

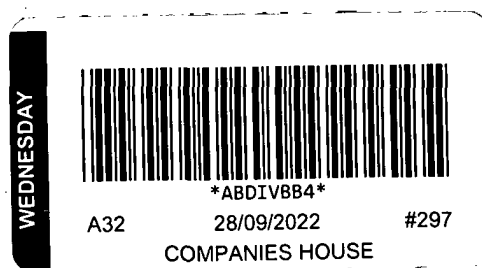
Attheraces Holdings Limited

Annual Report and Financial Statements

Year ended

31 December 2021

Company Number 04153457



Attheraces Holdings Limited

Annual Report and financial statements for the year ended 31 December 2021

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Directors

S A J Nahum
J M Hutchinson
M J Winterbottom
M J Cruddace
J Conyers
K S Robertson (resigned 28.02.2022)
D J Thompson
A J Thomson

Secretary and registered office

T A Walsh, Millbank Tower, 21-24 Millbank, London, SW1P 4QP

Company number

04153457

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Attheraces Holdings Limited

Strategic report for the year ended 31 December 2021

The directors present their annual report and the audited financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the company is that of an investment holding company. The company is the parent company of Attheraces Limited. The principal activities of Attheraces Limited are the exploitation of worldwide broadcast, media and other information rights acquired from racecourses throughout the UK and internationally and the provision of content services.

Review of the business including developments, future prospects and uncertainties facing the company

The results and position of the company are shown in the statement of comprehensive income on page 12 and the statement of financial position on page 13. The net assets of the company were £154,000 as at 31 December 2021, in line with the net assets of £154,000 as at 31 December 2020. Details of the dividends paid in the period are shown in the directors' report on page 5.

As an investment holding company, the review of the company's business is intrinsically linked to the performance of its subsidiary and as such the following is noted in respect of the performance of Attheraces Limited:

The company's revenues for the year ended 31 December 2021 were £75.6m compared to £58.9m for the 12 months ended 31 December 2020. Profit before tax for the year was £4.2m (2020 - £2.9m). The company's net assets were reduced from £21.4m as at 31 December 2020 to £19.8m as at 31 December 2021.

The company successfully managed the ongoing impact of the Covid-19 pandemic. With betting premises closed while lockdown measures were enforced during January-April 2021, the company secured enhanced interim commission terms with bookmakers in relation to the licensing of rights for online betting leading to increased payments to racecourse partners.

A strong year for the media platforms, Sky Sports Racing (the "Channel") and attheraces.com, was marked by innovation and progress. As exclusive broadcast partner, the company launched a pioneering, team-based racing series, The Racing League. Our production served to give the inaugural, £2m prize-funded competition the stature and differentiation it needed. The series has since been signed up for terrestrial TV rosters in 2022.

The Channel shone a light on diversity issues in racing with features and programming including *The Uncomfortable Race* (which was picked up by broadcasters around the world) and the *Leading the Way* series.

The Channel delivered its first ever Albert-certified, live horse racing production at Royal Ascot and, with supporting programming, helped inspire its audiences to act for a sustainable future.

The Channel has invested in daily live event output, on-site presenters at every fixture, super slow-motion cameras and Sky Pad analysis. Regular studio programmes *Get In* and *Racing Debate* generated record levels of interaction and engagement in 2021.

Attheraces.com maintained its position as the UK and Ireland's biggest racing website generating 83m page views on average each month. A total of 108m user sessions in 2021 was up +5% versus even the lockdown inflated performance of 2020. Average session duration on the site was exceptionally high at 10 minutes and 30 seconds (Google Analytics, Fabric and Firebase). In addition, in 2021 the company's digital team extended the offering of skysports.com/racing, exposing racing stories to a wider sports fan audience. More dedicated editorial resource and content share from the Channel helped grow skysports.com/racing unique visitors, June to December 2021, by +41% versus 2020, the strongest performance of any sport on skysports.com. With social followers numbering now over 800,000 and high levels of engagement, *Attheraces* and *Sky Sports Racing* are the brands of choice for loyal, racing fans seeking to interact digitally with the sport.

Attheraces Holdings Limited

Strategic report for the year ended 31 December 2021 (continued)

Review of the business including developments, future prospects and uncertainties facing the company (continued)

TV audiences were consistently strong throughout the year with an average of over 1.7 million individuals tuning in each month from the UK alone (BARB). Engagement across TV and digital channels helped the business excel commercially, despite difficult Covid-related conditions. Bookmaker advertising and sponsorship revenues were +6% and monthly active affiliate betting customers +21% in 2021 versus challenging budgeted targets.

Prospects for the business remain strong despite some challenging macro-economic factors. Increased cost of living as well as high levels of inflation have clear impacts on disposable income and the appetite for spend on leisure and sports betting. Regulatory pressure still poses a further risk and a level of uncertainty looking forward as the UK government conducts its review of the Gambling Act 2005 and the Gambling Commission considers the position on "affordability".

The shareholders are concluding throughout the course of 2022 the key commercial terms which will frame the extension of the joint venture through to at least 2030. A new set of commercial and rights licensing arrangements between the shareholders is expected to commence on 1st January 2023 securing the long-term future of the business.

Financial risk management objectives and policies

Credit Risk

The risk of financial loss due to a counter party's failure to honour its obligations arises principally in relation to transactions where the company provides services to customers. Company policies are aimed at minimising such losses and require that terms are only granted to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures.

The company's credit control processes have ensured that over several years the business has incurred no material bad debts and the company aims to maintain the same level of efficiency going forward.

Foreign exchange risk

The company operates in a number of overseas markets and invoices in local currencies, giving the company exposure to foreign exchange risk. The Board is responsible for managing foreign exchange risks and the company is exploring the use of derivative financial instruments in the form of forward foreign exchange contracts to mitigate risk and provide more budget certainty.

Liquidity Risk

The company seeks to mitigate liquidity risk by closely managing cash flows.

Despite the Covid-19 pandemic, the company continues to generate strong operating profit and cash flow position to meet all day to day business expenditure and make dividend payments to shareholders.

Legislation and Regulation risk

U.K: Exit from the European Union

The UK's departure from the European Union has given rise to some uncertainty about the possible divergence between the regulation of UK media businesses and European media businesses over time and whether Brexit will have any long-term impact on the economy. It is not yet known what effect either of these might have on the business. The company has obtained a licence from the Luxembourg broadcast authority enabling it to continue broadcasting the Channel in Ireland.

Attheraces Holdings Limited

Strategic report for the year ended 31 December 2021 (continued)

Section 172 Statement

Under Section 172(1) of the Companies Act 2006, a Director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so have regard (amongst other matters) to:

- a) the likely consequence of any decision in the long-term;
- b) the interests of the company's employees;
- c) the need to foster the company's business relationships with suppliers, customers and others;
- d) the impact of the company's operations on the community and the environment;
- e) the desirability of the company maintaining a reputation for high standards of business conduct;
- f) the need to act fairly between members of the company.

Key Stakeholders

The Board considers its key stakeholders to be the employees, customers and suppliers of Attheraces Limited, the community and environment in which the company operates as well as its shareholders.

Employees

The company's long-term future success depends on the commitment of the staff of Attheraces Limited to the purpose and vision of the business. Attheraces Limited has an HR function which supports employee engagement and the business regularly undertakes formal and informal engagement with employees. The company and Attheraces Limited also champion diversity and inclusion within the workforce. Attheraces Limited provides training to support development and role specific requirements.

Customers

Attheraces Limited values the viewers of its television channel and digital services and welcomes feedback from them. Attheraces Limited maintains close relationships with its corporate customers and holds regular meetings with them to ensure that it has a relevant understanding of those customers' needs and to remain a trusted partner.

Suppliers

The company recognises that it is essential for the business to have strong relationships with its media rights partners. Attheraces Limited has many long-term trading relationships and has built up strong collaborations over many years with a large number of its suppliers. Attheraces Limited maintains close relationships with its key suppliers, including via regular meetings, to ensure that it has a relevant understanding of the suppliers and to remain a trusted partner.

Communities

The company's principal community is the British horseracing industry and the company seeks to ensure that Attheraces Limited plays a full role in supporting the success of the industry. Attheraces Limited supports the BHA Development Programme and the Racing Media Academy and also sponsors the Careers in Racing Step on Track Programme. Social responsibility is important to the company and safer gambling messages are promoted on the Channel. There is also ad hoc coverage of safer gambling issues on the Channel as well as dedicated editorial coverage during Safer Gambling Week.

Environment

The company is aware of the importance of its impact on the environment and was pleased that the Channel's production of the 2022 Royal Ascot meeting achieved ALBERT certification. Attheraces Limited continues to support the Racing Foundation's focus on environment issues and sustainability within the horseracing industry.

Attheraces Holdings Limited

Strategic report for the year ended 31 December 2021 (*continued*)

Section 172 Statement (*continued*)

Shareholders

The business communicates to its shareholders on a regular basis, both formally and informally, and the Board includes representative directors of all shareholders. In considering all key decisions the value to shareholders is one of the main priorities of the directors.

How factors under s.172 have influenced the Board's key decisions and strategy during the year:-

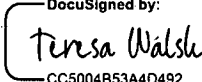
The company continues to support Attheraces Limited's effort to secure ALBERT certification for production of the entire Channel and will work closely with its shareholder, Sky, who are leading the way in the broadcast industry in tackling environmental issues. Attheraces Limited is also working with its on-course coverage production partner, Racetech, to reduce its carbon footprint.

Attheraces Limited has worked closely with the BHA and other key stakeholders in the horseracing industry as part of the ongoing Gambling Act 2005 review. The Board is regularly updated on regulatory matters and cross-industry co-operation.

The company and Attheraces Limited will continue to drive change and aim to be a leader on diversity & inclusion in the horseracing industry, using the Channel and other media platforms to spread the D&I message. The Board are supportive of this aim and Attheraces Limited is also working with its employees to ensure best practice within Attheraces Limited.

This report was approved by the board on 27 September 2022 and signed on its behalf.

DocuSigned by:



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T A Walsh
Secretary

Attheraces Holdings Limited

Directors' report for the year ended 31 December 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Results and dividends

The results of the company for the year ended 31 December 2021 are shown on page 12. Further details on the review of the business can be found within the strategic report.

Interim dividends paid during the year amounted to £5m (2020 - £3m).

The directors have not recommended the payout of a final dividend (2020 - £Nil).

Directors

The directors who served during the year were:

S A J Nahum
J M Hutchinson
M J Winterbottom
M J Cruddace
J Conyers
K S Robertson (resigned 28.02.2022)
D J Thompson
A J Thomson

No director had any interests in the share capital of the company throughout the year.

Insurance

The company has directors' and officers' liability insurance and intends to maintain such cover for the full term of their employment/appointment.

Going concern

The company achieved a profit of £5,000,000 for the year ended 31 December 2021 (2020 - £3,000,000) and had net assets of £154,000 (2020 - net assets of £154,000) as at 31 December 2021.

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Developments, Future Prospects and Uncertainties review in the strategic report on page 1.

Attheraces Holdings Limited is dependent on the underlying trade of its principal investment Attheraces Limited, the information provided below is in respect of Attheraces Limited.

Over the past 12 months the company has secured extensions on its exclusive media rights licensing arrangements with both US and French racing rights holders. In addition, Newbury Racecourse, a major dual code UK track, signed an agreement committing its pay TV rights to the business from January 2024.

The group has maintained high cash reserves and long-term contracts with customers and suppliers. The directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Attheraces Holdings Limited

Directors' report for the year ended 31 December 2021 (*continued*)

Going concern (*continued*)

Whilst we expect any pandemic-related impacts in the UK to be less severe than those seen over the past two years, several stress tests have been performed which examine potential issues such as the loss of domestic and/or international racing content coupled with mitigation plans. As part of these scenarios a forecast was prepared on the assumption that UK racing was suspended throughout the period to August 2023. Even under this extreme stress test scenario, which the directors consider to be highly remote, forecasts indicate that the company will have sufficient cash resources to meet all its liabilities through the period as they fall due, supporting the conclusion that the business is able to continue to operate as a going concern.

The directors can confirm that the new commercial agreements referred to in the strategic report will not impact on the business continuing to operate as a going concern for the next twelve months after the signing of these financial statements. The group and company are expected to continue to trade profitably with a forecast of positive generation of cash flows established for the long term through the renegotiated agreement between the group and its shareholders.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 year. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Matters covered in the strategic report

As permitted by paragraph 1A of Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008, certain matters which are required to be disclosed in the directors' report have been included within the strategic report. The relevant matters are: information on financial risk management objectives and policies; information on exposures to risks and likely future developments in the business of the company.

Attheraces Holdings Limited

Directors' report for the year ended 31 December 2021 (continued)

Streamlined energy and carbon reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (the '2018 Regulations') implement the government's policy on Streamlined Energy and Carbon Reporting (SECR). The 2018 Regulations require large unquoted companies that have consumed (in the UK) more than 40,000 kilowatt-hours (kWh) of energy in the reporting period to include energy and carbon information within their directors' report, for any period beginning on or after 1 April 2020. Since Attheraces Limited's consumption falls within this scope, below is the summary of Attheraces Limited's Greenhouse Gas (GHS) emissions and energy usage for 2021 and 2020.

	2021	2020
Carbon intensity		
Revenue (£m)	75.61	59.81
Carbon intensity (Total Scopes 1,2 and 3)tCO ₂ e/£m revenue	0.20	0.26
Carbon Emissions (tCO₂e)		
Scope 1- Gas Consumption	-	-
Scope 2- Purchased electricity	7.98	10.68
Scope 3- Business travel in employee owned vehicles	7.24	4.65
Total Scope 1, Scope 2 and Scope 3	15.22	15.33
Total Energy consumption (kWh)	63,834	62,647

The main source of the CO₂e emission in the business is the energy consumption and combustion of fuel for transport purposes.

The key contributor in energy consumption is energy supplied to the company's business premises (London and Leeds), which include large volumes of IT equipment.

The company purchased equipment from established computing vendors that have energy saving hardware and software built in and most of the company's IT systems are within a four-year renew life cycle and therefore the company is likely to benefit regularly from the latest energy saving technologies.

As a television broadcast business, the company's offices are also equipped with multiple television screens, however, the company encourages its employees to have TVs switched on only when needed.

The company has also installed a smart reader which is believed to help reduce electricity usage.

Emission from combustion of fuel for transport purposes relates to road travel mileage undertaken by the company's employees, often to attend temporary places of work on racecourse sites around the country.

Following the end of lockdown restrictions, road travel and racecourse visits, particularly by channel production staff, have increased in 2021 versus prior year.

International travel has also resumed to a fuller extent versus 2020 but the need to travel to territories overseas is always carefully evaluated on a case by case basis by the company. As such, the company still deploys many remote calls instead of face to face meetings in a drive to limit travel.

Attheraces Holdings Limited

Directors' report for the year ended 31 December 2021 (continued)

Streamlined energy and carbon report (continued)

The company has pioneered carbon neutral, live racing broadcast productions at Royal Ascot in 2020 and 2021. Both productions at these events were Albert-certified.

In addition, the company encourages its employees to recycle used packaging and paper; the company also appoints an external shredding company for regular shredding services and often purchases recycled printer paper for office use.

The Sky / Comcast group is committed to reducing the energy consumption and carbon impact of its businesses and to supporting clients so they too can further reduce any impact on the environment.

Methodology

The company calculated its greenhouse gas emissions in carbon dioxide equivalent (CO₂e) according to the Greenhouse Gas Protocol Corporate Standard and associated guidance and used 2021 UK Government's Conversion Factors for Company Reporting.

Disclosure of information to auditors

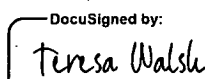
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- 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 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 auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 27 September 2022 and signed on its behalf.

DocuSigned by:

T A Walsh
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Secretary

Attheraces Holdings Limited

Independent auditor's report

TO MEMBERS OF ATTHERACES HOLDINGS LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Attheraces Holdings Limited ("the company") for the year ended 31 December 2021 which comprise Statement of comprehensive income, Statement of financial position, Statement of changes in equity, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Attheraces Holdings Limited

Independent auditor's report (continued)

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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 Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Attheraces Holdings Limited

Independent auditor's report (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have:

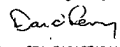
- considered the nature of the industry and sectors, control environment and business performance;
- made enquires of management about their own identification and assessment of the risk of irregularities;
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing accounting estimates for bias;
- identified and evaluated compliance with relevant laws and regulations and made enquiries of any instances of non-compliance;
- discussed matters among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

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David Perry (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom

Date 28 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Attheraces Holdings Limited

Statement of comprehensive income for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Dividends received from equity investments	6	5,000	3,000
Administrative expenses		-	-
Profit and total comprehensive income before and after taxation for the financial year		5,000	3,000

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 15 to 21 form part of these financial statements.

Attheraces Holdings Limited

Statement of financial position at 31 December 2021

Company number 04153457	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Investments	9		1,614		1,614
Current assets					
Debtors	10	12		12	
Cash at bank and in hand		3		3	
		<u>15</u>		<u>15</u>	
Current liabilities					
Creditors: amounts falling due within one year	11	(1,475)		(1,475)	
Net current liabilities			<u>(1,460)</u>		<u>(1,460)</u>
Net assets			<u>154</u>		<u>154</u>
Capital and reserves					
Called up share capital	12		3		3
Profit and loss account	13		151		151
Shareholders' funds			<u>154</u>		<u>154</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2022

DocuSigned by:

Martin Cruddace

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M J Cruddace
Director

The notes on pages 15 to 21 form part of these financial statements.

Attheraces Holdings Limited

Statement of changes in equity for the year ended 31 December 2021

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2021	3	151	154
Comprehensive income for the year Profit for the year	-	5,000	5,000
Total comprehensive income for the year	3	5,151	5,154
Contributions by and distributions to owners Dividends paid	-	(5,000)	(5,000)
Total transactions with owners	-	(5,000)	(5,000)
At 31 December 2021	3	151	154

Statement of changes in equity for the year ended 31 December 2020

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2020	3	151	154
Comprehensive income for the year Profit for the year	-	3,000	3,000
Total comprehensive income for the year	3	3,151	3,154
Contributions by and distributions to owners Dividends paid	-	(3,000)	(3,000)
Total transactions with owners	-	(3,000)	(3,000)
At 31 December 2020	3	151	154

The notes on pages 15 to 21 form part of these financial statements.

Attheraces Holdings Limited

Notes forming part of the financial statements for the year ended 31 December 2021

1 General information

Attheraces Holdings Limited is a private company limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the strategic report.

2 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

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 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Comcast Corporation as at 31 December 2021 and these financial statements may be obtained from Comcast Investor Relations at Comcast Corporation, One Comcast Center, Philadelphia, PA 19103, USA or at: <https://www.cmcsa.com>.

Going concern

The company achieved a profit of £5,000,000 for the year ended 31 December 2021 (2020 - £3,000,000) and had net assets of £154,000 (2020 - net assets of £154,000) as at 31 December 2021.

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Developments, Future Prospects and Uncertainties review on page 1.

Attheraces Holdings Limited is dependent on the underlying trade of its principal investment Attheraces Limited, the information provided below is in respect of Attheraces Limited.

Over the past 12 months the company has secured extensions on its exclusive media rights licensing arrangements with both US and French racing rights holders. In addition, Newbury Racecourse, a major dual code UK track, signed an agreement committing its pay TV rights to the business from January 2024.

Attheraces Holdings Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (*continued*)

2 Accounting policies (*continued*)

*Going concern (*continued*)*

The group has maintained high cash reserves and long-term contracts with customers and suppliers. The directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Whilst we expect any pandemic-related impacts in the UK to be less severe than those seen over the past two years, several stress tests have been performed which examine potential issues such as the loss of domestic and/or international racing content coupled with mitigation plans. As part of these scenarios a forecast was prepared on the assumption that UK racing was suspended throughout the period to August 2023. Even under this extreme stress test scenario, which the directors consider to be highly remote, forecasts indicate that the company will have sufficient cash resources to meet all its liabilities through the period as they fall due, supporting the conclusion that the business is able to continue to operate as a going concern.

The directors can confirm that the new commercial agreements referred to in the strategic report will not impact on the business continuing to operate as a going concern for the next twelve months after the signing of these financial statements. The group and company are expected to continue to trade profitably with a forecast of positive generation of cash flows established for the long term through the renegotiated agreements between the group and its shareholders.

Consolidated financial statements

The financial statements contain information about Attheraces Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by section 401 of the Companies Act 2006 not to produce consolidated financial statements as it is included in non-EEA group accounts of a larger group.

Investment

Investments held as fixed assets are stated at cost less provision for impairment.

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.

Attheraces Holdings Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Financial instruments

Financial assets including cash at bank and trade and other debtors are measured initially at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities including trade and other creditors as well as bank overdrafts are measured initially at transaction price (including transactions costs) and subsequently held at amortised cost.

Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determining whether there are indicators of impairment of the company's investments in subsidiaries. Factors taken into consideration in reaching such a decision include the expected future performance of the subsidiaries.

4 Auditors' remuneration

The auditors of the company are remunerated through a fellow subsidiary.

5 Employees

The company has no employees. The directors do not receive any remuneration in respect of their services as directors to the company.

6 Income from investments

	2021 £'000	2020 £'000
Income from fixed asset investments	5,000	3,000

Attheraces Holdings Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)

7 Taxation

	2021 £'000	2020 £'000
Total current tax	-	-
Deferred tax	-	-
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 – 19%). The differences are explained below:

	2021 £'000	2020 £'000
Profit on ordinary activities before tax	5,000	3,000
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 – 19%)	950	570
Effects of:		
Non-taxable income	(950)	(570)
Adjustment to opening and closing deferred tax to the average rate	-	-
Deferred tax not recognised	-	-
Total tax charge for the year	-	-

Attheraces Holdings Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)

8 Dividends

	2021 £'000	2020 £'000
D Shares		
Interim dividend of £4,854 (2020 - £2,912) per share	500	300
Recoupment Shares		
Interim dividend of £81,421 (2020 - £48,853) per share	4,478	2,687
New Recoupment Shares		
Interim dividend of £35.40 (2020 - £21) per share	22	13
	<u>5,000</u>	<u>3,000</u>

9 Fixed asset investment

	Investments in subsidiary companies £'000
<i>Cost or valuation</i>	
At 1 January 2021 and 31 December 2021	<u>1,614</u>
<i>Net book value</i>	
At 31 December 2021	<u>1,614</u>
At 31 December 2020	<u>1,614</u>

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the period end is 20% or more are as follows:

Name	Class of shares	Holding	Principal activity
Subsidiary undertakings			
Attheraces Limited	Ordinary	100%	Exploitation of worldwide broadcasting, media and information rights
Attheraces (UK) Limited	Ordinary	100%	Dormant company
Go Racing Limited	Ordinary	100%	Dormant company

The registered office of all the above companies is Millbank Tower, 21-24 Millbank, London, SW1P 4QP.

The above companies are all incorporated in Great Britain.

Attheraces Holdings Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (*continued*)

9 Fixed asset investment (*continued*)

Joint venture

The joint venture held by the company during the period is as follows, it ceased trading on 31 December 2018:

Name	Country of incorporation	Holding	Nature of business
GBI Racing Limited	UK	50%	Exploitation of certain worldwide broadcasting, media and information rights to horseraces held at its affiliated racecourses.

10 Debtors

	2021 £'000	2020 £'000
Other debtors	12	12

11 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to group undertakings	1,475	1,475

Attheraces Holdings Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

12 Share capital

	2021 £'000	2020 £'000
Shares classified as equity		
<i>Allotted, called up and fully paid</i>		
103 - (2020 - 103) D Shares of £1 each	-	-
616 - (2020 - 616) New Recoupment Shares of £0.00001 each	-	-
3,168 - (2020 - 3,168) Ordinary Shares of £1 each	3	3
55 - (2020 - 55) - Recoupment Shares of £0.01 each	-	-
	<hr/>	<hr/>
	3	3
	<hr/>	<hr/>

10% of the Distributable Profits in the relevant financial year shall be distributed in the first instance to the holders of D Shares and Ordinary Shares pro rata to their then holdings of D Shares and Ordinary Shares.

The balance of the Distributable Profits in relevant financial year shall be paid to the holders of Recoupment Shares and holders of New Recoupment Shares.

Holders of Recoupment Shares are entitled to receive an amount per Recoupment Share equal to £1,150,000 plus the nominal value paid up on such Recoupment Share, less the aggregate of any dividends paid on such Recoupment Shares on or before the date of such distribution.

Holders of New Recoupment Shares are entitled to receive an amount per New Recoupment Share equal to £500 plus the nominal value paid up on such New Recoupment Share, less the aggregate of any dividends paid on such New Recoupment Shares on or before the date of such distribution.

The Ordinary shares and D shares have full voting rights and full rights to participate on any distribution (including on a dividend and on winding up subject to Recoupment Shares and New Recoupment Shares).

13 Reserves

Profit and loss account

Profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments.

Called up share capital

Called up share capital represents the nominal value of the shares issued.

14 Ultimate controlling party

The directors consider Sky Ventures Limited to be the immediate controlling party by virtue of its combined ownership of 50.41% of the share capital of the company. As at 31 December 2021 the ultimate controlling party was Comcast Corporation ("Comcast"), a company registered in Pennsylvania, United States.

The company is ultimately controlled by Comcast and operates, together with Comcast's other subsidiaries, as a part of the Comcast Group. The only group in which the results of the company are consolidated is that headed by Comcast.

The consolidated financial statements of the Group are available to the public and may be obtained from Comcast Investor Relations at Comcast Corporation, One Comcast Center, Philadelphia, PA 19103, USA or at: <https://www.cmcsa.com>.