

COMPANY REGISTRATION NUMBER 01757832

**BREEDING & RACING ENTERPRISE LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR**  
**31 DECEMBER 2011**



**SLAVEN JEFFCOTE LLP**  
Chartered Certified Accountants  
1 Lumley Street  
Mayfair  
London  
W1K 6TT

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# **BREEDING & RACING ENTERPRISE LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2011**

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# **BREEDING & RACING ENTERPRISE LIMITED**

## **THE DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2011**

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2011

### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was that of breeding and racing horses

### **DIRECTORS**

The directors who served the company during the year were as follows

J Bruneau De La Salle

M Hayter

L Kneip

Lumley Management Limited

Y B C Pauthe

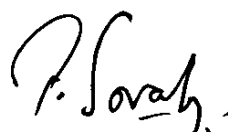
Lumley Management Limited retired as a director on 8 March 2012.

### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office  
1 Lumley Street  
Mayfair  
London  
W1K 6TT

Signed by order of the directors



JD SECRETARIAT LIMITED  
Company Secretary

27/09/2012

Approved by the directors on

**BREEDING & RACING ENTERPRISE LIMITED**  
**REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF**  
**THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF**  
**BREEDING & RACING ENTERPRISE LIMITED**  
**YEAR ENDED 31 DECEMBER 2011**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Breeding & Racing Enterprise Limited for the year ended 31 December 2011 as set out on pages 3 to 8 from the company's accounting records and from information and explanations you have given us

As a practising member firm of The Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at [http //rulebook accaglobal com](http://rulebook.accaglobal.com)

This report is made solely to the Board of Directors of Breeding & Racing Enterprise Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Breeding & Racing Enterprise Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with the requirements of The Association of Chartered Certified Accountants as detailed at [www accaglobal com/factsheet163](http://www.accaglobal.com/factsheet163). To the fullest extent possible permitted by law, we do not accept or assume responsibility to anyone other than Breeding & Racing Enterprise Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Breeding & Racing Enterprise Limited 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 profit or loss of Breeding & Racing Enterprise Limited. You consider that Breeding & Racing Enterprise Limited 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 financial statements of Breeding & Racing Enterprise Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

1 Lumley Street  
Mayfair  
London  
W1K 6TT

Slaven Jeffcote LLP  
SLAVEN JEFFCOTE LLP  
Chartered Certified Accountants

27 September 2012

# **BREEDING & RACING ENTERPRISE LIMITED**

## **PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>TURNOVER</b>		–	11,909
Cost of sales		<u>2,117</u>	<u>16,149</u>
<b>GROSS LOSS</b>		<b>(2,117)</b>	<b>(4,240)</b>
Administrative expenses		5,055	3,089
Other operating income	2	–	(151,135)
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(7,172)</b>	<b>143,806</b>
Tax on (loss)/profit on ordinary activities	4	–	–
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>(7,172)</u></b>	<b><u>143,806</u></b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 5 to 8 form part of these financial statements.

# BREEDING & RACING ENTERPRISE LIMITED

## BALANCE SHEET

31 DECEMBER 2011

	Note	2011 £	£	2010 £
<b>FIXED ASSETS</b>				
Tangible assets	5		—	—
<b>CURRENT ASSETS</b>				
Stocks		6,273		6,379
Cash at bank		1,116		1,234
		<u>7,389</u>		<u>7,613</u>
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>22,890</u>		<u>15,942</u>
<b>NET CURRENT LIABILITIES</b>			<u>(15,501)</u>	<u>(8,329)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(15,501)</u>	<u>(8,329)</u>
<b>CAPITAL AND RESERVES</b>				
Called-up equity share capital	8		1,000	1,000
Profit and loss account	9		<u>(16,501)</u>	<u>(9,329)</u>
<b>DEFICIT</b>	10		<u>(15,501)</u>	<u>(8,329)</u>

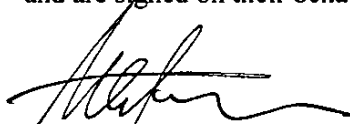
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on 27 September 2012 and are signed on their behalf by



M R GANDY FOR AND ON BEHALF OF  
NEW CAVENDISH MANAGEMENT LIMITED

Company Registration Number 01757832

The notes on pages 5 to 8 form part of these financial statements.

# **BREEDING & RACING ENTERPRISE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2011**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

The financial statements have been prepared on the going concern basis, dependent on the continuing support of the major creditors, who has agreed not to withdraw funds that would cause the company cash flow difficulties

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year

#### **Fixed assets**

All fixed assets are initially recorded at cost

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery                      -    25% reducing balance

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

#### **Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments

# BREEDING & RACING ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

### 1. ACCOUNTING POLICIES *(continued)*

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2. OTHER OPERATING INCOME

	2011 £	2010 £
Other operating income	<u>-</u>	<u>151,135</u>

### 3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2011 £	2010 £
Directors' remuneration	-	-
Net loss on foreign currency translation	<u>17</u>	<u>-</u>

### 4. TAXATION ON ORDINARY ACTIVITIES

#### Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2010 - 21%).

	2011 £	2010 £
(Loss)/profit on ordinary activities before taxation	<u>(7,172)</u>	<u>143,806</u>
(Loss)/profit on ordinary activities by rate of tax	(1,506)	30,199
Utilisation of tax losses	-	1,539
Tax Losses carried forward	1,506	-
Impairment Gains/Losses through connected parties	-	(31,738)
Total current tax	<u>-</u>	<u>-</u>



# BREEDING & RACING ENTERPRISE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2011

### 5. TANGIBLE FIXED ASSETS

	Plant & Machinery £
<b>COST</b>	
At 1 January 2011 and 31 December 2011	<u>2,644</u>
<b>DEPRECIATION</b>	
At 1 January 2011 and 31 December 2011	<u>2,644</u>
<b>NET BOOK VALUE</b>	
At 31 December 2011	<u>-</u>
At 31 December 2010	<u>-</u>

### 6. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Other creditors	<u>22,890</u>	<u>15,942</u>

### 7. RELATED PARTY TRANSACTIONS

Included in other creditors is an amount of £21,890 (2010 -£14,942) due to the director, Y Pauthe.

### 8. SHARE CAPITAL

**Authorised share capital:**

	2011 £	2010 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**Allotted, called up and fully paid:**

	2011 No	£	2010 No	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

### 9. PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
Balance brought forward	(9,329)	(153,135)
(Loss)/profit for the financial year	<u>(7,172)</u>	<u>143,806</u>
Balance carried forward	<u>(16,501)</u>	<u>(9,329)</u>

# **BREEDING & RACING ENTERPRISE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2011**

### **10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
(Loss)/Profit for the financial year	<b>(7,172)</b>	143,806
Opening shareholders' deficit	<b><u>(8,329)</u></b>	<b><u>(152,135)</u></b>
Closing shareholders' deficit	<b><u>(15,501)</u></b>	<b><u>(8,329)</u></b>