



Company Registration No. NI003706 (Northern Ireland)

**FIVE HUNDRED MOTOR RACING CLUB OF IRELAND LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**UNAUDITED**  
**COUNCIL MEMBERS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**



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**COMPANY INFORMATION**

<b>Council members</b>	D McGall (President) P McMorran (Chairperson) M Mulholland (Honorary Treasurer) R Drysdale R Barr M Evans M Lyness F McIlroy D Moulden D O'Neill R O'Neill F Weir C Mulholland L Drysdale
<b>Registered number</b>	NI003706
<b>Registered office</b>	Kirkistown Race Circuit 130 Rubane Road Kircubbin Co Down BT22 1AU
<b>Chartered Accountants</b>	PGM Chartered Accountants 405 Lisburn Road Belfast BT9 7EW
<b>Bankers</b>	Ulster Bank Limited 1/2 King's Square Belfast BT5 7EA
<b>Solicitors</b>	McBurney & Co Solicitors 5 Church Square Banbridge Co Down BT32 4AS

**Council members' report**  
**For the year ended 31 October 2018**

The Council members present their report and the unaudited financial statements for the year ended 31 October 2018.

**Principal activity**

The company's principal activity is to promote all forms of motor sport in Northern Ireland.

**Council members**

**The council members who served during the year were:**

D McGall (President)  
P McMorran (Chairperson)  
M Mulholland (Honorary Treasurer)  
R Drysdale  
R Barr  
M Evans  
M Lyness  
F McIlroy  
D Moulden  
D O'Neill  
R O'Neill  
F Weir  
C Mulholland  
L Drysdale

**Council members' responsibilities statement**

The Council members are responsible for preparing the Council members' report and the financial statements in accordance with applicable law and regulations.

Company law requires the council members to prepare financial statements for each financial year. Under that law the council members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the council members 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 surplus or deficit of the company for that period.

In preparing these financial statements, the council members are required to:

- select suitable accounting policies for the company's financial statements 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 council members 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 to 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.

**Small companies note**

In preparing this report, the council members have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 09/07/2019 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'P. McMorran', with a large loop at the end.

P McMorran

**Chairperson**

**Chartered Accountants' report to the council members on the preparation of the unaudited statutory financial statements of Five Hundred Motor Racing Club of Ireland Limited (the "Company") for the year ended 31 October 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the company's financial statements for the year ended 31 October 2018 from the company's accounting records and from information and explanations you have given us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/regulations](http://icaew.com/regulations).

This report is made solely to the company's board of council members, as a body, in accordance with the terms of our engagement letter dated 12 April 2018. Our work has been undertaken solely to prepare for your approval the company's financial statements and state those matters that we have agreed to state to the company's board of council members, as a body, in this report in accordance with Audit and Assurance Faculty Release 7/16 (AAF 07/16) as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its board of council members as a body for our work or for this report.

It is your duty to ensure that the company has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus/deficit of the company. You consider that the company is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the company's financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given us and we do not, therefore, express any opinion on the statutory financial statements.



**PGM Chartered Accountants**  
405 Lisburn Road  
Belfast  
BT9 7EW

Date: 09/07/2019

**Five Hundred Motor Racing Club of Ireland Limited**  
**(A company limited by guarantee)**

**Statement of financial position**  
**For the year ended 31 October 2018**

		<b>2018</b>	<b>2017</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	<b>4</b>	<b>874,209</b>	<b>847,784</b>
<b>Current assets</b>			
Debtors due within one year	<b>5</b>	<b>1,011</b>	<b>133</b>
Cash at bank and in hand	<b>6</b>	<b>110,385</b>	<b>79,932</b>
		<b>111,396</b>	<b>80,065</b>
Creditors: amounts falling due within one year	<b>7</b>	<b>(43,872)</b>	<b>(61,383)</b>
<b>Net current assets/(liabilities)</b>		<b>67,524</b>	<b>18,682</b>
<b>Total assets less current liabilities</b>		<b>941,733</b>	<b>866,466</b>
Creditors: amounts falling due after more than one year	<b>8</b>	<b>(422,070)</b>	<b>(405,204)</b>
<b>Provisions for liabilities</b>			
Deferred tax		<b>(19,252)</b>	<b>(19,576)</b>
<b>Net assets</b>		<b>500,411</b>	<b>441,686</b>
<b>Capital and reserves</b>			
Income and expenditure account		<b>500,411</b>	<b>441,686</b>
<b>Total members funds</b>		<b>500,411</b>	<b>441,686</b>

The Council members consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Council members 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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

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

The company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 09/07/2019.



**P McMorran**

Chairperson



**M Mulholland**

Honorary Treasurer

The notes on pages 7 to 14 form part of these statements.



**Notes to the Financial Statements**  
**For the Year Ended 31 October 2018**

**1. General Information**

Five Hundred Motor Racing Club of Ireland Limited is a private company, limited by guarantee, incorporated in Northern Ireland, registration number NI003706. The address of the registered office is Kirkistown Race Circuit, 130 Rubane Road, Kircubbin, Co. Down, BT22 1AU.

The company's principal activity is to promote all forms of motor sport in Northern Ireland.

**2. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**2.1. 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 to 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 the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principle policies adopted are set out below.

**2.2. Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;

**Notes to the Financial Statements (Continued)**  
**For the Year Ended 31 October 2018**

- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.3. Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Property and clubhouse	-	2/10% straight line
Rack track, barriers and kart track	-	10/20% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	10% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income statement.

**2.4. Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.5. Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.6. Financial Instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments

**Notes to the Financial Statements (Continued)**  
**For the Year Ended 31 October 2018**

that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short term-loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were sold at the reporting date.

**2.7. Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8. Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Income Statement at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Income Statement in the same period as the related expenditure.

**2.9. Finance costs**

Finance costs are charged to the Income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.10. Pensions**

**Defined contribution plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

**Notes to the Financial Statements (Continued)**  
**For the Year Ended 31 October 2018**

**2.11. Interest income**

Interest income is recognised in the Income statement using the effective interest method.

**2.12. Borrowing costs**

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

**2.13. Provision for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**2.14. Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**3. Employees**

Staff costs were as follows:

The average monthly number of employees, including directors, during the year was 15 (2017 – 15).

Notes to the Financial Statements (Continued)  
For the Year Ended 31 October 2018

4. Tangible fixed assets

	Property and clubhouse	Race track, barriers and kart track	Motor vehicles	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 November 2017	1,308,009	334,586	63,260	111,151	8,252	1,825,258
Additions	-	43,619	5,850	15,531	-	65,000
Disposals	-	-	-	-	-	-
At 31 October 2018	1,308,009	378,205	69,110	126,682	8,252	1,890,258
<b>Depreciation</b>						
At 1 November 2017	524,193	275,281	63,260	106,728	8,012	977,474
Charge for the year	19,635	16,895	-	1,805	240	38,575
At 31 October 2018	543,828	292,176	63,260	108,533	8,252	1,016,049
<b>Net book value</b>						
At 31 October 2018	764,181	86,029	5,850	18,149	-	874,209
At 31 October 2017	783,816	59,305	-	4,423	240	847,784

5. Debtors

	2018 £	2017 £
Prepayments and accrued income	1,011	133
	<u>1,011</u>	<u>133</u>

**Five Hundred Motor Racing Club of Ireland Limited**  
**(A company limited by guarantee)**

**Notes to the Financial Statements (Continued)**  
**For the Year Ended 31 October 2018**

**6. Cash and cash equivalents**

	2018 £	2017 £
Cash at bank and in hand	110,385	79,932
	<u>110,385</u>	<u>79,932</u>

**7. Creditors: Amounts falling due within one year**

		2018 £	2017 £
Bank loans and overdrafts	<b>Note 9</b>	8,447	25,229
Corporation tax		12,073	14,812
Other tax and social security		14,850	12,055
Accruals and deferred income		5,730	9,287
Other creditors		2,772	-
		<u>43,872</u>	<u>61,383</u>

**8. Creditors: Amounts falling due after more than one year**

		2018 £	2017 £
Bank loans	<b>Note 9</b>	-	8,899
Government grants received		422,070	396,305
		<u>422,070</u>	<u>405,204</u>

**Five Hundred Motor Racing Club of Ireland Limited**  
**(A company limited by guarantee)**

**Notes to the Financial Statements (Continued)**  
**For the Year Ended 31 October 2018**

**9. Loans**

Analysis of the maturity of loans is given below:

	2018	2017
	£	£
<b>Amounts falling due within one year</b>		
Bank loans	8,447	25,229
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	8,899
<b>Amounts falling due 2-5 years</b>		
Bank loans	-	-
	<u>8,447</u>	<u>34,128</u>

**10. Contingent liabilities**

There is a contingent liability to repay government grants received if the company disposes of any of its property. In the opinion of the directors there are no indications that the company will suffer any loss in relation to these potential liabilities.

**11. Related Parties Transactions**

The following council members of the company are defined as related parties as set out in FRS 102 Section 33. 1A, due to them being council members of the company. The following transactions occurred during the year.

	2018	2017
	£	£
R Barr (Management and development services)	15,697	14,400
I Lynas (Public relations)	-	292
D O'Neill (Public relations)	6,000	5,500
	<u>21,697</u>	<u>20,192</u>

**Notes to the Financial Statements (Continued)**  
**For the Year Ended 31 October 2018**

**12. Company status**

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

**13. Pension commitments**

The company operates a defined contributions 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 and amounted to £549 (2017 - £164). Contributions totalling £nil (2017 - £nil) were payable to the fund at the reporting date and are included in creditors.