

# Arabian Racing Organisation Limited

(A company limited by guarantee)

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2021

# Arabian Racing Organisation Limited

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**Arabian Racing Organisation Limited**

(Registration number: 03902941)  
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	<u>5</u>	5,643	18,124
Cash at bank and in hand		<u>143,182</u>	<u>151,273</u>
		148,825	169,397
<b>Creditors: Amounts falling due within one year</b>	<u>6</u>	<u>(67,460)</u>	<u>(56,215)</u>
<b>Total assets less current liabilities</b>		81,365	113,182
<b>Creditors: Amounts falling due after more than one year</b>	<u>6</u>	<u>(209,969)</u>	<u>(209,969)</u>
<b>Net liabilities</b>		<u>(128,604)</u>	<u>(96,787)</u>
<b>Reserves</b>			
Retained earnings		<u>(128,604)</u>	<u>(96,787)</u>
Deficit		<u>(128,604)</u>	<u>(96,787)</u>

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 19 December 2022 and signed on its behalf by:

.....  
R D Weston  
Company secretary and director

# Arabian Racing Organisation Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

### 1 General information

The Arabian Racing Organisation Limited is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

The address of its registered office is:

The Racecourse

Newbury

Berkshire

RG14 7NZ

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### Going concern

The lifting of the restrictions enforced during the Covid -19 pandemic allowed the company to operate at more normal levels and the 2021 racing season was completed satisfactorily, albeit with fewer races than was the case pre-pandemic.

The trading result for 2021 was also satisfactory, being a deficit of £31,817.

A relatively full programme of races was possible in 2022 albeit that the directors are aware of the reduced population of horses following the death of Sheik Hamdan al Maktoum and the consequent rationalisation of the Shadwell operation and adapted the racing schedule, as appropriate.

Cash reserves at 31 December 2021 were healthy and, based upon the position at the date on which these accounts were signed and the financial forecasts for 2023, will cover all non discretionary expenditure in the year.

On that basis, the Directors have a reasonable expectation that the company will continue to have sufficient financial resources available to enable it to meet its liabilities as they fall due for the foreseeable future, being not less than one year from the date on which these financial statements were signed.

These financial statements have therefore been drawn up on the going concern basis, which assumes that this will be the case.

As there is no intention or expectation that the company will be wound-up within the foreseeable future, the Perpetual Debentures have been treated as a long-term liability (see note 6).

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for sponsorship income, race day income, entries and declarations, registrations and other services provided in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

## Arabian Racing Organisation Limited

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	33% straight line

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 6 (2020 - 6).

**Arabian Racing Organisation Limited**

**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021**

**4 Tangible assets**

	Office equipment £	Total £
<b>Cost or valuation</b>		
At 1 January 2021	4,857	4,857
At 31 December 2021	4,857	4,857
<b>Depreciation</b>		
At 1 January 2021	4,857	4,857
At 31 December 2021	4,857	4,857
<b>Carrying amount</b>		
At 31 December 2021	-	-

**5 Debtors**

	2021 £	2020 £
<b>Current</b>		
Trade debtors	625	6,876
Prepayments	2,271	2,607
Other debtors	2,747	8,641
	5,643	18,124

# Arabian Racing Organisation Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

### 6 Creditors

#### Creditors: amounts falling due within one year

	2021 £	2020 £
<b>Due within one year</b>		
Trade creditors	2,400	602
Taxation and social security	521	523
Accruals and income received in advance	64,539	55,090
	<u>67,460</u>	<u>56,215</u>

#### Due after one year

Debenture loans	<u>209,969</u>	<u>209,969</u>
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#### Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
<b>Due after one year</b>			
Debenture loans		<u>209,969</u>	<u>209,969</u>

The debentures are unsecured, perpetual and interest free.

The debenture loans are undated, have no final maturity date and will only become payable upon the winding up of the company and on the condition that the claims of all other creditors have been satisfied, paid or provided for in full. The directors have no reason to expect that the company will be wound up within the foreseeable future and the non convertible debenture loans have therefore been treated as a long term liability.

### 7 Financial commitments, guarantees and contingencies

#### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £8,760 (2020 - £8,760).

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.