

Financial Statements

Elite Racing Club Limited

For the year ended 28 February 2017

Registered number: 03296044



Company Information

Director	Mr A J Hill
Company secretary	Miss M Noden
Registered number	03296044
Registered office	A' Becketts 29 High Street Littleton Panell Devizes Wiltshire SN10 4EN
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor 5 Benham Road Southampton Science Park Southampton SO16 7QT
Bankers	Lloyds TSB Bank Plc 2nd Floor Sevenside House St. Mellons Business Park Cardiff CF3 0EY
Solicitors	Bishop Longbotham and Bagnall Rodney House 5 Roundstone Street Trowbridge Wiltshire BA14 8DH

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Director's report

For the year ended 28 February 2017

The director presents his report and the financial statements for the year ended 28 February 2017.

Principal activities

The company is principally engaged in the running of a horse racing club.

The level of repeat custom is pleasing and clients continue to be impressed with the services offered (trading for over 25 years).

The company has continued to make updates to core business practices, including introducing new elements to the business, streamlining more internal working processes, whilst also maintaining fair prices. This has ensured that the company continues to have a strong and loyal client base.

Working in such a competitive marketplace, the company must ensure that it offers value for money products, alongside a quality service.

The company is constantly working hard to attract new customers, through innovative advertising campaigns and continued growth of the core business. This has resulted in some noticeable results.

The company has made a loss this year, due to the very high costs involved in keeping the racehorses and the breeding stock. However, the value of the breeding stock has risen during this year. We are expecting to report a strong year next year. The breeding programme looks set to continue providing some very high quality horses for the foreseeable future.

The company is currently investing in innovative new benefits to Members, which should result in an increased number of new clients, and increased client retention.

The director has made an assessment in preparing these financial statements as to whether the company is a going concern and has concluded that there are no material uncertainties that may cast doubt on the company's ability to continue as a going concern.

Results and dividends

The loss for the year, after taxation, amounted to £424,395 (2016: profit £247,586).

Director

The director who served during the year was:

Mr A J Hill

Director's report (continued)

For the year ended 28 February 2017

Director's responsibilities statement

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that he gives 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 director is required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Elite Racing Club Limited

Director's report (continued)

For the year ended 28 February 2017

Small companies note

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

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'M Noden', with a long horizontal flourish extending to the right.

Miss M Noden
Secretary

Date: 18 OCT 2017

Independent auditor's report to the members of Elite Racing Club Limited

We have audited the financial statements of Elite Racing Club Limited for the year ended 28 February 2017, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the 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'.

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 Director's responsibilities statement on page 2, the director is 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 Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 28 February 2017 and of its loss 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.



Independent auditor's report to the members of Elite Racing Club Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

A handwritten signature in black ink that reads "Grant Thornton UK LLP".

Amanda James (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Southampton
Date: 20 October 2017

Statement of income and retained earnings

For the year ended 28 February 2017

	Note	28 February 2017 £	29 February 2016 £
Turnover		1,285,442	1,940,599
Cost of sales		(577,165)	(607,905)
Gross profit		708,277	1,332,694
Administrative expenses		(1,123,541)	(1,074,078)
Operating (loss)/profit		(415,264)	258,616
Interest receivable and similar income		-	26
Interest payable and expenses		(9,131)	(11,056)
(Loss)/profit before tax		(424,395)	247,586
Tax on (loss)/profit		-	-
(Loss)/profit after tax		(424,395)	247,586
Retained earnings at the beginning of the year		1,686,110	1,438,524
(Loss)/profit for the year		(424,395)	247,586
Retained earnings at the end of the year		1,261,715	1,686,110

There was no other comprehensive income for 2017 (2016: £Nil).

The notes on pages 8 to 14 form part of these financial statements.

Balance sheet

As at 28 February 2017

	Note	28 February 2017 £	29 February 2016 £
Fixed assets			
Tangible assets	5	483,782	513,737
Current assets			
Stocks	6	590,068	699,867
Debtors: amounts falling due within one year	7	1,309,204	1,535,668
Cash at bank and in hand		81,839	43,279
		<u>1,981,111</u>	<u>2,278,814</u>
Creditors: amounts falling due within one year	8	<u>(1,203,078)</u>	<u>(1,106,341)</u>
Net current assets		<u>778,033</u>	<u>1,172,473</u>
Net assets		<u><u>1,261,815</u></u>	<u><u>1,686,210</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>1,261,715</u>	<u>1,686,110</u>
		<u><u>1,261,815</u></u>	<u><u>1,686,210</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf by:


Mr A J Hill
Director

Date: 18 OCT 2017

The notes on pages 8 to 14 form part of these financial statements.

Notes to the financial statements

For the year ended 28 February 2017

1. General information

Elite Racing Club Limited is a private company limited by shares and registered in England and Wales. Registered number 03296044. Its registered head office is located at A' Becketts, 29 High Street, Littleton Panell, Devizes, Wiltshire, SN10 4EN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 11.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

The company has been defined as a small reporting entity and is therefore exempt from the requirements as disclosed above under FRS 102.

Notes to the financial statements

For the year ended 28 February 2017

2. Accounting policies (continued)

2.3 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;
- 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.

2.4 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.

Notes to the financial statements

For the year ended 28 February 2017

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Racehorses	- 25% Straight line
Motor vehicles	- 20% Straight line
Fixtures & fittings	- 25% 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 Statement of income and retained earnings.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 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.

2.7 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.

Notes to the financial statements

For the year ended 28 February 2017

2. Accounting policies (continued)

2.8 Financial instruments

The company only enters into basic financial instruments 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.

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 Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, 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 to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.9 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.

2.10 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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.

2.11 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.12 Taxation

Tax is recognised in the Statement of income and retained earnings, 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 balance sheet date in the countries where the company operates and generates income.

Notes to the financial statements

For the year ended 28 February 2017

3. Auditor's remuneration

	28 February 2017 £	29 February 2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	6,400	8,750

4. Employees

The average monthly number of employees, including directors, during the year was 0 (2016: 0).

The employees of the company are remunerated through the ultimate parent undertaking, Wentrow Media Limited.

5. Tangible fixed assets

	Racehorses £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 March 2016	789,493	30,601	87,015	907,109
Additions	208,900	-	-	208,900
Disposals	(202,740)	-	-	(202,740)
At 28 February 2017	795,653	30,601	87,015	913,269
Depreciation				
At 1 March 2016	294,929	12,487	85,956	393,372
Charge for the year	195,632	6,120	239	201,991
On disposals	(165,876)	-	-	(165,876)
At 28 February 2017	324,685	18,607	86,195	429,487
Net book value				
At 28 February 2017	470,968	11,994	820	483,782
At 29 February 2016	494,564	18,114	1,059	513,737

Notes to the financial statements

For the year ended 28 February 2017

6. Stocks

	28 February 2017	29 February 2016
	£	£
Breeding stock	570,366	675,836
Goods for resale	19,702	24,031
	<u>590,068</u>	<u>699,867</u>

7. Debtors

	28 February 2017	29 February 2016
	£	£
Amounts owed by group undertakings	1,046,309	1,461,979
VAT recoverable	147,562	35,063
Prepayments and accrued income	92,733	38,526
Other debtors	22,600	100
	<u>1,309,204</u>	<u>1,535,668</u>

8. Creditors: Amounts falling due within one year

	28 February 2017	29 February 2016
	£	£
Trade creditors	54,792	77,393
Amounts owed to group undertakings	219,064	197,158
Other taxation and social security	259	-
Directors loan account	258,840	258,840
Other creditors	166,744	70,918
Accruals and deferred income	503,379	502,032
	<u>1,203,078</u>	<u>1,106,341</u>

9. Related party transactions

As a wholly owned subsidiary of Wentrow Media Limited the company is exempt from the requirements in FRS 102 section 33 to disclose transaction with other members of the group headed by that company whose financial statements are publicly available at Companies House.

Notes to the financial statements

For the year ended 28 February 2017

10. Controlling party

The company's ultimate parent company is Wentrow Media Limited which is registered in England and Wales, and owns 100% of the issued share capital.

The company's ultimate controlling party is Mr A J Hill by virtue of his shareholding in Wentrow Media Limited.

Wentrow Media Limited is the smallest and largest group in which Elite Racing Club Limited is consolidated.

11. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.