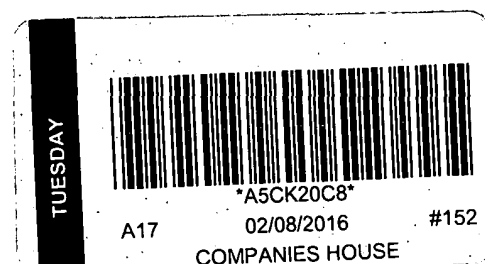


**No. 05849833**

**AMALGAMATED RACING LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**Year ended 30 November 2015**



**AMALGAMATED RACING LIMITED  
DIRECTORS' REPORT  
YEAR ENDED 30 NOVEMBER 2015**

The Directors present their report and the audited financial statements of the Company for the year ended 30 November 2015.

**RESULT AND DIVIDENDS**

The profit for the year, after taxation, amounted to £9,313,000 (2014: £7,684,000).

Details of dividends paid in the year are included in note 8 to the financial statements.

**GOING CONCERN**

At 30 November 2015, the Company had net assets of £3.58 million and cash and cash equivalents of £18.1 million. The Directors have also prepared income statement and cash flow forecasts for a 24 month period following the balance sheet date. After review of these forecasts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

For this reason they continue to adopt the going concern basis in preparing the financial statements.

**DIRECTORS**

The Directors of the Company during the year are listed below:

DCM Craven  
ST Ellen  
AJ Lindley  
AR Flitcroft

**SECRETARY**

Neptune Secretaries Limited

**Auditor**

Grant Thornton UK LLP, having offered themselves for reappointment as auditor, shall be deemed to be reappointed for the next financial year in accordance with Section 485 of the Companies Act 2006.

**By Order of the Board**



**David Craven - Director**  
10<sup>th</sup> Floor  
The Met Building  
22 Percy Street  
London  
W1T 2BU  
23 March 2016

**AMALGAMATED RACING LIMITED**  
**STRATEGIC REPORT**  
**YEAR ENDED 30 NOVEMBER 2015**

**INTRODUCTION**

The Company's principal activity is the provision of "Turf TV", a closed user group television service to licensed bookmakers in the United Kingdom and the Republic of Ireland. The Company is a joint venture between Timeweave Gaming Limited, a subsidiary of Timeweave plc, and Racing Media Services Limited, a company owned by a number of United Kingdom racecourses.

**REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The Company has entered into individual and exclusive licenses with 34 UK racecourses to broadcast pictures and data from the racecourses to licensed betting offices in the United Kingdom and Republic of Ireland. These media rights are currently held through to 31 March 2018, although in August the Company was informed that these rights would not be renewed. The Board are currently exploring options available to the business to continue trading beyond 31<sup>st</sup> March 2018.

The Company has signed up the majority of bookmakers in the UK and Republic of Ireland to receive its service. A rolling renewal of contracts takes place, although longer term contracts are in place with the largest bookmaking operators. The Company has agreed long term contracts covering the racecourse media rights period with William Hill, Coral Ladbrokes, and Betfred.

The Company operates in a market that faces certain risks and uncertainties, the most significant of which are the current uncertainty over funding in horseracing, and the tougher economic climate faced by its bookmaker clients. The Directors use certain key metrics to control and monitor the performance of the business, including revenue per shop and the number of LBOs, as well as the number of races per meeting and number of runners per race.

The Directors believe that the Company's forecasts are prudent and that it has anticipated the likely impact of the current market conditions on results for the coming year. The Directors are confident that trading in 2016 will be in line with expectations.

The income statement for the period is on page 7. The profit for the year after taxation was £9.31 million (2014: £7.68 million). The Directors have paid dividends totalling £7.5 million for the year (2014: £9.19 million), further details of which are included in Note 8 to the financial statements.

**FINANCIAL KEY PERFORMANCE INDICATORS**

- Revenue increased 2.4% to £75.6m;
- Media fee costs increased £1.1m to £50.8m;
- Operating profits rose 10.8% to £11.3m;

**AMALGAMATED RACING LIMITED  
STRATEGIC REPORT (CONTINUED)  
YEAR ENDED 30 NOVEMBER 2015**

**OTHER KEY PERFORMANCE INDICATORS**

- US Racing content delivering more than 8,500 races annually was taken by Ladbrokes during 2015, and is now being used both in LBO and online;
- Number of Licensed Betting Offices taking Turf TV service fell from 10,147 to 10,011;
- Number of scheduled BHA racing Fixtures fell from 736 to 728;

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

Details of the Company's financial risk management objectives and policies are set out in note 17 to the financial statements.

**By Order of the Board**



**David Craven - Director  
10<sup>th</sup> Floor  
The Met Building  
22 Percy Street  
London  
W1T 2BU  
23 March 2016**

**AMALGAMATED RACING LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**YEAR ENDED 30 NOVEMBER 2015**

The Directors are responsible for preparing the Directors' Report, the Strategic 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 and 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 judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs 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.

The Directors confirm that:

- so far as each of the Directors is aware there is no relevant audit information of which the Company's auditor is unaware; and
- The Directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AMALGAMATED RACING LIMITED****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMALGAMATED RACING LIMITED**

We have audited the financial statements of Amalgamated Racing Limited for the year ended 30 November 2015 which comprise the income statement, the balance sheet, the cash flow statement, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 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 Auditing Practices Board's (APB'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](http://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 30 November 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**AMALGAMATED RACING LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AMALGAMATED RACING LIMITED**  
**(continued)**  
**YEAR ENDED 30 NOVEMBER 2015**

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and Strategic 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.

*Grant Thornton UK LLP*

Stuart Muskett  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Manchester  
**23 March 2016**

**AMALGAMATED RACING LIMITED**  
**INCOME STATEMENT**  
**YEAR ENDED 30 NOVEMBER 2015**

	<b>Note</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
Revenue	2	75,583	73,845
Operating costs		(64,294)	(63,659)
<b>Operating profit</b>		11,289	10,186
Finance income	6	34	18
<b>Profit on ordinary activities before taxation</b>	5	11,323	10,204
Taxation	7	(2,010)	(2,520)
<b>Profit on ordinary activities after taxation attributable to equity holders of the controlling parties</b>		9,313	7,684

All activities are deemed to be continuing.

There are no items to be recognised in a separate statement of comprehensive income and accordingly no such statement has been included.

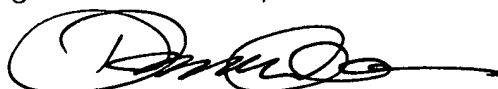
The notes on pages 10 to 28 form part of these financial statements.



**AMALGAMATED RACING LIMITED**  
**BALANCE SHEET**  
**AT 30 NOVEMBER 2015**

	Note	2015 £'000	2014 £'000
<b>Non current assets</b>			
Intangible assets	9	240	342
Property, plant and equipment	10	922	1,237
Trade and other receivables	11	2,412	4,330
Deferred tax asset	13	46	7
		<u>3,620</u>	<u>5,916</u>
<b>Current assets</b>			
Trade and other receivables	11	10,041	7,585
Corporation tax receivable		-	205
Cash and cash equivalents		18,085	14,047
		<u>28,126</u>	<u>21,837</u>
<b>Current liabilities</b>			
Trade and other payables	12	(27,187)	(25,984)
Corporation tax payable		(978)	-
		<u>(28,165)</u>	<u>(25,984)</u>
<b>Net current liabilities</b>		(39)	(4,147)
		<u>3,581</u>	<u>1,769</u>
<b>Equity attributable to equity holders of the controlling parties</b>			
Called up share capital	14	1	1
Retained earnings		3,580	1,768
<b>Total equity</b>		<u>3,581</u>	<u>1,769</u>

The financial statements were approved by the Board of Directors on 23 March 2016  
and were signed on its behalf by:



David Craven - Director  
**Amalgamated Racing Limited**  
**Company Number: 05849833**

**AMALGAMATED RACING LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 30 NOVEMBER 2015**

	<b>Note</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
<b>Net cash flows from operating activities</b>			
Cash generated from operating activities	15	11,798	13,841
Corporation tax paid		(203)	(2,450)
Net cash generated from operating activities		<u>11,595</u>	<u>11,391</u>
<b>Cash flows from investing activities</b>			
Interest received		34	26
Purchase of property, plant and equipment		(90)	(67)
Net cash used in investing activities		<u>(56)</u>	<u>(41)</u>
<b>Cash flows from financing activities</b>			
Dividends paid to the Company's shareholders		(7,501)	(9,193)
Net cash used in financing activities		<u>(7,501)</u>	<u>(9,193)</u>
<b>Net increase in cash and cash equivalents for the year</b>		4,038	2,157
<b>Cash and cash equivalents at beginning of year</b>		14,047	11,890
		<u>          </u>	<u>          </u>
<b>Cash and cash equivalents at end of year</b>		<u>18,085</u>	<u>14,047</u>

**STATEMENT OF CHANGES IN EQUITY**

	<b>Share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total £'000</b>
<b>At 1 December 2013</b>	1	3,277	3,278
Profit and total comprehensive income for the financial year	-	7,684	7,684
<b>Transactions with owners</b>			
Dividends paid (note 8)	-	(9,193)	(9,193)
<b>At 30 November 2014</b>	1	1,768	1,769
Profit and total comprehensive income for the financial year	-	9,313	9,313
<b>Transactions with owners</b>			
Dividends paid (note 8)	-	(7,501)	(7,501)
<b>At 30 November 2015</b>	1	3,580	3,581

**AMALGAMATED RACING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 NOVEMBER 2015**

**1. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently in dealing with items that are considered material to the Company's financial statements.

**BASIS OF PREPARATION**

These financial statements have been prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

**Adoption of new accounting standards**

The Company has not adopted any new interpretations, revisions or amendments to IFRS issued by the International Accounting Standards Board during the year which have a significant effect on current, prior or future periods in respect of presentation, recognition or measurement.

**Recently issued accounting pronouncements**

At the date of issue of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective. The directors anticipate that the adoption of these Standards and Interpretations will not have a material impact on the Company's financial statements. The directors anticipate that the Company will adopt these Standards and Interpretations on their effective dates.

All standards listed below are currently in issue but not yet effective for accounting periods commencing on or after 1 July 2014.

- IFRS 9 Financial Instruments (IASB effective date 1 January 2018)\*
- IFRS 14 Regulatory Deferral Accounts (effective 1 January 2016)\*
- IFRS 15 Revenue from Contracts with Customers (effective 1 January 2017)\*
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) (IASB effective date 1 July 2014)\*\*\*
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (IASB effective date 1 January 2016)\*
- Clarification of Acceptable Methods of Depreciation and Amortisation – Amendments to IAS 16 and IAS 38 (IASB effective date 1 January 2016)\*
- Annual Improvements to IFRSs 2010-2012 Cycle (IASB effective date generally 1 July 2014)\*\*\*
- Annual Improvements to IFRSs 2011-2013 Cycle (IASB effective date 1 July 2014)\*\*

**AMALGAMATED RACING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 NOVEMBER 2015**

**1. ACCOUNTING POLICIES (continued)**

- Annual Improvements to IFRSs 2012-2014 Cycle (effective 1 January 2016)\*
- Amendments to IAS 16 and IAS 41: Bearer Plants (effective 1 January 2016)\*
- Amendments to IAS 27: Equity Method in Separate Financial Statements (effective 1 January 2016)\*
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception (effective 1 January 2016)\*
- Disclosure Initiative: Amendments to IAS 1 Presentation of Financial Statements (effective 1 January 2016)\*

\* Not adopted by the EU (as at 16 June 2015)

\*\* EU mandatory effective date is financial years starting on or after 1 January 2015

\*\*\* EU mandatory effective date is financial years starting on or after 1 February 2015

**CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenue and expenses during the periods presented. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known. There are no significant estimates and judgements that have been made/applied in the preparation of the 2015 financial statements.

The following paragraphs detail the policies the Company believes to have the most significant impact on the annual results under IFRS.

**REVENUE**

Revenue comprises the fair value of consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of value added tax, returns, rebates and discounts.

Subscription revenues – revenue in respect of subscriptions for the TurfTV service provided by the Company is recognised on a straight line basis over the term of the subscription.

**AMALGAMATED RACING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 NOVEMBER 2015**

**1. ACCOUNTING POLICIES (continued)**

**INTANGIBLE ASSETS**

Intangible assets include acquired and internally developed software used in production or administration. They are accounted for using the cost model whereby capitalised costs are amortised on a straight line basis over their estimated useful lives (three to five years), as these are considered finite. The amortisation charge is included within operating costs.

**PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment is stated at cost including any incidental costs of acquisition, less depreciation and any provision for impairment. The economic lives of assets are reviewed annually. Depreciation is provided on a straight line basis so as to write off the cost of property, plant and equipment over its estimated useful economic life as follows:

Computer, office and site equipment	3 – 10 years
-------------------------------------	--------------

Material residual value estimates are updated as required, but at least annually.

**IMPAIRMENT TESTING OF INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT**

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. The intangible assets with a definite useful life and property, plant and equipment are tested for impairment whenever changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and fair value in use based on an internal discounted cash flow evaluation. Any impairment loss is charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

**FINANCIAL ASSETS**

The Company's financial assets comprise trade receivables and cash and cash equivalents that arise from its operations.

**Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provisions for impairment. A provision for impairment of trade receivables is established when there is evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**AMALGAMATED RACING LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 NOVEMBER 2015**

**1. ACCOUNTING POLICIES (continued)**

**FINANCIAL LIABILITIES**

The Company's financial liabilities comprise loans from controlling parties and trade and other payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instruments.

**Trade and other payables**

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

**BORROWINGS**

Borrowings are recorded at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance cost in the income statement. Finance charges, including premiums payable on settlement for redemption and direct issue costs, are charged to the income statement on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

**FOREIGN CURRENCY TRANSLATION**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the income statement as they arise.

**LEASED ASSETS**

In accordance with IAS 17, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is recognised at the time of inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments plus incidental payments, if any, to be borne by the lessee. A corresponding amount is recognised as a finance leasing liability.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the income statement over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the income statement on a straight line basis over the lease term. Lease incentives are spread over the term of the lease.