

WESTERBERG LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Current assets			
Stocks	5	5,438,216	16,301,650
Debtors: amounts falling due within one year	6	732,968	3,422,748
Cash at bank and in hand	7	1,989,679	447,728
		<u>8,160,863</u>	<u>20,172,126</u>
Creditors: amounts falling due within one year	8	(18,398,702)	(21,131,905)
Net current liabilities		<u>(10,237,839)</u>	<u>(959,779)</u>
Total assets less current liabilities		<u>(10,237,839)</u>	<u>(959,779)</u>
Net liabilities		<u>(10,237,839)</u>	<u>(959,779)</u>
Capital and reserves			
Called up share capital		100,000	100,000
Profit and loss account		(10,337,839)	(1,059,779)
		<u>(10,237,839)</u>	<u>(959,779)</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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 September 2021.

M Küssner
Director

The notes on pages 3 to 7 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Profit and loss account £	Total equity £
Loss for the period	-	(1,059,779)	(1,059,779)
Shares issued during the period	100,000	-	100,000
At 1 January 2020	<u>100,000</u>	<u>(1,059,779)</u>	<u>(959,779)</u>
Loss for the year	-	(9,278,060)	(9,278,060)
At 31 December 2020	<u>100,000</u>	<u>(10,337,839)</u>	<u>(10,237,839)</u>

The notes on pages 3 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Westerberg Limited is a private company limited by shares incorporated in England and Wales (company number: 11581565). The registered office is 70 Jermyn Street, London, SW1Y 6NY.

The financial statements cover the year ended 31 December 2020 while the comparatives cover the period from incorporation on 21 September 2018 to 31 December 2019, so are not entirely comparable.

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.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Going concern

Despite the loss for the year of £9,278,060 and the company having net liabilities at the Balance Sheet date of £10,237,839, the directors have considered and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, through available cash resources and the ongoing support of fellow group companies, which are the entity's major creditors. The directors of the parent company have indicated that the group companies will not demand repayment of the intercompany loans for a period of at least twelve months from the date of approval of these financial statements. The directors therefore have adopted the going concern basis of preparation for these financial statements.

In drawing this conclusion, the directors have given due consideration to the impact of the Coronavirus pandemic. The directors have a reasonable expectation that the pandemic will not cause the company to cease to be a going concern.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 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.

2.5 Finance costs

Finance costs are charged to profit or loss 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.

2.6 Taxation

For tax purposes the company's activities are separated into two trades, being Horse Racing and Horse Breeding activities. For UK taxation income and expenditure related to Horse Racing is neither taxable or tax deductible, while income and expenditure relating to Horse Breeding is taxable and tax deductible in the period incurred.

2.7 Stocks

Stock of horses are stated at the lower of cost and net realisable value. At each balance sheet date, stocks are valued by an independent expert, assessing the market value of each horse. If stock is to be revalued, any impairment is recognised immediately in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.8 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.

2.9 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.

2.10 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.

2.11 Financial instruments

The Company only enters into basic financial instrument 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 ordinary shares.

3. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £4,430 (2019 - 4,300).

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2019 - 2).

5. Stocks

	2020 £	2019 £
Horses	5,438,216	16,301,650
	<u>5,438,216</u>	<u>16,301,650</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	387,317	-
Other debtors	342,754	3,362,605
Prepayments and accrued income	2,897	60,143
	<u>732,968</u>	<u>3,422,748</u>

7. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,989,679	447,728
	<u>1,989,679</u>	<u>447,728</u>

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	899,021	197,234
Amounts owed to group undertakings	17,397,863	20,907,855
Other creditors	23	158
Accruals and deferred income	101,795	26,658
	<u>18,398,702</u>	<u>21,131,905</u>

9. Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102 Section 33 (para 33.11) 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions. Consolidated financial statements are prepared by the ultimate parent company, and these are available from Hansa Aktiengesellschaft, Via Brattas 2, 7500 St. Moritz, Switzerland.

During the prior period one director operated a loan account with the company, which accrues interest at a rate of 2.5% per annum payable on 1 January each year. At the year end the director owed the company £nil (2019 - £79,914), this amount is included within other debtors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Controlling party

The ultimate parent company is Hansa Aktiengesellschaft, a Swiss company limited by shares, by virtue of its 100% holding in the issued share capital of the company.

11. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on 21 September 2021 by Deborah Graham (Senior Statutory Auditor) on behalf of Ryecroft Glenton.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.