

INTERNATIONAL MOTOR SPORTS LIMITED

Company Registration Number 2979954

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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INTERNATIONAL MOTOR SPORTS LIMITED
DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year ended 31 December 2015

ACTIVITIES

The principal activities of the Company comprise organisation and promotion of motor sports and related entertainment events, provision of motor sports consultancy services and commercial activities related to motor sports

REVIEW OF RESULTS AND FUTURE PROSPECTS

The results for the year and the financial position of the company are shown in the annexed financial statements. The Board is pleased to be able to report a return to profit in 2015, delivered largely as a result of increased commercial revenues and tighter cost control, which enabled the company to outperform its forecast for the year, despite the continued reshaping of the workforce. The positive results, while modest, underline a more favourable outlook for the company and provide the Board with greater confidence for the future.

CHARITABLE DONATIONS

During the year the Company made a charitable donation of £100 (2014 - £Nil)

DIVIDEND POLICY

The Directors do not recommend payment of a dividend for the year

DIRECTORS

The Directors who served throughout the year, except as noted below, were -

A Gow	- Chairman
B Taylor	- Managing Director
S Blunt	- Company Secretary
R Jones	
I Coomber	
T Jackson	- Director (appointed 9 th March 2015)
S Townley	- Director (resigned 8 th June 2015)

The Board wishes to acknowledge the excellent contribution made by Mr Townley during the term of his Directorship and greatly appreciate the energies he devoted to the company during that time.

In preparing this report, the directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

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



ALAN GOW - CHAIRMAN

DATE: 24TH FEBRUARY 2016

INTERNATIONAL MOTOR SPORTS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- * select suitable accounting policies and then apply them consistently,
- * make judgements and 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 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.

So far as each of the directors is aware at the time the report is approved, there is no relevant audit information of which the company's auditors are unaware, and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

2015 IMS BOARD ATTENDANCE

<u>Director</u>	<u>Board Meetings</u>	
	<u>Possible</u>	<u>Attendance</u>
A Gow	4	4
B Taylor	4	4
S Blunt	4	4
R Jones	4	3
I Coomber	4	3
T Jackson	3	3
S Townley	2	1

INTERNATIONAL MOTOR SPORTS LIMITED
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INTERNATIONAL MOTOR SPORTS LIMITED

We have audited the financial statements of International Motor Sports Limited for the year ended 31 December 2015 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 31 December 2015 and of its profit 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.

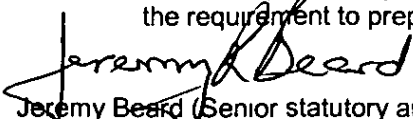
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.


Jeremy Beard (Senior statutory auditor)

for and on behalf of Haysmacintyre, Statutory Auditor

24th February 2016

26 Red Lion Sq
London
WC1R 4AG

INTERNATIONAL MOTOR SPORTS LIMITED

INCOME STATEMENT
YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	4	2,996,959	2,834,157
Administration expenses		<u>(2,995,581)</u>	<u>(3,272,412)</u>
Gross profit		1,378	(438,255)
Interest receivable		<u>5,844</u>	<u>7,472</u>
Profit on ordinary activities before taxation	5	7,222	(430,783)
Tax charge on profit on ordinary activities	7	<u>(1,645)</u>	<u>77,942</u>
Profit/(loss) on ordinary activities after taxation		5,577	(352,841)
Profit brought forward as at 1 January		<u>401,587</u>	<u>754,428</u>
Profit carried forward as at 31 December		<u>407,164</u>	<u>401,587</u>

All amounts are in respect of continuing activities. There are no other recognised gains or losses or movements in the shareholders' funds other than as stated in the income statement above. Accordingly, separate statement of comprehensive income or statement of changes in equity is not required.

INTERNATIONAL MOTOR SPORTS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	8	<u>113,092</u>	<u>98,779</u>
CURRENT ASSETS			
Debtors	9	476,868	530,576
Cash at bank and in hand	10	<u>578,082</u>	<u>557,026</u>
		1,054,950	1,087,602
CREDITORS amounts falling due within one year	11	<u>(703,892)</u>	<u>(728,304)</u>
NET CURRENT ASSETS		351,058	359,298
Provision for Liabilities – deferred tax	12	<u>(6,986)</u>	<u>(6,490)</u>
NET ASSETS LESS CURRENT LIABILITIES		<u>457,164</u>	<u>451,587</u>
SHARE CAPITAL AND RESERVES			
Called up share capital	13	50,000	50,000
Profit and loss account		<u>407,164</u>	<u>401,587</u>
Equity Shareholders' funds		<u>457,164</u>	<u>451,587</u>

These accounts 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 on 24th February 2016

Signed on behalf of the Board of Directors



ALAN GOW - CHAIRMAN

Company registration no: 2979954

INTERNATIONAL MOTOR SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

International Motor Sports Limited is incorporated in England and Wales, whose registered office is Motor Sports House, Riverside Park, Colnbrook, SL3 0HG

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable United Kingdom accounting standard, including Financial Reporting Standard 102 Section 1A small entities – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

This is the first year in which the financial statements have been prepared under FRS 102.

The financial statements are presented in Sterling (£).

The accounts of International Motor Sports Limited have adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including
 - Categories of financial instruments,
 - Items of income, expenses, gains or losses relating to financial instruments, and
 - Exposure to and management of financial risks

Going Concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

3. PRINCIPAL ACCOUNTING POLICIES

3.1 Tangible Fixed Assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, over their useful lives, using the straight-line / reducing balance method. The rates applicable are:

Computer Software	50%	per annum on cost
Office Fixtures, Fittings and Equipment	20%	per annum on written down value
Motor Vehicles	25%	per annum on cost

3.2 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans received are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less and impairment.

INTERNATIONAL MOTOR SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

3.3 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.

3.4 Creditors

Short term trade 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.

3.5 Current and Deferred Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a change 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits, and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3.6 Turnover

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,
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

INTERNATIONAL MOTOR SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

3.6 Turnover (cont.)

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

3.7 Interest Income

Interest income is recognised in the Profit and Loss Account using the effective interest method

3.8 Holiday Pay Accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date

3.9 Employee Benefits

The Company participates in The Motor Sports Association Staff Benefits Scheme, which is a funded defined benefit scheme. The scheme is valued formally every three years by professionally qualified and independent actuaries using the Projected Unit method. Reviews of the scheme's position are carried out in the period between valuations. The defined benefit pension scheme is run on a basis that does not enable individual companies within the group to identify their share of the underlying assets and liabilities. In addition a Stakeholder Plan is available for employees who joined after 31 December 2001.

3.10 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. Nonmonetary 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 the Profit and Loss Account 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 Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and Loss Account within 'other operating income'.

INTERNATIONAL MOTOR SPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2015

4. TURNOVER

Turnover, analysed geographically between markets, was as follows

	2015	2014
Europe	2,996,959	2,834,157
Rest of the World	-	-
Total turnover	<u>2,996,959</u>	<u>2,834,157</u>

Turnover, analysed by category, was as follows

	2015	2014
Sale of goods	-	-
Rendering of services	2,996,959	2,834,157
Total turnover	<u>2,996,959</u>	<u>2,834,157</u>

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after

	2015	2014
	£	£
Auditor's remuneration		
Fees payable to the company's auditor for the audit of the company's annual accounts	6,800	6,650
Fees payable to the company's auditors and its associates for other services – tax and other services	3,650	1,355
Depreciation – owned assets (note 6)	36,315	39,125
Surplus on disposal of motor vehicle	(12,536)	(2,200)
Foreign currency losses	<u>24,081</u>	<u>7,688</u>

6 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows

	2015	2014
	£	£
Wages and salaries		
Gross wages and salaries	336,601	344,915
Redundancy and compensation for loss of office	25,719	137,052
Social Security costs	40,583	38,529
Other pension costs	<u>108,120</u>	<u>114,943</u>
	<u>511,023</u>	<u>635,439</u>

One executive director is considered to be key management personnel (2014 2) He received compensation of £108,899 (2014 £109,150) during the year

The company operates a stakeholder defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pensions provider. Pension payments recognised as an expense during the year amount to £34,024 (2014 £28,782)

INTERNATIONAL MOTOR SPORTS LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 31 DECEMBER 2015

The average number of employees of the company during the year was

	2015	2014
Director and managers	5	4
Processing and administration	2	3
	<u>7</u>	<u>7</u>

Remuneration in respect of directors was as follows

	2015	2014
	£	£
Emoluments	108,899	109,150
Compensation for loss of office	-	137,052
Pension contributions to money purchase pension schemes	14,786	10,648
	<u>123,685</u>	<u>256,850</u>

During the year 1 director (2014 – 1) participated in money purchase pension scheme

7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

The tax (credit)/charge is based on the profit for the year and represents

	2015	2014
	£	£
UK corporation tax	1,149	(73,555)
Adjustments in respect of previous periods	-	86
Total current tax	<u>1,149</u>	<u>(73,469)</u>
Deferred taxation origination and reversal of timing differences	496	(4,473)
Tax on results on ordinary activities	<u>1,645</u>	<u>(77,942)</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom at 20% (2014 – 20%) The differences are explained as follows

Profit/(loss) on ordinary activities before tax	<u>7,222</u>	<u>(430,783)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 20% (2014 – 20%)	1,444	(86,157)
Effects of		
Expenses not deductible for tax purposes	1,301	1,812
Capital allowances in excess of depreciation	609	4,473
Unutilised tax losses carried forward	<u>(2,205)</u>	<u>6,317</u>
Tax on results on ordinary activities	<u>1,149</u>	<u>(73,555)</u>

INTERNATIONAL MOTOR SPORTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

8	TANGIBLE ASSETS	Office Fixtures, Fittings & Equipment	Motor Vehicles	Total
		£	£	£
	COST At 01.01.15	199,691	73,968	273,659
	Additions	2,367	48,261	50,628
	Disposals		(40,870)	(40,870)
	At 31.12.15	202,058	81,359	283,417
	ACCUMULATED DEPRECIATION			
	AT 01.01.15	125,735	49,145	174,880
	Provision for year	15,975	20,340	36,315
	Disposals	-	(40,870)	(40,870)
	At 31.12.15	141,710	28,615	170,325
	NET BOOK VALUE			
	At 31.12.15	60,348	52,744	113,092
	At 31.12.14	73,956	24,823	98,779
9.	DEBTORS		2015	2014
			£	£
	Trade debtors		136,014	162,101
	Other debtors		52,506	87,394
	Corporation Tax		-	73,555
	Prepayments and accrued income		288,348	207,526
			476,868	530,576
10.	CASH AND CASH EQUIVALENTS		2015	2014
			£	£
	Cash at bank and in hand		578,082	557,026
11	CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR		2015	2014
			£	£
	Trade creditors		468,250	305,631
	Taxation and social security		26,763	20,378
	Corporation Tax		1,149	-
	Accruals and deferred income		207,730	402,295
			703,892	728,304

INTERNATIONAL MOTOR SPORTS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

12 DEFERRED TAXATION

2015

2014

Deferred taxation provided for a 20% (2014 - 20%) in the financial statements is set out below

	£	£
Deferred Tax		
Accelerated capital allowance	(6,490)	(10,963)
Movement in the year	(496)	4,473
	<u>(6,986)</u>	<u>(6,490)</u>

13 CALLED UP SHARE CAPITAL

2015

2014

£

£

Authorised

100,000 ordinary shares of £1 each

100,000

100,000

Allotted and fully paid

100,000 ordinary shares of £1 each

50,000

50,000

14 PENSION AND RELATED STAFF BENEFITS

The Motor Sports Association Staff Benefits Scheme

The Company participates in The Motor Sports Association Staff Benefits Scheme, which is a defined benefit pension scheme for permanent staff employed before 1 January 2002. The Company has now adopted FRS17 for accounting for pension costs. It has not been possible to identify the Company's share of the underlying assets and liabilities of the scheme. Therefore contributions are accounted for as if The Motor Sports Association Staff Benefits Scheme was a defined contribution pension scheme and pension costs are based on the amounts actually paid in accordance with paragraphs 8-12 of FRS17. The pension charge under the scheme for the year was £67,770 (2014 - £79,282) and associated insured benefits costs were £6,326 (2014 - £6,879). The pension scheme net asset/(liability) amounts to £332,055 (2014 - £(77,715)). Full details of the scheme are disclosed in the group financial statements of The Royal Automobile Club Motor Sports Association Limited.

The Motor Sports Association Stakeholder Personal Pension Plan

The Company participates in The Motor Sports Association Stakeholder Personal Pension Plan, provided by Aviva Plc. The stakeholder pension plan is a Company funded defined contribution pension arrangement. All employees who joined the Company after 31 December 2001, and have completed three months' service, are entitled to join. Upon request from those employees the Company makes a contribution to the scheme of 10-15% of their basic salary. The contribution payable this year was £34,024 (2014 - £28,782).

INTERNATIONAL MOTOR SPORTS LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

15. RELATED PARTY TRANSACTIONS

During the year a management charge for establishment, office and staff services of £51,630 (2014 - £49,980) was paid to the Company's parent, The Royal Automobile Club Motor Sports Association Limited (MSA). Furthermore the Company was charged other MSA fees. The value of these transactions amounted to £570 (2014- £604). At the year-end £Nil (2014- £Nil) was due to MSA. Also the Company supplied services to British Grand Prix Limited (BGPL), a subsidiary of MSA. The value of these transactions amounted to £197,636 (2014- £202,172). At the year-end £nil (2014 - £nil) was due to BGPL.

16. FINANCIAL RISK MANAGEMENT

The Company has exposure to one main area of risk which is directly associated with its role as an event management company. Should any of the events not take place for any reason during the year, then the company would be likely to lose the related revenues. This situation is unchanged from previous years and there is no reason to suspect that the events scheduled for 2016 will not take place as anticipated.

17. ULTIMATE PARENT COMPANY

The ultimate and immediate parent and controlling company of International Motor Sports Limited is The Royal Automobile Club Motor Sports Association Limited, a company incorporated in Great Britain.

Copies of the parent company's group financial statements are available from

The Royal Automobile Club Motor Sports Association Limited
Motor Sports House
Riverside Park
Colnbrook
Slough
SL3 0HG

18. 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 and loss.