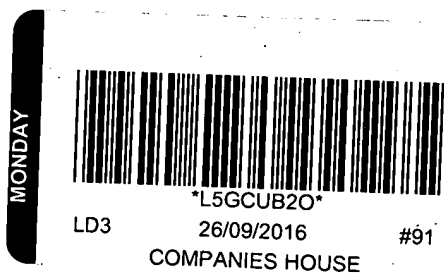


**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015
FOR
BRIGHTON RACECOURSE COMPANY LIMITED**



**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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BRIGHTON RACECOURSE COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015**

DIRECTORS:

P C O'Driscoll
K S Robertson
C Theobald
L Hamilton

SECRETARY:

Ms M J Langridge

REGISTERED OFFICE:

Millbank Tower
21-24 Millbank
London
SW1P 4QP

REGISTERED NUMBER:

03469200 (England and Wales)

AUDITORS:

Gerald Edelman
73 Cornhill
London
EC3V 3QQ

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of operator of Brighton racecourse.

REVIEW OF THE BUSINESS

The directors are satisfied with the results for the year and the year end position of the company.

The company has not prepared a strategic report on the basis that the company qualifies as a Small Company under section 414B of the Companies Act 2006. The ultimate UK parent company produces a strategic report.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2015.

No dividend was distributed for the year ended 31 December 2014.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report:

P C O'Driscoll
K S Robertson

Other changes in directors holding office are as follows:

M Marsh - resigned 19 May 2015
J Lepper - resigned 19 May 2015
C Theobald - appointed 19 May 2015
L Hamilton - appointed 19 May 2015
A B Kelly - resigned 23 July 2015

GOING CONCERN

Having reviewed the company's financial forecasts and expected future cash flows, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the going concern basis has been adopted in preparing the financial statements for the year ended 31 December 2015.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2015**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

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

ON BEHALF OF THE BOARD:



.....
P C O'Driscoll - Director

Date: 12/9/2016

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BRIGHTON RACECOURSE COMPANY LIMITED**

We have audited the financial statements of Brighton Racecourse Company Limited for the year ended 31 December 2015 on pages five to twenty one. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 Statement of Directors' Responsibilities set out on pages two and three, 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



Stephen Coleman ACA (Senior Statutory Auditor)
For and on behalf of Gerald Edelman
Chartered Accountants
Statutory Auditor
73 Cornhill
London
EC3V 3QQ

Date: 12/9/16

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
TURNOVER	2	3,713,071	3,827,738
Cost of sales		<u>(2,077,439)</u>	<u>(2,122,388)</u>
GROSS PROFIT		1,635,632	1,705,350
Administrative expenses		<u>(1,641,163)</u>	<u>(1,598,497)</u>
OPERATING (LOSS)/PROFIT	4	(5,531)	106,853
Interest payable and similar charges	5	<u>(662)</u>	<u>(625)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(6,193)	106,228
Tax on (loss)/profit on ordinary activities	6	<u>4,604</u>	<u>3,615</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u><u>(1,589)</u></u>	<u><u>109,843</u></u>

The notes on pages 11 to 21 form part of these financial statements

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £	2014 £
(LOSS)/PROFIT FOR THE YEAR	(1,589)	109,843
OTHER COMPREHENSIVE INCOME		
	-	(11,536)
Income tax relating to other comprehensive income	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>-</u>	<u>(11,536)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(1,589)</u>	<u>98,307</u>

The notes on pages 11 to 21 form part of these financial statements

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**BALANCE SHEET
31 DECEMBER 2015**

	Notes	£	2015 £	2014 £
FIXED ASSETS				
Tangible assets	7		4,193,738	4,248,815
CURRENT ASSETS				
Stocks	8	37,521		22,579
Debtors	9	152,187		807,895
Cash at bank		<u>51,605</u>		<u>12,624</u>
		241,313		843,098
CREDITORS				
Amounts falling due within one year	10	<u>(4,966,121)</u>	<u>(5,616,790)</u>	
NET CURRENT LIABILITIES			<u>(4,724,808)</u>	<u>(4,773,692)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(531,070)	(524,877)
PROVISIONS FOR LIABILITIES	13		<u>(3,317)</u>	<u>(7,921)</u>
NET LIABILITIES			<u>(534,387)</u>	<u>(532,798)</u>
CAPITAL AND RESERVES				
Called up share capital	14		100	100
Retained earnings	15		<u>(534,487)</u>	<u>(532,898)</u>
SHAREHOLDERS' FUNDS			<u>(534,387)</u>	<u>(532,798)</u>

The financial statements were approved by the Board of Directors on 12/9/2016 and were signed on its behalf by:



.....
P C O'Driscoll - Director

The notes on pages 11 to 21 form part of these financial statements

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2014	100	(631,205)	(631,105)
Changes in equity			
Profit for the year	-	109,843	109,843
Prior year adjustment	-	(11,536)	(11,536)
Balance at 31 December 2014	<u>100</u>	<u>(532,898)</u>	<u>(532,798)</u>
Changes in equity			
Total comprehensive income	-	(1,589)	(1,589)
Balance at 31 December 2015	<u><u>100</u></u>	<u><u>(534,487)</u></u>	<u><u>(534,387)</u></u>

The notes on pages 11 to 21 form part of these financial statements

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £	2014 £
Cash flows from operating activities			
Cash generated from operations	1	321,333	365,852
Interest paid		<u>(662)</u>	<u>(625)</u>
Net cash from operating activities		<u>320,671</u>	<u>365,227</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(167,239)</u>	<u>(267,081)</u>
Net cash from investing activities		<u>(167,239)</u>	<u>(267,081)</u>
Cash flows from financing activities			
Capital repayments in year		<u>(2,478)</u>	<u>(1,650)</u>
Net cash from financing activities		<u>(2,478)</u>	<u>(1,650)</u>
Increase in cash and cash equivalents		<u>150,954</u>	<u>96,496</u>
Cash and cash equivalents at beginning of year	2	<u>(99,349)</u>	<u>(195,845)</u>
Cash and cash equivalents at end of year	2	<u><u>51,605</u></u>	<u><u>(99,349)</u></u>

The notes on pages 11 to 21 form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2015 £	2014 £
(Loss)/profit before taxation	(6,193)	106,228
Depreciation charges	222,316	202,705
Finance costs	<u>662</u>	<u>625</u>
	216,785	309,558
(Increase)/decrease in stocks	(14,942)	476
Decrease in trade and other debtors	655,708	233,180
Decrease in trade and other creditors	<u>(536,218)</u>	<u>(177,362)</u>
Cash generated from operations	<u>321,333</u>	<u>365,852</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2015

	31.12.15 £	1.1.15 £
Cash and cash equivalents	51,605	12,624
Bank overdrafts	<u>-</u>	<u>(111,973)</u>
	<u>51,605</u>	<u>(99,349)</u>

Year ended 31 December 2014

	31.12.14 £	1.1.14 £
Cash and cash equivalents	12,624	1,715
Bank overdrafts	<u>(111,973)</u>	<u>(197,560)</u>
	<u>(99,349)</u>	<u>(195,845)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

These financial statements for the year ended 31 December 2015 are the first financial statements of Brighton Racecourse Company Limited prepared in accordance with FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS102.

The Directors have drawn up the financial statements on a going concern basis, notwithstanding the net current liabilities of the Company.

The Directors consider it appropriate to draw up the financial statements on a going concern basis as they have received assurance from Aldersgate Investments Limited, an affiliated entity, that it will continue to make sufficient funds available to enable the Company to meet its obligations as they fall due for the foreseeable future, and at least 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Turnover

Turnover principally relates to income derived directly from the holding of horse race meetings, including industry related funding from the HBLB, and the non-raceday use of the Racecourse facilities.

Income is recognised once a race meeting or non-raceday event has been held. This includes admissions revenue, other racing income and catering income. In certain circumstances income is taken over the life of the agreement to which it relates, such as rental income and annual memberships.

Media rights

Income received in respect of media rights over the broadcasts from the Group's racecourses is recognised within revenue in the period in which the relevant race meetings are held.

HBLB revenue

The HBLB provides revenue to racecourses to support the holding of race meetings. For taxation purposes, this revenue can be waived by racecourses, with HBLB approval, and transferred to 'capital credits', which is a tax-efficient scheme operated by the HBLB. These capital credits may be claimed by racecourses against expenditure on HBLB-approved capital projects and as a result, are not assessable to tax. It is the Company's policy that, as they are derived from and are dependent upon trading activities, capital credit receipts are recognised within revenue when the race meetings to which they relate are held. A corresponding receivable is recognised until the cash is received.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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:

Leasehold land	Nil
Leasehold buildings	Straight line over 50 years
Plant and machinery	Straight line over 4 to 10 years
Motor vehicles	Straight line over 4 years

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

Impairment of fixed assets

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

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

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

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

Stocks

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES - continued

Tax

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

Current tax

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

Deferred tax

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

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

Leasing commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term or their useful lives. Obligations under such agreements are included in creditors net of the finance charges 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.

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

Pension costs

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES - continued

Cash and cash equivalents

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

Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

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.

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

1. **ACCOUNTING POLICIES - continued**

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

Derecognition of financial liabilities

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

Equity instruments

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

Provisions

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

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

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

Employee benefits

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

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

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

2. **TURNOVER**

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

3. **STAFF COSTS**

	2015	2014
	£	£
Wages and salaries	472,926	536,678
Social security costs	36,391	44,223
Other pension costs	<u>6,755</u>	<u>8,144</u>
	<u>516,072</u>	<u>589,045</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

3. STAFF COSTS - continued

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

	2015	2014
Total staff (including directors)	<u>20</u>	<u>20</u>

The Company employs casual staff to assist during racedays. The number of casual staff varies between 44 and 61 (2014: 44 and 61) depending on the raceday. Casual staff are not included in the staff numbers stated above.

4. OPERATING (LOSS)/PROFIT

Operating profit is stated after charging:

	2015 £	2014 £
Operating lease rentals	47,564	44,087
Depreciation - owned assets	222,316	202,705
Group management charges	248,728	307,613
Auditors' remuneration		
- Audit	4,500	4,500
- Accountancy	500	500
- Tax	500	500

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank interest	<u>662</u>	<u>625</u>

6. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2015 £	2014 £
Deferred tax	<u>(4,604)</u>	<u>(3,615)</u>
Tax on (loss)/profit on ordinary activities	<u>(4,604)</u>	<u>(3,615)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

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

	2015 £	2014 £
(Loss)/profit on ordinary activities before tax	<u>(6,193)</u>	<u>106,228</u>
(Loss)/profit on ordinary activities multiplied by the effective rate of corporation tax in the UK of 20.25% (2014 - 21.5%)	(1,254)	22,839
Effects of:		
Expenses not deductible for tax purposes	22,431	23,174
Depreciation in excess of capital allowances	4,852	1,041
Utilisation of tax losses	-	(35,498)
Group relief	(25,838)	(11,066)
Other short term timing differences	(191)	(490)
Deferred tax	<u>(4,604)</u>	<u>(3,615)</u>
Total tax credit	<u>(4,604)</u>	<u>(3,615)</u>

7. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2015	5,092,078	1,664,341	63,683	6,820,102
Additions	<u>97,233</u>	<u>70,006</u>	<u>-</u>	<u>167,239</u>
At 31 December 2015	<u>5,189,311</u>	<u>1,734,347</u>	<u>63,683</u>	<u>6,987,341</u>
DEPRECIATION				
At 1 January 2015	1,323,937	1,211,298	36,052	2,571,287
Charge for year	<u>106,530</u>	<u>107,207</u>	<u>8,579</u>	<u>222,316</u>
At 31 December 2015	<u>1,430,467</u>	<u>1,318,505</u>	<u>44,631</u>	<u>2,793,603</u>
NET BOOK VALUE				
At 31 December 2015	<u>3,758,844</u>	<u>415,842</u>	<u>19,052</u>	<u>4,193,738</u>
At 31 December 2014	<u>3,768,141</u>	<u>453,043</u>	<u>27,631</u>	<u>4,248,815</u>

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

8. STOCKS

	2015	2014
	£	£
Goods for resale	<u>37,521</u>	<u>22,579</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade debtors	50,496	73,541
Amounts owed by group undertakings	-	626,212
Other debtors	7,829	2,101
VAT	37,537	7,995
Prepayments and accrued income	<u>56,325</u>	<u>98,046</u>
	<u>152,187</u>	<u>807,895</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Bank loans and overdrafts (see note 11)	-	111,973
Finance leases (see note 12)	-	2,478
Trade creditors	162,028	40,133
Amounts owed to group undertakings	4,621,485	5,321,674
Social security and other taxes	9,646	12,021
Other creditors	28,544	15,258
Accruals and deferred income	<u>144,418</u>	<u>113,253</u>
	<u>4,966,121</u>	<u>5,616,790</u>

11. LOANS

An analysis of the maturity of loans is given below:

	2015	2014
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>111,973</u>

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

12. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2015	2014
	£	£
Net obligations repayable:		
Within one year	<u>-</u>	<u>2,478</u>

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

12. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2015	2014
	£	£
Within one year	53,261	44,087
Between one and five years	181,626	143,988
In more than five years	<u>3,578,750</u>	<u>3,613,750</u>
	<u><u>3,813,637</u></u>	<u><u>3,801,825</u></u>

The above operating leases include a lease for the land on which the racecourse operates which runs for a further 107 years.

13. PROVISIONS FOR LIABILITIES

	2015	2014
	£	£
Deferred tax		
Accelerated capital allowances	3,317	8,109
Other timing differences	<u>-</u>	<u>(188)</u>
	<u><u>3,317</u></u>	<u><u>7,921</u></u>

	Deferred tax £
Balance at 1 January 2015	7,921
Utilised during year	<u>(4,604)</u>
Balance at 31 December 2015	<u><u>3,317</u></u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2015	2014
Number:	Class:	Nominal value:	£	£
81	Ordinary 'A' shares	£1	81	81
19	Ordinary 'B' shares	£1	<u>19</u>	<u>19</u>
			<u><u>100</u></u>	<u><u>100</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

15. RESERVES

	Retained earnings £
At 1 January 2015	(532,898)
Deficit for the year	<u>(1,589)</u>
At 31 December 2015	<u>(534,487)</u>

16. PENSION COMMITMENTS

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

There was a pension creditor at the year end amounting to £nil (2014: £941).

17. ULTIMATE PARENT COMPANY

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

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

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

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

BRIGHTON RACECOURSE COMPANY LIMITED (REGISTERED NUMBER: 03469200)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015**

18. RELATED PARTY DISCLOSURES

During the year, the Company provided racing services to and received similar services from the following subsidiaries:

Related Party	Transactions		Balance due from/(to) Related Party at 31 December	
	2015 £	2014 £	2015 £	2014 £
Bath Racecourse Company Ltd (i)	(63,399) (228,883)	(311)	-	63,399
Chepstow Races Ltd (iv)		395	-	228,883
Fontwell Park Steeplechase Ltd (i)	523,529	(121,477)	-	(523,529)
Great Yarmouth Racecourse Ltd (i)	(16,124)	-	-	16,124
Hereford Racecourse Company Ltd (i)	(61,748) (238,106)	-	-	61,748
High Gosforth Park Ltd (i)		-	-	238,106
Northern Races Ltd (ii)	23,686	124,196	(3,101,230)	(3,124,906)
Northern Racing Ltd (iii)	(35,424)	-	(1,303,559)	(1,268,134)
Sedgefield Steeplechase Company (1927) Ltd (i)	5,547	-	-	(5,547)
Uttoxeter Leisure & Development Company Ltd (i)	33,060	-	-	(33,060)
Arena Leisure Racing Ltd (v)	19,569	(272,935)	(336,481)	(356,050)
Wolverhampton Racecourse Ltd (v)	1,204	(871)	-	(1,204)
The Doncaster Racecourse Management Company Ltd (v)	9,002	(109)	-	(9,002)
Folkestone Race Course Ltd (v)	232	(232)	-	(232)
Lingfield Park Ltd (v)	(5,730)	-	-	5,730
Southwell Racecourse Ltd (v)		-	-	-
Windsor Racing Ltd (v)	(12,222)	(239)	-	12,222

The transactions above are net of sales and purchases.

- (i) Fellow subsidiary of Northern Races Ltd
- (ii) Immediate parent undertaking
- (iii) Intermediate parent undertaking
- (iv) Subsidiary of Northern Racing Ltd
- (v) Subsidiary of Omaha Business Holdings Corp, the ultimate parent company

19. POST BALANCE SHEET EVENTS

On 31 March 2016, Landal Worldwide Corp sold its entire investment in Racing Holdings Limited, an intermediate parent company, to Omaha Business Holdings Corp.

20. COMPANY INFORMATION

Brighton Racecourse Company Limited is a company limited by shares incorporated in England and Wales. The registered office is Millbank Tower, 21-24 Millbank, London, SW1P 4QP. The principal place of business of the company is Brighton Racecourse, Freshfield Road, Brighton, BN2 9XZ.