

Company registration number 00998813 (England and Wales)

CORBETT BOOKMAKERS LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



CORBETT BOOKMAKERS LTD

COMPANY INFORMATION

Directors	Mr M R Corbett Mr N Corbett Mrs E A Corbett Mr W C Corbett
Company number	00998813
Registered office	74-78 Welsh Road Garden City Deeside Flintshire CH5 2HU
Auditor	Xeinadin Audit Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9QP

CORBETT BOOKMAKERS LTD

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CORBETT BOOKMAKERS LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Review of the business

The Directors are satisfied with the year's results with a return to more stable trading conditions following the impact of the Covid 19 Global Pandemic and national lockdowns in the previous financial year. Gross turnover of £87,562,135, Gross Profit of £9,891,214, Gross Margin of 11.3% and Net Profit before tax for the year of £486,886 is considered an acceptable return.

Principal risks and uncertainties

Against the backdrop of the uncertainty and volatility in the Global and UK economy, the Directors continue to monitor the performance of the business closely with regards to the industry overall and against competitor activity and performance.

The company budgeted for increased energy and employee costs for the financial year ending March 2023 and beyond if necessary with costs across all areas of the business remaining under review. The Directors reluctantly decided to close the online part of the business with effect from 31 July 2022. The level of ongoing investment required and cost of ever-increasing legislative and regulatory requirements for this part of the business did not justify the returns evidenced.

The Directors' policy in recent years of careful cost containment and maintaining cash reserves ensures that the company retains sufficient liquidity to support the business through any unforeseen significant interruption to the business.

The Directors consider that the cash resources and liquidity available to the company as at December 2023 will be more than sufficient to support the business through until the end of 2024 and beyond and therefore prepare the financial statements on a going concern basis.

Development and performance

The company will focus on maintaining the profile and performance of the retail estate (shops) with investment as and when required to ensure the business remains competitive in the market place and continues to provide a quality service to the customer base.

Key performance indicators

The primary business KPI is Gross Betting Margin, defined as relevant Gross Win divided by the related Betting Stakes. The various income streams have their own betting margin that the Directors use to manage the income of the business and cash flow.

The Directors also use secondary related KPI's to monitor business performance.

On behalf of the board

Mr M R Corbett
Director

4 December 2023

CORBETT BOOKMAKERS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company continued to be that of Turf Accountants.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr M R Corbett
Mr N Corbett
Mrs E A Corbett
Mr W C Corbett

Auditor

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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;
- 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.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of performance, risks and future developments.

CORBETT BOOKMAKERS LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

On behalf of the board

Mr M R Corbett
Director

4 December 2023

CORBETT BOOKMAKERS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF CORBETT BOOKMAKERS LTD

Opinion

We have audited the financial statements of Corbett Bookmakers Ltd (the 'company') for the year ended 31 March 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit 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.

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

CORBETT BOOKMAKERS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF CORBETT BOOKMAKERS LTD

Matters on which we are required to report by exception

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 the 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 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 directors' responsibilities statement, 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the company.

The audit procedures undertaken to address any potential risk in relating to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the company complies with relevant laws, regulations and any cases actual or potential litigation or claims; examination of appropriate legal correspondence; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite the audit being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

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.

CORBETT BOOKMAKERS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) **TO THE MEMBER OF CORBETT BOOKMAKERS LTD**

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

Michael Caputo FCA
Senior Statutory Auditor
For and on behalf of Xeinadin Audit Limited

4 December 2023

Chartered Accountants
Statutory Auditor

2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9QP

CORBETT BOOKMAKERS LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	87,562,135	82,854,672
Cost of sales		(77,670,921)	(74,144,347)
Gross profit		9,891,214	8,710,325
Administrative expenses		(9,198,728)	(8,362,190)
Other operating income		10,000	152,988
Exceptional items	4	(215,600)	-
Profit before taxation		486,886	501,123
Tax on profit	9	(148,263)	(50,216)
Profit for the financial year		338,623	450,907

The profit and loss account has been prepared on the basis that all operations are continuing operations.

CORBETT BOOKMAKERS LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Profit for the year	338,623	450,907
	=====	=====
Other comprehensive income		
Revaluation of tangible fixed assets	47,861	51,281
Tax relating to other comprehensive income	(15,891)	(17,904)
	=====	=====
Other comprehensive income for the year	31,970	33,377
	=====	=====
Total comprehensive income for the year	370,593	484,284
	=====	=====

CORBETT BOOKMAKERS LTD

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		32,291		56,896
Tangible assets	12		1,488,606		1,455,920
			<u>1,520,897</u>		<u>1,512,816</u>
Current assets					
Debtors	13	1,097,647		368,931	
Cash at bank and in hand		3,884,877		4,056,957	
		<u>4,982,524</u>		<u>4,425,888</u>	
Creditors: amounts falling due within one year	14	(1,482,631)		(1,316,254)	
Net current assets			<u>3,499,893</u>		<u>3,109,634</u>
Total assets less current liabilities			<u>5,020,790</u>		<u>4,622,450</u>
Provisions for liabilities					
Deferred tax liability	15	48,065		20,318	
		<u>(48,065)</u>		<u>(20,318)</u>	
Net assets			<u><u>4,972,725</u></u>		<u><u>4,602,132</u></u>
Capital and reserves					
Called up share capital	17		2		2
Revaluation reserve	18		101,385		76,329
Profit and loss reserves	19		4,871,338		4,525,801
Total equity			<u><u>4,972,725</u></u>		<u><u>4,602,132</u></u>

The financial statements were approved by the board of directors and authorised for issue on 4 December 2023 and are signed on its behalf by:

Mr M R Corbett
Director

Company Registration No. 00998813

CORBETT BOOKMAKERS LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 April 2021	2	44,389	5,193,457	5,237,848
Year ended 31 March 2022:				
Profit for the year	-	-	450,907	450,907
Other comprehensive income:				
Revaluation of tangible fixed assets	-	51,281	-	51,281
Tax relating to other comprehensive income	-	(17,904)	-	(17,904)
Total comprehensive income for the year	-	33,377	450,907	484,284
Dividends	10	-	(1,120,000)	(1,120,000)
Transfers	-	(1,437)	1,437	-
Balance at 31 March 2022	2	76,329	4,525,801	4,602,132
Year ended 31 March 2023:				
Profit for the year	-	-	338,623	338,623
Other comprehensive income:				
Revaluation of tangible fixed assets	-	47,861	-	47,861
Tax relating to other comprehensive income	-	(15,891)	-	(15,891)
Total comprehensive income for the year	-	31,970	338,623	370,593
Transfers	-	(6,914)	6,914	-
Balance at 31 March 2023	2	101,385	4,871,338	4,972,725

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Corbett Bookmakers Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 74-78 Welsh Road, Garden City, Deeside, Flintshire, CH5 2HU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Corbett Bookmakers (Holdings) Limited. These consolidated financial statements are available from its registered office, 74-78 Welsh Road, Garden City Sealand, Deeside, Flintshire, CH5 2HU.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the gross amounts receivable from bookmaking business and gaming machine operations within the UK during the year. All turnover excludes value added tax. For betting and game machine income revenue is recognised on receipt of cash basis. For other sales revenue is recognised on the delivery of the goods or performance of the services.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	- 10% to 25% straight line
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CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	- 2% straight line
Leasehold improvements	- straight line over the life of the lease or estimated life of the lease if longer
Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance

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 profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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 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 (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued 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 (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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 debtors 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. Financial assets classified as receivable within one year are not amortised.

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 that 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.

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.9 Equity instruments

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

1.10 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 profit and loss account 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.

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 profit and loss account, 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.

1.11 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 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 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.

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful lives of intangible and tangible fixed assets

The company amortises and depreciates intangible and tangible assets over their estimated useful lives based on historic performance. The actual lives can vary.

Valuation of freehold property

The company uses an independent professional valuer to value the properties held. Depreciation is charged on freehold properties based on their expected trading life. Actual market values of properties can vary.

3 Turnover and other revenue

	2023	2022
	£	£
Other significant revenue		
Coronavirus Job Retention Scheme Support Grants	-	97,651
Coronavirus Business Support Grants	-	45,337
	<u> </u>	<u> </u>
	2023	2022
	£	£
Turnover analysed by geographical market		
United Kingdom	87,562,135	82,854,672
	<u> </u>	<u> </u>

4 Exceptional items

	2023	2022
	£	£
Financial penalty	215,600	-
Interest on amounts overpaid	-	-
Associated professional fees	-	-
	<u> </u>	<u> </u>
	215,600	-
	<u> </u>	<u> </u>

No exceptional items arose in the year to 31 March 2022.

5 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(142,988)
Depreciation of owned tangible fixed assets	116,059	115,515
Amortisation of intangible assets	24,605	32,805
Operating lease charges	340,107	354,560
	<u> </u>	<u> </u>

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	12,100	12,600
For other services		
Other assurance services	1,620	1,200
Taxation compliance services	900	900
All other non-audit services	1,100	2,400
	3,620	4,500

7 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Gambling services	109	116
Administration	22	25
Total	131	141

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	2,405,052	2,292,072
Social security costs	196,649	166,325
Pension costs	42,933	37,389
	2,644,634	2,495,786

8 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	284,455	262,481
Company pension contributions to defined contribution schemes	5,283	4,403
	289,738	266,884

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2022 - 4).

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	98,645	109,806
Company pension contributions to defined contribution schemes	1,320	1,101
	<u> </u>	<u> </u>

9 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	136,407	53,746
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	8,431	(3,530)
Changes in tax rates	3,425	-
	<u> </u>	<u> </u>
Total deferred tax	11,856	(3,530)
	<u> </u>	<u> </u>
Total tax charge	148,263	50,216
	<u> </u>	<u> </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	486,886	501,123
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	92,508	95,213
Tax effect of expenses that are not deductible in determining taxable profit	38,909	-
Gains not taxable	-	(12,818)
Permanent capital allowances in excess of depreciation	(21,736)	(46,649)
Depreciation on assets not qualifying for tax allowances	26,726	21,948
Under/(over) provided in prior years	-	(3,948)
Deferred tax	11,856	(3,530)
	<u> </u>	<u> </u>
Taxation charge for the year	148,263	50,216
	<u> </u>	<u> </u>

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Taxation

(Continued)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	2022 £
Deferred tax arising on:		
Revaluation of property	15,891	17,904

10 Dividends

	2023 £	2022 £
Final paid	-	1,120,000

11 Intangible fixed assets

	Software £
Cost	
At 1 April 2022	450,349
Disposals	(225,544)
At 31 March 2023	224,805
Amortisation and impairment	
At 1 April 2022	393,453
Amortisation charged for the year	24,605
Disposals	(225,544)
At 31 March 2023	192,514
Carrying amount	
At 31 March 2023	32,291
At 31 March 2022	56,896

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2022	1,190,000	15,472	4,130,106	182,594	5,518,172
Additions	-	19,977	63,768	-	83,745
Revaluation	65,000	-	-	-	65,000
At 31 March 2023	1,255,000	35,449	4,193,874	182,594	5,666,917
Depreciation and impairment					
At 1 April 2022	-	11,952	3,875,671	174,629	4,062,252
Depreciation charged in the year	32,752	3,545	77,771	1,991	116,059
At 31 March 2023	32,752	15,497	3,953,442	176,620	4,178,311
Carrying amount					
At 31 March 2023	1,222,248	19,952	240,432	5,974	1,488,606
At 31 March 2022	1,190,000	3,520	254,435	7,965	1,455,920

Freehold land and buildings with a carrying amount of £1,222,248 (2022 - £1,190,000) have fixed and floating charges held by Barclays plc over them.

Land and buildings with a carrying amount of £1,222,248 were revalued on 31 March 2022 by Guy Woodcock and Co, Chartered Surveyors, independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The revaluation surplus is disclosed in note 18.

The following assets are carried at valuation. If the assets were measured using the cost model, the carrying amounts would be as follows:

	Freehold property	
	2023 £	2022 £
Cost	1,497,609	1,497,609
Accumulated depreciation	(408,754)	(348,849)
Carrying value	1,088,855	1,148,760

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	924	31,389
Amounts owed by group undertakings	808,224	76,338
Other debtors	72,201	44,003
Prepayments and accrued income	72,859	73,762
	<u>954,208</u>	<u>225,492</u>
Amounts falling due after more than one year:		
Other debtors	143,439	143,439
	<u>143,439</u>	<u>143,439</u>
Total debtors	<u>1,097,647</u>	<u>368,931</u>

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	713,125	684,967
Corporation tax	136,407	57,694
Other taxation and social security	51,824	58,141
Other creditors	263,333	216,196
Accruals and deferred income	317,942	299,256
	<u>1,482,631</u>	<u>1,316,254</u>

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023	Liabilities 2022
	£	£
Balances:		
Accelerated capital allowances	14,271	2,415
Revaluations	33,794	17,903
	<u>48,065</u>	<u>20,318</u>

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Deferred taxation (Continued)

	2023 £
Movements in the year:	
Liability at 1 April 2022	20,318
Charge to profit or loss	11,856
Charge to equity	15,891
Liability at 31 March 2023	48,065

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

16 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	42,933	37,389

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	2	2	2	2

18 Revaluation reserve

	2023 £	2022 £
At the beginning of the year	76,329	44,389
Revaluation surplus arising in the year	47,861	51,281
Deferred tax on revaluation of tangible assets	(7,780)	(17,904)
Adjustment to deferred tax rate - tangible assets	(8,111)	-
Transfer to retained earnings	(6,914)	(1,437)
At the end of the year	101,385	76,329

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Profit and loss reserves

	2023 £	2022 £
At the beginning of the year	4,525,801	5,193,457
Profit for the year	338,623	450,907
Dividends declared and paid in the year	-	(1,120,000)
Transfer from revaluation reserve	6,914	1,437
	<u>4,871,338</u>	<u>4,525,801</u>
At the end of the year	<u>4,871,338</u>	<u>4,525,801</u>

20 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	288,260	317,155
Between two and five years	296,711	217,928
In over five years	-	3,293
	<u>584,971</u>	<u>538,376</u>

21 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Rent payable	
	2023 £	2022 £
Jointly controlled entities	<u>215,550</u>	<u>215,550</u>
	<u>2023</u>	<u>2022</u>
	£	£
Amounts due to related parties		
Group entities	<u>287,514</u>	<u>1,118,319</u>

CORBETT BOOKMAKERS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2023	2022
	£	£
Amounts due from related parties		
Entities with control, joint control or significant influence over the company	113,641	113,641
Jointly controlled entities	32,765	614
Group entities	1,095,738	1,194,657
Other related parties	29,798	29,798

22 Directors' transactions

At 31 March 2023, Mr M Corbett was owed £nil (2022: £866) by the company. This balance is included in other creditors. During the year there were advances to the director of £3,789 (2022: £2,022) and repayments by the director of £2,922 (2021: £nil). The loaned amount has no fixed repayment date and has no interest charged on the balance.

At 31 March 2023, Mr N Corbett was owed £17,454 (2022: £17,346) by the company. This balance is included in other creditors. During the year there were advances to the director of £17,000 (2022: £40,000) and repayments by the director of £17,800 (2022: £nil). The loaned amount has no fixed repayment date and has no interest charged on the balance.

At 31 March 2023, Mr W Corbett was owed £nil (2022: £nil) by the company in his role as director. During the year there were advances to the director of £204 (2022: £1,681) and repayments by the director of £204 (2022: £1,681).

At 31 March 2023, Ms A Corbett was owed £76,568 (2022: £79,713) by the company in her role as director. This balance is included in other creditors. During the year there were advances to the director of £3,143 (2022: £857) and advances by the director of £nil (2022: £80,569). The loaned amount has no fixed repayment date and has no interest charged on the balance.

23 Ultimate controlling party

The ultimate parent company is Corbett Bookmakers (Holdings) Limited, a company incorporated in England and Wales. The registered office of Corbett Bookmakers (Holdings) Limited is 76 Welsh road, Garden City, Sealand, Flintshire, CH5 2HU.

The majority shareholder in Corbett Bookmakers (Holdings) Limited is The Corbett Family Trust.

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