7,150)
Balance at 31 March 2000	£753,180	£325,346

Thirsk Racecourse Limited

NOTES TO THE ACCOUNTS

at 31 March 2000

16. PROVISIONS FOR LIABILITIES AND CHARGES

The movements in deferred taxation during the current and previous years are as follows:

	2000 £	1999 £
At 1 April	-	5,300
(Credit)/charge for the year (note 8)	-	(5,300)
At 31 March	£ -	£ -

Deferred taxation has been provided in full in the accounts as follows:

	2000 £	1999 £
Capital allowances in advance of depreciation	-	6,300
Less available tax losses	-	(6,300)
	£ -	£ -

17. CALLED UP SHARE CAPITAL

	31 March 2000 No.	Authorised 31 December 1999 No.	31 March 2000 £	Allotted, called up and fully paid 31 December 1999 £
Ordinary shares of £100 each	300	300	£27,200	£27,200

18. MOVEMENTS ON RESERVES

	Grant reserve £	Profit and loss account £	Total £
At 1 April 1999	23,180	548,555	571,735
Loss for the year	-	(92,576)	(92,576)
Dividend	-	(1,428)	(1,428)
Transfer of grant account amortisation	20,097	(20,097)	-
At 31 March 2000	£43,277	£434,454	£477,731

Thirsk Racecourse Limited

NOTES TO THE ACCOUNTS at 31 March 2000

19. CAPITAL COMMITMENTS

	2000 £	1999 £
Contracted	£ -	£687,000

20. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2000 (1999: None).

21. PENSION COMMITMENTS

The company contributes to a defined contribution pension scheme for one of its directors and an employee. The assets of the scheme are held separately from those of the company in an independently administered fund.

22. CONTROLLING PARTY

In the opinion of the directors, no individual shareholder has overall control of the company.