Contents

Officers and Professional Advisers

DIRECTORS

D J Burke (Chairman)	B R Burrough
J Dodds	The Hon H M Herbert
M Leigh	Lady Lloyd-Webber
J McGrath	J M Thick
M L Thompson	N W E Penser

SECRETARY	M Leigh	
REGISTERED NUMBER	00080774	
REGISTERED OFFICE	The Racecourse Newbury Berkshire RG14 7NZ	
AUDITORS	BDO LLP 55 Baker Street London W1U 7EU	
BANKERS	Royal Bank of Scotland Abbey Gardens Reading RG1 3BA	HSBC Bank plc 6 Northbrook Street Newbury RG14 1DJ
	Weatherbys Bank Sanders Road Wellingborough NN8 4BX	
SOLICITORS	Pinsent Mason LLP 30 Crown Place London EC2A 4ES	
REGISTRARS	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL	
CORPORATE ADVISERS	Allenby Capital Limited 5th Floor 5 St Helens Place London EC3A 6AB	

CHAIRMAN'S STATEMENT

Year ended 31 December 2022

2022 Financial Performance

Following two years of restrictions and disruption caused by the pandemic, 2022 enabled the business to return to normal trading with growth reported in the underlying business. Revenue grew by 17% to £17.42m in 2022 (2021: £14.83m). We were able to host 30 fixtures during the year, compared with 29 in 2021, with 1 fixture abandoned on 14th December 2022 due to adverse weather. The Nursery business operated throughout the year and generated turnover of £1.72m (2021: £1.56m). The Lodge Hotel re-opened in January after 22 months of closure and generated income of £0.74m (2021: £0.04m).

It has always been the board's strategy to develop the racecourse into a year-round leisure and events business. The Company entered into an agreement with reputable events partner Underbelly Ltd to launch the Great Christmas Carnival which took place at the racecourse from 25th November 2022 until 2nd January 2023. This was expected to create an important new revenue stream and broaden the business base beyond racing, but due to a number of factors, the event was not as well attended as Underbelly expected and has resulted in a material loss of £0.67m to the Company.

Operating loss in the year was £0.01m (2021: Profit of £0.20m). The company Profit before tax was £0.13m (2021: £0.18m). Excluding the impact of the Great Christmas Carnival event loss, the Profit before tax was £0.80m (2021: £0.18m)

2022 Racing Highlights

The 2022 racing programme returned to its normal calendar following the disruption of the previous two years with over 141,000 racegoers (2021:105,000) being welcomed to the racecourse.

We played host to some top-class racing during the year, enhancing our ability to attract the very best horses across both codes and once again providing our racegoers with some outstanding performances on the track. Highlights early in the year included wins in the Betfair Hurdle for *Glory and Fortune* and for *Eldorado Allen* in the Betfair Denman Chase.

The start of the 2022 flat season was held over the Easter weekend in April, with *Wild Beauty, Max Vega* and *Perfect Power* winning the main races in the Dubai Duty Free Spring Trials. In May the Al Shaqab Lockinge Stakes was won in majestic fashion by *Baaeed,* which kicked off an outstanding campaign for one of the world's top-ranked racehorses.

The first Party in the Paddock event took place after the Weatherby's Super Sprint meeting, with a crowd of over 15,000 enjoying the return of Craig David who performed after an excellent day's racing, which saw *Eddie's Boy* win the Super Sprint and *Minzaal* win the Bet365 Hackwood Stakes. Our second Party in the Paddock in August saw the Ministry of Sound Classical orchestra perform at the BetVictor Hungerford meeting where *Jumby* was victorious in the day's feature race.

Rounding off 2022 in style, *Le Milos* delighted crowds by winning the rebranded Coral Gold Cup. A new commercial relationship between the Company and Entain Group means that Coral has become the title sponsor of the two-day Gold Cup Meeting in a three-year deal. Coral also sponsored the 2022 running of the Grade 1 Challow Novices Hurdle won by *Hermes Allen.*

Liquidity and Investments

The David Wilson Homes ('DWH') residential development continued throughout 2022 with construction now continuing into the final phase at the Eastern end of the site. Approximately 1,100 homes out of the planned total of c.1,500 are now built. The final payment for the balance of the guaranteed minimum land value of £10.7m due from DWH, under the 2012 development agreement, was received in March 2022 so the Company does not expect to receive any further payments from this agreement.

Subsequently this enabled the business to settle the outstanding £4.5m balance on the NatWest Bank loan as well as make the final £2.7m repayment of the Compton Beauchamp Estates Loan, meaning that the Company is currently free of debt. Given these transactions we were able to satisfy the commitment made in 2012, and in many subsequent announcements, to return capital to shareholders. The Board announced on 5 May 2022 the declaration of an 89.6 pence per share special interim dividend totalling £3m which was paid in June.

Our commitment to investing in our racing was again evident with a 10% increase in prize money to £5.17m of which our Executive Contribution increased by 64% to £2.47m.

Additionally, our commitment to improving facilities at the racecourse has been demonstrated with a joint £1.2m investment in the Berkshire Stand's first floor facilities shared equally with our catering operator Levy Restaurants as well as a further joint £1.8m for a similar project in the Hampshire Stand Hennessy Restaurant in the first quarter of 2023. These developments have been made in the face of a very challenging environment for racing both at Newbury and throughout rest of the UK, but we believe in the importance of providing high class facilities for all of our racegoers.

CHAIRMAN'S STATEMENT (Continued)

Year ended 31 December 2022

On behalf of the board, I would like to thank our staff for their continued hard work during the year. In addition, I would also like to thank our sponsors for their ongoing support as well as members, customers, owners, trainers and all those associated with racing industry for their continued support of Newbury Racecourse.

DOMINIC J BURKE
Chairman

9 May 2023

STRATEGIC REPORT

Year ended 31 December 2022

STRATEGY AND OBJECTIVES

The Board's strategy is for Newbury Racecourse plc to provide a profitable and diversified business for the benefit of all stakeholders. This will be delivered through first class facilities including a modern market-leading racecourse, hotel, children's nursery, hospitality, and events businesses. Where commercially viable these will be supported by further innovative activities. One of the key aims of this Strategic Report is to set out and appraise the business model through which we deliver that strategy.

THE BUSINESS MODEL

Newbury Racecourse plc is the parent of a Group of companies which own Newbury Racecourse and engages in racing, hospitality and associated food and beverage retail activities. In addition, the Group operates a conference and events business, a children's nursery, and an on-site hotel. Alongside its trading activities, the Group also owns freehold property from which it receives annual income and, until March 2022, benefitted from the sale of residential properties on the site, as part of a long-term development agreement with David Wilson Homes.

PERFORMANCE REVIEW

Consolidated group profit on ordinary activities before tax in the year ended 31st December 2022 was £0.13m (2021: £0.18m) which included the £0.67m loss incurred by the Great Christmas Carnival event.

Turnover increased by 17% to £17.42m (2021: £14.83m). Racing revenues increased by 12% on the prior year, mainly through an increase in media rights income but with one abandonment in the year (2021: none). Our Conference & Events business income was in line with 2021, the Nursery has seen a 10% increase in income and the Lodge delivered revenue of £0.74m having been closed from March 2020 until re-opening January 2022.

Total costs increased by 17% to £17.4m (2021: £14.9m). Gross profit reduced to £2.64m (2021: £2.74m) with the margin reducing from 18% to 15% due to the Great Christmas Carnival costs as well as the year-on-year revenue improvements being through lower margin income streams, due to the prior year impact of the pandemic.

Loss before interest, tax and exceptional items was £0.02m (2021: Profit of £0.04m).

Exceptional items in 2022 were a credit of £0.01m (2021: credit of £0.15m) being the fair value movement on the David Wilson Homes ("DWH") debtor, based upon the expected timing and value of future receipts. Following the final receipt being received in 2022, the DWH debtor has now been fully settled so will have no impact on future financial statement reporting.

The profit after tax was £0.07m (2021: loss £0.88m).

The negative movement in cash reserves of £1.88m in the period (2021: £0.48m increase) includes £10.71m of final cash receipts from DWH in respect of the minimum guarantee, £4.5m repayment of the Nat West bank loan, £2.71m repayment of the Compton Beauchamp loan and £2m invested in short-term deposits. £3.0m of cash was distributed to shareholders in 2022 by way of a special interim dividend. The company is now debt free.

Racing

In 2022 we hosted two additional BHA fixtures so the accounts include a total of 30 days racing (2021: 29) with one abandonment on 14th December. Overall raceday attendances in 2022 were 141,000 (2021: 105,000). In the prior year, racing with a crowd commenced in June 2021.

Total media related revenues of £5.14m, were up 17% compared with 2021. In the year this accounted for 30% of our total trading revenue which compares exactly with 2021.

May marked the eighth year of Al Shaqab's sponsorship of Lockinge Day, Newbury's richest race meeting, which was attended by almost 11,000 racegoers. This meeting has established itself as the flagship event in our flat racing calendar and the action on the track once again featured a string of outstanding performances.

Our cornerstone jump meeting at the end of November celebrated the start of our new three-year partnership with Entain and featured the inaugural running of the renamed Coral Gold Cup (formerly the Ladbrokes Trophy). Attendances across the two-day meeting were just over 18,000.

We continued to make further significant investment into prizemoney, with a 10% (£0.46m) like for like increase in our contributions to £5.17m (2021: £4.71m). We also increased our Executive Contribution to prizemoney by 64% to £2.47m (2021: £1.51m).

We are grateful to have received continued significant support from all of our sponsors, with particular thanks to Al Shaqab Racing, bet365, Betfair, BetVictor, Dubai Duty Free and Coral for their commitment in 2022.

STRATEGIC REPORT (Continued)

Year ended 31 December 2022

Catering, Hospitality and Conference & Events

Conference & Events revenues were £0.26m (2021: £0.26m), resulting in an operating Gross Operating Profit of £0.18m (2021: £0.15m). These are encouraging figures given the decision in early 2022 to cease proactive marketing in this sector whilst we reviewed the market.

Having concluded this review, going forward our restructured Conference & Events team is now focused entirely on growing this part of our business, through proactive selling and relationship building within key sectors and with several agents.

Our Catering business transferred to an outsourced arrangement with Levy Restaurants in 2021 which, following a joint commitment to facility investment, means that the contractual arrangement will continue through to the end of 2031. Despite challenges within the hospitality sector we have been encouraged by trading with reported income of £0.62m (2021: £0.43m).

The Rocking Horse Nursery

The Rocking Horse Nursery traded positively throughout 2022 with revenues of £1.72m, up 10% against 2021. This business unit reported an operating profit of £0.57m (2021: £0.53m).

The Lodge

Having reopened in January 2022 following a 22-month closure, our on-site hotel performed strongly with revenues of £0.74m (2021: £0.04m). This business unit reported an operating profit of £0.1m (2021: Loss of £0.05m)

The Redevelopment

The final balance of the guaranteed minimum land value to be paid by DWH was received in March 2022 which concludes the final arrangement from the 2012 Development Agreement. However, the residential development continues with the final phase of construction at the Eastern end of the site. Approximately 1,100 homes out of the total c.1,500 are now built and sold with a further 80 currently under construction.

FINANCIAL COMMENTARY

Consolidated Group profit before tax in the year ended 31 December 2022 was £0.13m (2021: £0.18m) which includes £0.01m of exceptional profit (2021: £0.15m).

Total statutory turnover in 2022 was £17.42m (2021: £14.83m). Overall racing revenues increased to £14.03m compared with 2021 (£12.48m). Overall media and betting rights revenues (included in overall racing income) were £5.14m (2021: £4.38m), in part due to LBO's being closed for the early part of 2021.

Our Conference and Events revenues were £0.26m (2021: £0.26m) and The Lodge was £0.74m (2021: £0.04m) due to the former trading consolidating after the impact of the pandemic and the latter re-opening to the public in January after 22 months of closure. The Nursery turnover was £1.72m (2021: £1.56m) which was up 10% as a result of normal business being fully resumed. Total costs for the year were £17.44m (2021: £14.86m) due to the cost of the Great Christmas Carnival and year-on-year increased number of racedays with a paying attendance.

Exceptional profits during 2022 were £0.01m (2021: £0.15m) being the final movement in the fair value of the DWH debtor.

Overall operating loss before interest was £0.01m (2021: £0.20m profit). Interest payable was £0.05m (2021: £0.19m) due to the decrease in interest charges on loan facilities which were settled during the year. Net interest was a receivable of £0.14m (2021 payable of £0.02m) The tax charge of £0.05m (2021: charge £1.06m) relates to the movement in deferred tax during the period. Profit after tax was £0.07m (2021: £0.88m loss).

KEY PERFORMANCE INDICATORS

The Group uses raceday attendance, trading operating profit and cash generated from operating activities, as the primary performance indicators. Total attendance was 141,000 (2021: 105,000). Operating profit is shown within the profit and loss account on page 29 and cash generated from operating activities is shown within the consolidated statement of cashflows on page 33.

PRINCIPAL RISKS AND UNCERTAINTIES

Cashflow Risk

The main cash flow risks, under normal trading circumstances, are the vulnerability of race meetings to abandonment due to adverse weather conditions, animal disease and fluctuating attendances particularly for the Party in the Paddock events, together with the previous possibility of delayed property receipts from David Wilson Homes. The practice of covering the racetrack to protect it from frost and investment in improved drainage, as well as insuring key racedays, mitigates some of the raceday risk. Regular review of variable conferencing costs reduces the impact of a decline in conference sales.

STRATEGIC REPORT (Continued)

Year ended 31 December 2022

Short term cash flow risk is mitigated by regular review of the expected timing of receipts and by ensuring that the Group has committed contingencies in place in order to manage its working capital and investment requirements.

Credit Risk

The Group's principal financial assets are trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The amounts in the balance sheet are net of allowances for doubtful receivables. Payment is required in advance for ticket, hospitality, sponsorship, and conference and event sales, reducing the risk of bad debt.

Liquidity Risk

In order to maintain liquidity to ensure that sufficient funds are available for both ongoing operations and the property redevelopment, the Group uses a mixture of term debt and revolving credit facilities which are secured on the property assets of the Group. The Board regularly review the facilities available to the Group to ensure that there is sufficient working capital available.

Price Risk

The Group operates within the leisure sector and regularly benchmarks its prices to ensure that it remains competitive, as well as having a dynamic pricing model in place.

Cost Risk

The Group has had a historically stable cost base. The key risks are unforeseen maintenance liabilities, movement in utility costs and additional regulatory costs for the racing business. A programme of regular maintenance is in place to manage the risk of failure in the infrastructure, while utility contracts are professionally managed. The Group is a member of the Racecourse Association, a trade association which actively seeks to manage increases in regulatory risk.

Interest Rate Risk

The Group previously managed its exposure to interest rates through an appropriate mixture of interest rate caps and swaps, although this is currently not required.

GOING CONCERN

The Board has undertaken a full, thorough and continual review of the Group's forecasts and associated risks and sensitivities, over the next twelve months. The extent of this review reflects the current economic climate as well as the specific financial circumstances of the Group.

The Board identified that the Group's cash flow forecasts are sensitive to fluctuating revenue streams from ticket sales, corporate hospitality, conference and event income. A system of regular reviews of the forecasted business has been implemented to ensure all variable costs are flexed to match anticipated revenues. In addition, a number of race meetings have been insured for adverse weather conditions (and other factors such as animal disease and national mourning), reducing the levels of risk carried by the Group.

The Board has reviewed the cash flow and working capital requirements in detail. Following this review the Board has concluded that it has reasonable expectation that the Group has adequate resources in place to continue in operational existence for the foreseeable future and has not identified a material uncertainty in this regard. On this basis the going concern basis has been adopted in preparing the financial statements.

SECTION 172 STATEMENT

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have regard to the interests of the Company's employees, members, partners, the horseracing community and other stakeholders, the impact of its activities on the local community, the environment and the Company's reputation for good business conduct, when making decisions. The board identifies stakeholders through its annual strategic review. As the business evolves the board recognises that those with a direct interest and involvement in the decisions of the company changes.

In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company and for these stakeholders in the long term. For example:

- The engagement of the business with the horseracing community and stakeholders, such as the Racecourse Association and Horsemen's Group is routinely considered during the board's decision-making process.
- The Company has a frequent forum with local residents to ensure communication lines are open & accessible.
- The Company continues to regularly engage with Annual members and corporate box holders and to encourage feedback.

STRATEGIC REPORT (Continued)

Year ended 31 December 2022

- The Company encourages a supportive and inclusive working culture within the business as set out in our 'Uniquely Newbury' employee programme, alongside supporting personal development and promoting wellness & mental health awareness.

Key board decisions made during the year in the interests of overall business success set out below:

Significant events/decisions	Key S172 matters affected	Actions and impact
Racecourse catering refurbishment	Customers, suppliers, employees, shareholders.	• Following the outsourced catering arrangement with Levy Restaurants signed in 2021, the company had the option to accept investment as part of this which would extend the contract through to 31st December 2031. • Financial analysis was conducted to calculate the benefits of this method of funding against other external borrowing options, alongside commercial returns. • A decision was made by the board to accept the Levy investment proposal and therefore extend the contract in the best interests of the combined arrangement. • Agreeing to extend the arrangement through to the end of 2031 gives the business certainty around its future catering management, along with consistency of relationship and product offering. • It also enables the company to continue to gain access to technology, innovation, human resources and with the most effective commercial benefits.
Prize Money policy	Customers, employees, shareholders, industry stakeholders.	• During 2022 the board considered the impact of increasing prize money in response to its previous position, relative to peer racecourses. • Financial analysis of the race programme from August onwards was undertaken and the cost impact versus the benefit of high-quality racing for all stakeholders. • The board decided that in order for the company to remain competitive and attract the best horses that a significant increase in prize money and executive cost would be the most appropriate approach. • A further review of the company's position would be considered for the 2023 race programme.
Payment of a Special Interim Dividend	Shareholders	• Following the final David Wilson Homes Development Agreement receipt the company was in a position of having surplus cash funds available once all outstanding debt had been repaid. • The board had previously made announcements since 2012, when the agreement was made to sell the land, that its strategy would be to return any surplus capital to shareholders in the most tax efficient manner available. • Having carefully considered all the options along with advice from the company's Corporate Advisers, the board decided that this manner would be by way of a special interim dividend. • The amount to be distributed in May was decided at £3m given other cash demands that the business faced at the time, which represented 89.6pence per share. The board also decided to adopt a future dividend policy from 2024 onwards which would be subject to the financial performance of the company.

STRATEGIC REPORT (Continued)

Year ended 31 December 2022

Significant events/decisions	Key S172 matters affected	Actions and impact
Great Christmas Carnival	Customers, suppliers, employees, shareholders, West Berkshire community	• The company had been in discussions since 2018 with a quality respected event provider, Underbelly Ltd, to deliver a Christmas carnival experience at the racecourse. • Due to the impact of the COVID-19 pandemic the earliest opportunity to launch and deliver this event was set, following several board meetings in the preceding years, for 2022. • In order for the event to be able to go ahead a number of consultations with local residents and interested local stakeholders were factored in, as well as extensive market research and an economic impact study, before planning permission was sought and approved for the 35-day event. • The board considered the impact on a wide range of further stakeholders when considering whether to proceed with the event commencing on 25th November 2022. The final decision was made to proceed (on a 50:50 profit share arrangement) on the basis of all the information available at the time, along with financial sensitivity analysis.

During the period to 31 December 2022 the Company has sought to act in a way that upholds these principals. The Directors believe that the application of Section 172 requirements can be demonstrated in relation to some of the key decisions made and actions taken during 2022.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards in corporate governance throughout its operations and to ensure all of its practices are conducted transparently, ethically and efficiently. The Company believes scrutinising all aspects of its business and reflecting, analysing and improving its procedures will result in the continued success of the Company and deliver value to shareholders. Therefore, and in accordance with the Aquis Growth Market Apex Rule Book, (the “AQSE Rules”), the Company has chosen to comply with the UK's Quoted Companies Alliance Corporate Governance Code 2018 (the "QCA Code"). The Company is committed to the ten principles of corporate governance as practiced by the AQSE market. These principles are disclosed in the ‘Corporate Governance Statement’ within this report.

CORPORATE AND SOCIAL RESPONSIBILITY

Employee Consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group and the Company. This is achieved through formal and informal meetings, and distribution of the annual financial statements. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests with our ‘Uniquely Newbury’ employee engagement programme at the forefront of these initiatives.

Policy on Payments to Suppliers

Although no specific code is followed, it is the Group’s and Company’s policy, unless otherwise agreed with suppliers, to pay suppliers within 30 days of the receipt of an invoice, subject to satisfactory performance by the supplier. The amount owed to trade creditors at 31 December 2022 is 7% (2021: 11%) of the amounts invoiced by suppliers during the year. This percentage, expressed as a proportion of the number of days in the year, is 25 days (2021: 40 days).

Business Relationships

The Directors recognise the need to foster the company’s business relationships with suppliers, customers and others. To that effect, the Company have policies and procedures in place, by which principal decisions taken by the company during the financial year were followed.

STRATEGIC REPORT (Continued)
Year ended 31 December 2022

Disabled Employees
Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and the appropriate training is arranged. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Charitable Donations
During the year the Group made charitable contributions totalling £3,500 to national charities (2021: £3,000).

This report was approved by the board and signed on its behalf by:

J M THICK
Chief Executive

9 MAY 2023

Sponsors in the year ending 31 December 2022

We would like to thank our leading sponsors for their significant support in 2022;

Al Shaqab Racing
bet365
BetVictor
Betfair
Coral
Dubai Duty Free
European Breeders Fund
VirginBet
Weatherbys

We also received much appreciated support from the following sponsors;

Agetur
Benchmark Designs
The British Horse Society
Christopher Smith Associates
Coln Valley Stud
Compton Beauchamp Estates
Connect IT Utility Services
Conundrum Consulting
Crossland Employment Solicitors
CSP Combined Services Provider
Denford Stud
DJB Cleaning
Donnington Veterinary Surgery
Dreweatts
Education for Everyone
Family & Friends of Maurice Adams
Family & Friends of Karen Jackson
Family & Friends of Benjamin Leigh
Family & Friends of John Haine
Family & Friends of Joe Mercer
Family & Friends of Carol Mulraney
The Friends of Alex & Elaine Ashburner
Federation of Bloodstock Agents
Focus Insurance
Galloping to Give
Gardner Mechanical Services
Greatwood Charity
Greenshields JCB
Haynes, Hanson & Clark
Heatherwold Stud
HEROS Charity
Highclere Castle Gin
Highclere Thoroughbred Racing
Horris Hill School
Hot to Trot Racing
Irish Thoroughbred Marketing
Irwin Mitchell
James Cowper Kreston
KKA
Laurie Todd Foundation
Mettal UK
Nouveau Solutions
OCS Group
ODP
Pedigree Wholesale
Pertemps Network Group
Prodec Networks
Pump Technology Group
Quickmove Properties
R & M Electrical
The Racehorse Club
Racing Welfare
Racing TV
Rayner Bosch
Sir Peter O'Sullevan Charitable Trust
Starlight Childrens' Foundation
The Retreat at Elcot Park
UHY Ross Brooke Chartered Accountants
Veolia
Watership Down Stud
West Berkshire Racing Club
West Berkshire Mencap

CORPORATE GOVERNANCE STATEMENT

Year ended 31 December 2022

Newbury Racecourse is committed to maintaining the highest standards of Corporate Governance throughout its operations and to ensure all of its practices are conducted transparently, ethically and efficiently. Having previously been CEO of a large listed business, as Chairman of the Company I am fully aware of the need for an effective and focused Board that leads the business and responds accordingly. The Board believes in the value and importance of strong corporate governance, at executive level and throughout the operation of the business, and in our accountability to all stakeholders. We believe that in scrutinising all aspects of our business and reflecting, analysing and improving its procedures this will result in the continued success of the Company and deliver value to shareholders.

I am committed to working with the Board to build upon the existing values that are in place and ensure that good corporate governance continues to be embraced within the organisation.

Dominic Burke
Chairman

The Board currently consists of 10 Directors:

- Dominic Burke – Board Chairman and Nominations Committee Chair
- John Dodds – Senior Independent Director and Remuneration Committee Chair
- Bryan Burrough – Non-Executive Director and Audit & Risk Committee Chair
- Madeleine Lloyd Webber – Non-Executive Director (Non-Independent)
- Erik Penser – Non-Executive Director (Non-Independent)
- Harry Herbert – Non-Executive Director
- Jim McGrath – Non-Executive Director
- Matthew Thompson – Non-Executive Director
- Julian Thick – Chief Executive Officer
- Mark Leigh – Finance Director & Company Secretary

In accordance with the AQSE Rules requirements, the Company has adopted the UK's Quoted Companies Alliance Corporate Governance Code 2018 (the "QCA Code") to formalise its governance policies. The Directors believe that the QCA Code is the most appropriate governance code for the Company.

The QCA Code has 10 broad principles and a set of disclosures. The Directors have considered how we apply each principle to the extent we judge to be appropriate in the circumstances and in the statements that follow, we explain our approach to governance and how the Board and its Committees operate. This statement can also be found on the company website within Investor Relations.

DELIVER GROWTH

1. Establish a strategy and business model which promotes long-term value for shareholders.

The Company is a horse racecourse business established in 1904 with the first horse race taking place one year later. It currently operates 28 racedays per year for fixtures which we own, as well as additional racedays as allocated by the British Horseracing Authority (“BHA”). These racedays occur all year round and include both Flat (17) and National Hunt (11) racing fixtures. For 2022 the BHA have allocated Newbury an additional 2 Flat and 1 National Hunt fixture. Since 2007 we have added music concerts to two or three of these racedays during the summer months to improve the profitability of these events through increased admission sales and hospitality income.

In addition to this core business, we operate a Conference & Events business, a children’s nursery and a 36-bedroom hotel which all provide the benefit of securing income outside of racing, especially on days when the facility would otherwise not be utilised.

In 2012 the Company entered into an agreement with the housing developer David Wilson Homes to sell land around the racecourse for residential housing. The final development will consist of c1,500 homes, in a mixture of apartments and houses, when expected to be fully completed in 2026. The income from this transaction has enabled the Company to re-invest in the existing facilities and it is widely considered that we have now created a first class racing and leisure destination boasting the largest conference and events facility in West Berkshire but with horse racing remaining at the core of our operations.

The Board remains committed to continued long-term investment in the business and has a rolling strategy, reviewed annually, to maximise the benefits of the existing facilities as well as consideration for new investments and commercial arrangements. The long-term ambition is for the business to provide a sustainable return from our investments which will enable us to both continually re-invest in improving our facilities and generate improved profits as well as deliver a return to shareholders.

CORPORATE GOVERNANCE STATEMENT (Continued)

Year ended 31 December 2022

The promotion of long-term shareholder value is underpinned by the Board's commitment to act with integrity; be consistently open and ethical in its dealings with all stakeholders; provide fair and objective reporting and seek to ensure that the Company's strategy, business model and performance are clearly communicated and understood. The Directors believe the best way to achieve this is through inclusion of relevant information in the half year and full year reports to shareholders, as well as through additional update announcements as required. The Directors believe that the Board's values of integrity and transparency protect the Company from unnecessary risks and will secure the Company's long-term future.

2. Seek to understand and meet shareholder needs and expectations.

The Board is committed to providing clear and transparent information on the Company's activities, strategy, performance, and financial position to its shareholders.

The Directors are committed to communicating with shareholders through the Annual Report and Financial Statements, Preliminary and Interim results announcements and the Annual General Meeting ("AGM") held at the Racecourse with all Directors and the company Executive team in attendance. All shareholders are encouraged to participate in the AGM and the number of votes received for each resolution announced at the AGM followed by a market release of the AGM results.

Details of all shareholder communications are available on both the Company's website and the Aquis Stock Exchange dedicated Newbury Racecourse webpage.

Shareholders, regardless of size, are able to contact the Company directly through the Company Secretary, Marketing Director or the Personal Assistant to the CEO. All of whom can manage an appropriate response.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success.

The Board works closely with the Executive team with clear and open communication both within the boardroom and the rest of the organisation.

<u>Shareholders</u>

The Directors value the feedback they receive from the Company's shareholders and take every opportunity to ensure that the comments of shareholders are considered. Shareholders are entitled to entry to the racecourse to attend fixtures depending on their total shareholding (see point 10).

<u>Employees</u>

The Company currently has approx. 84 permanent salaried employees and operates an inclusive policy where employees' opinions and suggestions are listened to and valued at regular staff forums. The Company conducts an annual employee engagement survey.

<u>Suppliers</u>

The Company has a number of suppliers and maintains a close working relationship with them. Many of them choose to sponsor specific races and enjoy hospitality at the racecourse so are kept fully engaged with the business.

<u>Customers</u>

The Company has a range of customers including racegoers, large & small corporate businesses, nursery parents, hotel guests, the horsemen etc and it is always our firm belief that they are all treated equally and with respect. Their opinions on the service that we provide and that they receive are crucial to the success of a customer service led industry within which we operate. Therefore, we continually monitor feedback from the various customer groups and regularly respond to ensure we are providing a service at a standard expected and ideally beyond.

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation.

The Board is responsible for establishing and maintaining internal controls within the Company which are designed to address the particular risks to the Company and mitigate risks to which it is exposed.

The Key elements of the internal controls are:

- The Board commits to meeting four times per year (usually May, June, September and December) for Board meetings plus a further Strategy Meeting (October, previously February). An agenda and full board pack are circulated in advance of each meeting and minutes are prepared, agreed and distributed immediately after.

CORPORATE GOVERNANCE STATEMENT (Continued)

Year ended 31 December 2022

- The Company has information systems for monitoring its financial performance against targets and prior year results.
- The Board monitors the performance of the Company at each Board meeting against a set of agreed measures.
- The Board has an established Audit and Risk Committee which meets on the same frequency as the Board meetings above. Additionally, if desired, it will meet with the external auditors at least once per year without the Executive Directors present.
- The Company, due to its size, does not at this stage consider it appropriate to have an internal audit function.

The principal risks and uncertainties faced by the Company are contained in the 'Strategic Report'.

5. Maintain the Board as a well-functioning, balanced team led by the non-Executive Chairman

The Board comprises ten Directors: two Executive Directors, a non-Executive Chairman and seven non-Executive Directors. The Chairman has a casting vote at meetings of the Board (unless he is not entitled to vote on the matter in question).

- Julian Thick, Chief Executive Officer, is expected to devote substantially the whole of his time to his duties for the proper performance of the Company. Julian has held similar positions within the racing industry throughout his career.
- Mark Leigh, Finance Director, is expected to devote substantially the whole of his time to his duties for the proper performance of the Company. Mark has held senior finance positions within hospitality and leisure organisations for a number of years.
- Dominic Burke is the non-Executive Chairman as well as Chair of the Nominations Committee, and currently holds 6.42% of the company shares. Dominic recently held the position of Vice Chairman at MMC and was previously CEO of JLT plc for 13 years. He is a keen owner and breeder of horses in training and member of the Jockey Club.
- John Dodds is the Senior Independent Director and Chair of the Remuneration Committee. John was employed by Kier Group plc for 40 years culminating in the position of Chief Executive. He has extensive experience in the construction and housebuilding sector.
- Madeleine Lloyd-Webber is a non-Executive Director who currently holds 9.55% of the Company's shares (and therefore not independent). Madeleine is Director and Deputy Chairman of the Really Useful Group and LW theatres and is a member of the Jockey Club.
- Erik Penser is a non-Executive Director who currently holds 40.93% of the Company's shares (and therefore not independent). He is a member of the Jockey Club.
- Bryan Burrough is a non-Executive Director and Chair of the Audit & Risk Committee. Bryan was a Managing Director of BlackRock and subsequently an Investment Director at Investec. He is also the owner of racehorses.
- Jim McGrath is a non-Executive Director. Jim has worked in horseracing his entire career, holding various positions at Timeform during a 34-year career and subsequently providing expert analysis for television broadcasts.
- Harry Herbert is a non-Executive Director. Harry is Chairman and Managing Director of Highclere Thoroughbred Racing and has enjoyed many racing successes. He is a member of the Jockey Club.
- Matthew Thompson is a non-Executive Director. Matthew was most recently Managing Director of the leading hospitality company, Benugo, having previously held senior positions at other similar UK catering & hospitality businesses.
- All the above non-Executive Directors receive a standard annual Director fee and devote such time as is necessary for the proper performance of their respective duties to the Company.

The Chairman and non-Executive directors are considered by the Directors to be independent (except those noted) under the QCA Code's guidance for determining such independence. As referenced in Part 7, a number of the Directors have a substantial length of service whilst still being considered independent. The Company is satisfied that their value to the business and external interests qualifies them as independent.

For the Board to discharge its duties it has access to all relevant information in a timely manner and meets on the basis set out below. The Directors are expected to dedicate sufficient time to their commitments in order to carry out their responsibilities effectively, which includes attendance at all meetings.

The Board is supported by Audit and Risk, Remuneration and Nominations Committees (all of which have Terms of Reference) and the Directors consider that the members of those Committees have the necessary skills, knowledge and experience to discharge their responsibilities effectively. These are further detailed under principle 10.

CORPORATE GOVERNANCE STATEMENT (Continued)

Year ended 31 December 2022

The normal standard annual timetable of 4 Board meetings plus 1 Strategy Day as follows:

- Board Meeting (including Financial Statements approval) – Late April/Early May
- Board Meeting (same day as the Annual General Meeting) – Late May/Early June
- Board Meeting - September
- Board Strategy Day – October (previously held in February)
- Board Meeting - December

In 2022 there was an additional Board call which took place on 28th July to discuss two important strategic matters.

2022 attendance at Board meetings as follows:

Board Member	25th Feb 2022	3rd May 2022	8th June 2022	14th Sept 2022	24th Oct 2022	13th Dec 2022
Meeting Type	Strategy	Board	Board	Board	Strategy	Board
Dominic Burke	✓	✓	✓	✓	✓	✓
John Dodds	✓	✓	✓	✓	✓	✓
Bryan Burrough	✓	✓	✓	✓	✓	✓
Madeleine Lloyd-Webber	✓	✓	✓	x	✓	✓
Erik Penser	✓	✓	✓	✓	✓	✓
Jim McGrath	✓	✓	✓	✓	✓	✓
Harry Herbert	✓	✓	✓	✓	✓	✓
Matthew Thompson	✓	✓	✓	✓	✓	x
Julian Thick	✓	✓	✓	✓	✓	✓
Mark Leigh	✓	✓	✓	✓	✓	✓

The Directors who serve on the Committees as follows:

	Remuneration Committee	Audit and Risk Committee	Nominations Committee
Chair	John Dodds	Bryan Burrough	Dominic Burke
Member	Madeleine Lloyd-Webber	Dominic Burke	Madeleine Lloyd-Webber
Member	Bryan Burrough	John Dodds	Erik Penser
In attendance	Julian Thick	Julian Thick	Julian Thick
In attendance	Mark Leigh	Mark Leigh	Mark Leigh

6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.

- The Newbury Board comprises experienced Executive and Non-Executive Directors.
- Executive Directors are experienced in their management disciplines; Julian Thick has spent 30 years in the horse racing industry across various organisations. Mark Leigh is a qualified accountant with over 25 years of experience within commercial businesses.
- Non-Executive Directors are from outside businesses and very experienced in advising and supporting a variety of public and private companies. This provides the ideal combination for the multi-business requirements within which the company operates.
- Directors' biographies are set out in Part 5 of this document. The Board includes significant horse racing, property development, hospitality and catering experience, which ensures that expertise is provided in all areas to support the long-term interest of the business.
- Company Secretarial is the responsibility of Mark Leigh, the Finance Director.
- All Directors are encouraged to maintain individual continuing professional development programmes where appropriate.
- The Board is supported where necessary by its external advisers who are currently:
    - Corporate Advisers – Allenby Capital (approved by AQUIS) http://www.allenbycapital.com/
    - Solicitors – Pinsent Masons https://www.pinsentmasons.com/
    - Registrars – Link Group https://www.linkgroup.com/
    - Independent External Auditors - BDO https://www.bdo.co.uk/
    - Tax and Business Advice – Deloitte https://www2.deloitte.com/uk

- The Board routinely reviews the performance of third-party advisers to ensure that they are the most effective business partners for the Company.

CORPORATE GOVERNANCE STATEMENT (Continued)

Year ended 31 December 2022

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.

The Chairman reviews the contribution of each Board member on an on-going basis, both individually and in relation to the performance of the Company as a whole. These reviews consider the individual contribution; whether they are carrying out their responsibilities effectively and to the highest standard; and where relevant, whether they have maintained their independence.

Annual performance, salary, bonus and incentive plan reviews are carried out by the Remuneration Committee.

The balance of the Board, both in terms of number, experience and split between Executive and Non-Executive is formally assessed on an annual basis. Each Non-Executive receives the same annual Directors fee for their service to the Company with the Chairman receiving a higher sum.

The Non-Executives have rolling 3-year agreements which were updated in 2021 and reviewed by our Solicitors. All Non-Executives signed these updated versions in June 2021 with the renewal dates as follows (coinciding with their rotation at the Annual General Meeting):

Non-Executive Director	Original Appointment	Renewal Date
Erik Penser	1998	2023
Dominic Burke	2010	2023
Harry Herbert	2005	2024
Jim McGrath	2014	2024
Matthew Thompson	2018	2024
Madeleine Lloyd-Webber	1998	2025
John Dodds	2010	2025
Bryan Burrough	2018	2025

The Board are comfortable that the combination of experience, expertise and length of service provides the Company with the ideal foundation to support an effective business. Succession planning is discussed on a routine basis and there is sufficient scope within the Board that the Company is not reliant on any single individual.

8. Promote a corporate culture that is based on ethical values and behaviours

The Company promotes honesty and integrity in all its dealings.

The Directors are mindful of the main industry in which the Company operates and takes all issues of ethical behaviour seriously, particularly in relation to animal welfare and gambling. All Directors are required to complete a British Horseracing Authority Suitability Questionnaire as part of the Company's Racecourse Licence requirements.

The Directors are also mindful of the childcare industry in which the nursery is regulated and ensure compliance and a zero-tolerance policy with regards to values within this operation.

The Board has a series of matters reserved for discussion and has approved Terms of Reference for the Audit & Risk, Remuneration and Nominations Committees.

Other documentation in place and strictly complied with includes:

- Director's Share Dealing Policy
- Director's Independence Policy
- Director's Obligations to Compliance for AQUIS trading
- Director's Conflict of Interest Questionnaire
- Anti-Corruption Policy
- Bribery Prevention Policy

The Executive team promote the 'Uniquely Newbury' employee engagement programme which underpins the behaviours expected of all staff working within the business. This is reviewed routinely and the Board support this with their own approach to the business. The main focus is to promote a culture whereby customers are the key to the decision-making as they ultimately drive the success of the company. The slogan for this programme is "Engage, Excite, Enthuse, Delight" but is being reviewed for 2023.

CORPORATE GOVERNANCE STATEMENT (Continued)

Year ended 31 December 2022

The Company promotes and monitors a healthy corporate culture and engages with employees through a routine forum encouraging feedback on employee engagement matters as well as other activities, such as an annual employee survey. The results of the survey are closely reviewed and actions taken in response to any significant areas of concern.

9. Maintaining governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board is responsible to shareholders for the proper and effective management of the Company.

Given the scale of the Company the Directors consider the current size, constitution and experience of the Board is appropriate. The Company has an Articles of Association in place, last reviewed and updated in 2008, which it strictly adheres to when making governance decisions.

The Board is responsible for, but not limited to:

- Setting the overall strategy
- Approving annual budgets
- Approving the half year and full year financial results
- Approving the dividend policy
- Approving the board structure
- Approving major investment expenditure
- Approving resolutions to be put to shareholders at General Meetings

The following governance committees have been established to assist the Board in fulfilling its oversight responsibilities.

Audit and Risk Committee: Responsibilities comprise the reviewing and monitoring the integrity of the financial statements; the system of internal controls and risk management, the attitude towards risk and how risk is reported as well as the reviewing the audit process and liaison with the external auditors.

Remuneration Committee: Responsibilities comprise determining and agreeing with the Board the framework and policy for the remuneration of the Chairman and Executive Directors.

Nominations Committee: Responsible for regular review of the structure, size and composition of the Board, succession planning and identifying candidates for any Executive or Board vacancies. While Dominic Burke chairing the committee at the same time as being chairman of the Company may not be compliant with the QCA Code, the Directors consider this appropriate for the Company in view of his extensive boardroom and senior management experience.

Each of the Committees comprises only Non-Executive Directors, with both the Executive Directors sitting in attendance.

BUILD TRUST

10. Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

The Board is open to dialogue with its shareholders and welcomes interaction.

In order to provide engagement between the shareholders and the business operation, shareholders are entitled to be in attendance at race meetings as follows each year:

No. of Shares	Shareholder Benefit
Over 10,000	2 badges (unlimited raceday attendance)
5,000 to 9,999	1 badge (unlimited raceday attendance)
101 to 4,999	2 day badges (specific to a chosen raceday)

CORPORATE GOVERNANCE STATEMENT (Continued)
Year ended 31 December 2022

The Directors are committed to ensuring that:
- The Company's contact details are included on the website.
- The website contains relevant information on the Company (including historical financial statements and other governance related material) and is updated on a regular basis.
- The contact details of the Chief Executive Officer, Marketing Director, Corporate Advisers and Public Relations firm are contained on all market announcements.
- The outcome of all shareholder votes will be reported on the website in a clear and transparent manner.
- All regulatory reporting requirements are posted on the website, and where compliance with FCA reporting is required, the necessary submissions are made in a timely manner.

All Shareholders are encouraged to attend the Annual General Meeting, which is held at the racecourse with lunch/refreshments provided and the opportunity to mix informally with the Directors.

The Directors acknowledge the importance of high standards of corporate governance and the Company has adopted the QCA Code. The QCA Code sets out a standard of minimum best practice for small and mid-size quoted companies, particularly Aquis companies.

The Board comprises ten Directors: two Executive Directors, a non-Executive Chairman and seven non-Executive Directors, reflecting a blend of skills, experiences and backgrounds. The Directors consider that six non-Executive Directors are independent having taken into account their shareholdings (where relevant), length of service and their separation from the day-to-day running of the business and/or involvement with other businesses. Two non-Executives are considered to be non-independent due to their respective 9.5% and 40.9% shareholdings.

The Board meets regularly to review, formulate and approve the Company's strategy, budgets, corporate actions and oversee the Company's progress towards its goals.

The Company has established properly constituted Audit and Risk; Remuneration and Nominations Committees of the Board with formally delegated duties and responsibilities, a summary of which is set out below.

<u>Audit and Risk Committee</u>

The Audit and Risk Committee comprises Bryan Burrough, Dominic Burke and John Dodds with Bryan Burrough as Chair of the Committee. The Audit and Risk Committee formally plans to meet four times per year but will convene as often as required on other matters.

The Audit and Risk Committee's main functions include:

- Reviewing the effectiveness of internal control systems and assessing risk.
- Making recommendations to the Board in relation to the appointment of the Company's auditors.
- Determining the auditor's remuneration in consultation with the Board.
- Monitoring and reviewing annually the auditor's independence, objectivity, effectiveness and qualifications.
- Monitoring the integrity of the financial statements of the Company including its annual and interim reports, preliminary results' announcements and any other financial information provided to Shareholders.
- Overseeing the Company's relationship with the external auditors as a whole and also to consider the nature, scope and results of the auditors' work through reviews.
- Compliance with legal requirements, accounting standards and the relevant provisions of the AQUIS Rules for Companies and ensuring that an effective system of internal financial and non-financial controls is maintained.

The ultimate responsibility for reviewing and approving the Annual Report and Financial Statements will remain with the Board. The membership of the Audit and Risk Committee and its terms of reference is reviewed on an annual basis.

During the year the Audit & Risk Committee held three meetings with the key matters being the recommendation of the approval of the 2021 financial statements and final 2022 budget, a further review of the pension liability management, an annual update on Internal Controls & Risk Register and the recommendation of a shareholder special interim dividend following the receipt of the final David Wilson Homes payment.

<u>Remuneration Committee</u>

The Remuneration Committee comprises John Dodds, Bryan Burrough and Madeleine Lloyd-Webber with John Dodds as Chair of the Committee. The Remuneration Committee formally plans to meet twice per year but will convene as often as required on other matters.

CORPORATE GOVERNANCE STATEMENT (Continued)
Year ended 31 December 2022

The Remuneration Committee's main functions includes:
- Determining and agreeing with the Board the Director's fees payable to the Company's Chairman, as well as the remuneration for the Executive Directors.
- Determining and approving targets for any performance related pay schemes operated by the Company and approving the total annual payments made under such schemes.
- Reviewing long-term incentive plans for approval by the Board together with determining each year whether awards will be made. Approving the overall amount of such awards, the individual awards to Executive Directors and other Senior Management and the performance targets to be used.
- Determining and approving the annual salary increases for all staff along with bonuses and incentive payments.

During the year the Remuneration Committee held three meetings to make decisions on the 2021 Ex-gratia Bonus, a Staff retention plan proposal, the Executive Long-Term Incentive schemes, the 2022 Bonus scheme and the 2023 Staff pay increases.

Nominations Committee

The Nominations Committee comprises Dominic Burke, Erik Penser and Madeleine Lloyd-Webber with Dominic Burke as Chair of the Committee. The Nominations Committee formally plans to meet once per year but will convene as often as required on other matters.

The Nominations Committee main functions include:
- Leading the process for Board appointments (including Executives) and make recommendations to the Board.
- Regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations with regard to any changes.

During the year the Nominations Committee did not meet.

REPORT OF THE DIRECTORS

Year ended 31 December 2022

The Directors present their report and the Group and Parent Company financial statements for the year ended 31 December 2022.

RESULTS AND DIVIDEND

The profit on ordinary activities after tax was £74,000 (2021: £883,000 loss). Further details of the major influences on this year's result are given in the Strategic Review.

The Directors have recommended that no final dividend be paid (2021: none). In 2022 a special interim dividend of £3m was paid representing 89.6p per ordinary share.

DIRECTORS

The Directors who served during the year and held office at the year end and their interests, including family interests, in the ordinary shares of the Company at the beginning and end of the financial year under review were as follows:-

	Beneficial interest 2022	Beneficial interest 2021
D J Burke	**214,840**	208,590
B R Burrough	**8,600**	8,600
J Dodds	**-**	-
The Hon H M Herbert	**12,924**	12,924
M Leigh	**-**	-
Lady Lloyd-Webber	**319,656**	319,656
J McGrath	**-**	-
N W E Penser	**-**	-
Compton Beauchamp Estates Ltd*	**1,370,400**	1,370,400
J M Thick	**-**	-
M L Thompson	**-**	-

* NWE Penser is a director and sole shareholder of Compton Beauchamp Estates Ltd.

No Directors held any other non-beneficial interest in the shares of the Group at any time during the year. No Directors held shares in any other Group Company.

Company shares are traded on the Aquis Stock Exchange (AQSE) Apex Market.

DIRECTORS' COMMITTEES

Directors serve on the following Committees:

Audit

B R Burrough (Chair)
D J Burke
J Dodds

Remuneration

J Dodds (Chair)
Lady Lloyd-Webber
B R Burrough

Nomination

D J Burke (Chair)
Lady Lloyd-Webber
N W E Penser

REPORT OF THE DIRECTORS (Continued)

Year ended 31 December 2022

Directors' particulars are set out below:-

Non-Executive Directors:

Dominic J Burke

Dominic Burke retired in 2022 from his position of Vice Chairman of Marsh & McLennan Companies, Inc and a member of its Group Executive Committee. This followed the acquisition by MMC of Jardine Lloyd Thompson Group plc where Dominic had been Group CEO for more than fourteen years. Dominic is a keen owner and breeder with horses in training on the flat and over jumps and is a member of the Jockey Club. In addition to his role as Newbury Racecourse PLC Chairman he is also a non-Executive Director at Investment Management company St James's Place plc. He is also the Honorary Treasurer of the Injured Jockeys Fund.

John Dodds

John Dodds was Chief Executive of Kier Group plc, the international construction business, until retiring in March 2010 after nearly 40 years with the Company. John's extensive experience in the construction and house building industry sector has been an important asset in Newbury Racecourse's property development programme.

The Hon H M Herbert

Harry Herbert is the Chairman and Managing Director of Highclere Thoroughbred Racing Limited, a racehorse syndication Company with over 50 horses in training. The Company has enjoyed many successes and has been responsible for the Epsom Derby winner, Motivator, as well as six other European champions; *Lake Coniston, Tamarisk, Delilah, Petrushka, Memory* and *Harbinger*. In 2022 Highclere enjoyed further success when *Cachet* won the Group One QIPCO 1,000 Guineas. He is a member of the Jockey Club.

Lady Lloyd-Webber

Madeleine Lloyd-Webber is a former international three-day eventer who owns Watership Down Stud near Newbury and Kiltinan Castle Stud in Tipperary and has enjoyed numerous Group successes as an owner/breeder. She is a Director, Deputy Chairman of Really Useful Group and Lloyd Webber Theatres. She is a member of the Jockey Club.

Jim McGrath

Jim McGrath has worked in racing since leaving school in 1974, when he moved to Yorkshire to join the Timeform Organisation where, in a thirty-four-year stint, he held numerous positions, including that of Chairman. Since 1981 he has worked as a pundit, initially for ITV, thereafter, joining Channel 4 Racing in 1984 and since 2019 has worked on a freelance basis for Sky Sports Racing. Jim has also served on various racing bodies, including both BHB and BHA, where he acted as an Independent Director. Formerly a director of Haydock Park Racecourse, he has bred winners of more than sixty races and been a successful owner.

Erik Penser

Erik Penser is a member of the Jockey Club and lives and farms at Compton Beauchamp, near Lambourn.

Matthew Thompson

Matthew Thompson most recently held the position of Managing Director of Benugo, which is the leading hospitality (food and beverage) business in the visitor attraction sector, with partners such as The V&A, British Museum and London Zoo. Previously, Matthew led the Services business for Mitie Group plc, and spent eight years leading the Sports & Leisure business for Compass Group, both in the UK and globally. Matthew has also held senior management positions at Centrica, Glaxo Wellcome and Zenith.

Bryan Burrough

Bryan Burrough was a Managing Director of BlackRock Inc and subsequently a Senior Investment Director at Investec Wealth & Investment until he retired in 2017. He was an Investment Manager specialising in Charities. He has been High Sheriff of Essex and Master of the Worshipful Company of Distillers. He is an owner, mainly over jumps, and successes included *Corbiere* winning the Grand National.

Executive Directors:

Julian Thick

Julian Thick has been Chief Executive since 2013. For over twenty-five years Julian has held a number of senior roles in the racing industry having been Managing Director of Aintree, Sandown and Kempton Park racecourses as well as a board member of Jockey Club Racecourses. He was also a Director of Racecourse Media Group and affiliated companies between 2014 and 2021.

Mark Leigh

Prior to joining as Finance Director in 2020, Mark Leigh spent three years as CFO of Longleat and ten years at global visitor attractions and hotel operator Merlin Entertainments covering various senior finance roles, including five years as FD at Chessington World of Adventures Resort. He is an Associate of the Chartered Institute of Management Accountants.

REPORT OF THE DIRECTORS (Continued)

Year ended 31 December 2022

Shareholdings

As at 31 December 2022 the Group was aware of the following interests amounting to 3% or more in the shares of Newbury Racecourse plc

	Number of shares	Percentage holding
Compton Beauchamp Estates Ltd*	1,370,400	40.93%
Lady Lloyd-Webber	319,656	9.55%
Mr T D J Syder	227,200	6.79%
D J Burke	214,840	6.42%

* NWE Penser is a director and sole shareholder of Compton Beauchamp Estates Ltd

Engagement with employees

Covered under 'Employee Consultation' in the Strategic Report.

Engagement with suppliers, customers and others in a business relationship with the company

Covered under 'Business Relationships' in the Strategic Report.

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 and the Group's auditors is 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 and the Group's auditors is aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

M LEIGH
Secretary

9 MAY 2023

DIRECTORS’ RESPONSIBILITIES STATEMENT

Year ended 31 December 2022

The directors are responsible for preparing the Annual 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 Group and Parent Company 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 Group and Parent Company and of the profit or loss of the group for that period.

In preparing each of these financial statements, the directors are required to:

- select suitable accounting policies and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group or Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and to 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWBURY RACECOURSE PLC

Year ended 31 December 2022

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;

- the financial statements have been properly prepared in accordance with United Kingdom Generally Adopted 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 Newbury Racecourse plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the Consolidated Profit and Loss Account, the Consolidated and the Company Balance Sheets, Consolidated and the Company Statements of Changes in Equity, the Consolidated Cash Flow Statement and 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 remain independent of the Group and the Parent 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 as applied to listed entities, 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.

Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- **Evaluation of the directors' intent:** through enquiry and review of minutes, evaluation of available funding, significant commercial transaction income and key cost assumptions.
- **Evaluating the appropriateness of underlying forecasts:** in particular with reference to historic 'pre-Covid' trading levels, trading performance for financial year 2022 and year to date 2023, the likelihood and impacts of racing behind closed doors, which is now considered by management to be remote, assumptions with regard to ongoing racecourse attendances, and sensitivities applied thereon. Consideration was also given to the accuracy of prior year forecasts for the current year against actual outturn.
- **Evaluating the impact on the groups financial position in light of key events**: in particular the receipt of amounts previously due with regard to historic sales of land and the repayment of bank loan facilities in 2022 thus removing the risk of bank facilities default and future finance costs.
- **Assessing the adequacy of disclosures**: in particular with regard to the completeness and accuracy of these disclosures with reference to consistency with the directors' going concern assessment.

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 Group and the Parent 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWBURY RACECOURSE PLC (Continued)

Year ended 31 December 2022

Overview

Coverage	*100% (2021:100%) of Group profit before tax* *100% (2021:100%) of Group revenue* *100% (2021:100%) of Group total assets*		
Key audit matters		2022	2021
	1. Defined benefit pension scheme balance	☐	☐
	2. Revenue recognition	☐	
Materiality	*Group financial statements as a whole* £260,000 (2021: £220,000) based on 1.5% (2021: 1.5%) of turnover		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Of the Group's two reporting components, including the parent company, both of which were subject to full scope audits, performed by the Group audit team, albeit one did not trade throughout the year.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		**How the scope of our audit addressed the key audit matter**
Valuation of defined benefit pension scheme deficit Refer to notes 2.18 and 25	The net defined benefit balance is derived from material assets and liabilities of the scheme and subject to significant actuarial assumptions. The year end assets was in excess of the liabilities thus consideration was required to determine whether the net surplus can be recognised in the financial statements. Therefore this was considered to be an area of focus for our audit and a key audit matter.	•With the assistance of our own auditor's experts, for whom we assessed independence, competence and objectivity, we have considered the appropriateness of the actuarial assumptions used and compared these to external data. Key assumptions include discount rates, inflation rates and mortality. •We confirmed the valuation of all scheme assets to asset manager reports and reviewed the adequacy of controls in place over the existence and valuation of assets allocated and assigned to the scheme by reference to the Service Organisation Controls reports of the scheme asset managers/custodians. •We examined the relevant scheme rules to confirm that the net surplus as at the year end should not be recognised as the group does not have an unconditional right to the assets either during the life of the scheme or on winding up. **Key observation:** Based on the work performed the actuarial assumptions made in the valuation of the defined benefit pension scheme balance are reasonable and the treatment of the net defined benefit surplus is appropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWBURY RACECOURSE PLC (Continued)

Year ended 31 December 2022

Key audit matter		How the scope of our audit addressed the key audit matter
Revenue recognition See note 2.4. and note 4	The group's revenue (note 4) includes revenues arising from raceday operations (including admissions, catering, hospitality, membership fees, sponsorship, and media related licence fees), hotel income, nursery income, Levy Board grant income and income from other joint arrangements. Each revenue stream has different characteristics and is derived from different, sometimes individual, commercial contract terms. Some include areas of judgement such as when to recognise the right to revenue, the deferral of revenue relating to future performance obligations and in the application agent vs principal recognition requirements. Given the disaggregated nature and complexity of such revenue streams we considered there to be risks arising in respect of the completeness and existence of revenue. As a result of the aggregate of these judgements, we considered this to be a key audit matter.	Our audit procedures over the recognition of such revenue streams included, but were not limited to: •Examining the revenue recognition policy of each income stream taking into account how goods and services are sold •Checking income is recognised in accordance with the accounting policies by vouching a sample of revenues, by revenue stream, to underlying agreements or other transaction evidence •Vouching a sample of sales transactions, either side of the year end, to supporting evidence to confirm recognition in the correct accounting period. •Review of joint arrangements for correct application of the agents vs principal recognition criteria and by checking revenues recognised in the year to reports provided by the principal covering the accounting period. **Key observation:** As a result of our procedures, we did not identify anything to suggest that management's judgements over revenue recognition are inappropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial Statements		Parent company financial statements	
	2022 £	2021 £	2022 £	2021 £
Materiality	260,000	220,000	250,000	210,000
Basis for determining materiality	1.5% of turnover	1.5% of turnover	1.5% of turnover	1.5% of turnover
Rationale for the benchmark applied	Turnover is key performance indicator for the Group	Turnover is key performance indicator for the Group	Turnover is key performance indicator for the Company	Turnover is key performance indicator for the Group
Performance materiality	195,000	154,000	187,500	147,000

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWBURY RACECOURSE PLC (Continued)

Year ended 31 December 2022

	Group financial Statements		Parent company financial statements	
Basis for determining performance materiality	75% of financial statement materiality as this was reflective of our perceived risk of the financial statements containing misstatements, after considering previous experience of this audit engagement.	70% of financial statement materiality as this was reflective of our perceived risk of the financial statements containing misstatements, after considering previous experience of this audit engagement.	75% of financial statement materiality as this was reflective of our perceived risk of the financial statements containing misstatements, after considering previous experience of this audit engagement.	70% of financial statement materiality as this was reflective of our perceived risk of the financial statements containing misstatements, after considering previous experience of this audit engagement.

Component materiality

We set materiality for the active component of the Group based on 2.0% (2021: 1.5%) of the total assets of the component. Component materiality was calculated as £163,000 (2021: £116,000). In the audit of the component, we further applied performance materiality levels of 75% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £13,000 (2021: £8,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual 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.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	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 Group and Parent 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.
Matters on which we are required to report by exception	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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or •the Parent Company 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWBURY RACECOURSE PLC (Continued)
Year ended 31 December 2022

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 Group's and the Parent 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 Group or the Parent 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and the Audit Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines, sanctions or litigations. We identified such laws and regulations to be the health and safety legislation, those that relate to the payment of employees, and industry related areas such as regulations imposed by the British Horseracing Association and other sports governing bodies.

Our procedures in respect of the above included:
- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:
- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing data analytics procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWBURY RACECOURSE PLC (Continued)

Year ended 31 December 2022

- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override, management's significant estimates and judgements and revenue recognition. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates and judgements.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, and agreeing to supporting documentation where appropriate;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to: accrued and deferred income, contingencies and provisions, actuarial assumptions, valuation of lease assets, and useful economic lives and impairment indicators for tangible fixed assets,
- Testing of revenue recognition: application of cut off at, and measurement of accrued income to, the year end - reviewing a sample of transactions pre and post year end to check that the associated revenue is reflected in the correct period, and correct application of agent vs principal revenue recognition requirement. Revenue recognition was considered a Key Audit Matter, as noted above.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 is available on the Financial Reporting Council's website at: 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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

Date: 9 May 2023

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

Consolidated Profit and Loss Account

Year ended 31 December 2022

	Note	**2022 £'000**	2021 £'000
Turnover	4	**17,422**	14,831
Cost of sales - other		**(14,108)**	(12,107)
Cost of sales - exceptional	6	**(674)**	-
Gross profit		**2,640**	2,724
Administrative expenses		**(2,659)**	(2,748)
Other operating income	5	**-**	66
Net exceptional items	6	**7**	154
Operating (loss)/profit	7	**(12)**	196
Interest receivable and similar income	9	**190**	175
Interest payable and similar charges	10	**(52)**	(192)
Profit before tax		**126**	179
Tax (charge)/credit	11	**(52)**	(1,062)
Profit /(loss) after tax		**74**	(883)
Profit per share (basic and diluted) (Note 13)		**2.21p**	(26.4)p
All amounts derive from continuing operations			

Consolidated Statement of Comprehensive Income

Year ended 31 December 2022

	2022 £'000	2021 £'000
Profit/(loss) for the financial year	**74**	(883)
Remeasurement of the net defined benefit liability	**585**	737
Deferred tax on actuarial (loss)/gain	**(176)**	(116)
Other comprehensive profit for the year	**409**	621
Total recognised profit/(loss) in the year	**483**	(262)

The accompanying notes on pages 34 to 51 form part of these financial statements.

Consolidated Balance Sheet

As at 31 December 2022

	Note	**2022 £'000**	2021 £'000
Fixed assets			
Tangible assets	14	**41,395**	40,811
Investments	15	**117**	117
		41,512	40,928
Current assets			
Stocks	16	**40**	22
Debtors			
- due within one year	17	**2,676**	12,695
- due after more than one year	18	**3,533**	3,618
Short term deposits at bank		**2,000**	-
Cash at bank and in hand		**4,127**	6,009
		12,376	22,344
Creditors: amounts falling due within one year	19	**(3,787)**	(10,160)
Net current assets		**8,589**	12,184
Total assets less current liabilities		**50,101**	53,112
Creditors: amounts falling due after more than one year	20	**-**	-
Provisions for liabilities	21	**(3,987)**	(3,759)
Pension deficit	24	**-**	(705)
Net assets		**46,114**	48,648
Capital grants			
Deferred capital grants	23	**19**	36
Capital and reserves			
Called up share capital	22	**335**	335
Share premium account		**10,202**	10,202
Revaluation reserve	22	**75**	75
Equity reserve	22	**143**	143
Profit and loss account surplus		**35,340**	37,857
Shareholders' funds		**46,095**	48,612
Net assets		**46,114**	48,648

The financial statements were approved and authorised for issue by the Board of Directors on 9 May 2023 and signed on its behalf by:

D J BURKE (Chairman)

J M THICK (Chief Executive)

The accompanying notes on pages 34 to 51 form part of these financial statements.

Company Balance Sheet
As at 31 December 2022

	Note	**2022** **£'000**	2021 £'000
Fixed assets			
Tangible assets	14	**41,390**	40,806
Investments	15	**7,820**	7,820
		49,210	48,626
Current assets			
Stocks	16	**40**	22
Debtors			
- due within one year	17	**2,676**	12,667
- due after more than one year	18	**3,533**	3,618
Short term deposits at bank		**2,000**	-
Cash at bank and in hand		**4,124**	6,005
		12,373	22,312
Creditors: Amounts falling due within one year	19	**(11,758)**	(18,110)
Net current assets		**615**	4,202
Total assets less current liabilities		**49,825**	52,828
Creditors: amounts falling due after more than one year	20	**-**	-
Provisions for liabilities	21	**(3,991)**	(3,759)
Pension deficit	24	**-**	(705)
Net assets		**45,834**	48,364
Capital grants			
Deferred capital grants	23	**19**	36
Capital and reserves			
Called-up share capital	22	**335**	335
Share premium account		**10,202**	10,202
Revaluation reserve	22	**75**	75
Equity reserve	22	**143**	143
Other reserve	22	**198**	198
Profit and loss account		**34,862**	37,375
Shareholders' funds		**45,815**	48,328
Net assets		**45,834**	48,364

As permitted by section 408 of the Companies House Act 2006, the income statement of the Parent Company is not presented as part of these accounts. The profit of the Parent Company for the year amounted to £78,000 (2021: Loss of £807,000).

The financial statements were approved and authorised for issue by the Board of Directors on 9 May 2023 and signed on its behalf by:

D J BURKE (Chairman)

J M THICK (Chief Executive)

The accompanying notes on pages 34 to 51 form part of these financial statements.

Consolidated Statement of Changes in Equity

As at 31 December 2022

GROUP	Share Capital £'000	Share Premium £'000	Capital redemption Reserve £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
At 1 January 2022	**335**	**10,202**	**143**	**75**	**37,857**	**48,612**
Profit for the year	-	-	-	-	74	**74**
Other comprehensive income	-	-	-	-	409	**409**
Total comprehensive income	-	-	-	-	**483**	**483**
Dividends Paid					**(3,000)**	**(3,000)**
At 31 December 2022	**335**	**10,202**	**143**	**75**	**35,340**	**46,095**

GROUP	Share Capital £'000	Share Premium £'000	Capital redemption Reserve £'000	Revaluation reserve £'000	Profit and loss account £'000	Total £'000
At 1 January 2021	**335**	**10,202**	**143**	**75**	**38,119**	**48,874**
Loss for the year	-	-	-	-	(883)	**(883)**
Other comprehensive income	-	-	-	-	621	**621**
Total comprehensive income	-	-	-	-	(262)	**(262)**
At 31 December 2021	**335**	**10,202**	**143**	**75**	**37,857**	**48,612**

Company Statement of Changes in Equity

As at 31 December 2022

COMPANY	Share Capital £'000	Share Premium £'000	Capital redemption Reserve £'000	Revaluation reserve £'000	Other reserve £'000	Profit and loss account £'000	Total £'000
At 1 January 2022	**335**	**10,202**	**143**	**75**	**198**	**37,375**	**48,328**
Profit for the year	-	-	-	-	-	78	**78**
Other comprehensive income	-	-	-	-	-	409	**409**
Total comprehensive income	-	-	-	-	-	487	**487**
Dividends Paid	-	-	-	-	-	(3,000)	**(3,000)**
At 31 December 2022	**335**	**10,202**	**143**	**75**	**198**	**34,862**	**45,815**

COMPANY	Share Capital £'000	Share Premium £'000	Capital redemption Reserve £'000	Revaluation reserve £'000	Other reserve £'000	Profit and loss account £'000	Total £'000
At 1 January 2021	**335**	**10,202**	**143**	**75**	**198**	**37,561**	**48,514**
Loss for the year	-	-	-	-	-	(807)	**(807)**
Other comprehensive income	-	-	-	-	-	621	**621**
Total comprehensive income	-	-	-	-	-	(186)	**(186)**
At 31 December 2021	**335**	**10,202**	**143**	**75**	**198**	**37,375**	**48,328**

Unrealised other reserves of £198,000 arose in Newbury Racecourse plc on disposal of the land south of the racecourse to Newbury Racecourse Enterprises Ltd in 2001.

The accompanying notes on pages 34 to 51 form part of these financial statements.

Consolidated Cash Flow Statement

Year ended 31 December 2022

	2022	2021
	£'000	£'000
Cash flows from operating activities		
Profit/(loss) for the financial year	**74**	(883)
Adjustments for:		
Exceptional items	**(7)**	(154)
Amortisation of capital grants	**(17)**	(17)
Depreciation charges	**1,322**	1,262
Interest payable	**52**	192
Interest receivable	**(190)**	(175)
Tax charge/(credit)	**52**	1,062
(Increase)/decrease in stocks	**(18)**	155
(Increase)/decrease in debtors	**(553)**	2
Increase/(decrease) in creditors	**645**	672
Corporation tax received	**-**	287
Other associated property receipts	**148**	128
Pension top up payments	**(138)**	(122)
Net cash inflow from operating activities	**1,370**	2,409
Cash flows from investing activities		
Interest received	**-**	10
Loan repayments received	**9**	9
Purchase of fixed assets	**(1,737)**	(532)
Purchase of short term investments	**(2,000)**	-
Receipts from exceptional sale of fixed assets	**10,706**	167
Net cash inflow/(outflow) from investing activities	**6,968**	(346)
Cash flows from financing activities		
Repayment of CBEL Loan	**(2,712)**	-
Repayment of bank loan	**(4,500)**	(1,500)
Interest paid	**(18)**	(83)
Dividends paid	**(3,000)**	-
Net cash outflow from financing activities	**(10,230)**	(1,583)
Net increase/(decrease) in cash in the year	**(1,882)**	480
Cash as at 1 January 2022	**6,009**	5,529
Cash as at 31 December 2022	**4,127**	6,009

The accompanying notes on pages 34 to 51 form an integral part of the financial statements.

Notes to the Financial Statements

Year ended 31 December 2022

1. **GENERAL INFORMATION**

Newbury Racecourse plc (the "Company") is a public company incorporated, domiciled and registered in England in the UK. The registered number is 00080774 and the registered address is The Racecourse, Newbury, Berkshire, RG14 7NZ.

2. **ACCOUNTING POLICIES**

2.1 Basis of preparation of financial statements

The Group and company financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, "the Financial Reporting Standard applicable in the UK and the Republic of Ireland" (FRS 102) and the Companies Act 2006.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The Parent Company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the Parent company financial statements have been applied:

- No separate Parent Company Cash Flow Statement with related notes is included

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements are discussed in note 3.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries Newbury Racecourse Enterprises Limited and Newbury Racecourse Management Limited.

2.3 Going concern

The cash position during 2022 enabled the company to pay a £3m dividend to shareholders and as at the balance sheet date was free of debt. The Board has subsequently undertaken a full, thorough and continual review of the Group's forecasts and associated risks and sensitivities, over, not less than, the next twelve months. The extent of this review reflects the current economic climate as well as the specific financial circumstances of the Group.

The Board identified that the Group's cash flow forecasts are sensitive to fluctuating revenue streams from ticket sales, corporate hospitality, conference and event income, and has given due consideration to the potential future impacts of COVID-19 on attendances and the racing calendar. A system of regular reviews of the forecasted business has been implemented to ensure all variable costs are flexed to match anticipated revenues. In addition, a number of race meetings have been insured for adverse weather conditions (and other factors such as animal disease and national mourning), reducing the levels of risk carried by the Group.

The Board has reviewed the cash flow and working capital requirements in detail. Following this review, the Board has concluded that it has reasonable expectation that the Group has adequate resources in place to continue in operational existence for the foreseeable future and has not identified a material uncertainty in this regard. On this basis the going concern basis has been adopted in preparing the financial statements.

2.4 Revenue recognition

Services rendered, raceday income including admissions, catering arrangement & hospitality revenues, sponsorship and licence fee income is recognised on the relevant raceday. Income from the arrangement with outsourced caterers, and other activities where the company is considered the agent rather than the principal, is recognised at the agreed share rate on profits or losses generated from such operation. Annual membership income and box rental is recognised over the period to which they relate.

Other income streams are also recognised over the period to which they relate, for example, conference income is recognised on the day of the conference, the Lodge Hotel income is recognised over the duration of the guests stay and nursery income is recognised as the child attends the nursery.

Notes to the Financial Statements

Year ended 31 December 2022

2.4 Revenue recognition (continued)

For purposes of improved transparency over revenue, all income relating to prizemoney such as HBLB grants and Owner's entry stakes are allocated as revenue rather than offsetting cost of sales.

Sale of goods: revenue is recognised for the sale of food and liquor when the transaction occurs.

Turnover is stated net of VAT (where applicable) and is recognised when the significant risks and rewards are considered to have been transferred to the buyer.

Property receipts are recognised in accordance with the substance of the transaction being that of an exceptional sale of land to David Wilson Homes. The minimum guaranteed sum, as set out in the agreement with David Wilson Homes, is recognised at the point of sale. In accordance with FRS102, at each reporting date, the sum receivable, which is included in Other Debtors, is re estimated based upon currently projected land value with the difference between this value and the discounted net present value recorded in the profit and loss account.

2.5 Other investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Investment income

Dividends and other investment income receivable are included in the Profit and Loss Account inclusive of withholding tax but exclusive of other taxes.

2.7 Lease assets receivable

Lease assets receivable relates to freeholds that the Group has acquired from David Wilson Homes. The freeholds concerned relate to residential apartment buildings constructed as part of the overall residential development. Individual apartments in the development were sold by David Wilson Homes to purchasers under long term leases, typically of 125 years. Under the terms of their long-term leases, lessees are required to pay 'ground rent' to the freehold owner for the duration of their lease. As the majority of the risks and rewards, for much of the life of the property, lie with the lessee, the Group does not recognise a fixed asset in relation to the freehold to the extent attributable to the lease.

These are initially recognised at fair value which is calculated based on the net present value of future cashflows arising from the ground rents receivable over the lease term. This also represents the market value of the freehold agreed at the time of the underlying transaction. These amounts are included in the balance sheet as debtors less than and greater than one year. Ground rent receipts relating to the period, are applied against the net receivable balance. The amounts arising from the unwinding of discounted cashflows are included in interest receivable.

2.8 Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Freehold buildings and outdoor fixtures	2% - 5% straight line
Tractors and motor vehicles	5% - 10% straight line
Fixtures, fittings and equipment	2% - 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date (see note 3).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Profit and Loss Account.

Notes to the Financial Statements

Year ended 31 December 2022

2.9 Impairment of assets

Financial assets (including trade and other debtors)
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

2.10 Impairment of fixed assets

Assets that are subject to depreciation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have previously been impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.11 Stocks

Stocks are valued at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective items where appropriate.

2.12 Repairs and renewals

Expenditure on repairs and renewals and costs of temporary facilities during construction works are written off against profits in the year in which they are incurred.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and cash equivalents, being short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Profit and Loss Account in the year that the Group becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.15 Dividends

Where dividends are declared, appropriately authorised (and hence no longer at the discretion of the Group) after the balance sheet date but before the relevant financial statements are authorised for issue, dividends are not recognised as a liability at the balance sheet date because they do not meet the criteria of a present obligation in FRS102.

Notes to the Financial Statements

Year ended 31 December 2022

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Profit and Loss Account, except that a charge 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 and the Group operate and generate income.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax assets and deferred tax liabilities are offset when the entity has a legally enforceable right to set off current tax assets against current tax liabilities, and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2.17 Grants

Coronavirus Job Retention Scheme grants, provided by the government, are accounted for under the performance model in line with accounting standards, with these grants credited to the Profit and Loss Account as other operating income in the month of the corresponding payroll expense. The corresponding debtor is carried on the balance sheet until the cash is received.

Capital grants received are accounted for as deferred grants on the Balance Sheet and credited to the Profit and Loss Account over the estimated economic lives of the asset to which they relate. Capital grants are in deferred capital grants on the Balance Sheet as the associated works have been performed and it is not in any way repayable.

2.18 Pensions

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The entity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The entity determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability (asset) taking account of changes arising as a result of contributions and benefit payments.

Notes to the Financial Statements

Year ended 31 December 2022

2.18 Pensions (continued)

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to the terms of the entity's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The entity recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in profit or loss.

Remeasurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs. A defined benefit pension surplus is recognised only to the extent that the entity has an economic right, by reference to the terms and conditions of the plan and relevant statutory requirements, to realise the asset over the course of the expected life of the plan or when the plan is settled.

2.19 Borrowing and loan issue costs

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs are accounted for on an accrual basis in the profit and loss account 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 which they arise. Debt issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.20 Financial instruments

Trade and other debtors / creditors
Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest bearing borrowings classified as basic financial instruments
Interest bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Fair value measurement
Assets and liabilities that are measured at fair value are classified by level of fair value hierarchy as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3 – inputs for the asset or liability that are not based on observable market data.

2.21 Exceptional items

Directors exercise their judgement in classification of certain items as exceptional and outside the Group's underlying results. The determination of whether items should be separately disclosed as an exceptional item or other adjustment requires judgement on its materiality, nature and incidence.

Notes to the Financial Statements

Year ended 31 December 2022

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and key sources of estimation uncertainty that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

David Wilson Homes

The fair value of the long-term David Wilson Homes debtor balance is an estimate that is determined with reference to current market conditions and to reflect the risks specific to the balance due. Estimates include the current value of the land as determined by the agreed parameters of the land sale agreement with David Wilson Homes, together with the application of a suitable discount rate based on management judgement.

Impairment of assets

Determining whether assets are impaired requires an estimation of the value in use of the cash generating units to which assets have been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. The carrying amount of tangible fixed assets and investment property at the Balance Sheet date was £41.5 million. No indication of impairment has been identified in 2022 (2021: none identified).

Residual values and useful economic lives

The Group's tangible fixed assets are reviewed, whenever there is a relevant change in circumstances or after relevant review, in order to assess whether the residual values and useful economic lives, based on management estimates, continue to be appropriate for calculating depreciation in the period. There was no change in residual values or useful economic lives during 2021.

Notes to the Financial Statements
Year ended 31 December 2022

4. TURNOVER

Trading turnover, which arises solely in the United Kingdom, represents admissions to the racecourse, catering arrangement and hospitality sales, media rights licence fees, annual membership fees and all income from the provision of services for race meetings. It also includes income from conference and events. The nursery segment includes revenues from the Rocking Horse Nursery, and the Lodge segment includes revenues from the Lodge Hotel. HBLB revenue grants are included in trading turnover. Property turnover represents rental income. All turnover is generated by third parties.

Turnover by revenue stream

	2022 £'000	2021 £'000
Sale of goods	176	7
Rendering of services	14,097	11,140
HBLB grants	3,149	3,684
Total	17,422	14,831

Segmental Analysis

2022	Turnover £'000	Gross Profit £'000	Profit/(loss) Before Interest and Exceptional Items £'000	**Exceptional Items £'000	Profit/(loss) Before Tax £'000	*Net assets £'000
Trading	14,911	1,914	(38)	(698)	(764)	37,528
Nursery	1,719	565	565	-	565	2,815
Lodge	735	104	104	-	104	1,559
Total	17,365	2,583	631	(698)	(95)	41,902
Property	57	57	24	31	221	4,212
Total	17,422	2,640	655	(667)	126	46,114

2021	Turnover £'000	Gross Profit £'000	Profit/(loss) Before Interest and Exceptional Items £'000	**Exceptional Items £'000	Profit/(loss) Before Tax £'000	*Net assets £'000
Trading	13,176	2,185	(383)	-	(566)	29,574
Nursery	1,557	531	531	-	531	2,695
Lodge	37	(53)	(53)	-	(53)	1,549
Total	14,770	2,663	95	-	(88)	33,818
Property	61	61	(53)	154	267	14,830
Total	14,831	2,724	42	154	179	48,648

*Net assets represents fixed assets less deferred income and term loans for Property, Nursery and Lodge; all working capital is included within the 'Racecourse Trading' segment.
** See note 6.

5. OTHER OPERATING INCOME

	2022 £'000	2021 £'000
Other operating income	-	66
Total	-	66

Other operating income is attributable to government grants received from the Coronavirus Job Retention Scheme.

Notes to the Financial Statements

Year ended 31 December 2022

6. EXCEPTIONAL ITEMS

Cost of Sales – Exceptional Items:

Cost of sales exceptional items relates to the £0.67m loss (2021: £nil) incurred by the Great Christmas Carnival event.

Net Exceptional Items:

	2022	2021
	£'000	£'000
Loss on disposal of fixed assets	**(24)**	-
DWH debtor movement in fair value	**31**	154
Total	**7**	154

In accordance with note 2.21, accounting transactions related to the DWH agreement are considered outside the ordinary course of business.

7. OPERATING PROFIT/(LOSS)

This is stated after charging/(crediting):	2022	2021
	£'000	£'000
Depreciation (note 14)	**1,322**	1,262
Auditor's remuneration	**72**	60
Amortisation of deferred capital grants	**(17)**	(16)

8. STAFF COST

Staff costs, including directors' remuneration, were as follows:

	2022	2021
	£'000	£'000
Wages and salaries	**3,178**	2,798
Social security costs	**294**	236
Other pension costs	**87**	73
Total	**3,559**	3,107

The average monthly number of employees, including the directors, during the year was as follows:

	2022	2021
Office and management	**25**	24
Catering	**-**	2
Ground, maintenance and security staff	**15**	11
Lodge	**8**	-
Rocking Horse Nursery	**37**	38
Casual raceday staff	**75**	44
Total	**160**	119

Notes to the Financial Statements

Year ended 31 December 2022

8. STAFF COST (Continued)

Directors' remuneration and transactions	2022 £'000	2021 £'000
Executive Directors	**590**	435
Non-Executive Directors	**90**	90
Total	**680**	525

The highest paid director received remuneration of £402,000 (2021: £302,000), including pension contributions of £nil (2021: £2,000).

One (2021: 2) Director is a member of defined contribution pension scheme. The value of the company's contributions paid in respect of such Director amounted to £10,000 (2021: £11,000).

Transactions with key management personnel

Members of the Board of Directors of Newbury Racecourse plc are deemed to be key management personnel.

Key management personnel compensation for the financial year is equal to the directors' remuneration stated above.

9. INTEREST RECEIVABLE

	2022 £'000	2021 £'000
Other interest receivable	**190**	175
Total	**190**	175

10. INTEREST PAYABLE & SIMILAR CHARGES

	2022 £'000	2021 £'000
Bank interest payable	**16**	83
Compton Beauchamp Estates Ltd loan	**18**	83
Pension scheme liabilities	**18**	26
Total	**52**	192

Notes to the Financial Statements

Year ended 31 December 2022

11. TAXATION

Total tax expense recognised in the profit and loss account, other comprehensive income and equity:

	2022	**2021**
	£'000	**£'000**
Current tax:		
Current tax on income for the year	**-**	-
Adjustments in respect of prior years	**-**	(3)
Total current tax	**-**	(3)
Deferred taxation (see note 21):		
Origination and reversal of timing differences	**81**	99
Adjustment in respect of prior years	**(55)**	209
Change in tax rate	**26**	757
	52	1,065
Taxation on loss/(profit) on ordinary activities	**52**	1,062

Reconciliation of effective tax rate:

	2022	**2021**
	£'000	**£'000**
Profit/(loss) on ordinary activities before tax	**126**	179
Tax on profit on ordinary activities at the standard UK rate – 19% (2021: 19%)	**24**	34
Income not chargeable for tax purposes	**(40)**	(54)
Expenses not deductible for tax purposes	**96**	119
Effect in change of rate	**26**	757
Adjustment in respect of prior years	**(54)**	206
Total tax charge/(credit) for the year	**52**	1,062

Deferred tax has been recognised in full at the substantively enacted rate of 25% as at 31 December 2022. In the March 2021 Budget, the UK Government announced that legislation would be introduced in the Finance Bill 2021 to increase the main rate of UK Corporation Tax from 19% to 25%, effective 1 April 2023. For profits up to £50,000, the corporation tax rate will remain at 19% and for profits over £250,000, the corporation tax rate will be 25%. The new legislation was substantively enacted in May 2021 and was fully enacted on 10 June 2021. Therefore, as at 31 December 2022, two corporation tax rates had been substantively enacted, being 19% (the current corporation tax rate), and 25% (the rate applying from 1 April 2023).

The closing deferred tax assets and liabilities have therefore been calculated at the higher substantively enacted rate (25%) expected to apply to the unwinding of the liability/asset as at the balance sheet date.

12. PROFIT ATTRIBUTABLE TO THE COMPANY

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements. The profit after tax of the Parent Company for the year was £78,000 (2021: loss of £807,000).

13. PROFIT PER SHARE

Basic and diluted profit per share is calculated by dividing the profit attributable to ordinary shareholders for the year ended 31 December 2022 of £74,000 (2021: loss of £883,000) by the weighted average number of ordinary shares during the year of 3,348,326 (2021: 3,348,326).

Notes to the Financial Statements

Year ended 31 December 2022

14. TANGIBLE FIXED ASSETS

GROUP	Freehold property £'000	Fixtures and fittings £'000	Tractors and motor vehicles £'000	Total £'000
Cost or valuation				
As at 1 January 2022	53,831	9,954	313	64,098
Additions	621	1,326	-	1,947
Disposals	(33)	(14)	-	(47)
As 31 December 2022	**54,419**	**11,266**	**313**	**65,998**
Depreciation				
At 1 January 2022	17,456	5,650	181	23,287
Charge for year	684	617	21	1,322
Disposals	(3)	(3)	-	(6)
At 31 December 2022	**18,137**	**6,264**	**202**	**24,603**
Net book value at 31 December 2022	**36,282**	**5,002**	**111**	**41,395**
Net book value at 31 December 2021	36,375	4,304	132	40,811

In 1959 a revaluation of part of the freehold land at £117,864 gave rise to an excess of £75,486 over its cost and this sum is included in the total value of this asset. The excess on revaluation is credited to the Revaluation Reserve. The net book value of freehold land and buildings determined by the historical cost convention is £36,206,000 (2021: £36,299,000).

In 2018 the board revisited the residual values and useful economic lives of the land enhancements and major buildings on the site. Savills were instructed to provide an estimate of the residual values, and these were applied in re-estimating the depreciation charge for those assets. There was no further change in the residual values or useful economic lives during 2022.

COMPANY	Freehold property £'000	Fixtures and fittings £'000	Tractors and motor vehicles £'000	Total £'000
Cost or valuation				
As at 1 January 2022	53,826	9,954	313	64,093
Additions	621	1,326	-	1,947
Disposals	(33)	(14)	-	(47)
As 31 December 2022	**54,414**	**11,266**	**313**	**65,993**
Depreciation				
At 1 January 2022	17,456	5,650	181	23,287
Charge for year	684	617	21	1,322
Disposals	(3)	(3)	-	(6)
At 31 December 2022	**18,137**	**6,264**	**202**	**24,603**
Net book value at 31 December 2022	**36,277**	**5,002**	**111**	**41,390**
Net book value at 31 December 2021	36,370	4,304	132	40,806

The net book value of freehold land and buildings determined by the historical cost convention is £36,201,000 (2021: £36,294,000).

Notes to the Financial Statements

Year ended 31 December 2022

15. INVESTMENTS

GROUP	2022 £'000	2021 £'000
Investment in Racecourse Media Group	**117**	117
Investment in Racecourse Media Services Limited	**-**	-
Total	**117**	117

COMPANY	2022 £'000	2021 £'000
Investment in Racecourse Media Group	**117**	117
Investment in Racecourse Media Services Limited	**-**	-
Shares in subsidiary undertakings	**7,703**	7,703
Total	**7,820**	7,820

The Group has the following unlisted investments:

One 'A' share (£100 and 5.6% of the 'A' shareholding) together with five hundred and eighty-two 'B' shares that were issued in 2011 (£116,400 and 5.6% of the 'B' shareholding) in Racecourse Media Group Limited (RMG).

One share (£100 and 2.77% of the shareholding) in Racecourse Retail Business Limited (RRB).

Twenty-one shares (£21 and 2.1% of the shareholding) in British Champions' Series Limited.

Shares in subsidiary undertakings represent investments in Newbury Racecourse Enterprises Limited, a Company registered in England and Wales involved in the holding and renting of land and Newbury Racecourse Management Limited, a Company registered in England and Wales involved in residential property management, but which was dormant during the year ended 31 December 2022. As at 31 December 2022, Newbury Racecourse plc holds 100% of the ordinary share capital and voting rights of both companies. The Registered Office for both subsidiaries is Newbury Racecourse, Newbury, Berkshire, RG14 7NZ.

16. STOCKS AND WORK IN PROGRESS

GROUP AND COMPANY

The Group's stock consists of sundry materials held for the purpose of catering and maintaining the racecourse and the Group's premises.

	2022 £'000	2021 £'000
Catering	**6**	-
Sundry	**34**	22
Total	**40**	22

Notes to the Financial Statements

Year ended 31 December 2022

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	**2022 £'000**	**2021 £'000**
Trade debtors	**872**	609
Other debtors	**1,628**	11,965
Prepayments and accrued income	**176**	121
Total	**2,676**	12,695

COMPANY	**2022 £'000**	**2021 £'000**
Trade debtors	**872**	581
Other debtors	**1,628**	11,965
Prepayments and accrued income	**176**	121
Total	**2,676**	12,667

Other debtors in 2021 included £10,675,000, being the net present value of the balance due from David Wilson Homes within the next 12 months.

Other debtors include £154,400 (2021: £154,400) in respect of lease asset receivables, being the value of ground rents receivable from the freehold interests of the Group, and a loan of £102,857 (2021: £95,682) to Britbet Racing LLP for the start-up of a new betting consortium.

18. DEBTORS: AMOUNTS FALLING DUE AFTER ONE YEAR

GROUP & COMPANY	**2022 £'000**	**2021 £'000**
Other debtors	**3,533**	3,618

Other debtors include £3,533,000 (2021: £3,522,000) in respect of lease asset receivables, being the value of ground rents receivable from the freehold interests of the Group.

Notes to the Financial Statements

Year ended 31 December 2022

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	**2022** **£'000**	**2021** **£'000**
Trade creditors	**882**	934
Other taxes and social security	**194**	149
Other creditors	**1,378**	747
Accruals and deferred income	**1,333**	1,136
CBEL loan (note 20)	**-**	2,694
Bank loan (note 20)	**-**	4,500
Total	**3,787**	10,160

COMPANY	**2022** **£'000**	**2021** **£'000**
Trade creditors	**882**	934
Amounts owed to group undertakings	**7,971**	7,950
Other taxes and social security	**194**	149
Other creditors	**1,378**	747
Accruals and deferred income	**1,333**	1,136
CBEL loan (note 20)	**-**	2,694
Bank loan (note 20)	**-**	4,500
Total	**11,758**	18,110

Notes to the Financial Statements

Year ended 31 December 2022

20. LOANS

GROUP & COMPANY

Analysis of loan repayments:	2022 £'000	2021 £'000
Due within one year	-	7,194
Due within one and two years	-	-
Total	-	7,194

The £4.5m Nat West Bank loan was repaid in full on 10 March 2022.

Compton Beauchamp Estates Limited Loan

Under an agreement dated 29 October 2012, Compton Beauchamp Estates Limited granted the Group the following facilities:

Amount Drawn	Purpose	Repayment Dates	Interest*	Total Loan and interest
£6,500,000	Purchase of own shares	15.11.18**	3.132%	£8,183,171
		15.11.19**		
		30.04.22***		

The capital sum is repayable in three instalments on the dates as shown, with the balance of interest accrued payable on the final payment date.

In accordance with the fair value hierarchy, the Compton Beauchamp Estates Limited loan has been classified as level 3, 'inputs for the liability are not based on observable market data'.

* Under the terms of the loan the interest is rolled up into the loan capital sum. Interest accrued in the period to 31 December 2022 was £18,000 (2021: £83,000). Interest is calculated using the six monthly LGT Bank (Ireland) Limited International Bank Rate plus 2%. In accordance with FRS102, interest accrued also includes an adjustment for the effective rate method.

** Repayment was made as scheduled in 2018 and 2019.

*** On 27 April 2020, the Group agreed a deferral of the final loan repayment of £2.7m to 30 April 2022. This amount, including the interest due was fully paid and the loan settled on 4 March 2022.

21. PROVISIONS FOR LIABILITIES

GROUP	Property provision £'000	Deferred tax £'000	Total £'000
At 1 January 2022	**700**	**3,059**	**3,759**
Utilised in year	-	-	**-**
Depreciation in excess of capital allowances	-	107	**107**
Deferred tax on rolled over capital gains	-	(64)	**(64)**
Deferred tax on lease receivable	-	(46)	**(46)**
Deferred tax on staff costs	-	(23)	**(23)**
Deferred tax on defined benefit pension scheme	-	176	**176**
Deferred tax on losses	-	78	**78**
At 31 December 2022	**700**	**3,287**	**3,987**

Notes to the Financial Statements
Year ended 31 December 2022

21. PROVISIONS FOR LIABILITIES (Continued)

COMPANY	Property provision £'000	Deferred tax £'000	Total £'000
At 1 January 2022	**700**	**3,059**	**3,759**
Utilised in year	-	-	**-**
Depreciation in excess of capital allowances	-	107	**107**
Deferred tax on rolled over capital gains	-	(64)	**(64)**
Deferred tax on lease receivable	-	(46)	**(46)**
Deferred tax on staff costs	-	(23)	**(23)**
Deferred tax on defined benefit pension scheme	-	176	**176**
Deferred tax on losses	-	82	**82**
At 31 December 2022	**700**	**3,291**	**3,991**

Property provisions relate to the indemnity associated with the land sale to David Wilson Homes.

DEFERRED TAX LIABILITY

GROUP	2022 £'000	2021 £'000
Provision for deferred taxation consists of the following amounts:		
Depreciation in excess of capital allowances	**2,876**	2,769
Deferred tax on rolled over capital gains	**1,874**	1,938
Deferred tax on lease asset receivable	**69**	115
Deferred tax on staff costs	**(80)**	(57)
Deferred tax on defined benefit pension scheme	**-**	(176)
Deferred tax on losses	**(1,452)**	(1,530)
Total	**3,287**	3,059

COMPANY	2022 £'000	2021 £'000
Provision for deferred taxation consists of the following amounts:		
Depreciation in excess of capital allowances	**2,876**	2,769
Deferred tax on rolled over capital gains	**1,874**	1,938
Deferred tax on lease asset receivable	**69**	115
Deferred tax on staff costs	**(80)**	(57)
Deferred tax on defined benefit pension scheme	**-**	(176)
Deferred tax on losses	**(1,448)**	(1,530)
Total	**3,291**	3,059

Notes to the Financial Statements
Year ended 31 December 2022

22. CAPITAL AND RESERVES

Share Capital

Authorised	**2022 £'000**	**2021 £'000**
6,000,000 Ordinary shares at 10p each	**600**	600
Total	**600**	600

Allotted, called up and fully paid	**2022 £'000**	**2021 £'000**
3,348,326 Ordinary shares of 10p each	**335**	335
Total	**335**	335

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Capital redemption reserve
In 2012 the shareholders of the company passed a resolution to buy back 1,428,174 Ordinary shares owned by GPG (UK) Holdings plc at 450 pence per Ordinary share. The nominal value of the shares cancelled was £142,817.

Revaluation reserve
In 1959 a revaluation of part of the freehold land at £117,864 gave rise to an excess of £75,486 over its cost and this sum is included in the total value of this asset.

Other reserves (Company only)
Other reserves of £198,000 arose in Newbury Racecourse plc on disposal of the land south of the racecourse to Newbury Racecourse Enterprises Ltd in 2001.

23. CAPITAL GRANTS

GROUP AND COMPANY	**2022 £'000**	**2021 £'000**
Deferred capital grants	**19**	36

Analysis of movements on capital grants	**2022 £'000**
Balance as at 1 January 2022	**36**
Capital grants credited to the profit and loss account	**(17)**
Balance as at 31 December 2022	**19**

Capital Grants are shown within Capital and Reserves as the associated works have been performed and it is not in any way repayable.

Notes to the Financial Statements
Year ended 31 December 2022

24. EMPLOYEE BENEFITS

GROUP AND COMPANY

Defined Contribution Scheme
The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Group to the fund and amounted to £86,000 (2021: £73,000). There were £15,200 (2021: £12,500) of outstanding contributions at the end of the year.

Defined Benefits Scheme
Until 1 December 2003 the Group operated a funded non-contributory defined benefit pension scheme covering its permanent employees whose employment commenced prior to 16 July 2001. The scheme was closed to future accrual on 1 December 2003 and employees are not able to accrue any further benefits after this date except that salary linkage is retained. The scheme will continue in existence, but no further life assurance cover has been provided after 1 December 2001. A lump sum contribution of £300,000 was made prior to 31 December 2003. Future pension provision for those employees who were accruing benefits under the defined benefit scheme will be made through enhanced contributions to the Stakeholder scheme. For employees joining the Group after 16 July 2001 a Stakeholder scheme has been put in place.

The defined benefit scheme funds are administered by trustees and are independent of the Group's finances. The pension cost is assessed in accordance with the advice of a qualified actuary using the projected unit method. The most recent full actuarial valuation was as at 1 July 2020, the most significant sensitivities to the assumptions being the cash commutation, inflation assumption and climate change shock.

As at 1 July 2020, the market value of the scheme assets was £1,282,000 and the actuarial value of the assets was only sufficient to fund 57% of the benefits that had accrued to members, after allowing for expected future increases in earnings. As such there is a deficit of £968,000 to fund and a recovery plan has been agreed with the Trustees of the scheme. A payment of £109,000 was made in the first year after the valuation date. Annual contributions of £136,000 (increasing by 3% per annum) will be paid over a 6-year period commencing 1 July 2021. As at 31 December 2022, under the agreed recovery plan, total contributions of £315,000 have been paid into the scheme.

The actuarial valuation described above has been updated at 31 December 2022 by a qualified actuary using revised assumptions that are required by FRS 102. Investments have been valued for this purpose at fair value. The major assumptions used for calculating the liabilities at 31 December 2022 under FRS 102 are as follows:

Disclosure of actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.75	3.80
Rate of increase in pensions in payment		
Pre-1 July 1993 pension	3.00	3.00
Post 1 July 1993 pension	3.05	3.25
Discount rate	4.85	1.90
Inflation assumption (RPI)	3.05	3.25
Inflation assumption (CPI)	2.75	2.8

Assumed life expectancies on retirement at age 65 are:	2022	2021
Retiring today - Males	85.8	85.8
Retiring today - Females	89.0	89.2
Retiring in 20 years time – Males	87.1	87.1
Retiring in 20 years time - Females	90.4	90.7

The amount included in the balance sheet arising from the Group's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	2022 £'000	2021 £'000
Present value of defined benefit obligations	**(2,251)**	(3,595)
Fair value of scheme assets	**2,426**	2,890
Restriction of recognition of scheme assets	**(175)**	-
Surplus/(deficit) in the scheme at the end of the year	**-**	(705)

Notes to the Financial Statements

Year ended 31 December 2022

24. EMPLOYEE BENEFITS (Continued)

The Net pension surplus has not been recognised in these accounts as there is insufficient evidence that the asset will be recovered.

Movements in the present value of defined benefit obligations were as follows:	**2022 £'000**	**2021 £'000**
At 1 January	**3,595**	4,220
Interest cost	**67**	52
Actuarial (gains) and losses	**(1,312)**	(7)
Benefits paid	**(99)**	(670)
At 31 December	**2,251**	3,595

Movements in the fair value of scheme assets were as follows:	**2022 £'000**	**2021 £'000**
At 1 January	**2,890**	2,682
Interest income	**55**	32
Return on assets, excluding interest income	**(552)**	730
Contributions by employers	**138**	122
Benefits paid	**(99)**	(670)
Plan administrative cost	**(6)**	(6)
At 31 December	**2,426**	2,890

The analysis of the scheme assets at the balance sheet date was as follows:

	2022 £'000	**2021 £'000**
Group pension contract	**1,208**	1,031
Annuity contract	**1,218**	1,859
Fair value of assets	**2,426**	2,890

25. FINANCIAL COMMITMENTS

GROUP AND COMPANY	**2022 £'000**	**2021 £'000**
Swift Lifts Ltd	**-**	16
Kennet Equipment	**-**	6
Tech Support Guru	**97**	133
Total	**97**	155

Newbury Racecourse plc has a 5-year contract with Tech Support Guru for the lease of computer equipment until 30 Sept 2025. £36,000 is due within one year (2021: £36,000), and £61,000 is due after one year (2021: £97,000)

As at 31 December 2022 there were no hedging instruments in place.

Notes to the Financial Statements
Year ended 31 December 2022

26. ANALYSIS OF CHANGE IN NET DEBT

	1 Jan 2022 £'000	Cash flow £'000	Non cash changes £'000	31 Dec 2022 £'000
Cash at bank and in hand	**6,009**	(1,882)	-	**4,127**
Short term deposits at bank	**-**	2,000	-	**2,000**
Debt due within one year				
- Loans	**(7,194)**	7,212	(18)	**-**
Net debt	**(1,185)**	7,330	(18)	**6,127**

27. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under FRS102 not to disclose transactions between entities, of whose voting rights are controlled within the Group.

Compton Beauchamp Estates Limited

During the year ended 31 December 2022, sponsorship income of £22,300 (2021: £22,400) and hospitality income of £9,370 (2021: £nil) was received from Compton Beauchamp Estates Limited. As at the year-end a debtor balance of £nil (2021: £nil) was outstanding. The loan balance due to Compton Beauchamp as at 31 December 2021 was paid in full during 2022 – see note 20 for further details. Erik Penser is a director and sole shareholder of Compton Beauchamp Estates Limited. These are considered to be arm's length transactions.

Marsh JLT Specialty Limited

During the year ended 31 December 2022, Marsh Limited provided broker insurance services to Newbury Racecourse plc to the value of £32,500 (2021: £32,500). The balance outstanding at the year-end was £nil (2021: £nil). Dominic Burke served as Vice Chairman of Marsh & McLennan Companies until January 2022. These are considered to be arm's length transactions.

Highclere Thoroughbred Racing Limited

During the year ended 31 December 2022 sponsorship income of £39,300 (2021: £1,500) and hospitality income of £52,770 (2021: £7,380) was received from Highclere Thoroughbred Racing Limited. As at the year-end a debtor balance of £2,300 (2021: £nil) was outstanding. The Hon H M Herbert is a director of Highclere Thoroughbred Racing Limited. These are considered to be arm's length transactions.

Watership Down Stud

During the year ended 31 December 2022, sponsorship income of £26,100 (2021: £10,600) and hospitality income of £16,900 (2021: £nil) was received from Watership Down Stud. As at the year-end a debtor balance of £nil (2021: £nil) was outstanding. Lady Lloyd-Webber is the owner of Watership Down Stud. These are considered to be arm's length transactions.

28. POST BALANCE SHEET EVENT

As per the terms of the agreement dated 6 July 2021, the LBO retail rights for the company's media rights interests were transferred to Arena Leisure Racing Ltd and Attheraces Ltd from 1 April 2023 following the expiry of the previous agreement with Racecourse Media Group. All other rights will transfer on the same basis from 1 January 2024.