

IN THE MATTER OF AN APPLICATION FOR A LICENCE TO TRAIN

CONCERNING MR GILES BRAVERY

BEFORE THE LICENSING COMMITTEE OF THE BRITISH HORSERACING AUTHORITY

75, HIGH HOLBORN, LONDON, WC1V 6LS

TUESDAY, 19TH MARCH 2013, THURSDAY 23rd MAY 2013 and WEDNESDAY 10TH JULY 2013

RICHARD RUSSELL ESQ.

STEPHEN BATE ESQ. (CHAIRMAN)

EDWARD DORRELL ESQ.

REASONS

1. These are the reasons for the decision of the Licensing Committee ("the Committee") made on 10 July 2013 to grant a Temporary Trainer's Licence to Mr Giles Bravery ("Mr Bravery") to train as an employee of Giles Bravery Limited ("GBL"), subject to conditions. Reasons are also given in this document for the decision of the Committee made on 24 June 2013 to grant a conditional Temporary Trainer's Licence to Mr Bravery to train as an employee of GBL until 10 July 2013.
2. On 19 March 2013 the Committee first met to consider whether a Trainer's Licence should be granted to Mr Bravery pursuant to his written licence application¹ ("the Application") dated 31 December 2012 in view of concerns expressed by the British Horseracing Authority ("BHA"). That hearing was adjourned for Mr Bravery to provide further information to the Committee, which met again on 23 May 2013. Following that hearing, further information was provided to the Committee by and on behalf of Mr Bravery and a further hearing took place on 10 July 2013.
3. The Application has come before the Committee pursuant to Schedule 9, General Manual (A) of the Rules of Racing. By its letter dated 8 March 2013 to Mr Bravery, the

¹ The company was named as Giles Bravery Racing Limited, an intended reference to GBL.

BHA expressed concerns as to the financial solvency of what was a new training business run by the company and also concerns as to the business competence of those involved in the operation of that business. The latter concern focussed on Mr Bravery, because he had been made bankrupt on 2 previous occasions and was and is the sole shareholder and director of GBL, the vehicle for the training business to which the Application relates.

4. Mr Bravery attended the hearing on 19 March 2013 alone. He was unrepresented. At the hearing on 23 May 2013, he was accompanied by Mr Paul Tibble, a Chartered Management Accountant, who had been engaged by Mr Bravery on behalf of GBL to provide accountancy and other specified financial services. At the hearing on 10 July 2013 the Committee heard from Mr Bravery and from Mr David Clark and Mrs Elizabeth Clark, respectively his father-in-law and mother-in-law.
5. The background to the Application is as follows. Mr Bravery has been a licensed trainer for more than 20 years. In the period from 1 February 2012 to 1 February 2013, he held a licence to train as an employee of Bravery Racing Limited ("BRL"). The Guidance Notes, which accompanied the licence application for that period, stated as follows, -

"G. EMPLOYMENT STATUS

1. Each application must state the employment status of the applicant ... A licence is issued on the basis that the applicant is training either as a self-employed individual or as an employee. **Should the applicant's employment status change, the licence will terminate unless prior approval is given by the BHA."**

In about early May 2012, Mr Bravery telephoned the BHA's Licensing Department, asking what steps he needed to take in order to train as an employee of GBL.

6. By letter dated 6 June 2012 Ms. Lucy Jones acknowledged that application on behalf of the BHA and requested information relating to the new company, including information as to the finances available for the business to be carried on by GBL, with supporting evidence of working capital such as bank statements. There was no response to that letter. Four chasing letters were sent to Mr Bravery and it was not until 10 November 2012 that he responded, in the following terms -

"Dear Lucy,

I am sorry that I have not contacted you earlier but rather got caught up in the Sales. I have the company up and running now and I have done a straight swap with [BRL] to [GBL]. In answer to your questions ..., I am the sole director and shareholder. I have asked my accountant to forward me a copy of the Memorandum and Articles of Association. If you need a bank statement I will be able to send you one shortly. If you would like a copy of my Tenancy Agreement I can send that too.”

In view of the need for Mr Bravery to renew his licence for the period commencing 1 February 2014, Mr Bravery made the Application, which he sent to the BHA under cover of a letter dated 5 January 2013, with a copy of the Memorandum and Articles of Association of GBL. No financial information was provided. By letter dated 30 January 2013 Ms. Jones asked for a business plan including a cash-flow forecast and profit and loss projection, with details of the company's management structure and its business arrangements. A financial reference was also requested, to establish that GBL had in the region of £40,000 in available working capital or overdraft facilities. The letter continued, -

“..... In view of the fact that you are [the] sole director and shareholder of [GBL] ..., your financial history is relevant to the application. We are aware of your bankruptcies in 2005 and 2008 .. We understand from the records that there were a number of breaches of the IVAs in place where creditors were not paid as per the agreed schedule.

You will also be aware that in your applications to renew your Licence to Train for the periods 2010/11, 2011/12 and 2012/13, you confirmed that you were trading as an employee of [BRL]. It has been brought to our attention that this company was [struck] off and dissolved in July 2009”.

The letter concluded by requesting further information in relation to these matters. Mr Bravery responded by letter dated 5 February 2013 in the following terms, -

“[P]lease find enclosed a copy of the trading summary for the year 2013/2014. ... I have a working overdraft facility with HSBC Bank of £1,000 which is more than adequate for my needs. The business has been up and running for enough months for me to be sure that this is the case. ... One of the reasons I wanted to set up my own business again was to rid myself of my previous employers as I was not happy being attached to them. The last seven or eight years have been very hard for myself and my family, and while I do not abdicate my

responsibilities we at last have the confidence to believe that we [are] free of our burdens. ... and can rebuild a successful business again.

In the last three years, I have had a winning strike of 15% or more which has attracted owners. ... I have held a licence to train racehorses for over twenty years and in that time [have] never had to explain a horse's performance, or been associated with any undesirable element[s]. I hope this goes some way to vouching for my credibility. ... Hopefully I have answered all your queries."

7. By letter dated 25 February 2013, Ms. Jones stated that the overdraft facility of £1,000 did not satisfy the criteria in the Guidance Notes, which referred to a figure of £40,000 or such other amount as may be requested on behalf of the BHA having regard to the circumstances of the application. If Mr Bravery wished the BHA to consider a figure of less than £40,000 he should explain why an overdraft facility of £1,000 would be acceptable together with confirmation of the actual funds available to the company for the business, for example by means of a bank letter. As to BRL, Ms Jones noted that Fiona Bravery, Mr Bravery's wife, had been a director of the company.
8. On 28 February 2013 Mr Bravery emailed to the BHA a letter from him dated 26 February 2013, enclosing a 'profit and loss projection' and stating that as to the management structure of the business, he was the sole director and that the bookkeeping would be carried out by a Mrs Christine Phipps, with the end of year accounts being produced by Rothmere, accountants. He pointed to personal assets totalling £45,500 in the form of rights of ownership or 'shares' in 5 horses, ranging from 25% to 50%. As to BRL, he said that he had not been informed by Mr Burns, the Company Secretary, whom he dealt with on behalf of the company that it was not trading and it became impossible for Mr Bravery and his wife to contact Mr Burns. The BHA was not satisfied by the information provided that Mr Bravery could demonstrate that the licensing criteria concerning business competence and financial viability would be met and referred the Application to the Committee by its letter of 8 March 2013.
9. At the hearing on 19 March 2013, it became clear that BRL, which was incorporated on 31 January 2012, had been trading and operating a full training business since March 2012, notwithstanding the outstanding application to the BHA for a consent to train as an employee of that company. The Committee considered it appropriate to require sight of the management accounts of GBL from the commencement of trading², because these would supply more reliable information than a profit and loss projection and generally yield important information as to the company's financial position and prospects.

² The fact that a breach of the Rules of Racing may have occurred as a result is not a matter which is appropriate for this Committee to consider: see paragraph 36 below.

Accordingly, the hearing of the Application was adjourned. Mr Bravery supplied those accounts and having provided further information and documents (including bank statements of the company to 28 February 2013) at the request of the Committee concerning matters arising out of the accounts, Mr Bravery attended the second hearing with the Committee on 23 May 2013 accompanied by Mr Tibble, who had by then been appointed as the company's accountant in the place of Rothmere, but playing a wider role as set out in more detail below.

10. Prior to the hearing on 23 May 2013 Mr Bravery also supplied at the request of the Committee bank statements for the months of March and April 2013. The bank statement for March showed that a sum of £40,000 which had been made available to the company by a Mr James (an owner with horses in training with Mr Bravery) and paid to the company on 19 March 2013 had been paid away to Mr James on 26 March 2013. This hearing was adjourned to give Mr Bravery a further opportunity to provide available funds or overdraft facilities, because he said that he was no longer comfortable that this money was owed to Mr James and that had been the reason for its repayment.
11. Mr Bravery supplied further information under cover of a letter dated 4 June 2013, which enclosed a Temporary Statement for the company's HSBC account numbered 41444751, showing that the sum of £40,000 had been credited to this account on that day. However, the covering letter made no mention of the person or persons who had provided the money, nor the terms on which it had been made available. That became clear when Mr Bravery provided a signed statement from Mrs Clark to the effect that the money had been provided by her as a loan. The further hearing was convened on 10 July 2013 primarily to discuss the detail of that loan.

Discussion and Findings

12. The paragraphs in the Guidance Notes of particular relevance to the Application were: 26 and 34-38 (general suitability, business competence and capability, financial soundness) and 31.5 (candour in dealings with the BHA).
13. At the hearing on 19 March 2013 Mr Bravery apologised to the Committee for his failure to engage with the BHA on the issue of the change of employment status. He said he had been rude and his failure to provide answers to the BHA's letters had been unacceptable. He said that his reason for starting a full training operation before receiving the BHA's consent to do so was that he thought that he had notified the BHA of the change and he was being asked for paperwork. The Committee accepted this explanation to have been what Mr Bravery genuinely believed after exploring the position with him in some detail. However, the fact that Mr Bravery entertained this belief showed a lack of awareness of

business dealings and a lack of competence on his part. It was a matter that the Committee took into account in reaching its final decision.

14. The Committee accepted that Mr Bravery had been genuinely in the dark about the fact that BRL had been struck off and dissolved, as it had been on 7 July 2009. His wife had been a director, but she had had no involvement in the affairs of the company. The Bravery name had been used as the distinguishing part of the company's name, but Mr Bravery knew little about its affairs, as he was employed by it. Mr Bravery said that he had not been aware of any correspondence from the Registrar of Companies addressed to his wife as a director of the company concerning the striking off or of any correspondence leading up to that. The Committee accepts that to have been so.
15. The Committee considered Mr Bravery's 2 bankruptcies, which were an important part of the assessment it was called on to make of his business competence. He was first declared bankrupt by an order made on 8 June 2005 upon the petition of the Commissioners of Inland Revenue ("the First Bankruptcy") and was discharged from that bankruptcy on 8 June 2006. The second bankruptcy order ("the Second Bankruptcy") was made on 10 March 2008 upon the petition of the Supervisor of the Individual Voluntary Arrangement ("IVA") entered into by Mr Bravery following the First Bankruptcy³. He was discharged from that bankruptcy on 10 March 2009.
16. The reasons for the First Bankruptcy were set out in Mr Bravery's IVA Proposal dated 8 August 2005. He had delegated responsibility for payment of his VAT to a secretary, who did not pay what was due and he stated in the Proposal that money had gone missing. His yard was also hit by a virus for the whole of a racing season, which prevented him from racing many horses in that period. The third cause was that in the same period his main owner, who owned one third of the horses in training, moved all his horses to another yard. HM Customs and Revenue petitioned on the basis of arrears of £28,000 in respect of VAT and tax arrears of £38,000. There were trade creditors of just over £60,000.
17. The IVA was approved on 16 September 2005 and by its terms Mr Bravery was required to pay £725 each month during the term of the IVA. The Second Bankruptcy arose because Mr Bravery fell into arrears in respect of post-arrangement tax and thereby breached one of the conditions attached to the arrangement. He also breached another condition of the IVA by failing to co-operate with the IVA Supervisor to enable the Supervisor to conduct reviews of Mr Bravery's payments. As a result, the creditors decided that the IVA had failed and resolved that a petition be brought for Mr Bravery's bankruptcy.

³ Despite the IVA no application to discharge the First Bankruptcy was ever made.

18. The Committee's conclusions on the bankruptcies are these. Mr Bravery was at fault in not supervising his secretary and checking to see that the VAT was paid. That aside, the reasons for the First Bankruptcy were outside his control. The picture presented by the Second Bankruptcy is mixed. It was laudable that Mr Bravery tried to repay creditors, including racing creditors. Indeed, he made monthly payments in excess of £16,000 and missed no monthly contributions. However, his failure to engage with the Supervisor was significant for present purposes and has a parallel with his failure in 2012 to engage with the Authority concerning the proposed change of his licensed status, particularly in the correspondence between June and November.
19. During the discussions with the Committee at the first hearing Mr Bravery demonstrated that he had no sufficient understanding of the duties of a company director and had not really thought through how he would ensure that the training business operated by him through GBL would trade in an appropriate manner, consistently with those aspects of the licensing criteria which concerned the BHA.
20. The Committee considered the accounts of GBL provided on 25 March 2013, which were for the period from March 2012 – February 2013. These appeared to indicate the existence of a solvent training business, with a balance sheet showing a surplus of assets over liabilities of £2,607.71 and a profit and loss account showing a net profit before tax of £2,606.71. By letter dated 4 April 2013 written on behalf of the Committee Mr Bravery was asked to provide further information, including bank statements of the company for the previous 12 months, copies of vets and farriers' bills, explanations of some of the figures in the accounts and information as to who had prepared the accounts. Mr Bravery responded by letter dated 9 April 2013, stating that Mr Tibble had prepared the management accounts. The Committee was also provided with copies of the underlying computer records for sales, which accorded with the figures in the accounts.
21. By letter dated 18 April 2013 written on behalf of the Committee, Mr Bravery was informed that it wished to give him an opportunity of making any further representations he might wish to add in the light of the further information provided since the first hearing, or generally with respect to the Application. By letter dated 19 April 2013 Mr Bravery responded as follows, -

".... An important aspect that I took away with me from my meeting with you is that I needed to be more aware of my duties to the company as a director. To that end Mr Tibble has a very much more hands on role; including overseeing the business accounts on a monthly basis as well as doing the Annual Returns."

A letter of the same date was also provided from Mr Tibble, which stated -

"Following Giles's meeting with the Licensing Committee he was quick to realise that there were some areas of his business administration that needed to be addressed, and that he needed to 'up his game' particularly with respect to his duties as a director and his obligations under corporate governance.

In recognition of these issues he decided that he wanted to recruit a fully qualified and experienced accountant who would add some financial rigour, rather than going the usual route of employing a .. Secretary/Bookkeeper.

... After my selection it was agreed that I would provide the company with the following:-

- i) Management accounts ... for disclosure to the BHA
- ii) Formal company accounts and abbreviated accounts for the year to 31 January 2013, for filing with Companies House and HMRC.
- iii) A Corporation tax return.
- iv) Company secretarial compliance support.
- v) A monthly accounting service to include –
 - a) Monthly RTI payroll
 - b) Monthly management accounts (P&L, Balance Sheet and Cash Flow)
 - c) Advice on direct and indirect taxation.
 - d) Quarterly VAT returns.

Since undertaking my duties I was pleasantly surprised by the quality and accuracy of the bookkeeping and record keeping within the business. This made my first task of producing the management accounts ... largely straightforward. ...

As part of my initial role for [GBL] and in common with many of my small limited company clients, one of the first tasks is to educate the owner directors in the differences between operating as a sole trader and operating as a corporate body. ... "

22. Having considered those letters and a letter of support from Mr Clark, who had had a number of horses in training with Mr Bravery over the years, the Committee invited Mr Bravery to attend a further hearing, with a view to considering in particular the matters raised by the letters from him and Mr Tibble. As a further two months had passed since the end of the period for the management accounts provided, the Committee asked for

bank statements of the company and management accounts for those months, with details of any amendments to the forecasts previously provided. The Committee also asked for a copy of Mr Tibble's CV and for details of the cost to the company of the services to be provided by him. That information was provided, including an up-dated cash-flow forecast prepared by Mr Tibble in the place of the first forecast provided to the Authority, which had been prepared by Mr Bravery.

23. The CV shows that Mr Tibble is a Chartered Management Accountant. Since 2007 he has been providing business consultancy and accounting services to businesses in the IT, retail, bio-tech, engineering and equine fields. From 2005-2007 he was the Group Financial Controller and Company Secretary of a PLC in the technology sphere. He had also been Chief Finance Officer of that company's Geospatial Division between 2000 and 2005 and a member of the senior management team, managing UK audit, tax, internal controls and other financial matters, deputising for that division's CEO. Between April 1999 and January 2000, he had an important managerial post in the business development of an aerospace company with a substantial turnover, setting up a new business unit following an acquisition and managing 6 accountants responsible for internal reporting. His career had started in July 1979 as a trainee accountant and he had progressed through various posts in the fields of accounts, finance, administration and management accountancy.
24. At the hearing on 23 May 2013, the Committee discussed with Mr Bravery and Mr Tibble the apparent change of Mr Bravery's approach to business matters marked by the letters of 19 April 2013. It was satisfied that Mr Bravery had undergone a genuine and meaningful change of approach in his attitude to addressing what are essential matters needed to run the training business competently. Further evidence of this is that following the hearing Mr Bravery provided on behalf of the company a written New Customer and Credit Control Policy prepared by him and Mr Tibble for the company's dealings with new owners. It was accompanied by a specimen form for each new owner for the company's use which would contain details of each new customer, whether or not proof of identity had been provided, whether references had been requested and other relevant details including whether a credit check had been carried out.
25. The Committee discussed with Mr Bravery and Mr Tibble the financial prospects of the business now that the company had up-to-date information to hand. Mr Bravery had had no licence since 31 January 2013. In those circumstances, the income generated since that date was significantly below the forecast originally provided for the months of March and April. Nonetheless, using assumptions based on the management accounts and the number of horses which Mr Bravery expected to train, Mr Tibble considered it likely that having paid Mr Bravery and its other staff the business would make a small profit in the

period to January 2014 (£2,867.23) and that it would generate a cash surplus each month from May 2013, after taking account of the money that the company would have to pay Mr Tibble for his services⁴. The Committee considered that the revised forecast was based on reasonable assumptions. Mr Tibble also made it clear that he had examined the company's books and records in preparing the management accounts.

26. The Committee considered that, subject to one point, the further information provided and the answers given by Mr Tibble in particular addressed its questions about the management accounts. The proviso was the availability of £40,000 in working capital or overdraft facilities consistently with paragraphs 37 and 38.5.1 of the Guidelines. The Committee considered that no lesser sum would be appropriate. As indicated, that sum had been lodged in one of the company's bank accounts on 4 June 2013, having been transferred by Mrs Clark. Mrs Clark provided a signed statement dated 21 June 2013 as follows, -

"I am writing to you to verify my loan of £40,000 to [GBL]. Giles Bravery is my son-in-law and this is an interest-free loan for as long as needed. ..."

The Committee discussed this letter with Mrs Clark on 10 July 2013 and she was content to provide the loan to the company on those terms. Having seen up-to-date bank statements, the Committee was satisfied that the company still had £40,000 available to it at the time of the hearing on 10 July 2013. It was made clear that Mr Clark, who has several horses in training with Mr Bravery, would continue to pay training fees at what was a commercial rate and that future fees owed by him would not be set off against the £40,000.

27. Having considered all the relevant matters, the Committee concluded that, subject to appropriate safeguards (particularly Mr Tibble's continued involvement), the training business was likely to be financially sound, particularly in view of the management accounts for the business, the cash-flow forecast provided by Mr Tibble, his positive views on the viability of the business expressed to the Committee on 23 May 2013, the adequacy of the record-keeping observed by Mr Tibble, the fresh approach of Mr Bravery, GBL's engagement of Mr Tibble in the terms set out above and the Committee's own positive assessment of Mr Tibble.
28. Will the business be run with due competence and do those involved in its running have the requisite capability? The financial track record of the business so far is a positive factor. Mr Bravery is well able to undertake the necessary matters with respect to

⁴ Prize money of £1,800 was included in the revised forecast but allowing for its exclusion, the business was still solvent.

training. His wife will continue to do the basic book-keeping. If Mr Tibble oversees the financial health of the business by his monthly financial reviews, that will provide considerable assistance to the company, to enable it to keep an eye on its financial wellbeing and make appropriate financial adjustments as necessary. Mr Bravery understands that he cannot devolve his responsibilities as a director and as the person in charge of the training business on to Mr Tibble and he now understands that he is responsible for the proper and efficient running of the company. He must also attend to the necessary paperwork involved in running the business and he understands this. He now has a more informed approach to credit control.

29. The conclusion that the business will be run by those with sufficient competence and capability has required an exercise of judgment by the Committee. On the evidence before it, the Committee has decided that, subject to appropriate safeguards, these aspects of the licensing criteria are satisfied. Despite Mr Bravery's track record of not engaging with his IVA Supervisor and of starting a training business before obtaining his regulator's consent to do so when he had sought that consent and the blameworthy aspects of the bankruptcies, the Committee considered that Mr Bravery's seriousness of purpose, evidenced by his engagement of Mr Tibble, the terms of his engagement, the view formed by both Mr Tibble and the Committee of Mr Bravery's commitment to a proper running of the business and the steps taken to see that the business is run properly (e.g. the high standard of the book-keeping and the checks on new owners) with the financial track record of the company so far have combined to persuade the Committee that those concerned in the running of the training business have sufficient business competence and capability.
30. The Committee had drawn these conclusions in its deliberations upon Mr Bravery's application for a Temporary Trainer's Licence, albeit that it had not seen Mrs Clark at that stage. The application for that licence set out the real difficulties faced by the training business if a licence were not granted swiftly. In those circumstances and bearing in mind the conclusions it reached on the issues of financial solvency and business competence, the Committee decided to grant a Temporary Trainer's Licence to Mr Bravery to train as an employee of GBL until 10 July 2013, subject to the condition that the sum of £40,000 standing to the credit of the company on 4 June 2013 or any part of it was not spent or otherwise dealt with by the company otherwise than in the ordinary course of its business and was not repaid to Mrs Clark or at her direction in the meantime. Before issuing the Temporary Licence, Mr Bravery had confirmed to the Authority on 24 June 2013 at the Committee's request that the sum of £40,000 was still standing to the credit of the company.

31. Before coming to the conclusion that Mr Bravery was a suitable person to hold a licence, the Committee took into account the unfortunate fact that Mr Bravery had lied to it at the hearing on 19 March 2013. He made 2 untrue statements about the source of the first sum of £40,000 paid to the company by Mr James. The lies were revealed at the hearing on 23 May 2013. On 19 March 2013 he said that the money had come from his family and the other explanation he gave on that date was that it came partly from his family and partly from Mr James. In fact, all the money came from Mr James. He gave his reasons for lying to the Committee: he was uncomfortable owing the money to Mr James and wanted to repay him and get the funds from his family. Whereas the Committee accepts that such was his motivation, it found this lack of candour to be unacceptable. The Committee considered whether the arrangement with Mr James had been deliberately short-term, because the money was repaid soon after the hearing on 19 March 2013, as revealed by the bank statements for March 2013 which the Committee later asked Mr Bravery to provide. However, it believed Mr Bravery's explanation that this had not been his intention. He now well understands the need for the company to have access to the money in the ordinary course of its business.
32. In deciding what weight to give to this lack of candour, the Committee took into account Mr Bravery's track record with the BHA and that nowhere in the papers has a want of integrity been shown. Thus, it was an isolated instance. As indicated above, the fact that he did not disclose that he had already started a training business through GBL in March 2012 reflected not a lack of integrity but a shortcoming in his business competence which the Committee has already taken into account. The Committee was troubled by the fact that Mr Bravery did not disclose to it the fact that the money had been repaid to Mr James and that this only surfaced because of the contents of the bank statements. However, it did not consider this to have been deliberate, with a view to misleading the Committee. He intended to secure the necessary financial resources from his father-in-law. The Committee also took into account the single instance of a lack of candour in its deliberations on the application for a Temporary licence.
33. Viewed in the context of a track record of over 20 years without other issues concerning his integrity, the Committee considered that the fact that Mr Bravery had lied to it on 19 March 2013 over the provenance of the first sum of £40,000 did not mean that it should refuse the Application by reason of that fact alone or in combination with other reasons relating to business competence.
34. However, Mr Bravery should bear in mind that any future instance of a lack of integrity may call into question his 'suitability' as a person fit to hold a Trainer's licence. He must be honest and behave with integrity in his dealings with the BHA and generally in racing matters.

35. Taking all the above matters into account, the Committee has decided to grant a Temporary Trainer's Licence to Mr Bravery. It is necessary to attach conditions to the licence with a view to securing the proper running of the training business and its financial viability and sustainability. Therefore, the Committee decided that a conditional Temporary Trainer's Licence should be granted to Mr Bravery as an employee of GBL for the period to 31 January 2014 in the following terms, –

1. Mr Bravery shall ensure or procure (as applicable) that:-

1.1. Neither the sum of £40,000 standing to the credit of the company on 10th July 2013, nor any part of it shall, be spent or otherwise dealt with by GBL otherwise than in the ordinary course of its business and shall not be repaid to Mrs Clark or at her direction (the whole sum or any part of it) in the meantime save with the written consent of the BHA;

1.2. GBL shall, throughout the period of the licence, continue to engage Mr Tibble or some other person of suitable standing previously approved in writing by the BHA to provide the services of the description set out in Mr Tibble's letter of 19th April 2013;

1.3. GBL and Mr Tibble will forthwith notify the BHA in writing if the arrangement between Mr Tibble and GBL comes to an end, or is proposed to come to an end, whichever occurs earliest;

1.4. GBL shall promptly prepare monthly management accounts, to include a balance sheet, profit and loss sheet and cash flow, by Mr Tibble or other person approved by the BHA in accordance with condition 1.2 above and shall provide a copy of those accounts to the BHA within seven days of their preparation;

2. In the event of breach of one or more of the above conditions, the BHA may suspend, withdraw or terminate the Temporary Licence.

36. The Committee considered it appropriate to grant the licence subject to these conditions, notwithstanding that Mr Bravery was operating a full training business without the consent of the BHA to a change in his employment status. Whether or not this amounts to a breach of the Rules of Racing is not for this Committee to consider. There are disciplinary procedures and sanctions available should the BHA consider them to be appropriate.

Dated 13 July 2013

A handwritten signature in black ink, appearing to be 'S. Bate', written in a cursive style.

Stephen Bate

for the Licensing Committee