

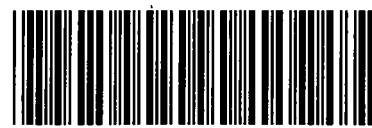
Company Registration No. 03469200 (England and Wales)

**BRIGHTON RACECOURSE COMPANY LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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# BRIGHTON RACECOURSE COMPANY LIMITED

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**NR ACQUISITIONS TOPCO LIMITED AND SUBSIDIARIES**  
**STRATEGIC REPORT**  
**YEAR ENDED 31 DECEMBER 2013**

The principal activity of the Company is that of a holding company. The principal activity of the Group is the owning and operation of racecourses.

**Development and Performance**

The directors are happy with the results for the period and continue to look forward to the future with confidence. A new Media Rights agreement for the televising of our pictures came into play for its first full year in 2013 which significantly enhances the value of picture rights from the old BAG's agreement which expired at the end of 2012. Turnover increased by 43.7% from £30.0m to £43.2m. Operating Profit for the group decreased by 2.1% to £6.0m from £6.1m.

Despite challenges presented by both the weather and the economy, attendance numbers grew year on year to 1,181,330 from 1,050,499 in 2012. Furthermore, bringing the catering operation in house at Bath, Chepstow, Fontwell and Great Yarmouth have allowed us to be much more flexible in what we are able to offer and also take greater control over the margins. We plan to roll this out across the remainder of the estate in 2014. Uttoxeter have taken their bars and concession operations in house which has resulted in an additional £160k contribution to profit from previous years when those operations were operated by 3<sup>rd</sup> parties.

We hosted concerts with Madness playing at Newcastle and Chepstow as well as being part of a series of dates for Scouting for Girls who played at Brighton and Chepstow (Madness attracted record attendances for the raceday at Chepstow). Following on from that success, we have already secured Tom Jones to play at Chepstow in 2014.

**Year End Position**

The Directors are satisfied with the year end position for the group.

**Principal risks and uncertainties**

The Group operates in the sporting and leisure sector within the UK and as such faces the same risks as other similar businesses, primarily economic welfare, the availability of disposable income and competing interests for the leisure pound.

In addition, as with any business that is conducted outdoors in the UK, a further risk is that of weather related abandonments. It is impossible to mitigate this risk but the Group does allow for a certain number of abandonments when completing its business plans.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk and credit risk. The financial risk management objectives and group policies for each of these risks are described in more detail below.

#### Interest rate risk

The Group has interest free borrowings from the Horserace Betting Levy Board (HBLB). Given the current low interest rate economic climate, hedging for interest risk is not deemed necessary, although the position is kept under regular review by the Board.

#### Liquidity risk

Liquidity risk is managed centrally. The current loan facilities have been agreed at appropriate levels given the Group's forecasted operating cash flows, loan repayments, expected future capital expenditure and trading income over the course of the foreseeable future.

#### Credit risk

Due to the nature of the Group's income streams, the exposure to credit risk is considered minimal. One of the main sources of income is received from the HBLB and media income from the transmission of pictures through the SIS contract. Other third party income is derived from customers on race days and this is either paid in advance of the event or paid on the day. Of the income received by the Group that is subject to credit risk, there are established credit procedures and collection policies in place which are reviewed and monitored centrally.

On behalf of The Board



P O'Driscoll  
Director

# BRIGHTON RACECOURSE COMPANY LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2013

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The directors present their report and financial statements for the year ended 31 December 2013. The comparative figures are for the 9 months to December 2012.

#### Principal activities and review of the business

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

The Strategic Report is prepared by the parent company which covers the review of all subsidiaries, therefore no Strategic Report is attached.

#### Results and dividends

The results for the year are set out on page 5.

#### Directors

The following directors have held office since 1 January 2013:

|                    |                          |
|--------------------|--------------------------|
| A B Kelly          |                          |
| S Nahum            | (Resigned 30 June 2014)  |
| P O'Driscoll       |                          |
| Councillor B Fitch | (Resigned 18 June 2014)  |
| G Bowden           | (Resigned 1 June 2014)   |
| J Lepper           | (Appointed 18 June 2014) |
| Councillor M Marsh | (Appointed 1 June 2014)  |
| K S Robertson      | (Appointed 30 June 2014) |

#### 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;
- 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 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)**

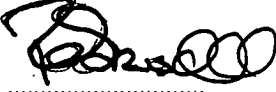
***FOR THE YEAR ENDED 31 DECEMBER 2013***

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### **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.

On behalf of the board



P O'Driscoll

Director

*03 JULY 2014*

# **BRIGHTON RACECOURSE COMPANY LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF BRIGHTON RACECOURSE COMPANY LIMITED**

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We have audited the financial statements of Brighton Racecourse Company Limited for the year ended 31 December 2013 set out on pages 5 to 16. 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 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 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 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 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. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 2013 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.

#### **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**

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#### **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.



Stephen Coleman ACA (Senior Statutory Auditor)  
for and on behalf of Gerald Edelman

03 July 2014

Chartered Accountants  
Statutory Auditor

25 Harley Street  
London  
W1G 9BR



# **BRIGHTON RACECOURSE COMPANY LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

|   | Notes | 2013<br>£        | 2012<br>£        |
|---|-------|------------------|------------------|
| Turnover  | 2     | 3,563,539        | 2,600,117        |
| Cost of sales   |       | (2,318,223)      | (1,767,649)      |
| <b>Gross profit</b>   |       | <b>1,245,316</b> | <b>832,468</b>   |
| Administrative expenses                                     |       | (1,101,304)      | (987,993)        |
| <b>Operating profit/(loss)</b>                              | 3     | <b>144,012</b>   | <b>(155,525)</b> |
| Interest payable and similar charges                        | 4     | (654)            | (503)            |
| <b>Profit/(loss) on ordinary activities before taxation</b> |       | <b>143,358</b>   | <b>(156,028)</b> |
| Tax on profit/(loss) on ordinary activities                 | 5     | -                | -                |
| <b>Profit/(loss) for the year</b>                           | 13    | <b>143,358</b>   | <b>(156,028)</b> |

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 DECEMBER 2013

|  | Notes | 2013<br>£          | £                  | 2012<br>£          | £                  |
|--|-------|--------------------|--------------------|--------------------|--------------------|
| <b>Fixed assets</b>  |       |                    |                    |                    |                    |
| Tangible assets  | 6     |                    | 4,184,439          |                    | 4,178,039          |
| <b>Current assets</b>  |       |                    |                    |                    |                    |
| Stocks   | 7     | 23,055             |                    | 26,969             |                    |
| Debtors  | 8     | 1,041,075          |                    | 827,702            |                    |
| Cash at bank and in hand                                       |       | 1,715              |                    | 6,261              |                    |
|  |       | <u>1,065,845</u>   |                    | <u>860,932</u>     |                    |
| <b>Creditors: amounts falling due within one year</b>          | 9     | <u>(5,878,912)</u> |                    | <u>(5,809,306)</u> |                    |
| <b>Net current liabilities</b>                                 |       |                    | <u>(4,813,067)</u> |                    | <u>(4,948,374)</u> |
| <b>Total assets less current liabilities</b>                   |       |                    | <u>(628,628)</u>   |                    | <u>(770,335)</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 10    |                    | <u>(2,477)</u>     |                    | <u>(4,128)</u>     |
|  |       |                    | <u>(631,105)</u>   |                    | <u>(774,463)</u>   |
| <b>Capital and reserves</b>                                    |       |                    |                    |                    |                    |
| Called up share capital  | 12    |                    | 100                |                    | 100                |
| Profit and loss account  | 13    |                    | <u>(631,205)</u>   |                    | <u>(774,563)</u>   |
| <b>Shareholders' funds</b>                                     | 14    |                    | <u>(631,105)</u>   |                    | <u>(774,463)</u>   |

Approved by the Board and authorised for issue on 03 JULY 2014



P O'Driscoll  
Director

Company Registration No. 03469200

# **BRIGHTON RACECOURSE COMPANY LIMITED**

## **CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

|   | £         | 2013<br>£ | £         | 2012<br>£ |
|---|-----------|-----------|-----------|-----------|
| <b>Net cash inflow from operating activities</b>                            |           | 20,898    |           | 110,122   |
| <b>Returns on investments and servicing of finance</b>                      |           |           |           |           |
| Interest paid   | (654)     |           | (503)     |           |
| <b>Net cash outflow for returns on investments and servicing of finance</b> |           | (654)     |           | (503)     |
| <b>Capital expenditure</b>  |           |           |           |           |
| Payments to acquire tangible assets   | (193,647) |           | (187,934) |           |
| Receipts from sales of tangible assets                                      | -         |           | 14,298    |           |
| <b>Net cash outflow for capital expenditure</b>                             |           | (193,647) |           | (173,636) |
| <b>Net cash outflow before management of liquid resources and financing</b> |           | (173,403) |           | (64,017)  |
| <b>Financing</b>  |           |           |           |           |
| Repayment of hire purchase creditor   | (1,651)   |           | (1,238)   |           |
| <b>Net cash outflow from financing</b>                                      |           | (1,651)   |           | (1,238)   |
| <b>Decrease in cash in the year</b>   |           | (175,053) |           | (65,255)  |

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

| 1 | Reconciliation of operating profit/(loss) to net cash inflow from operating activities | 2013          | 2012           |
|---|--|---------------|----------------|
|   |  | £             | £              |
|   | Operating profit/(loss)  | 144,012       | (155,525)      |
|   | Depreciation of tangible assets  | 187,246       | 144,899        |
|   | Decrease in stocks   | 3,914         | 3,747          |
|   | (Increase)/decrease in debtors   | (213,373)     | 214,441        |
|   | Decrease in creditors within one year  | (100,901)     | (97,440)       |
|   | <b>Net cash inflow from operating activities</b>                                       | <b>20,898</b> | <b>110,122</b> |

| 2 | Analysis of net debt     | 1 January 2013         | Cash flow               | Other non-cash changes | 31 December 2013        |
|---|--------------------------|------------------------|-------------------------|------------------------|-------------------------|
|   |                          | £                      | £                       | £                      | £                       |
|   | Net cash:                |                        |                         |                        |                         |
|   | Cash at bank and in hand | 6,261                  | (4,546)                 | -                      | 1,715                   |
|   | Bank overdrafts          | (27,053)               | (170,507)               | -                      | (197,560)               |
|   |                          | <u>(20,792)</u>        | <u>(175,053)</u>        | <u>-</u>               | <u>(195,845)</u>        |
|   | Debt:                    |                        |                         |                        |                         |
|   | Finance leases           | (5,779)                | 1,651                   | -                      | (4,128)                 |
|   | <b>Net debt</b>          | <b><u>(26,571)</u></b> | <b><u>(173,402)</u></b> | <b><u>-</u></b>        | <b><u>(199,973)</u></b> |

| 3 | Reconciliation of net cash flow to movement in net debt | 2013                    | 2012                   |
|---|---|-------------------------|------------------------|
|   |   | £                       | £                      |
|   | Decrease in cash in the year                            | (175,053)               | (65,255)               |
|   | Cash outflow from decrease in debt and lease financing  | 1,651                   | 1,238                  |
|   | <b>Movement in net debt in the year</b>                 | <b>(173,402)</b>        | <b>(64,017)</b>        |
|   | Opening net (debt)/funds                                | (26,571)                | 37,446                 |
|   | <b>Closing net debt</b>                                 | <b><u>(199,973)</u></b> | <b><u>(26,571)</u></b> |

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

Despite the company's net liability position, 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 intermediate parent undertaking within the Landal Worldwide Corp group, 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.

#### 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 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 from SIS and At The Races (ATR) 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.

#### 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   | buildings over 50 years |
| Computer equipment             | over 5 - 10 years       |
| Fixtures, fittings & equipment | over 5 - 10 years       |
| Motor vehicles                 | over 4 years            |

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 1 Accounting policies

(continued)

#### 1.5 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and 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.

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

#### 1.6 Stock

The closing stock is stated in accordance with the Statement of Standard Accounting Practice Number 9 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.

#### 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.

#### 1.9 Comparative figures

The figures included in the accounts are for the year ended 31 December 2013. The comparative figures are for the 9 month period ended 31 December 2012.

### 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 Operating profit/(loss)

|   | 2013<br>£ | 2012<br>£ |
|---|-----------|-----------|
| Operating profit/(loss) is stated after charging: |           |           |
| Depreciation of tangible assets                   | 187,246   | 144,899   |
| Operating lease rentals                           |           |           |
| - Plant and machinery                             | 35,000    | 35,000    |
| Auditors' remuneration                            |           |           |
| - Audit   | 4,500     | 3,000     |
| - Accountancy                                     | 500       | 500       |
| - Tax   | 500       | 500       |

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

|          |  |                 |                  |
|----------|--|-----------------|------------------|
| <b>4</b> | <b>Interest payable</b>  | <b>2013</b>     | <b>2012</b>      |
|          |  | <b>£</b>        | <b>£</b>         |
|          | Finance lease agreements   | 654             | 503              |
|          |  | <u>654</u>      | <u>503</u>       |
| <b>5</b> | <b>Taxation</b>  | <b>2013</b>     | <b>2012</b>      |
|          | <b>Total current tax</b>   | -               | -                |
|          |  | <u>-</u>        | <u>-</u>         |
|          | <b>Factors affecting the tax charge for the year</b>   |                 |                  |
|          | Profit/(loss) on ordinary activities before taxation   | 143,358         | (156,028)        |
|          |  | <u>143,358</u>  | <u>(156,028)</u> |
|          | Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2012 - 24.00%) | 32,972          | (37,447)         |
|          |  | <u>32,972</u>   | <u>(37,447)</u>  |
|          | Effects of:  |                 |                  |
|          | Depreciation add back  | 43,067          | 34,776           |
|          | Capital allowances   | (15,378)        | (23,160)         |
|          | Tax losses utilised  | (60,661)        | 25,831           |
|          |  | <u>(32,972)</u> | <u>37,447</u>    |
|          | <b>Current tax charge for the year</b>   | -               | -                |
|          |  | <u>-</u>        | <u>-</u>         |

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 6 Tangible fixed assets

|                       | Land and<br>buildings<br>Leasehold<br>£ | Plant and<br>machinery etc<br>£ | Total<br>£       |
|-----------------------|---|---------------------------------|------------------|
| <b>Cost</b>           |   |                                 |                  |
| At 1 January 2013     | 4,919,479                               | 1,439,895                       | 6,359,374        |
| Additions             | 124,904                                 | 68,743                          | 193,647          |
|                       | <u>5,044,383</u>                        | <u>1,508,638</u>                | <u>6,553,021</u> |
| <b>Depreciation</b>   |   |                                 |                  |
| At 1 January 2013     | 1,122,570                               | 1,058,766                       | 2,181,336        |
| Charge for the year   | 100,120                                 | 87,126                          | 187,246          |
|                       | <u>1,222,690</u>                        | <u>1,145,892</u>                | <u>2,368,582</u> |
| <b>Net book value</b> |   |                                 |                  |
| At 31 December 2013   | <u>3,821,693</u>                        | <u>362,746</u>                  | <u>4,184,439</u> |
| At 31 December 2012   | <u>3,796,909</u>                        | <u>381,130</u>                  | <u>4,178,039</u> |

Included in plant and machinery etc. are assets held under hire purchase agreements with a net book value of £1,296 (2012: £4,487) and accumulated depreciation of £6,960 (2012: £3,769) at 31 December 2013.

### 7 Stocks

|                                     | 2013<br>£     | 2012<br>£     |
|-------------------------------------|---------------|---------------|
| Finished goods and goods for resale | <u>23,055</u> | <u>26,969</u> |

### 8 Debtors

|                                 | 2013<br>£        | 2012<br>£      |
|---------------------------------|------------------|----------------|
| Trade debtors                   | 334,200          | 160,270        |
| Amounts owed by group companies | 647,120          | 572,258        |
| Other debtors                   | 59,755           | 95,174         |
|                                 | <u>1,041,075</u> | <u>827,702</u> |



# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2013

| 9 Creditors: amounts falling due within one year | 2013<br>£        | 2012<br>£        |
|--|------------------|------------------|
| Bank loans and overdrafts                        | 197,560          | 27,053           |
| Net obligations under finance leases             | 1,651            | 1,651            |
| Trade creditors                                  | 712,983          | 351,149          |
| Amounts owed to group companies                  | 4,824,248        | 5,296,093        |
| Taxation and social security                     | 26,634           | 31,306           |
| Other creditors                                  | 115,836          | 102,054          |
|  | <u>5,878,912</u> | <u>5,809,306</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.

| 10 Creditors: amounts falling due after more than one year | 2013<br>£      | 2012<br>£      |
|--|----------------|----------------|
| Net obligations under finance leases                       | <u>2,477</u>   | <u>4,128</u>   |
| <b>Net obligations under finance leases</b>                |                |                |
| Repayable within one year                                  | 1,651          | 1,651          |
| Repayable between one and five years                       | <u>2,477</u>   | <u>4,128</u>   |
|  | 4,128          | 5,779          |
| Included in liabilities falling due within one year        | <u>(1,651)</u> | <u>(1,651)</u> |
|  | <u>2,477</u>   | <u>4,128</u>   |

#### 11 Pension and other post-retirement benefit commitments

##### Defined contribution

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.

The pension creditor at the year end was £3,218 (2012: £2,366).

|   | 2013<br>£    | 2012<br>£    |
|---|--------------|--------------|
| Contributions payable by the company for the year | <u>8,995</u> | <u>4,584</u> |

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2013

| 12 Share capital                   | 2013<br>£  | 2012<br>£  |
|------------------------------------|------------|------------|
| 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.

| 13 Statement of movements on profit and loss account | Profit and<br>loss<br>account<br>£ |
|--|------------------------------------|
| Balance at 1 January 2013                            | (774,563)                          |
| Profit for the year                                  | <u>143,358</u>                     |
| Balance at 31 December 2013                          | <u>(631,205)</u>                   |

| 14 Reconciliation of movements in shareholders' funds | 2013<br>£        | 2012<br>£        |
|---|------------------|------------------|
| Profit/(Loss) for the financial year                  | 143,358          | (156,028)        |
| Opening shareholders' funds                           | <u>(774,463)</u> | <u>(618,435)</u> |
| Closing shareholders' funds                           | <u>(631,105)</u> | <u>(774,463)</u> |

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2013

#### 15 Financial commitments

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

|                                | Land and buildings |               | Other        |              |
|--------------------------------|--------------------|---------------|--------------|--------------|
|                                | 2013               | 2012          | 2013         | 2012         |
|                                | £                  | £             | £            | £            |
| Operating leases which expire: |                    |               |              |              |
| Between two and five years     | -                  | -             | 1,000        | 7,748        |
| In over five years             | 35,000             | 35,000        | -            | -            |
|                                | <u>35,000</u>      | <u>35,000</u> | <u>1,000</u> | <u>7,748</u> |

#### 16 Employees

##### Number of employees

The average monthly number of employees (including directors) during the year was:

|             | 2013      | 2012      |
|-------------|-----------|-----------|
|             | Number    | Number    |
| Total staff | <u>18</u> | <u>18</u> |

##### Employment costs

|                       | 2013           | 2012           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 471,416        | 349,215        |
| Social security costs | 38,069         | 25,597         |
| Other pension costs   | 8,995          | 4,556          |
|                       | <u>518,480</u> | <u>379,368</u> |

#### 17 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.

# BRIGHTON RACECOURSE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

### 18 Related party transactions

During the period, the company provided racing services to and received similar services from the following subsidiaries.

| Party   | Sales     | Sales     | Purchases | Purchases | Balance due from/(to)<br>related party as at 31<br>December |             |
|---|-----------|-----------|-----------|-----------|---|-------------|
|   | 2013<br>£ | 2012<br>£ | 2013<br>£ | 2012<br>£ | 2013<br>£   | 2012<br>£   |
| Bath Racecourse Company Limited (i)                 | 157       | 89        | 347       | 128       | 63,799  | 63,989      |
| Chepstow Races Limited (v)                          | 1,200     | 89        | -         | -         | 209,236   | 208,036     |
| Fontwell Park Steeplechase Limited (i)              | 33,682    | 3,222     | 76,301    | 59,677    | (228,243)   | (172,612)   |
| Great Yarmouth Racecourse Limited (i)               | -         | 28        | 1,000     | 995       | (9,435)   | (8,435)     |
| Hereford Racecourse Company Limited (i)             | -         | 89        | -         | 250       | 61,748  | 61,748      |
| High Gosforth Park Limited (i)                      | -         | 704       | -         | -         | 238,106   | 238,106     |
| Northern Races Limited (ii)                         | -         | -         | -         | -         | (3,322,972)   | (4,260,107) |
| Northern Racing Limited (iii)                       | 1,699     | 4,142     | 482,329   | 513,262   | (1,431,676)   | (879,068)   |
| Sedgefield Steeplechase Co (1927) Limited (i)       | -         | 28        | -         | -         | (5,800)   | (6,360)     |
| Southwell Racecourse Limited (vi)                   | -         | -         | -         | -         | 1,080   | 1,080       |
| Stanley Clarke Leisure Limited (v)                  | -         | -         | -         | -         | -   | 1,020       |
| Uttoxeter Leisure & Development Company Limited (i) | -         | 28        | -         | 1,573     | (34,911)  | (34,914)    |
| Arena Leisure Racing Limited (vi)                   | 31,233    | -         | 179,491   | -         | (83,115)  | -           |
| Lingfield Park limited (vi)                         | 4,539     | -         | (625)     | -         | (259)   | -           |
| Windsor Racing limited (vi)                         | 4,633     | -         | -         | -         | 4,455   | -           |

(i) Fellow subsidiary of Northern Races Limited, (ii) immediate parent company, (iii) intermediate parent company, (v) fellow subsidiary of Northern Racing Limited, (vi) Fellow subsidiary of Landal Worlwide Corp, the ultimate parent company.

Arena Leisure Limited, a company under common control within the Landal Worlwide Corp group, owns an equity share in At The Races Holdings Limited ('ATR'), a joint venture company. During the period ended 31 December 2013, S Nahum and A Kelly were directors of ATR. During the year the company made sales of £149,437 (2012: £202,000) to ATR.