

**Company Registration No. 01804932**

**The Regal Sunderland Stadium Limited**

**Report and Financial Statements**

**52 weeks period ended 29 December 2009**



# **The Regal Sunderland Stadium Limited**

## **Report and financial statements 2009**

<b>Contents</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Statement of directors' responsibilities</b>	<b>5</b>
<b>Independent auditors' report</b>	<b>6</b>
<b>Profit and loss account</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Notes to the accounts</b>	<b>9</b>

---

# **The Regal Sunderland Stadium Limited**

## **Report and financial statements 2009**

### **Officers and professional advisers**

#### **Directors**

Mr A D Steele  
Mr T Murphy

#### **Secretary**

Mr D Read

#### **Registered office**

Greenside House  
50 Station Road  
Wood Green  
London  
N22 7TP

#### **Auditors**

Deloitte LLP  
Chartered Accountants  
London

# **The Regal Sunderland Stadium Limited**

## **Directors' report (continued)**

The directors present their annual report and audited financial statements for the 52 week period ended 29 December 2009

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

### **Principal activity**

The principal activity of the Company during the period was that of running The Regal Sunderland Greyhound Stadium. The Company is a subsidiary of William Hill PLC, which together with other subsidiaries of that company forms the William Hill Group of companies ("the Group")

### **Review of business developments and future activities**

The Company's affairs and trading results for the period are shown in the attached financial statements

On the 7 December 2009, the Company paid an interim dividend of £2,000,000 (30 December 2008 - £nil). The directors do not recommend the payment of a final dividend for the period (period ended 30 December 2008 - £nil)

### *Trading performance*

The Company maintained profitability despite a difficult trading environment. The directors expect the current level of activity to continue.

### **Directors**

The present membership of the Board of Directors is set out on page 1

The directors who served throughout the period and subsequently, except as shown below, are

Mr I J Spearing	(resigned 31 December 2008)
Mr T Murphy	
Mr A D Steele	(appointed 31 December 2008)

### **Terms of payment**

William Hill Organization Limited, another operating company within the Group, discharges all expenditure on behalf of the Group's UK subsidiaries. William Hill Organization Limited's normal practice is to agree terms of trading, including payment terms, with suppliers to all UK Group undertakings and, provided suppliers perform in accordance with agreed terms, it is the Group's policy that payment should be made accordingly. At 29 December 2009 the number of creditor days for William Hill Organization Limited was 20 days (30 December 2008 - 17 days)

### **Adoption of International Financial Reporting Standards (IFRS)**

The Group has used IFRS as the primary basis for reporting for the 52 week period ending 29 December 2009

The Company has evaluated the benefits of adopting IFRS and does not currently consider it beneficial to move away from producing financial statements under UK GAAP. This decision will be reassessed from time to time.

# **The Regal Sunderland Stadium Limited**

## **Directors' report (continued)**

### **Auditors**

Each of the directors in office at the date when this report was approved confirms that

- so 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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

The confirmation should be interpreted in accordance with Section 418 of the Companies Act 2006

Deloitte LLP have expressed their willingness to continue in office as auditors. A resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors and signed on behalf of the Board



D Read  
Secretary  
13 September 2010

# **The Regal Sunderland Stadium Limited**

## **Statement of directors' responsibilities**

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, 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 auditors' report to the members of The Regal Sunderland Stadium Limited**

We have audited the financial statements of The Regal Sunderland Stadium Limited for the 52 week period ended 29 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. 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 auditors' 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 auditors**

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 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 (APB'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.

## **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 29 December 2009 and of its profit for the 52 week period 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.

## **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.



Robert Matthews (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London, United Kingdom  
15 September 2010

## The Regal Sunderland Stadium Limited

### Profit and loss account

52 week period ended 29 December 2009

	Notes	52 week period ended 29 December 2009 £'000	52 week period ended 30 December 2008 £'000
<b>Turnover</b>	1	4,524	4,721
<b>Cost of sales</b>		(1,445)	(1,507)
<b>Gross profit</b>		3,079	3,214
<b>Net operating expenses</b>	2	(2,391)	(2,348)
<b>Operating profit</b>	3	688	866
<b>Net interest receivable</b>	5	25	100
<b>Profit on ordinary activities before taxation</b>		713	966
<b>Tax on profit on ordinary activities</b>	6	(202)	(284)
<b>Profit on ordinary activities after taxation</b>	15	511	682

There have been no recognised gains or losses other than those included in the profit and loss account for the current and preceding financial period, and accordingly no statement of total recognised gains and losses has been prepared

All transactions in the current and preceding financial period are attributable to continuing activities



# The Regal Sunderland Stadium Limited

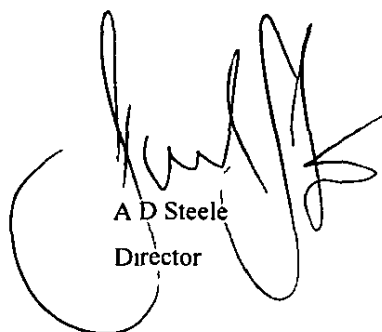
## Balance sheet

At 29 December 2009

	Notes	29 December 2009 £'000	30 December 2008 £'000
<b>Fixed assets</b>			
Tangible assets	8	1,860	2,032
Investments	9	656	656
		<u>2,516</u>	<u>2,688</u>
<b>Current assets</b>			
Stocks	10	36	27
Debtors	11	229	570
Cash at bank and in hand		261	98
		<u>526</u>	<u>695</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,943)</u>	<u>(778)</u>
<b>Net current liabilities</b>		<u>(1,417)</u>	<u>(83)</u>
<b>Total assets less current liabilities</b>		<u>1,099</u>	<u>2,605</u>
<b>Provision for liabilities</b>	13	<u>(62)</u>	<u>(79)</u>
<b>Net assets</b>		<u>1,037</u>	<u>2,526</u>
<b>Capital and reserves</b>			
Called up share capital	14, 15	10	10
Profit and loss account	15	1,027	2,516
<b>Shareholder's funds</b>	15	<u>1,037</u>	<u>2,526</u>

The financial statements of The Regal Sunderland Stadium Limited, registered company number 01804932, were approved by the Board of Directors and authorised for issue on 13 September 2010

Signed on behalf of the Board of Directors



A D Steele  
Director

# **The Regal Sunderland Stadium Limited**

## **Notes to the accounts**

### **52 week period ended 29 December 2009**

#### **1. Accounting policies**

A summary of the Company's principal accounting policies, which have been applied consistently throughout the current period and the prior period is set out below

##### **Basis of preparation**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention

A cash flow statement, as required by Financial Reporting Standard ("FRS") 1 (Revised) has not been prepared, as the Company is a wholly owned subsidiary of William Hill PLC, a company incorporated in Great Britain and the consolidated accounts of William Hill PLC include a cash flow statement in the form prescribed by FRS 1

These financial statements present information about the individual company and not about its group. The Company has not prepared group accounts as, in accordance with Section 400 of the Companies Act 2006, the Company is a wholly owned subsidiary of another company incorporated in Great Britain (see note 16)

William Hill Organization Limited, another operating company within the Group, discharges all expenditure including auditors' remuneration on behalf of the Group's subsidiaries with appropriate charges being made to the Company for its share of the cost

##### **Going concern**

The Company has net current liabilities of £1,417,000, which mainly constitutes amounts owed to Group undertakings, who share common directors with the Company. As such, the directors are satisfied that the other Group companies, with whom these debts are held, would not demand repayment of the intercompany balance of £1,613,000 within 12 months from the date of signing these accounts, if to do so would result in the Company being unable to meet its liabilities as they fall due

Whilst current economic conditions create uncertainty over the demand for the Company's products, the directors have reviewed forecasts and projections, taking account of reasonably possible changes in trading performance, and expect that the Company will remain profitable and cash generative and have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements

##### **Revenue recognition and turnover**

Revenue is recognised under an exchange transaction with a customer, when, and to the extent that, the Company obtains the right to consideration in exchange for its performance

Turnover is the revenue resulting from exchange transactions under which the Company supplies to customers the services that it is in business to provide and hence turnover represents net receipts from pool bets placed on greyhound races, receipts from BAGS (Bookmakers Afternoon Greyhound Service) for media rights, and amounts receivable from customers in respect of bar and restaurant sales and admissions

Turnover arises exclusively in the United Kingdom

# **The Regal Sunderland Stadium Limited**

## **Notes to the accounts**

**52 week period ended 29 December 2009**

### **1. Accounting policies (continued)**

#### **Tangible fixed assets**

Tangible fixed assets are stated in the balance sheet at cost less provision for impairment in value and cumulative depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land. Depreciation on properties has been provided on the element of the property that requires replacement. These assets together with other tangible fixed assets are depreciated over their estimated useful lives on a straight line basis as follows

Freehold properties	-	50 years
Short leasehold properties	-	over the unexpired period of the lease
Fixtures, fittings and equipment	-	between three and ten years
Motor Vehicles	-	between three and ten years

#### **Investments held as fixed assets**

Investments are stated at cost less provision, if any, for impairment in value

#### **Stocks**

Stocks represent bar and restaurant goods for resale. They are stated at the lower of cost and net realisable value

#### **Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred

#### **Pension costs**

The Company participates in the Group's defined contribution scheme. The amounts charged to the profit and loss account in respect of pension costs and other post-retirement benefits are the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 not recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

## The Regal Sunderland Stadium Limited

### Notes to the accounts

#### 52 week period ended 29 December 2009

#### 2. Net operating expenses

	52 week period ended 29 December 2009 £'000	52 week period ended 30 December 2008 £'000
Total administrative expenses	2,301	2,367
Other operating income	90	(19)
Total net operating expenses	<u>2,391</u>	<u>2,348</u>

#### 3. Operating profit

	52 week period ended 29 December 2009 £'000	52 week period ended 30 December 2008 £'000
Operating profit is stated after charging		
Depreciation	<u>132</u>	<u>138</u>

Auditors' remuneration of £1,000 (30 December 2008 £1,000) was borne by William Hill Organization Limited. The auditors received no fees for non-audit work in either year. Detailed disclosure in respect of these costs is given in the financial statements of William Hill Organization Limited.

#### 4 Staff costs

	52 week period ended 30 December 2009 No.	52 week period ended 30 December 2008 No.
<b>The average number of directors who are members of:</b>		
Defined benefit pension scheme	1	1
Defined contribution scheme	<u>1</u>	<u>1</u>

The directors of the Company are also directors of other trading and holding companies within the Group and it is not practicable to allocate their remuneration for the current or preceding period between their services to each company. Therefore details of their remuneration, for the 52 week period ended 29 December 2009 and the 52 week period ended 30 December 2008 are disclosed in the financial statements of William Hill Organization Limited or William Hill PLC.

Disclosures in respect of both pension schemes are provided in the financial statements of William Hill Organization Limited. The defined benefit pension scheme has a deficit at 29 December 2009 of £31,071,607 (30 December 2008 £18,630,235).

# The Regal Sunderland Stadium Limited

## Notes to the accounts

### 52 week period ended 29 December 2009

#### 4. Staff costs (continued)

Total remuneration, excluding directors, was

	52 week period ended 29 December 2009 £'000	52 week period ended 30 December 2008 £'000
Wages and salaries	702	737
Social security costs	36	39
Pensions costs	5	6
	<u>743</u>	<u>782</u>
	No.	No.
Average monthly number of persons employed during the period, including directors, all of whom were engaged in the administration and upkeep of the stadium and provision of catering services	<u>89</u>	<u>101</u>

#### 5. Net interest receivable

	52 week period ended 29 December 2009 £'000	52 week period ended 30 December 2008 £'000
Interest receivable on loans to Group undertakings	38	172
Interest payable on loans from Group undertakings	(13)	(72)
	<u>25</u>	<u>100</u>

# The Regal Sunderland Stadium Limited

## Notes to the accounts

### 52 week period ended 29 December 2009

#### 6. Tax on profit on ordinary activities

	52 week period ended 29 December 2009 £'000	52 week period ended 30 December 2008 £'000
Current tax		
Corporation tax	219	293
	<u>219</u>	<u>293</u>
Deferred taxation (note 13)	(17)	(9)
	<u>(17)</u>	<u>(9)</u>
Total current tax charge	<u>202</u>	<u>284</u>
<b>Reconciliation to current tax charge</b>		
Profit before taxation	713	966
	<u>713</u>	<u>966</u>
Tax at 28% (30 December 2008 28.5%)	200	275
Accelerated Capital allowances	7	6
Permanent differences	12	12
	<u>219</u>	<u>293</u>
Current tax charge for the period	<u>219</u>	<u>293</u>

#### 7. Dividends paid

	52 week period ended 29 December 2009 £'000	52 week period ended 30 December 2008 £'000
Equity shares		
Interim dividend paid of £200.00 per share (30 December 2008 £nil per share)	2,000	-
	<u>2,000</u>	<u>-</u>

# The Regal Sunderland Stadium Limited

## Notes to the accounts

52 week period ended 29 December 2009

### 8. Tangible fixed assets

	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost:</b>				
At 31 December 2008	2,100	1,563	36	3,699
Additions	28	-	-	28
Disposals	-	(70)	-	(70)
At 29 December 2009	2,128	1,493	36	3,657
<b>Accumulated depreciation</b>				
At 31 December 2008	665	968	34	1,667
Charge for period	43	87	2	132
Disposals	-	(2)	-	(2)
At 29 December 2009	708	1,053	36	1,797
<b>Net book value:</b>				
At 29 December 2009	1,420	440	-	1,860
At 30 December 2008	1,435	595	2	2,032

### 9. Investments held as fixed assets

	Investments in subsidiary undertakings £'000
Cost at 31 December 2008 and 29 December 2009	750
Provision at 31 December 2008 and 29 December 2009	(94)
Net book value	
At 30 December 2008 and 29 December 2009	656

In the directors' opinion the total value of the Company's investment in its subsidiary is not less than the amount at which it is stated in the balance sheet. The principal subsidiary, its country of incorporation, ownership of its share capital and the nature of its trade are listed below.

Directly owned	Proportion of all classes of issued share capital owned by the Company	Country of incorporation	Nature of trade
Sunderland Stadium Limited	100%	Great Britain	Dormant

# The Regal Sunderland Stadium Limited

## Notes to the accounts

52 week period ended 29 December 2009

### 10. Stocks

	29 December 2009 £'000	30 December 2008 £'000
Goods for resale	36	27

### 11. Debtors

	29 December 2009 £'000	30 December 2008 £'000
Trade debtors	225	570
Prepayments	4	-
	229	570

### 12. Creditors: amounts falling due within one year

	29 December 2009 £'000	30 December 2008 £'000
Other taxation including social security	250	69
Other creditors	10	17
Accruals and deferred income	70	92
Amounts owed to Group undertakings	1,613	600
	1,943	778

### 13. Deferred taxation

	29 December 2009 £'000	30 December 2008 £'000
Accelerated capital allowances	62	79

The deferred taxation liabilities have been calculated at 28% (30 December 2008 28%) of the gross fixed asset timing differences, the rate of taxation at which these timing differences are expected to reverse

There are no amounts of un-provided deferred tax

#### Movement in the period:

	£'000
At 31 December 2008	79
Amount charged to profit and loss account (note 6)	(17)
At 29 December 2009	62



# The Regal Sunderland Stadium Limited

## Notes to the accounts

52 week period ended 29 December 2009

### 14. Called up share capital

	29 December 2009 £'000	30 December 2008 £'000
<b>Called up, allotted and fully paid:</b>		
10,000 ordinary shares of £1 each	10	10

### 15. Reconciliation of movements in shareholder's funds and statement of movements in reserves

	Called up share capital £'000	Profit and loss account £'000	Total shareholder's funds £'000
At 31 December 2008	10	2,516	2,526
Profit for the financial period	-	511	511
Dividends paid	-	(2,000)	(2,000)
Balance at 29 December 2009	10	1,027	1,037

### 16. Ultimate parent company and related party transactions

The Company is taking advantage of the exemption granted by paragraph 3(c) of FRS 8, not to disclose transactions with companies within the William Hill PLC Group who are related parties

At the balance sheet date, the Company's ultimate parent company and controlling party was William Hill PLC, a company incorporated in Great Britain. The Company's immediate parent company and controlling entity is Will Hill Limited, a company incorporated in Great Britain.

The parent company of the largest and smallest groups for which group accounts are prepared of which this company is a member is William Hill PLC, a company incorporated in Great Britain.

Copies of the financial statements of William Hill PLC and William Hill Organization Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.