

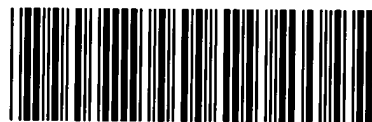
Company Registration No. 07316447 (England and Wales)

**HUMAN RACE GROUP LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2017**

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# **HUMAN RACE GROUP LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2017**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

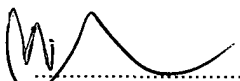
**HUMAN RACE GROUP LIMITED****STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Investments	4		4,697,697		2,934,257
<b>Current assets</b>					
Debtors	5	118		118	
<b>Creditors: amounts falling due within one year</b>	6	(3,073,538)		(1,265,968)	
<b>Net current liabilities</b>			(3,073,420)		(1,265,850)
<b>Total assets less current liabilities</b>			<u>1,624,277</u>		<u>1,668,407</u>
<b>Capital and reserves</b>					
Called up share capital	7		2,209		2,209
Share premium account	8		1,885,733		1,885,733
Profit and loss reserves	8		(263,665)		(219,535)
<b>Total equity</b>			<u>1,624,277</u>		<u>1,668,407</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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 25 July 2018 and are signed on its behalf by:

  
N J Rusling  
Director

# HUMAN RACE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Company information

Human Race Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 6, Typhoon Business Centre, Oakcroft Road, Chessington, KT9 1RH.

#### 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. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Human Race Group Limited is a wholly owned subsidiary of Amaury Sport Organisation and the results of Human Race Group Limited are included in the consolidated financial statements of Les Editions P Amaury which are available from 738 Rue Yves Kermen Cedex, 92100 Boulogne-Billancourt, France.

#### Going concern

At the time of approving the financial statements, given the current financing and availability of group support, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from time of approval. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

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.

#### 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 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.

# HUMAN RACE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies (Continued)

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **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 trade and other 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.

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

#### **Equity instruments**

Equity instruments issued by the company are recorded at the fair value of 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.

#### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

# HUMAN RACE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies (Continued)

#### 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.

#### Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2016 - 5).

The directors received no remuneration for their services to the company. Other than the directors, the company had no employees in either year.

# HUMAN RACE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 3 Share-based payment transactions

During the prior year, the company recognised total share-based payment expenses of £24,658 which related to equity settled share based payment transactions. There were no expenses recognised in the current year relating to share based payments.

The company set up an Enterprise Management Incentive Option Scheme on 2 March 2012.

The options can be exercised only immediately prior to the first of the following events: the sale of the company's trade and assets; the sale of the majority of the ordinary share capital of the company; or the floatation of the company on a recognised stock exchange in the UK. If the employee leaves the company for any reason their option will lapse immediately.

The employee is required to spend at least 25 hours a week, or if less, 75% of their working time on the business of the group.

On 2 March 2012, 5 employees of the company were granted a total of 114,000 options at an exercise price of £1.00 per share.

On 23 July 2014, 33,500 options were granted to a further 10 employees at an exercise price of £2.00 per share.

In June 2015, 135,000 options were granted to 12 employees at exercise prices ranging from £2.00 to £2.65 per share.

In February 2016, 39,633 options were granted to 7 employees at exercise prices ranging from £2.00 to £2.65 per share.

The options for 0 employees lapsed during the year (2016: 5 employees).

At the balance sheet date, no options remained outstanding (2016: nil).

#### 4 Fixed asset investments

	2017 £	2016 £
Investments	<u>4,697,697</u>	<u>2,934,257</u>

# HUMAN RACE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 4 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2017	3,684,979
Additions	1,763,440
At 31 December 2017	5,448,419
<b>Impairment</b>	
At 1 January 2017 & 31 December 2017	750,722
<b>Carrying amount</b>	
At 31 December 2017	4,697,697
At 31 December 2016	2,934,257

The additions in the year relate to the acquisition of Xtra Mile Events Ltd.

### 5 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Other debtors	118	118

### 6 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts due to group undertakings	3,021,312	1,255,523
Other creditors	52,226	10,445
	3,073,538	1,265,968



# HUMAN RACE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 7 Called up share capital

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,397,967 ordinary shares of 0.1p each	1,398	1,398
811,321 ordinary B shares of 0.1p each	811	811
118 ordinary C shares of 0.1p each	-	-
	<u>2,209</u>	<u>2,209</u>

#### *Ordinary share rights*

Ordinary shares rank equally with B shares in respect of income, return of capital, rights on an exit, appointment of directors, except that: (i) B shares have certain consent rights on certain specific decisions, but otherwise have the same voting rights; and (ii) Plus the right to appoint observer.

C shares rank equally with ordinary shares and B shares in respect of income and return of capital (other than on exit), but in other respects: (i) C shares do not carry any rights to receive notice of and to attend, speak and vote at any General Meetings of the Company; (ii) C shares do not in themselves carry any right to appoint a director; and (iii) C shares are entitled to a sum equal to 5.6% of the proceeds on a qualifying exit of a disposal, sale or listing.

### 8 Reserves

#### **Share premium**

Consideration received for shares issued above their nominal value net of transaction costs.

#### **Profit and loss reserves**

Cumulative profit and loss net of distributions to owners.

### 9 Financial commitments, guarantees and contingent liabilities

The company is included in the group registration for VAT purposes and is therefore jointly and severally liable for all other participating group undertakings' unpaid debts in this connection. The total liability for the VAT group is £157,258 at 31 December 2017 (2016: £48,178).

### 10 Related party transactions

During the year, the company charged management fees of £nil (2016: £97,650) to entities which are related parties by virtue of their significant influence over the company. At the balance sheet date, £nil (2016: £nil) was due from these companies.

During the year, the company was charged management fees of £nil (2016: £97,259) by entities which are related parties by virtue of their significant influence over the company. At the balance sheet date, £nil (2016: £nil) was due to these companies.

The company has taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

# **HUMAN RACE GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **11 Parent company**

The immediate parent company is Amaury Sport Organisation, a company incorporated in France.

The ultimate parent company and controlling party is Les Editions P Amaury, a company registered in France.

The smallest and largest point of consolidation of the company is within Les Editions P Amaury. The consolidated financial statements can be obtained from its registered office at 738 Rue Yves Kermen Cedex, 92100 Boulogne-Billancourt, France.

### **12 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Jonathan Da Costa FCCA.

The auditor was RSM UK Audit LLP.