

Company Registration No. 03524887 (England and Wales)

**Cartmel Steeplechases (Holker) Limited**

**Unaudited financial statements  
for the year ended 31 March 2019**

**Pages for filing with the Registrar**

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**Cartmel Steeplechases (Holker) Limited**

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**Cartmel Steeplechases (Holker) Limited**

**Balance sheet**

**As at 31 March 2019**

		2019	2018
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	3	1,506,923	1,442,929
Investments	4	20,651	21,563
		<u>1,527,574</u>	<u>1,464,492</u>
<b>Current assets</b>			
Stocks		-	4,650
Debtors	6	505,907	83,171
Cash at bank and in hand		584,862	565,199
		<u>1,090,769</u>	<u>653,020</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,526,821)</u>	<u>(1,041,339)</u>
<b>Net current liabilities</b>		<u>(436,052)</u>	<u>(388,319)</u>
<b>Total assets less current liabilities</b>		<u>1,091,522</u>	<u>1,076,173</u>
<b>Creditors: amounts falling due after more than one year</b>	8	(69,545)	(106,555)
<b>Provisions for liabilities</b>		(10,126)	(9,632)
<b>Deferred income</b>	10	(356,335)	(415,939)
<b>Net assets</b>		<u>655,516</u>	<u>544,047</u>
<b>Capital and reserves</b>			
Called up share capital	11	7	7
Share premium account		19,999	19,999
Profit and loss reserves		635,510	524,041
<b>Total equity</b>		<u>655,516</u>	<u>544,047</u>

**Cartmel Steeplechases (Holker) Limited**

**Balance sheet (continued)**

**As at 31 March 2019**

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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 9 December 2019 and are signed on its behalf by:



Allen Gibb  
**Director**

**Company Registration No. 03524887**

## **Cartmel Steeplechases (Holker) Limited**

### **Notes to the financial statements For the year ended 31 March 2019**

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#### **1 Accounting policies**

##### **Company information**

Cartmel Steeplechases (Holker) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cavendish House, Kirkby-in-Furness, Cumbria, LA17 7UN.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

##### **1.2 Turnover**

Turnover represents amounts receivable from race day and grandstand events, rents receivable and grants towards prize money, net of VAT.

Income is accounted for on the date the event takes place.

##### **1.3 Tangible fixed assets**

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

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

Land and buildings Freehold	0% - 10% straight line
Plant and machinery etc.	0% - 25% straight line

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

##### **1.4 Fixed asset investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

**1 Accounting policies (continued)**

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Interests in listed investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in profit or loss. Transaction costs are expensed to profit or loss as incurred.

**1.5 Impairment of fixed assets**

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

**1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**1 Accounting policies (continued)**

**1.7 Cash at bank and in hand**

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

**1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***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***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

**1 Accounting policies (continued)**

**1.9 Equity instruments**

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

**1.10 Taxation**

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

***Current tax***

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

***Deferred tax***

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**1.11 Employee benefits**

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

**1.12 Retirement benefits**

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



## Cartmel Steeplechases (Holker) Limited

### Notes to the financial statements (continued)

For the year ended 31 March 2019

#### 1 Accounting policies (continued)

##### 1.13 Leases

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

##### 1.14 Grants

Capital grants are received from the Horserace Betting Levy Board (HBLB) in respect of capital expenditure.

Capital grants received are credited to accruals and deferred income. Credits are released to the profit and loss account by equal annual instalments over 20 years which on average match the period over which the assets are depreciated.

Grants received from HBLB to subsidise race day expenditure are recognised in the profit and loss account in the period in which the related expenditure is incurred.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 54 (2018 - 55).

#### 3 Tangible fixed assets

	Land and buildings Freehold	Assets under construction	Plant and machinery etc.	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2018	1,987,932	76,420	582,592	2,646,944
Additions	44,166	71,472	3,345	118,983
At 31 March 2019	2,032,098	147,892	585,937	2,765,927
<b>Depreciation and impairment</b>				
At 1 April 2018	661,566	-	542,449	1,204,015
Depreciation charged in the year	49,223	-	5,766	54,989
At 31 March 2019	710,789	-	548,215	1,259,004
<b>Carrying amount</b>				
At 31 March 2019	1,321,309	147,892	37,722	1,506,923
At 31 March 2018	1,326,366	76,420	40,143	1,442,929

**Cartmel Steeplechases (Holker) Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2019**

**4 Fixed asset investments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Investments	20,651	21,563

Shares in group undertakings and unlisted investments are held at cost less impairment. Listed investments are held at fair value.

**Movements in fixed asset investments**

	<b>Shares in group undertakings</b>	<b>Listed investments</b>	<b>Unlisted investments</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>				
At 1 April 2018	7	1,125	20,431	21,563
Valuation changes	-	-	(512)	(512)
Other movements	-	-	(400)	(400)
At 31 March 2019	7	1,125	19,519	20,651
<b>Carrying amount</b>				
At 31 March 2019	7	1,125	19,519	20,651
At 31 March 2018	7	1,125	20,431	21,563

**5 Subsidiaries**

Details of the company's subsidiaries at 31 March 2019 are as follows:

<b>Name of undertaking</b>	<b>Registered office</b>	<b>Nature of business</b>	<b>Class of shares held</b>	<b>% Held</b>	<b>Direct</b>	<b>Indirect</b>
Cartmel Steeplechases Limited	Cavendish House, Kirkby In Furness, Cumbria, LA17 1UN	Dormant	Ordinary	100		0

**Cartmel Steeplechases (Holker) Limited****Notes to the financial statements (continued)****For the year ended 31 March 2019****6 Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	14,917	45,530
Amounts owed by group undertakings	275,873	11,847
Other debtors	895	201
Prepayments and accrued income	214,222	25,593
	<u>505,907</u>	<u>83,171</u>

**7 Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	36,894	36,418
Other borrowings	71,778	105,999
Trade creditors	151,431	202,331
Amounts due to group undertakings	460,600	387,304
Corporation tax	47,334	79,437
Other taxation and social security	26,327	36,461
Other creditors	91,528	6,042
Accruals and deferred income	640,929	187,347
	<u>1,526,821</u>	<u>1,041,339</u>

**8 Creditors: amounts falling due after more than one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>69,545</u>	<u>106,555</u>

The bank loan is secured by a debenture dated 7 October 2011 over land at Cartmel and security provided by other members of the Holker Holdings Limited group of entities as part of the cross guarantee facility of the same date with Handelsbanken.

**Cartmel Steeplechases (Holker) Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2019**

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**9 Provisions for liabilities**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred tax liabilities	10,126	9,632

**10 Government grants**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Arising from government grants	356,335	415,939

The deferred government grants relate to amounts received from the Horse Betting Levy Board. The grant income is being released to the profit and loss account over 20 years. There are no unfulfilled conditions attached to the grants.

**11 Called up share capital**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
7 Ordinary shares of £1 each	7	7

There are no restrictions on the rights to distribution of dividends or repayment of capital attached to the Ordinary shares.

**12 Financial commitments, guarantees and contingent liabilities**

The Company is party to an unlimited multilateral guarantee to secure the borrowings of the Holker Holdings Limited group from Handelsbanken dated 7 October 2011. The net balance due to Handelsbanken at the year end was £563,355 (2018: £532,342).

**Cartmel Steeplechases (Holker) Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2019**

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**13 Operating lease commitments**

**Lessee**

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

<b>2019</b>	<b>2018</b>
<b>£</b>	<b>£</b>
207,083	242,083
<u>207,083</u>	<u>242,083</u>

#### 14 Related party transactions

##### Transactions with related parties

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

	Sale of goods and services		Purchase of goods and services	
	2019	2018	2019	2018
	£	£	£	£
Other related parties	-	5,194	1,460	23,939
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

	Rent payable	
	2019	2018
	£	£
Other related parties	35,000	39,430
	<u>          </u>	<u>          </u>

The company sells and purchases goods and services to/from fellow group undertakings and entities under common control. In addition to the above, the company purchased management services of £250,000 (2018:£175,000) from a fellow group undertaking.

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2019	2018
	£	£
Other related parties	618,065	493,504
	<u>          </u>	<u>          </u>
	<u>618,065</u>	<u>493,504</u>

The company has loans and trading balances due to/from fellow group undertakings and entities under common control. The loans are generally interest free and repayable on demand, however, one loan to a related party attracts interest at a commercial rate. Interest of £2,818 (2018: £nil) was paid to related parties during the year.

**Cartmel Steeplechases (Holker) Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 March 2019**

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**14 Related party transactions (continued)**

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2019		Amounts owed by related parties 2018	
	Balance £	Net £	Balance £	Net £
Other related parties	276,768	276,768	12,048	12,048
	<u>276,768</u>	<u>276,768</u>	<u>12,048</u>	<u>12,048</u>

**15 Parent company**

The immediate and ultimate parent undertaking is Holker Holdings Limited, a company incorporated and registered in England and Wales. This is the smallest and largest group in which this company is consolidated. Copies of the Holker Holdings Limited financial statements are available from its registered office at Cavendish House, Kirkby-In-Furness, Cumbria, LA17 7UN.

The company is under the ultimate control of the Cavendish 1959 Settlement.