

Company registration
number 04146183

NEWBURY RACECOURSE ENTERPRISES LIMITED

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2010

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NEWBURY RACECOURSE ENTERPRISES LIMITED

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NEWBURY RACECOURSE ENTERPRISES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS	S Hordern B T Stewart-Brown
SECRETARY	Mrs S Hordern
REGISTERED OFFICE	The Racecourse Newbury Berkshire RG14 7NZ
AUDITOR	Deloitte LLP Reading
BANKERS	HSBC Bank plc 6 Northbrook Street Newbury Berkshire RG14 1DJ
SOLICITORS	Burges Salmon One Glass Wharf Bristol BS2 0ZX

NEWBURY RACECOURSE ENTERPRISES LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their annual report and accounts for the year ended 31 December 2010

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006

RESULTS AND DIVIDEND

The profit on ordinary activities after taxation was £21,644 (2009 £18,237)

The directors have not recommended that a dividend be paid (2009 nil)

ACTIVITIES AND REVIEW OF THE BUSINESS

The company is involved in the holding and renting of land

FUTURE PROSPECTS

The directors view the future with confidence and the company is expected to continue to make profits

DIRECTORS

The directors who served throughout the year and subsequently unless otherwise stated are

S Hordern
B T Stewart-Brown

GOING CONCERN

The company has net current assets and is able to meet its third party obligations as they fall due, it also has a positive cash position. The company has shown consistent profits and is forecast to continue making profits from renting its land. Having considered the financial position and performance of the entity the directors have concluded that the company has adequate resources to continue to trade for the foreseeable future and hence it is appropriate to prepare the financial statements on a going concern basis.

MARKET VALUE OF LAND

The Directors believe the agreement with David Wilson Homes and the parent company, Newbury Racecourse PLC, along with the grant of outline planning permission enhances the potential value of the land owned by the company.

NEWBURY RACECOURSE ENTERPRISES LIMITED

REPORT OF THE DIRECTORS (continued)

AUDITOR

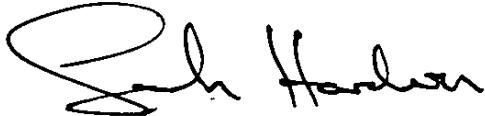
Each of the persons who is a director at the date of approval of this report confirms that

- as far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provision of S418 of the Companies Act 2006

A resolution to reappoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting

Approved by the Board and signed on its behalf by



MRS S HORDERN
Secretary
The Racecourse
Newbury
22 June 2011

NEWBURY RACECOURSE ENTERPRISES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

- select suitable accounting policies and then apply them consistently,
- make judgments 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, and
- 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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NEWBURY RACECOURSE ENTERPRISES LIMITED**

We have audited the financial statements of Newbury Racecourse Enterprises Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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. 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 2010
- 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

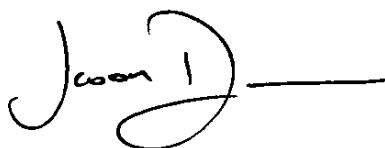
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NEWBURY RACECOURSE ENTERPRISES LIMITED (continued)**

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
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report

A handwritten signature in black ink, appearing to read 'Jason D', followed by a horizontal line.

Jason Davies (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom
22 June 2011

NEWBURY RACECOURSE ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2010

	Note	2010 £	2009 £
TURNOVER	1	22,343	18,296
GROSS PROFIT		<u>22,343</u>	<u>18,296</u>
Administrative expenses		<u>(699)</u>	<u>(59)</u>
OPERATING PROFIT	2	21,644	18,237
Interest receivable and other investment income		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>21,644</u>	<u>18,237</u>
Tax on profit on ordinary activities	4	-	-
PROFIT FOR THE YEAR		<u>21,644</u>	<u>18,237</u>

There were no recognised gains or losses in the year other than the profit for the current and previous financial years. Accordingly, no separate statement of total recognised gains and losses has been presented.

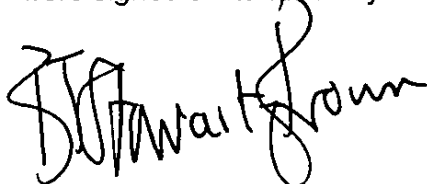
All amounts derive from continuing operations.

NEWBURY RACECOURSE ENTERPRISES LIMITED
BALANCE SHEET

As at 31 December 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible assets	5	1,315,298	1,315,298
		<u>1,315,298</u>	<u>1,315,298</u>
CURRENT ASSETS			
Debtors falling due in less than one year	6	1,841	-
Debtors falling due after more than one year	7	7,500,001	7,500,001
Cash at bank and in hand		14,826	46,736
		<u>7,516,668</u>	<u>7,546,737</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	8	-	(1,882)
NET CURRENT ASSETS		<u>7,516,668</u>	<u>7,544,855</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR	9	(1,037,981)	(1,087,812)
NET ASSETS		<u>7,793,985</u>	<u>7,772,341</u>
CAPITAL AND RESERVES			
Called up share capital	10	1,001	1,001
Share premium account	11	7,702,000	7,702,000
Profit and loss account surplus	11	90,984	69,340
Shareholders' funds	11	<u>7,793,985</u>	<u>7,772,341</u>

The financial statements of Newbury Racecourse Enterprises, company number 04146183, were approved by the board of directors and authorised for issue on 22 June 2011. They were signed on its behalf by



B T STEWART-BROWN
Director

NEWBURY RACECOURSE ENTERPRISES LIMITED

ACCOUNTING POLICIES

Year ended 31 December 2010

Accounting Convention

The financial statements have been prepared in compliance with Companies Act 2006 and in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been consistently applied throughout the period, are described below. The financial statements are prepared using historical cost convention.

Basis of preparation

The company has net current assets and is able to meet its third party obligations as they fall due, it also has a positive cash position. The company has shown consistent profits and is forecast to continue making profits from renting its land. Having considered the financial position and performance of the entity the directors have concluded that the company has adequate resources to continue to trade for the foreseeable future and hence it is appropriate to prepare the financial statements on a going concern basis.

The financial statements are prepared under the historical cost convention.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of any depreciation or provision for impairment.

Depreciation is not provided on freehold land.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

In accordance with FRS 19, deferred taxation is provided in full for timing differences which represent an asset or liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Cash flow statement

The company is a wholly owned subsidiary of Newbury Racecourse plc and is included in their consolidated financial statements. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (revised).

Operating lease income

Operating lease income is credited to the profit and loss account on a straight-line basis over the term of the lease.

NEWBURY RACECOURSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

1 TURNOVER

Turnover represents rental income receivable in the UK

2 OPERATING PROFIT

This is stated after crediting	2010 £	2009 £
Lease income	<u>22,343</u>	<u>18,296</u>

Auditors' remuneration of £1,000 (2009 £1,000) is payable by Newbury Racecourse plc

3 STAFF COSTS

The company has no employees (2009 no employees) Directors' remuneration is met by Newbury Racecourse plc where their remuneration and benefits are disclosed. It is not practicable to split their remuneration between their services as directors of the two companies

4 TAXATION

There is no tax charge in either the current or prior years

Reconciliation of tax on profits on ordinary activities at the standard rate to total actual amount of current tax

	2010 £	2009 £
Profit on ordinary activities before tax	<u>21,644</u>	<u>18,237</u>
Tax on profit on ordinary activities at 21% (2009 20%)	4,545	3,647
Utilisation of tax losses	<u>(4,545)</u>	<u>(3,647)</u>
Total actual amount of current tax	<u>-</u>	<u>-</u>

NEWBURY RACECOURSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

5 TANGIBLE FIXED ASSETS

	Freehold land £
Cost and net book value	
At 1 January 2010 and 31 December 2010	<u>1,315,298</u>

6 DEBTORS AMOUNTS FALLING DUE IN LESS THAN ONE YEAR

	2010 £	2009 £
Other debtors	<u>1,841</u>	<u>-</u>

7 DEBTORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010 £	2009 £
Amounts owed by parent company	<u>7,500,001</u>	<u>7,500,001</u>

Amounts owed by parent company are repayable in more than 5 years, unsecured and interest free

8 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Accruals and deferred income	<u>-</u>	<u>1,822</u>

NEWBURY RACECOURSE ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2010

9 CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR

	2010	2009
	£	£
Amounts owed to parent company	1,037,981	1,087,812

Amounts owed to parent company are repayable in more than 5 years, unsecured and interest free

10 SHARE CAPITAL

	2010	2009
	£	£
Authorised 10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	£	£
Allotted, called up and fully paid 1,001 ordinary shares of £1 each	<u>1,001</u>	<u>1,001</u>

11 COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENT ON RESERVES

	1 January		31 December
	2010	Movement	2010
	£	£	£
Share capital	1,001	-	1,001
Share premium	7,702,000	-	7,702,000
Profit and loss account surplus	69,340	21,644	90,984
	<u>7,772,341</u>	<u>21,644</u>	<u>7,793,985</u>

12 RELATED PARTIES

Advantage has been taken of the exemption under FRS 8 not to disclose transactions between entities, 100% or more of whose voting rights are controlled within the group

13 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company's ultimate parent company and controlling party is Newbury Racecourse plc, a company registered in England and Wales. This is the smallest and largest group in which the company's results are consolidated. Copies of the group financial statements are available from The Racecourse, Newbury, Berkshire, RG14 7NZ.