

Company Registration No. 00998813 (England and Wales)

CORBETT BOOKMAKERS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2020

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CORBETT BOOKMAKERS LIMITED

COMPANY INFORMATION

Directors	M R Corbett N Corbett M Mckeon
Company number	00998813
Registered office	74-78 Welsh Road Garden City Sealand Deeside Flintshire CH5 2HU
Auditor	RSM UK Audit LLP Chartered Accountants 5th Floor One City Place Queens Road Chester CH1 3BQ
Bankers	Barclays Bank plc Raymond Court Princes Drive Colwyn Bay North Wales LL29 8HT

CORBETT BOOKMAKERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present the strategic report for the year ended 31 March 2020.

Fair review of the business

The directors are satisfied with the year's results given the onset and impact of the Global Pandemic from the beginning of 2020. The reduction in gross turnover at £91,202,957 compared with £158,694,749 in 2019 results from UK Government Legislation introduced on 1 April 2019 with the imposition of a reduction to the maximum stakes on Fixed Odds Betting Terminals from £100 to £2. There were also 2 less betting shops trading than in the previous financial year.

Gross margin has increased from 6.9% to 10.2% with gross profits generated of £9,279,835 compared with £10,971,748 in 2019 as a result in the change in turnover mix as noted above.

The reduction in gross turnover does not directly translate into a reduction in Administrative Expenses, however costs continue to be well-managed.

Net assets have reduced in line with the small loss for the year, however, the cash balance remains strong.

Principal risks and uncertainties

All of the Company's betting shops in England (16) and Wales (27) were instructed to close on 20 March 2020 as part of the UK national lockdown in response to the Covid-19 Pandemic. Betting shops in England were allowed to reopen on 15 June 2020 with those in Wales ordered to remain closed until 13 July 2020. Further lockdowns have followed later in 2020 in both England and Wales with betting shops ordered to close for the duration. Under current government guidelines, shops are due to reopen in April 2021.

The Directors' policy in recent years of careful cost containment and ensuring that the Company retains sufficient liquidity to provide for any future unforeseen material interruption to the business has enabled the Company to navigate the impact of the Covid-19 pandemic through 2020 and into 2021. The Company has been able to access Government support for shops located in England via furlough income, Business Support Grants, Non Domestic Rates Relief and also limited support made available by the Welsh Government.

The Directors consider that the cash resources and liquidity available to the Company as at March 2021 will be more than sufficient to support the business through until 31 March 2022 even in the unlikely event that there is no change to the current lockdown status in the UK. The Directors do however take the view that the Company's betting shops in England and Wales will be allowed to open again during 2021 with trading allowed to resume as restrictions begin to ease as supported by the latest government guidance, and therefore prepare the financial statements on a going concern basis.

Development and performance

Corbett Bookmakers Limited trading as Corbett Sports continue to invest in technology to engage with their customers and via social media channels such as on Facebook and @CorbettSports on Twitter, and seek to identify and strengthen new opportunities for the growth of the business through new land based sites and further investment in marketing with established media companies. The continued investment in the business will see the expansion of services to allow further competitiveness across all channels.

Key performance indicators

The primary business KPI is Gross Betting Margin, defined as relevant Gross Win divided by the related Betting stakes. The various income streams have their own betting margin which the directors use to manage the income of the business and hence cash flow.

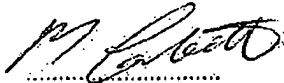
The directors also use a secondary related KPI of average stake per slip to monitor the volume of business being transacted on a daily basis.

CORBETT BOOKMAKERS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

On behalf of the board



M R Corbett

Director

Date: 30.03.2021

CORBETT BOOKMAKERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities

The Principal activities of the Company during the year is that of 'Off Course' Turf Accountants trading from owned and leased properties across North Wales and the North of England. The company is one of the largest independent UK licensed bookmakers delivering a fully managed sports betting service.

The company's betting activities are located in the UK and are subject to UK Betting Duty, UK Gaming Machine Duty, and UK Value Added Tax and UK Corporation Tax. The company remits its liability to the UK Treasury.

Corbett Bookmakers Limited trades under the banner of Corbett Sports and online as CorbettSports.com. It is the largest independent betting and gaming company in Wales, and is a fourth generation family operated company that serves customers from all areas of Great Britain.

The continued growth of its online business has seen the company's profile rise outside of historical localities as the company in its eighth decade of trading -using the strapline 'The Sports Fans Sportsbook Since 1937'.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M R Corbett
N Corbett
M Mckeon

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Future developments

As and when the betting shops reopen to the public following lockdown and trading recommences, Corbett Bookmakers Limited trading as Corbettsports will continue to invest in the latest technology including social media and seeks to expand its customer offering wherever suitable opportunities arise. The Company's core business remains very competitive but the Directors believe that the business is well placed to deal with the challenges facing the industry including the key areas of media rights and Government legislation.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

CORBETT BOOKMAKERS LIMITED

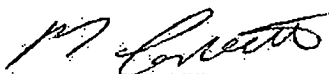
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



M R Corbett
Director

Date: 30.03.2021.

CORBETT BOOKMAKERS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORBETT BOOKMAKERS LIMITED

Opinion

We have audited the financial statements of Corbett Bookmakers Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 are independent of the 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORBETT BOOKMAKERS LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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 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 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Michael Fairhurst FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
5th Floor
One City Place
Queens Road
Chester
CH1 3BQ
31 March 2021

CORBETT BOOKMAKERS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Turnover	3	91,202,957	158,694,749
Cost of sales		(81,923,122)	(147,723,001)
Gross profit		9,279,835	10,971,748
Administrative expenses		(9,346,649)	(10,744,743)
Other operating income		17,000	22,083
Operating (loss)/profit	6	(49,814)	249,088
Interest receivable and similar income	7	-	368
Other gains and losses	8	-	(49,500)
(Loss)/profit before taxation		(49,814)	199,956
Tax on (loss)/profit	9	(34)	(56,716)
(Loss)/profit for the financial year		(49,848)	143,240

CORBETT BOOKMAKERS LIMITED**BALANCE SHEET****AS AT 31 MARCH 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	10	109,539		158,073	
Tangible assets	11	1,671,009		1,792,375	
		<u>1,780,548</u>		<u>1,950,448</u>	
Current assets					
Debtors	12	1,769,023		1,568,681	
Cash at bank and in hand		2,625,911		3,109,863	
		<u>4,394,934</u>		<u>4,678,544</u>	
Creditors: amounts falling due within one year	13	<u>(1,281,358)</u>		<u>(1,685,020)</u>	
Net current assets		<u>3,113,576</u>		<u>2,993,524</u>	
Total assets less current liabilities		<u>4,894,124</u>		<u>4,943,972</u>	
Capital and reserves					
Called up share capital	16	2		2	
Revaluation reserve	17	1,983		(54,735)	
Profit and loss reserves	17	4,892,139		4,998,705	
Total equity		<u>4,894,124</u>		<u>4,943,972</u>	

The financial statements were approved by the board of directors and authorised for issue on 30.03.2021 and are signed on its behalf by:



M R Corbett
Director

CORBETT BOOKMAKERS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 April 2018	2	(54,735)	4,855,465	4,800,732
Year ended 31 March 2019:				
Profit and total comprehensive income for the year	-	-	143,240	143,240
Balance at 31 March 2019	2	(54,735)	4,998,705	4,943,972
Year ended 31 March 2020:				
Loss and total comprehensive income for the year	-	-	(49,848)	(49,848)
Transfers	-	56,718	(56,718)	-
Balance at 31 March 2020	2	1,983	4,892,139	4,894,124

CORBETT BOOKMAKERS LIMITED

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

1 Accounting policies

Company information

Corbett Bookmakers Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 74-78 Welsh Road, Garden City, Sealand, Deeside, Flintshire, CH5 2HU. The principal place of business is the bookmakers shops across North Wales and the North of England.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosure exemptions

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flow' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/ losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changed recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Corbett Bookmakers (Holdings) Limited. The consolidated financial statements of Corbett Bookmakers (Holdings) Limited are available from its registered office which is the same as this company's.

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

Going concern

All of the Company's betting shops in England (16) and Wales (27) were instructed to close on 20 March 2020 as part of the UK national lockdown in response to the Covid-19 Pandemic. Betting shops in England were allowed to reopen on 15 June 2020 with those in Wales ordered to remain closed until 13 July 2020. Further lockdowns have followed later in 2020 in both England and Wales with betting shops ordered to close for the duration. The Company has been able to access Government support for shops located in England via Business Support Grants and Non Domestic Rates Relief and also limited support made available by the Welsh Government. Support through the furlough scheme has also been utilised throughout the period. Under current government guidelines, shops are due to reopen in April 2021.

The Directors consider that the cash resources and liquidity available to the Company and wider Group as at March 2021 will be more than sufficient to support the business through until 31 March 2022 even in the unlikely event that there is no change to the current lockdown status in the UK, and the Group Directors have confirmed that cash will be managed around the Group as necessary to secure the Going Concern status of the Company. The Directors do however take the view that the Company's betting shops in England and Wales will be allowed to open again during 2021 with trading allowed to resume as restrictions begin to ease.

As a result of the above, the directors have prepared the accounts using the going concern assumption with no material uncertainty attached.

Turnover

Turnover within the group represents the gross amounts receivable from bookmaking business, gaming machine operations and bets staked from the on course bookmaking business within the UK during the year. All turnover excludes value added tax. For betting and game machine income, revenue is recognised on receipt of cash basis, net of amounts paid out as winnings. For other sales, revenue is recognised on delivery of the goods or performance of the service.

Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	- 10% to 25% straight line
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	- 2% straight line
Leasehold property	- 10% straight line
Fixtures, fittings and equipment	- 16.67% straight line & 25% reducing balance
Motor vehicles	- 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and cash at bank.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non discount basis.

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either debtors or creditors.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

The directors believe that estimates and assumptions do not have a significant risk of causing a material difference to the carrying amounts of assets and liabilities within the next financial year.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020 £	2019 £
Turnover analysed by class of business		
Turf Accountants	91,202,957	158,694,749
	<u> </u>	<u> </u>
	2020 £	2019 £
Other revenue		
Interest income	-	368
	<u> </u>	<u> </u>
	2020 £	2019 £
Turnover analysed by geographical market		
United Kingdom	91,202,957	158,694,749
	<u> </u>	<u> </u>

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Number of service staff	147	161
Number of administrative staff	27	30
Total	174	191

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	2,532,382	2,635,681
Social security costs	184,730	191,961
Pension costs	50,470	27,909
	2,767,582	2,855,551

5 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	330,948	259,450
Company pension contributions to defined contribution schemes	2,632	2,632
	333,580	262,082

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2020 £	2019 £
Remuneration for qualifying services	137,467	166,036
Company pension contributions to defined contribution schemes	1,316	1,316

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Operating (loss)/profit

	2020 £	2019 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	12,600	12,600
Depreciation of owned tangible fixed assets	157,347	193,881
Profit on disposal of tangible fixed assets	(40,000)	-
Amortisation of intangible assets	79,712	67,715
Operating lease charges	488,960	546,371

7 Interest receivable and similar income

	2020 £	2019 £
Interest income		
Interest on bank deposits	-	368

8 Other gains and losses

	2020 £	2019 £
Other gains and losses	-	(49,500)

9 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	8,072	61,553
Movement on timing differences and amounts carried back	(352)	(2,636)
Total current tax	7,720	58,917
Deferred tax		
Origination and reversal of timing differences	(7,541)	(2,201)
Changes in tax rates	(218)	-
Previously unrecognised tax loss, tax credit or timing difference	73	-
Total deferred tax	(7,686)	(2,201)
Total tax charge	34	56,716

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Taxation (Continued)

The total tax charge for the year included in the profit and loss account can be reconciled to the (loss)/profit before tax multiplied by the standard rate of tax as follows:

	2020 £	2019 £
(Loss)/profit before taxation	(49,814)	199,956
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(9,465)	37,992
Tax effect of expenses that are not deductible in determining taxable profit	769	10,174
Movement on timing differences and amounts carried back	(352)	(2,636)
Deferred tax adjustments in respect of prior years	73	-
Deferred tax chargeable at lower rates	-	565
Fixed asset differences	6,579	8,006
Deferred tax not recognised	-	2,615
Change in tax rate	2,430	-
Taxation charge for the year	34	56,716

10 Intangible fixed assets

	Software £
Cost	
At 1 April 2019	414,923
Additions	31,178
At 31 March 2020	446,101
Amortisation and impairment	
At 1 April 2019	256,850
Amortisation charged for the year	79,712
At 31 March 2020	336,562
Carrying amount	
At 31 March 2020	109,539
At 31 March 2019	158,073

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Tangible fixed assets

	Freehold property	Leasehold property	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2019	1,549,000	87,897	5,728,354	199,431	7,564,682
Additions	-	-	35,981	-	35,981
At 31 March 2020	1,549,000	87,897	5,764,335	199,431	7,600,663
Depreciation and impairment					
At 1 April 2019	162,802	87,897	5,342,328	179,280	5,772,307
Depreciation charged in the year	30,984	-	121,325	5,038	157,347
At 31 March 2020	193,786	87,897	5,463,653	184,318	5,929,654
Carrying amount					
At 31 March 2020	1,355,214	-	300,682	15,113	1,671,009
At 31 March 2019	1,386,198	-	386,026	20,151	1,792,375

Freehold properties were valued on an open market value basis on 31 March 2014 by Guy Woodcock and Co, Chartered Surveyors. The company has elected, in accordance with section 35. 10(d) FRS 102, to use this valuation at the transition date of any of the freehold and land and buildings previously carried at a valuation, as their deemed cost.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2020 £	2019 £
Cost	1,783,327	1,783,327
Accumulated depreciation	(344,794)	(309,128)
Carrying value	1,438,533	1,474,199

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	103,240	87,955
Corporation tax recoverable	3,180	-
Amounts owed by group undertakings	1,311,656	1,243,942
Other debtors	252,686	137,653
Prepayments and accrued income	88,642	97,198
	1,759,404	1,566,748

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

12 Debtors (Continued)

	2020 £	2019 £
Amounts falling due after more than one year:		
Deferred tax asset (note 14)	9,619	1,933
Total debtors	1,769,023	1,568,681

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	724,843	996,775
Amounts owed to group undertakings	1	1
Corporation tax	7,600	61,553
Other taxation and social security	67,394	147,826
Other creditors	189,668	22,275
Accruals and deferred income	291,852	456,590
	1,281,358	1,685,020

A debenture was created to secure all monies due or to become due from the company to Barclays Bank plc. The debenture is an all monies debenture with fixed and floating charges over the assets and properties of the business.

14 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2020 £	Assets 2019 £
Balances:		
Accelerated capital allowances	9,619	(435)
Short term timing differences	-	2,368
	9,619	1,933

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

14 Deferred taxation (Continued)

	2020 £
Movements in the year:	
Asset at 1 April 2019	(1,933)
Credit to profit or loss	(7,686)
	<u>(9,619)</u>
Asset at 31 March 2020	<u>(9,619)</u>

15 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	50,470	27,909
	<u>50,470</u>	<u>27,909</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The balance outstanding at the year end, and included within trade creditors was £8,831 (2019: £nil).

16 Share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	-	-	2	2
	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at the general meetings of the Company.

17 Reserves

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in profit or loss.

Profit and loss reserves

Cumulative profit and loss net of distribution to owners.

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Financial commitments, guarantees and contingent liabilities

The bank loans and overdrafts of the group are secured by way of an unlimited multilateral guarantee between Corbett Bookmakers (Holdings) Limited, Corbett Bookmakers Limited, The Corbett Group Limited, Corbett Holdings Limited and William T Corbett (Course) Limited.

The bank has an all monies debenture with fixed and floating charges over the assets and properties of the business.

19 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	187,473	381,393
Between one and five years	437,068	497,540
In over five years	155,115	250,855
	<u>779,656</u>	<u>1,129,788</u>

20 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Rent payable	
	2020 £	2019 £
Jointly controlled entities	<u>216,286</u>	<u>197,167</u>

The following amounts were outstanding at the reporting end date:

	2020 £	2019 £
Amounts due to related parties		
Other related parties	<u>85,173</u>	<u>-</u>

The following amounts were outstanding at the reporting end date:

	2020 £	2019 £
Amounts due from related parties		
Entities with control, joint control or significant influence over the company	72,745	72,745
Jointly controlled entities	78,030	6,946
Other related parties	<u>516</u>	<u>-</u>

CORBETT BOOKMAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21 Directors' transactions

M Corbett was owed £5,820 by the company as at 31 March 2020 and was included within other creditors (2019: £Nil). Advances during the year amounted to £17,162 (2019: Nil) and repayments of £11,342 (2019: £Nil) were made during the year. The loaned amount has no fixed repayment date and has no interest charged on that amount.

N Corbett was owed £72,741 by the company as at 31 March 2020 and was included within other creditors (2019: £Nil). Advances during the year amounted to £74,747 (2019: Nil) and repayments of £2,006 (2019: £Nil) were made during the year. The loaned amount has no fixed repayment date and has no interest charged on that amount.

M Mckeen, was owed an amount of £516 at the year end (2019: £Nil).

22 Ultimate controlling party

The ultimate parent company is Corbett Bookmakers (Holdings) Limited, a company incorporated in England and Wales.

Copies of the consolidated financial statements, incorporating those of Corbett Bookmakers Limited are available from the holding company's registered office at 76 Welsh Road, Garden City, Sealand, Flintshire, CH5 2HU. These are the largest and smallest group of undertakings for which group accounts are drawn up that include this entity in their consolidation.

The majority shareholder in Corbett Bookmakers (Holdings) Limited is The Corbett Family Trust.