



## **ASCOT RACECOURSE ANNOUNCES 2020 FINANCIAL RESULTS**

**Pre-tax loss of £0.2m (2019 profit of £7.3m)**

**Impact of Covid-19 pandemic mitigated by communicable disease insurance cover in 2020**

**Impact of Covid-19 pandemic remains significant in 2021**

**Solid platform for recovery from the Covid-19 pandemic in 2022 and 2023**

**Press Release: 29th September 2021**

Ascot Racecourse today announces its financial results for the 12 months ending 31<sup>st</sup> December 2020.

Ascot Authority (Holdings) Limited (AAHL) reported a pre-tax loss of £220,000.

### **Financial summary**

	2020 £'000	2019 £'000
Turnover	22,034	96,753
Cost of sales	(20,244)	(59,558)
Gross profit	1,790	37,195
Overheads	(29,592)	(27,298)
Other operating income	30,281	584
Group operating profit	2,479	10,481
Group share of operating profit of BCSL*	266	208
Interest receivable and similar income	44	150
Finance charges	(3,009)	(3,489)
Profit on ordinary activities before taxation	(220)	7,350

\* British Champions Series Limited

## **2020 business summary**

- Turnover was down by 77% due to Covid-19 restrictions with only two racedays being held with crowds and 18 run behind closed doors. Five racedays were lost as a result of the pandemic and one was abandoned due to weather.
- Without pandemic insurance cover and Government support through the Coronavirus Job Retention Scheme and business rates relief, a pre-tax loss of more than £31m would have been suffered.
- Staff restructuring in 2020 to adjust to pandemic trading conditions.
- Gross debt at 31<sup>st</sup> December 2020 was £59.4m (2019: £57.4m gross).
- Standby loan facility of £20m until 2023 arranged through the Government Coronavirus Large Business Interruption Loan (CLBILS) scheme but not drawn down.

### **Guy Henderson, Chief Executive Officer at Ascot Racecourse, said:**

“2020 was naturally a difficult year with trading conditions and results severely affected by the Covid-19 restrictions. The financial impact was mitigated by cushions such as the Coronavirus Job Retention Scheme, Business Rates Relief and pandemic insurance for racing without crowds, but Ascot’s financial position and ambitions have suffered a setback.

“Ascot had to reduce fixed costs at the end of 2020. Having to lose dedicated and loyal employees, who had contributed to Ascot’s success over recent years, was hard for all concerned. I wish to pay tribute to and thank all our staff for their dedication and commitment in such difficult and uncertain times.

“We also wish to thank all our partners, suppliers, sponsors and various customers for their support.

“Without pandemic insurance this year and with strict limits on crowds at Royal Ascot for the second year, we currently forecast a significant pre-tax loss in 2021. That said, the business is on track to end the year without having to increase debt in 2021. This will provide a solid platform from which to bounce back from the pandemic in 2022 and 2023.

“Prize money and capital investment have inevitably been impacted as a result of the pandemic. We plan to build back on both fronts to pre-Covid levels as prudently and as quickly as practicable from next year. Attracting and rewarding the best quality racing and providing top class facilities are important business priorities.

“Royal Ascot in the Platinum Jubilee year will be a huge celebration and our focus is on delivering a unique event for everyone to enjoy across the globe.”

**ENDS**

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