

Registered number: 118558

CASTLE LEISURE LIMITED

ANNUAL REPORT

FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

MONDAY



A4GVIG96

A24

28/09/2015

#170

COMPANIES HOUSE

CASTLE LEISURE LIMITED

CONTENTS

	Page
Directors' report	1 - 3
Strategic report	4 - 5
Directors' responsibilities statement	6
Independent auditor's report	7 - 8
Profit and loss account	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12 - 22

CASTLE LEISURE LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

The Directors present their report and the financial statements for the 52 weeks ended 28 December 2014.

Principal activities

The Company's principal activities in the current year was the operation of bingo clubs, the provision of electronic entertainment and bars and catering services within them. The Directors do not anticipate any likely changes in the company's activities in the current year.

Business review

Club trading performance was satisfactory during the period with ten of our clubs delivering profit ahead of the previous year. The Company is strongly cash generative with minimal exposure to risk in relation to debtors. Cash flow is monitored daily as part of control procedures.

Trading conditions across the industry remain competitive. The Directors anticipate stability in the bingo market in the current year. Further growth in the UK economy and wages are expected to benefit club trading as the year progresses.

We continue to reinvest into our trading operations and implement new innovations and technologies to drive long term growth.

In the medium term industry rationalization and concentration will lead to opportunities for further market share gains in our regional market and beyond.

Results and dividends

The profit for the 52 weeks, after taxation, amounted to £2,375,103 (2013 - loss £567,348).

The Directors propose a final dividend of 230p per share.

Directors

The Directors who served during the period and their interests in the Company's issued share capital were:

	Ordinary shares of £1 each	
	28/12/14	30/12/13
David S Andrews	10,241	10,241
Mark H Andrews	2,317	2,317
Wayne J Davies	2,340	1,705
Jeffrey C Harris	28,782	27,210
Philip J T Yapp	5,907	5,907
Lisa M Morgan	1,400	1,035
Simon D Phillips (appointed 9 May 2014)	100	-

The Director retiring by rotation is Wayne J Davies who, being eligible, offers himself for reappointment.

Charitable contributions

During the period the Company made charitable donations of £22,170. Additionally the Company facilitates through its clubs substantial local charitable and civic fund raising. Total fund raising activities during the period generated over £45,000.

The Company has a policy of making no political donations.

CASTLE LEISURE LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

Corporate social responsibility

The Company is fully committed to ensuring that the licensing objectives, as defined by the Licensing Act 2003 and Gambling Act 2005, are strictly adhered to and complied with.

The Company's risk assessment process takes account of social environmental and ethical matters relevant to the operation of the Company. The Board seeks both to identify and assess any short or long term risks and to identify opportunities to enhance value.

The Company maintains a strong emphasis on Social Responsibility in all aspects of its operation. The Company has been recognised for its support and contribution in this area by the Responsible Gambling Trust.

The Company undertakes a series of projects through Business in the Community, benefiting local communities.

Financial instruments

The Company's principal financial instruments comprise a bank loan, overdraft and cash. The main purpose of these instruments is to finance the Company's capital expenditure programme and working capital requirements.

No trading in financial instruments are undertaken. The Company's borrowings are in pounds sterling and at the year end were subject to floating rates of interest.

Human Resources

The Company values the contribution that its employees make to the success of the business. Substantial investment is made in training, development and motivating staff. Particular focus is made on ensuring customer satisfaction through consistent attainment of high standards of care and service.

The involvement of employees in the success of the business is encouraged through Company wide communication and consultation. Employees have opportunities to develop through a range of internal and external training programmes and nationally recognised qualifications.

The Company was reaccredited in 2014 as an Investors in People Gold Company. The involvement of employees in the local community is encouraged through our Business in the Community programme.

The Company believes it benefits substantially from having a diverse workforce and endorses the active application of equal opportunities policies and programmes to provide fair and equitable conditions for all employees regardless of sex, sexual orientation, family status, religion, creed, colour, ethnic origin, age or disability.

The following table provides a breakdown of the Company Directors and employees as at the financial year end

	Female	Male
Company Directors	1	6
Executives	5	-
General Managers	3	8
All employees	436	244

Supplier payment policy

The Company policy is to strive for excellent working relationships with our suppliers, this encourages mutual business development over the long term. We make payment, usually directly into the supplier's bank account, before the end of the month following invoicing, subject to satisfactory performance of the supplier.

CASTLE LEISURE LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

Health and safety

The Company is committed to providing a safe place to work and visit. The Board reviews monthly reports on health and safety matters.

The Company has a systematic and rigorous approach to all health and safety matters. Each club and Head Office undertakes regular formal Health and Safety meetings.

In 2014, Morriston and Newport clubs were awarded the Sword of Honour from the British Safety Council.

Environment

The Company takes a long term view of its activities and responsibilities in reducing its environmental impact. Our environmental policy encourages respect for the working environment.

The Company adopts an environmentally responsible attitude in the attainment of our business objectives. Priority is given to energy and water conservation, to recycling waste materials where economically practical and to raising staff and customer awareness of the issues.

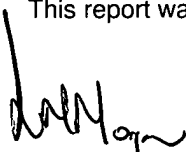
The Company actively promotes a Go Green campaign through its trading activities.

Provision of information to auditor

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

This report was approved by the board on 27 February 2015 and signed on its behalf.



Lisa M Morgan
Director

CASTLE LEISURE LIMITED

STRATEGIC REPORT FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

Introduction

The directors present their strategic report for the 52 weeks ended 28 December 2014.

Business review

Club trading was satisfactory during the period with ten of our clubs delivering profit ahead of the previous year. The Company is strongly cash generative with minimal exposure to risk in relation to debtors.

Trading conditions across the industry remain competitive. We have further consolidated our position in all trading areas in the period under review.

Principal risks and uncertainties

The Company's risk management strategy focuses on the minimisation of risks for the Company.

The principle risks and uncertainties that could impact on the Company and the action taken to mitigate and address these are detailed as follows:

Legislative. Failure to comply with all relevant legislation, including the Gambling Act 2005 and Licencing Act 2003, could adversely impact the Company's Operator, Premises and Personal licences. All key management and employees undergo ongoing training and certification to ensure the Company remains fully compliant. The Company maintain a strong and open relationship with the Gambling Commission and Local Authorities.

Economic. An uncertain economic environment will impact consumer confidence and their disposable income. Our pricing and product offering is continually reviewed to match current market conditions and to improve our customer proposition.

External Events. Events including extreme weather conditions, natural disaster and public events could adversely affect admission levels and profitability. A risk management committee considers all recognisable risks and prepares contingency plans to minimise the impact of any such events.

Continuity of Business. Potential loss of, or damage to, individual clubs could impact continuity of trading. Insurance provision and disaster recovery procedures are maintained to protect Company assets and information flows, to minimise any disruption to our business operations.

Liquidity. Management actively manages the Company's financing requirements to ensure the Company will have sufficient funds to meet its liabilities. Cash forecasts are reviewed monthly and are subject to sensitivity testing.

Key risks are reviewed by management and the Board on a regular basis and, where appropriate, action is undertaken to mitigate the key risks that are identified.

Financial key performance indicators

Key performance indicators, including admissions and average spends, are monitored and interpreted by management on a daily basis.

Financial review

Company turnover increased 5% to £29m (2013: £27.5m), reflecting improving consumer confidence and increased leisure spending.

During 2014, the Company incurred capital expenditure of £2.3m. Year end fixed assets were £48.1m.

The profit for the 52 weeks, before taxation, amounted to £3,100,171 (2013: Loss of £519,428).

CASTLE LEISURE LIMITED

**STRATEGIC REPORT (continued)
FOR THE 52 WEEKS ENDED 28 DECEMBER 2014**

Current trading and outlook.

The Directors anticipate stability returning to the Bingo market in the current year. Further growth in the UK economy and wages are expected to benefit club trading as the year progresses.

Trading in January and February has been ahead of the comparable trading period in 2014.

This report was approved by the board on 27 February 2015 and signed on its behalf.

Lisa M Morgan
Director

A handwritten signature in black ink, appearing to read 'LM Morgan', is written over the printed name and title of Lisa M Morgan.

CASTLE LEISURE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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 judgments 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; and
- 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, to disclose with reasonable accuracy at any time the financial position of the 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.

CASTLE LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASTLE LEISURE LIMITED

We have audited the financial statements of Castle Leisure Limited for the 52 weeks ended 28 December 2014 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 December 2014 and of its profit for the 52 weeks then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

CASTLE LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASTLE LEISURE LIMITED

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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.

BDO LLP

Timothy Smith (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Bristol
United Kingdom

27 February 2015

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

CASTLE LEISURE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE 52 WEEKS ENDED 28 DECEMBER 2014**

	Note	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
TURNOVER	1	28,904,231	27,452,570
Cost of sales		<u>(4,532,319)</u>	<u>(4,181,535)</u>
GROSS PROFIT		24,371,912	23,271,035
Administrative expenses		(21,942,984)	(21,806,133)
Exceptional administrative expenses		-	(2,619,598)
Total administrative expenses		<u>(21,942,984)</u>	<u>(24,425,731)</u>
Other operating income		<u>903,890</u>	<u>785,608</u>
OPERATING PROFIT/(LOSS)	2	3,332,818	(369,088)
Interest payable and similar charges	5	<u>(232,647)</u>	<u>(150,340)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		3,100,171	(519,428)
Tax on profit/(loss) on ordinary activities	7	<u>(725,068)</u>	<u>(47,920)</u>
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	15	<u><u>2,375,103</u></u>	<u><u>(567,348)</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 12 to 22 form part of these financial statements.

CASTLE LEISURE LIMITED
REGISTERED NUMBER: 118558

BALANCE SHEET
AS AT 28 DECEMBER 2014

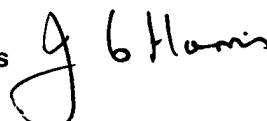
		28 December 2014	29 December 2013
	Note	£	£
FIXED ASSETS			
Tangible assets	8	48,125,723	48,827,104
CURRENT ASSETS			
Stocks	9	294,514	258,875
Debtors	10	418,204	436,186
Cash at bank and in hand		1,742,294	1,442,003
		<u>2,455,012</u>	<u>2,137,064</u>
CREDITORS: amounts falling due within one year	11	<u>(5,210,671)</u>	<u>(8,925,459)</u>
NET CURRENT LIABILITIES		<u>(2,755,659)</u>	<u>(6,788,395)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>45,370,064</u>	<u>42,038,709</u>
CREDITORS: amounts falling due after more than one year	12	(8,656,014)	(5,681,106)
PROVISIONS FOR LIABILITIES			
Deferred tax	13	(144,000)	(303,000)
NET ASSETS		<u><u>36,570,050</u></u>	<u><u>36,054,603</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	240,066	244,315
Share premium account	15	201,444	201,444
Revaluation reserve	15	1,062,351	1,062,351
Capital redemption reserve	15	30,184	24,835
Profit and loss account	15	35,036,005	34,521,658
SHAREHOLDERS' FUNDS	16	<u><u>36,570,050</u></u>	<u><u>36,054,603</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 February 2015.

David S Andrews
Director



Jeffrey C Harris
Director



The notes on pages 12 to 22 form part of these financial statements.

CASTLE LEISURE LIMITED

**CASH FLOW STATEMENT
FOR THE 52 WEEKS ENDED 28 DECEMBER 2014**

	Note	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Net cash flow from operating activities	18	3,281,075	5,019,971
Returns on investments and servicing of finance	19	(232,647)	(150,340)
Taxation	19	(815,606)	(1,443,501)
Capital expenditure and financial investment	19	(2,239,032)	(3,092,336)
Equity dividends paid		(1,104,304)	(1,246,002)
CASH OUTFLOW BEFORE FINANCING		(1,110,514)	(912,208)
Financing	19	1,869,515	1,876,563
INCREASE IN CASH IN THE 52 WEEKS		759,001	964,355

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
FOR THE 52 WEEKS ENDED 28 DECEMBER 2014**

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Increase in cash in the 52 weeks	759,001	964,355
Cash inflow from increase in debt and lease financing	(2,624,867)	(2,055,453)
MOVEMENT IN NET DEBT IN THE 52 WEEKS	(1,865,866)	(1,091,098)
Net debt at 30 December 2013	(6,151,241)	(5,060,143)
NET DEBT AT 28 DECEMBER 2014	(8,017,107)	(6,151,241)

The notes on pages 12 to 22 form part of these financial statements.

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain freehold properties and in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises revenue recognised from participation fees, gaming machine takings and the sale of food and drink received during the year net of gross profit tax, machine gaming duty and value added tax.

1.3 Tangible fixed assets and depreciation

Freehold properties are stated at 1991 open market for existing use valuation with subsequent additions at cost. No depreciation is provided on freehold buildings as it is the company's policy to maintain them to a high standard and accordingly it is the directors' opinion that the residual values of these assets, based on prices prevailing at the time of acquisition or subsequent valuation, are such that both their accumulated depreciation and depreciation charge for the period is immaterial. The cost of repairs and maintenance of the buildings is charged to profit and loss account as incurred. Impairment reviews are carried out to ensure freehold buildings are not carried at above their recoverable amounts. Any impairment write downs are charged to the profit and loss account.

Other tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off their cost less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 10 - 33% straight line
Motor vehicles	- 25% straight line

1.4 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.6 Pensions

The Company operates a defined contribution plan under which the Company pays a fixed contribution to a separate entity. The Company has no further payment obligation once the contributions have been paid. The pension charge represents the amounts payable by the Company in respect of the 52 weeks.

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

2. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Depreciation of tangible fixed assets: - owned by the company	2,993,638	2,557,303
Refund of VAT rebates received in previous periods	-	2,619,598
	<u>2,993,638</u>	<u>2,619,598</u>

3. DIRECTORS' REMUNERATION

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Directors' emoluments	<u>1,265,126</u>	<u>1,068,082</u>
Pension contributions	<u>472,859</u>	<u>299,790</u>

During the period retirement benefits were accruing to 3 directors (2013 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £883,587 (2013 - £702,950).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £423,251 (2013 - £257,050).

The gross equivalent of own pension contributions made by the highest paid director was £58,900 (2013- £51,000).

A total of £53,978 (2013 - £51,116) was paid as pension and benefits to former directors.

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

4. STAFF COSTS

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

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Wages and salaries	10,624,621	10,544,050
Social security costs	693,022	652,447
Other pension costs	820,161	639,921
	<u>12,137,804</u>	<u>11,836,418</u>

The average monthly number of employees, including the executive directors, during the 52 weeks was as follows:

	52 weeks ended 28 December 2014 No.	52 weeks ended 29 December 2013 No.
Bingo clubs	642	623
Administration	28	27
	<u>670</u>	<u>650</u>

5. INTEREST PAYABLE

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
On bank loans and overdraft	232,046	150,340
Other interest payable	601	-
	<u>232,647</u>	<u>150,340</u>

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

6. AUDITORS' REMUNERATION

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	21,000	20,147
Fees payable to the company's auditor and its associates in respect of:		
All taxation advisory services not included above	2,600	2,500
All other services	1,464	-
	<u>25,064</u>	<u>22,647</u>

7. TAXATION

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Analysis of tax charge in the 52 weeks		
Current tax (see note below)		
UK corporation tax charge on profit/loss for the 52 weeks	875,000	146,000
Adjustments in respect of prior periods	9,068	(28,080)
Total current tax	<u>884,068</u>	<u>117,920</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	(159,000)	(70,000)
Tax on profit/loss on ordinary activities	<u>725,068</u>	<u>47,920</u>

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

7. TAXATION (continued)

Factors affecting tax charge for the 52 weeks

The tax assessed for the 52 weeks is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Profit/loss on ordinary activities before tax	3,100,171	(519,428)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	666,537	(120,767)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	694	1,515
Capital allowances for 52 weeks in excess of depreciation	207,769	265,252
Adjustments to tax charge in respect of prior periods	9,068	(28,080)
Current tax charge for the 52 weeks (see note above)	884,068	117,920

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

CASTLE LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 DECEMBER 2014**

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant, equipment and vehicles £	Total £
Cost or valuation			
At 30 December 2013	40,176,265	27,838,157	68,014,422
Additions	-	2,255,232	2,255,232
Disposals	-	(1,264,134)	(1,264,134)
Transfer between classes	(1,218,085)	1,218,085	-
	<u>38,958,180</u>	<u>30,047,340</u>	<u>69,005,520</u>
At 28 December 2014			
Depreciation			
At 30 December 2013	-	19,187,318	19,187,318
Charge for the 52 weeks	-	2,933,638	2,933,638
On disposals	-	(1,241,159)	(1,241,159)
	<u>-</u>	<u>20,879,797</u>	<u>20,879,797</u>
At 28 December 2014			
Net book value			
At 28 December 2014	<u>38,958,180</u>	<u>9,167,543</u>	<u>48,125,723</u>
At 29 December 2013	<u>40,176,265</u>	<u>8,650,839</u>	<u>48,827,104</u>

On the historical cost basis, land and buildings would have been included at £37,895,829 (2011-£39,020,180).

9. STOCKS

	28 December 2014 £	29 December 2013 £
Goods for resale	<u>294,514</u>	<u>258,875</u>

10. DEBTORS

	28 December 2014 £	29 December 2013 £
Prepayments and accrued income	<u>418,204</u>	<u>436,186</u>

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

11. CREDITORS: Amounts falling due within one year

	28 December 2014 £	29 December 2013 £
Bank loans and overdraft	1,103,387	1,912,138
Trade creditors	1,058,676	1,000,881
Corporation tax	517,358	448,896
Other taxation and social security	1,154,468	3,831,061
Accruals and deferred income	1,376,782	1,732,483
	<u>5,210,671</u>	<u>8,925,459</u>

The bank loans and overdraft are secured by a first charge on certain freehold property of the Company and bear interest between 1% and 2% above the bank's base rate.

12. CREDITORS: Amounts falling due after more than one year

	28 December 2014 £	29 December 2013 £
Bank loans	<u>8,656,014</u>	<u>5,681,106</u>

Included within the above are amounts falling due as follows:

	28 December 2014 £	29 December 2013 £
Between one and two years		
Bank loans	<u>1,103,387</u>	<u>1,453,428</u>
Between two and five years		
Bank loans	<u>3,310,161</u>	<u>4,227,678</u>
Over five years		
Bank loans	<u>4,242,466</u>	<u>-</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	28 December 2014 £	29 December 2013 £
Repayable by instalments	<u>4,242,466</u>	<u>-</u>

The bank loan is secured by a first charge on certain freehold property of the company. The bank loan bears interest at 1% above the bank's base rate.

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

13. DEFERRED TAXATION

	28 December 2014 £	29 December 2013 £
At beginning of 52 weeks	303,000	373,000
Released during 52 weeks (P&L)	(159,000)	(70,000)
At end of 52 weeks	<u>144,000</u>	<u>303,000</u>

The Deferred taxation is made up as follows:

	28 December 2014 £	29 December 2013 £
Accelerated capital allowances	<u>144,000</u>	<u>303,000</u>

14. SHARE CAPITAL

	28 December 2014 £	29 December 2013 £
Allotted, called up and fully paid		
240,066 (2013 - 244,315) Ordinary shares of £1 each	<u>240,066</u>	<u>244,315</u>

During the period the company issued 1,100 ordinary shares of £1 each for £36,300.

During the period the company purchased 5,349 ordinary shares of £1 shares for £791,652.

15. RESERVES

	Share premium account £	Capital redempt'n reserve £	Revaluation reserve £	Profit and loss account £
At 30 December 2013	201,444	24,835	1,062,351	34,521,658
Profit retained				2,375,103
Dividends: Equity capital				(1,104,304)
Purchase of own shares				(756,452)
Premium on shares issued during the 52 weeks	35,200			
Utilised on purchase of shares	(35,200)			
Transfer on purchase of own shares		5,349		
At 28 December 2014	<u>201,444</u>	<u>30,184</u>	<u>1,062,351</u>	<u>35,036,005</u>

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	28 December 2014 £	29 December 2013 £
Opening shareholders' funds	36,054,603	38,046,843
Profit/(loss) for the 52 weeks	2,375,103	(567,348)
Dividends (Note 17)	(1,104,304)	(1,246,002)
Shares issued during the period	1,100	670
Shares redeemed/cancelled during the period	(756,452)	(179,560)
Closing shareholders' funds	<u>36,570,050</u>	<u>36,054,603</u>

17. DIVIDENDS

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Dividends paid on equity capital	<u>1,104,304</u>	<u>1,246,002</u>

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Operating profit/(loss)	3,332,818	(369,088)
Depreciation of tangible fixed assets	2,933,638	3,057,198
Profit on disposal of tangible fixed assets	6,775	-
(Increase)/decrease in stocks	(35,639)	53,029
Decrease/(increase) in debtors	17,982	(20,598)
(Decrease)/increase in creditors	(2,974,499)	2,310,413
Profit/Loss on disposal of tangible fixed assets	-	(10,983)
Net cash inflow from operating activities	<u>3,281,075</u>	<u>5,019,971</u>

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Returns on investments and servicing of finance		
Interest paid	<u>(232,647)</u>	<u>(150,340)</u>

CASTLE LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 DECEMBER 2014**

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Taxation		
Corporation tax	(815,606)	(1,443,501)
	<hr/>	<hr/>
	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,255,232)	(3,137,047)
Sale of tangible fixed assets	16,200	44,711
	<hr/>	<hr/>
Net cash outflow from capital expenditure	(2,239,032)	(3,092,336)
	<hr/>	<hr/>
	52 weeks ended 28 December 2014 £	52 weeks ended 29 December 2013 £
Financing		
Issue of ordinary shares	36,600	22,110
	-	-
Purchase of ordinary shares	(791,952)	(201,000)
New secured loans	3,704,290	3,531,851
Repayment of loans	(1,079,423)	(1,476,398)
	<hr/>	<hr/>
Net cash inflow from financing	1,869,515	1,876,563
	<hr/>	<hr/>

CASTLE LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2014

20. ANALYSIS OF CHANGES IN NET DEBT

	30 December 2013 £	Cash flow £	Other non-cash changes £	28 December 2014 £
Cash at bank and in hand	1,442,003	300,291	-	1,742,294
Bank overdraft	(458,710)	458,710	-	-
	<u>983,293</u>	<u>759,001</u>	<u>-</u>	<u>1,742,294</u>
Debt:				
Debts due within one year	(1,453,428)	350,041	-	(1,103,387)
Debts falling due after more than one year	(5,681,106)	(2,974,908)	-	(8,656,014)
	<u>(6,151,241)</u>	<u>(1,865,866)</u>	<u>-</u>	<u>(8,017,107)</u>
Net debt				

21. CAPITAL COMMITMENTS

At 28 December 2014 the company had capital commitments as follows:

	28 December 2014 £	29 December 2013 £
Contracted for but not provided in these financial statements	<u>1,380,000</u>	<u>300,000</u>

22. PENSION COMMITMENTS

The company had unfunded pension commitments to one of its executive directors and two former non executive directors.