

Company Registration No 3469200 (England and Wales)

BRIGHTON RACECOURSE COMPANY LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2010

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BRIGHTON RACECOURSE COMPANY LIMITED

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BRIGHTON RACECOURSE COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2010

The directors present their report and financial statements for the year ended 31 March 2010

Principal activities

The principal activity of the company continued to be that of promotion of race meeting, under Jockey Club Rules at Brighton Racecourse

Directors

The following directors have held office since 1 April 2009

J Harrington
P Hawkes
A B Kelly
S Nahum
P O'Driscoll
Councillor DJ Smith

Auditors

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

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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.

BRIGHTON RACECOURSE COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

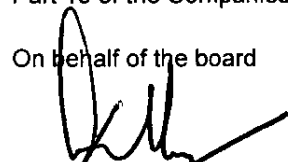
FOR THE YEAR ENDED 31 MARCH 2010

Statement of disclosure to auditors

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



A B Kelly

Director

9 July 2010

BRIGHTON RACECOURSE COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BRIGHTON RACECOURSE COMPANY LIMITED

We have audited the financial statements of Brighton Racecourse Company Limited for the year ended 31 March 2010 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 March 2010 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.

Opinion on other matter prescribed by the Companies Act 2006

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

BRIGHTON RACECOURSE COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BRIGHTON RACECOURSE COMPANY LIMITED

Matters on which we are required to report by exception

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

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



S P Coleman (Senior Statutory Auditor)
for and on behalf of Gerald Edelman

9th July 2010

Chartered Accountants
Statutory Auditor

25 Harley Street
London
W1G 9BR

BRIGHTON RACECOURSE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2010

		Year ended 31 March 2010 £	Year ended 31 March 2009 £
	Notes		
Turnover		2,769,440	2,762,930
Cost of sales		(1,798,000)	(1,763,550)
Gross profit		971,440	999,380
Administrative expenses		(1,304,128)	(1,279,439)
Loss on ordinary activities before taxation	2	(332,688)	(280,059)
Tax on loss on ordinary activities	3	-	(96,869)
Loss for the year	9	(332,688)	(376,928)

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

There are no recognised gains and losses other than those passing through the profit and loss account

BRIGHTON RACECOURSE COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	4		4,287,361		4,371,149
Current assets					
Stocks		3,986		-	
Debtors	5	1,043,917		968,114	
Cash at bank and in hand		4,425		9,358	
		1,052,328		977,472	
Creditors: amounts falling due within one year	6	(4,904,755)		(4,580,999)	
Net current liabilities			(3,852,427)		(3,603,527)
Total assets less current liabilities			434,934		767,622
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		434,834		767,522
Shareholders' funds	10		434,934		767,622

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on

A B Kelly
Director

J Harrington
Director

Company Registration No 3469200

BRIGHTON RACECOURSE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Compliance with accounting standards

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

1.3 Turnover

Turnover represents amounts receivable directly and indirectly from race meetings plus other miscellaneous income from the use of the racecourse facilities

Income is recognised at the time of the event, unless it is more appropriate to take it over the period of the agreement, such as rental and deferred income. Income receivable from the sale of media rights to Attheraces is taken to income when quantifiable

1.4 Tangible fixed assets and depreciation

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

Land and buildings Leasehold	over 50 years
Fixtures, fittings & equipment	over 5 - 10 years

1.5 Leasing

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

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

1.6 Stock

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

1.7 Pensions

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

1.8 Deferred taxation

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

BRIGHTON RACECOURSE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting policies (continued)

1.9 Capital credits

The Horserace Betting Levy Board (HBLB) provides revenue grants to racecourses to support the holding of a race meeting

A racecourse can elect in advance to convert the revenue to capital credits which can be drawn down to meet approved project expenditure or to meet repayment of HBLB loans. Revenue grants are taken to the profit and loss account as turnover to match related costs of holding the race meeting. Capital credits are recognised as income when the related race meeting is held and when recoverable against the repayment of HBLB loan or expenditure on approved capital projects

2 Operating loss	2010	2009
	£	£
Operating loss is stated after charging		
Depreciation of tangible assets	179,975	197,693
- Audit	3,000	3,000
- Accountancy	500	500
- Tax	500	500
	<u> </u>	<u> </u>

BRIGHTON RACECOURSE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

3	Taxation	2010 £	2009 £
	Domestic current year tax		
	Adjustment for prior years	-	138,212
	Current tax charge	-	138,212
	Deferred tax		
	Deferred tax charge/credit current year	-	(41,343)
		-	96,869
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(332,688)	(280,059)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 - 28.00%)	(93,153)	(78,417)
	Effects of		
	Non deductible expenses	55,432	56,291
	Capital allowances	(41,755)	(36,343)
	Tax losses utilised	79,476	196,681
		93,153	216,629
	Current tax charge	-	138,212

BRIGHTON RACECOURSE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2009	4,638,813	1,221,174	5,859,987
Additions	39,505	56,682	96,187
	<u>4,678,318</u>	<u>1,277,856</u>	<u>5,956,174</u>
At 31 March 2010			
Depreciation			
At 1 April 2009	764,788	724,050	1,488,838
Charge for the year	92,827	87,148	179,975
	<u>857,615</u>	<u>811,198</u>	<u>1,668,813</u>
At 31 March 2010			
Net book value			
At 31 March 2010	<u>3,820,703</u>	<u>466,658</u>	<u>4,287,361</u>
At 31 March 2009	<u>3,874,025</u>	<u>497,124</u>	<u>4,371,149</u>

Included above are assets held under finance leases or hire purchase contracts as follows

	Fixtures, fittings & equipment £
Net book values	
At 31 March 2010	<u>60,251</u>
At 31 March 2009	<u>87,950</u>
Depreciation charge for the year	
At 31 March 2010	<u>10,388</u>
At 31 March 2009	<u>8,115</u>

The liability of a leased asset included in fixtures, fittings and equipments, is included in Northern Races Ltd accounts, the immediate parent company

BRIGHTON RACECOURSE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

5 Debtors	2010 £	2009 £
Trade debtors	261,526	220,901
Amounts owed by group companies	569,576	569,891
Other debtors	212,815	177,322
	<u>1,043,917</u>	<u>968,114</u>

6 Creditors, amounts falling due within one year	2010 £	2009 £
Bank loans and overdrafts	361,966	587,724
Net obligations under finance leases	-	5,018
Trade creditors	200,594	177,023
Amounts owed to group companies	3,991,612	3,624,497
Taxation and social security	54,455	18,453
Other creditors	296,128	168,284
	<u>4,904,755</u>	<u>4,580,999</u>

Net obligations under finance leases

Repayable within one year	-	5,018
Included in liabilities falling due within one year	-	(5,018)
	<u>-</u>	<u>-</u>

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

7 Pension and other post-retirement benefit commitments

Defined contribution

	2010 £	2009 £
Contributions payable by the company for the year	<u>1,571</u>	<u>-</u>

BRIGHTON RACECOURSE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

8	Share capital	2010 £	2009 £
	Authorised		
	99,900 Ordinary Shares of £1 each	99,900	99,900
	81 Ordinary 'A' Shares of £1 each	81	81
	19 Ordinary 'B' Shares of £1 each	19	19
		<u>100,000</u>	<u>100,000</u>
	Allotted, called up and fully paid		
	81 Ordinary 'A' Shares of £1 each	81	81
	19 Ordinary 'B' Shares of £1 each	19	19
		<u>100</u>	<u>100</u>

The A Shares and the B Shares are ranked pari passu in all respect but are deemed to form separate classes of shares

9	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 April 2009	767,522
	Loss for the period	(332,688)
	Balance at 31 March 2010	<u>434,834</u>

10	Reconciliation of movements in shareholders' funds	2010 £	2009 £
	Loss for the financial year	(332,688)	(376,928)
	Opening shareholders' funds	767,622	1,144,550
	Closing shareholders' funds	<u>434,934</u>	<u>767,622</u>

BRIGHTON RACECOURSE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

11 Financial commitments

At 31 March 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2011

	Land and buildings	
	2010	2009
	£	£
Operating leases which expire		
In over five years	<u>35,000</u>	<u>35,000</u>

12 Control

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

13 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

BRIGHTON RACECOURSE COMPANY LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2010

	Year ended 31 March 2010 £	Year ended 31 March 2009 £
Administrative expenses		
Wages and salaries (excl NI)	558,239	511,530
Staff pension costs	1,571	-
Staff training	740	1,860
Management charges	525,000	537,000
Insurance	19,930	24,040
Printing, postage and stationery	13,340	24,100
Advertising	81,560	83,900
Telephone	16,560	14,050
Computer running costs	11,140	11,550
Motor running expenses	21,780	31,000
Travelling expenses	9,180	13,750
Entertaining - allowable	1,950	1,000
Legal and prof fees - allowable	26,110	16,130
Audit fees	4,370	(6,707)
Bank charges	4,800	6,790
Sundry expenses - allowable	7,858	9,416
Charitable donations - other	-	30
	<u>1,304,128</u>	<u>1,279,439</u>