

Registrar

COMPANY REGISTRATION NUMBER: 00939109

The A&S Leisure Group Limited
Financial Statements
30 September 2017



The A&S Leisure Group Limited

Strategic Report

Year ended 30 September 2017

The directors present their strategic report of the Group for the year ended 30th September 2017.

Business review and key performance indicators

Group turnover for the year reduced by £1,524,717 from the previous year at £27,875,460 (2016 - £29,400,177), with an operating profit of £1,273,414 (2016 - £3,462,642). Administrative costs for the year increased from £6,660,371 to a figure for 2017 of £7,242,497, but included within this figure was an exceptional write down of £904,381 in respect of the Ecclesall Road, Sheffield site. The result before tax was a profit of £1,469,166 (2016 - £3,584,602). Both the Company and the Group have substantial net assets of approximately £33 million and £38 million respectively. The Group's current assets/current liabilities ratio at the year end was 3.28 (2016 - 3.70).

Whilst the directors are confident that an acceptable profit will be achieved in 2018, the current state of the UK economy will put further pressure on business results. The current state of the economy with high levels of personal debt, lower wage settlements and increasing inflation and prices will result in customers having less disposable income available for leisure activities. However the Group has strong cash reserves to act as a cushion against any deterioration in the trading position, and efforts continue to reduce costs wherever possible.

Principal risks and uncertainties

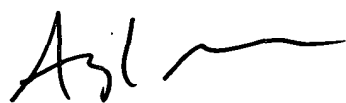
The Company and its subsidiaries are subject to the normal risks of running commercial businesses. However, there are a number of more specific risks relating to the different activities of the Group companies.

The Company and its main subsidiary Sheffield Sports Stadium Limited, as operators in the leisure industry, are subject to various risks, which include:-

- * Breach of regulatory rules regarding licences.
- * Failure to adhere to gambling regulations and/or internal controls.
- * The effect of additional gambling legislation and an increase in the casino population/other forms of betting and gambling.

The directors of the Company and its subsidiaries seek to minimise the foregoing risks, where possible, by a system of strong internal controls and monitoring, complete with the use of independent advisers where appropriate.

This report was approved by the board of directors on 22 June 2018 and signed on behalf of the board by:



A R Miles
Company Secretary

Registered office:
15 Livesey Street
Sheffield
S Yorkshire
S6 2BL

The A&S Leisure Group Limited

Directors' Report

Year ended 30 September 2017

The directors present their report and the financial statements of the group for the year ended 30 September 2017.

Directors

The directors who served the company during the year were as follows:

Miss L Clark
Mr M Allen
Mr D E D Allen

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Employment of disabled persons

In recruiting, training, career development and promotion, no distinction is made between disabled and able-bodied persons, provided the disability does not make the particular employment impractical.

Employee involvement

The group recognises the importance of keeping employees informed of the progress of the business and involving them in the group's performance. Regular contact between the directors and individual employees ensures that there is an understanding of the purpose of the business and the commercial realities which determine its success.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 group and the company and the profit or loss of the group 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;
- 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.

The A&S Leisure Group Limited

Directors' Report *(continued)*

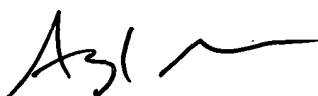
Year ended 30 September 2017

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 22 June 2018 and signed on behalf of the board by:



A R Miles
Company Secretary

Registered office:
15 Livesey Street
Sheffield
S Yorkshire
S6 2BL

The A&S Leisure Group Limited

Independent Auditor's Report to the Members of The A&S Leisure Group Limited

Year ended 30 September 2017

Opinion

We have audited the financial statements of The A&S Leisure Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2017 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2017 and of the group's profit 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 group 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 group's or the parent 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.

The A&S Leisure Group Limited

Independent Auditor's Report to the Members of The A&S Leisure Group Limited *(continued)*

Year ended 30 September 2017

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

The A&S Leisure Group Limited

Independent Auditor's Report to the Members of The A&S Leisure Group Limited *(continued)*

Year ended 30 September 2017

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



John M G Foster (Senior Statutory Auditor)

For and on behalf of
Allen, West and Foster Limited
Chartered Accountants & Statutory Auditor
2 Broomgrove Road
Sheffield
S10 5LR

22 June 2018

The A&S Leisure Group Limited

Consolidated Statement of Comprehensive Income

Year ended 30 September 2017

		2017	2016 (restated)
	Note	£	£
Turnover	4	27,875,460	29,400,177
Cost of sales		<u>19,698,317</u>	<u>19,676,607</u>
Gross profit		8,177,143	9,723,570
Administrative expenses		<u>7,242,497</u>	<u>6,664,791</u>
Other operating income	5	<u>338,768</u>	<u>399,443</u>
Operating profit	6	1,273,414	3,458,222
Other interest receivable and similar income	10	<u>195,752</u>	<u>122,933</u>
Interest payable and similar expenses	11	<u>—</u>	<u>973</u>
Profit before taxation		1,469,166	3,580,182
Tax on profit	12	<u>559,963</u>	<u>773,664</u>
Profit for the financial year and total comprehensive income		<u>909,203</u>	<u>2,806,518</u>

All the activities of the group are from continuing operations.

The notes on pages 13 to 28 form part of these financial statements.

The A&S Leisure Group Limited

Consolidated Statement of Financial Position

30 September 2017

	Note	2017 £	2016 (restated) £
Fixed assets			
Intangible assets	14	7,662,194	7,801,704
Tangible assets	15	18,896,515	20,286,316
		<u>26,558,709</u>	<u>28,088,020</u>
Current assets			
Stocks	17	122,890	119,166
Debtors	18	2,808,713	2,564,136
Cash at bank and in hand		13,610,960	13,069,159
		<u>16,542,563</u>	<u>15,752,461</u>
Creditors: amounts falling due within one year	19	<u>4,742,070</u>	<u>4,236,099</u>
Net current assets		<u>11,800,493</u>	<u>11,516,362</u>
Total assets less current liabilities		<u>38,359,202</u>	<u>39,604,382</u>
Creditors: amounts falling due after more than one year	20	199,853	292,236
Provisions	21	315,000	377,000
Net assets		<u>37,844,349</u>	<u>38,935,146</u>
Capital and reserves			
Called up share capital	24	1,000,000	1,000,000
Revaluation reserve	25	5,909,162	6,111,847
Profit and loss account	25	30,935,187	31,823,299
Shareholders funds		<u>37,844,349</u>	<u>38,935,146</u>

These financial statements were approved by the board of directors and authorised for issue on 22 June 2018, and are signed on behalf of the board by:



Mr M Allen
Director

Company registration number: 00939109

The notes on pages 13 to 28 form part of these financial statements.

The A&S Leisure Group Limited

Company Statement of Financial Position

30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	14	6,696,478	6,835,988
Tangible assets	15	14,015,111	15,351,446
Investments	16	1,217,255	1,217,255
		<u>21,928,844</u>	<u>23,404,689</u>
Current assets			
Stocks	17	84,372	72,630
Debtors	18	2,371,491	2,163,500
Cash at bank and in hand		13,332,365	12,935,589
		<u>15,788,228</u>	<u>15,171,719</u>
Creditors: amounts falling due within one year	19	<u>5,165,704</u>	<u>4,841,184</u>
Net current assets		<u>10,622,524</u>	<u>10,330,535</u>
Total assets less current liabilities		<u>32,551,368</u>	<u>33,735,224</u>
Provisions	21	—	37,000
Net assets		<u>32,551,368</u>	<u>33,698,224</u>
Capital and reserves			
Called up share capital	24	1,000,000	1,000,000
Revaluation reserve	25	3,053,440	3,192,950
Profit and loss account	25	28,497,928	29,505,274
Shareholders funds		<u>32,551,368</u>	<u>33,698,224</u>

The profit for the financial year of the parent company was £853,144 (2016: £2,643,265).

These financial statements were approved by the board of directors and authorised for issue on 22 June 2018, and are signed on behalf of the board by:



Mr M Allen
Director

Company registration number: 00939109

The notes on pages 13 to 28 form part of these financial statements.

The A&S Leisure Group Limited

Consolidated Statement of Changes in Equity

Year ended 30 September 2017

		Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 October 2015		1,000,000	6,314,532	29,814,096	37,128,628
Profit for the year				2,806,518	2,806,518
Other comprehensive income for the year:					
Reclassification from revaluation reserve to profit and loss account		—	(202,685)	202,685	—
Total comprehensive income for the year		—	(202,685)	3,009,203	2,806,518
Dividends paid and payable	13	—	—	(1,000,000)	(1,000,000)
Total investments by and distributions to owners		—	—	(1,000,000)	(1,000,000)
At 30 September 2016		1,000,000	6,111,847	31,823,299	38,935,146
Profit for the year				909,203	909,203
Other comprehensive income for the year:					
Reclassification from revaluation reserve to profit and loss account		—	(202,685)	202,685	—
Total comprehensive income for the year		—	(202,685)	1,111,888	909,203
Dividends paid and payable	13	—	—	(2,000,000)	(2,000,000)
Total investments by and distributions to owners		—	—	(2,000,000)	(2,000,000)
At 30 September 2017		<u>1,000,000</u>	<u>5,909,162</u>	<u>30,935,187</u>	<u>37,844,349</u>

The notes on pages 13 to 28 form part of these financial statements.

The A&S Leisure Group Limited

Company Statement of Changes in Equity

Year ended 30 September 2017

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 October 2015	1,000,000	3,332,460	27,722,499	32,054,959
Profit for the year			2,643,265	2,643,265
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account	—	(139,510)	139,510	—
Total comprehensive income for the year	—	(139,510)	2,782,775	2,643,265
Dividends paid and payable 13	—	—	(1,000,000)	(1,000,000)
Total investments by and distributions to owners	—	—	(1,000,000)	(1,000,000)
At 30 September 2016	1,000,000	3,192,950	29,505,274	33,698,224
Profit for the year			853,144	853,144
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account	—	(139,510)	139,510	—
Total comprehensive income for the year	—	(139,510)	992,654	853,144
Dividends paid and payable 13	—	—	(2,000,000)	(2,000,000)
Total investments by and distributions to owners	—	—	(2,000,000)	(2,000,000)
At 30 September 2017	<u>1,000,000</u>	<u>3,053,440</u>	<u>28,497,928</u>	<u>32,551,368</u>

The notes on pages 13 to 28 form part of these financial statements.

The A&S Leisure Group Limited

Consolidated Statement of Cash Flows

Year ended 30 September 2017

	2017 £	2016 (restated) £
Cash flows from operating activities		
Profit for the financial year	909,203	2,806,518
<i>Adjustments for:</i>		
Depreciation of tangible assets	2,183,332	1,173,265
Amortisation of intangible assets	139,510	139,510
Other interest receivable and similar income	(195,752)	(122,933)
Interest payable and similar expenses	—	973
Gains on disposal of tangible assets	(22,299)	(19,322)
Tax on profit	559,963	773,664
Accrued (income)/expenses	(194,194)	27,836
<i>Changes in:</i>		
Stocks	(3,724)	(1,924)
Trade and other debtors	(244,577)	805,031
Trade and other creditors	(125,758)	418,458
Cash generated from operations	3,005,704	6,001,076
Interest paid	—	(973)
Interest received	195,752	122,933
Tax paid	(1,006,363)	(436,461)
Net cash from operating activities	<u>2,195,093</u>	<u>5,686,575</u>
Cash flows from investing activities		
Purchase of tangible assets	(804,532)	(1,257,185)
Proceeds from sale of tangible assets	33,300	35,520
Net cash used in investing activities	<u>(771,232)</u>	<u>(1,221,665)</u>
Cash flows from financing activities		
Proceeds from loans from group undertakings	—	(1,083,966)
Proceeds from loans from participating interests	117,940	137,231
Dividends paid	(1,000,000)	(1,000,000)
Net cash used in financing activities	<u>(882,060)</u>	<u>(1,946,735)</u>
Net increase in cash and cash equivalents	541,801	2,518,175
Cash and cash equivalents at beginning of year	13,069,159	10,550,984
Cash and cash equivalents at end of year	<u>13,610,960</u>	<u>13,069,159</u>

The notes on pages 13 to 28 form part of these financial statements.

The A&S Leisure Group Limited

Notes to the Financial Statements

Year ended 30 September 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 15 Livesey Street, Sheffield, S6 2BL, S Yorkshire.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of The A&S Leisure Group Limited and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

The A&S Leisure Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

The A&S Leisure Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

Intangible assets *(continued)*

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Casino licences - Over 50 years straight line basis

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

The A&S Leisure Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	Over the remaining estimated useful life.
Long leasehold property	-	2% straight line.
Short leasehold property	-	Over the life of the lease.
Fixtures, fittings and equipment	-	5% to 25% straight line basis.
Motor vehicles	-	25% straight line basis.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

The A&S Leisure Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

3. Accounting policies (continued)

Financial instruments (continued)

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2017	2016 (restated)
	£	£
Casino gross gaming yield	18,355,440	19,511,749
Other turnover	5,736,912	5,958,019
Racing income and associated revenues	3,783,108	3,930,409
	<u>27,875,460</u>	<u>29,400,177</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. Other operating income

	2017	2016 (restated)
	£	£
Rental income	184,734	241,783
Grant income received	113,990	109,898
Other operating income	40,044	47,762
	<u>338,768</u>	<u>399,443</u>

The A&S Leisure Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

6. Operating profit

Operating profit or loss is stated after charging:

	2017	2016 <i>(restated)</i>
	£	£
Amortisation of intangible assets	139,510	139,510
Depreciation of tangible assets	1,278,951	1,173,265
Impairment of tangible assets recognised in:		
Administrative expenses	904,381	—
Gains on disposal of tangible assets	(22,299)	(19,322)
Operating lease rentals	719,703	1,010,929

7. Auditor's remuneration

	2017	2016 <i>(restated)</i>
	£	£
Fees payable for the audit of the financial statements	34,750	34,250
Fees payable to the company's auditor and its associates for other services:		
Other non-audit services	39,640	38,447

8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2017 No.	2016 No.
Administrative staff	20	20
Management staff	4	4
Casino staff	470	461
Operating staff	181	184
	675	669

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016 <i>(restated)</i>
	£	£
Wages and salaries	11,306,700	10,994,393
Social security costs	846,132	816,277
Other pension costs	56,322	52,278
	12,209,154	11,862,948

The A&S Leisure Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2017	2016 (restated)
	£	£
Remuneration	<u>646,105</u>	<u>656,074</u>

Remuneration of the highest paid director in respect of qualifying services:

	2017	2016 (restated)
	£	£
Aggregate remuneration	<u>250,425</u>	<u>253,402</u>

10. Other interest receivable and similar income

	2017	2016 (restated)
	£	£
Interest on loans and receivables	94,608	46,791
Interest on cash and cash equivalents	99,457	73,420
Corporation tax interest received	1,687	2,722
	<u>195,752</u>	<u>122,933</u>

11. Interest payable and similar expenses

	2017	2016 (restated)
	£	£
Other interest payable and similar charges	<u>—</u>	<u>973</u>

12. Tax on profit

Major components of tax expense

	2017	2016 (restated)
	£	£
Current tax:		
UK current tax expense	617,000	824,400
Adjustments in respect of prior periods	4,963	(19,736)
Total current tax	<u>621,963</u>	<u>804,664</u>
Deferred tax:		
Origination and reversal of timing differences	(62,000)	(31,000)
Tax on profit	<u>559,963</u>	<u>773,664</u>

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

12. Tax on profit (continued)

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 19.50% (2016: 20%).

	2017	2016 (restated)
	£	£
Profit on ordinary activities before taxation	<u>1,469,166</u>	<u>3,580,182</u>
Profit on ordinary activities by rate of tax	462,842	716,920
Adjustment to tax charge in respect of prior periods	4,963	(19,736)
Effect of expenses not deductible for tax purposes	18,548	38,040
Effect of capital allowances and depreciation	135,820	69,440
Rounding on tax charge	(210)	—
Reduction in provision	<u>(62,000)</u>	<u>(31,000)</u>
Tax on profit	<u>559,963</u>	<u>773,664</u>

13. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017	2016 (restated)
	£	£
Dividends on equity shares	<u>1,000,000</u>	<u>1,000,000</u>

Dividends proposed before the year end and recognised as a liability:

	2017	2016 (restated)
	£	£
Dividends on equity shares	<u>1,000,000</u>	<u>—</u>

14. Intangible assets

Group	Casino licences £
Cost	
At 1 October 2016 (as restated) and 30 September 2017	<u>7,941,214</u>
Amortisation	
At 1 October 2016	139,510
Charge for the year	139,510
At 30 September 2017	<u>279,020</u>
Carrying amount	
At 30 September 2017	<u>7,662,194</u>
At 30 September 2016	<u>7,801,704</u>

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

14. Intangible assets (continued)

Company	Casino licences £
Cost	
At 1 October 2016 and 30 September 2017	<u>6,975,498</u>
Amortisation	
At 1 October 2016	139,510
Charge for the year	139,510
At 30 September 2017	<u>279,020</u>
Carrying amount	
At 30 September 2017	<u>6,696,478</u>
At 30 September 2016	<u>6,835,988</u>

Total cost or valuation for the group at 30th September 2017 amounting to £7,941,214 includes £6,800,412 at 1997 valuation, and £1,140,802 of subsequent cost. For the company, the totals include £6,800,412 at 1997 valuation, and £175,086 of subsequent cost.

15. Tangible assets

Group	Freehold property £	Long leasehold property £	Short leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost						
At 1 Oct 2016 (as restated)	14,695,278	5,657,271	3,676,575	12,230,213	553,622	36,812,959
Additions	179,289	—	—	536,693	88,550	804,532
Disposals	—	—	—	(14,526)	(91,590)	(106,116)
At 30 Sep 2017	<u>14,874,567</u>	<u>5,657,271</u>	<u>3,676,575</u>	<u>12,752,380</u>	<u>550,582</u>	<u>37,511,375</u>
Depreciation						
At 1 Oct 2016	3,825,509	1,568,695	1,576,575	9,205,805	350,059	16,526,643
Charge for the year	1,019,142	120,363	—	939,653	104,174	2,183,332
Disposals	—	—	—	(13,450)	(81,665)	(95,115)
At 30 Sep 2017	<u>4,844,651</u>	<u>1,689,058</u>	<u>1,576,575</u>	<u>10,132,008</u>	<u>372,568</u>	<u>18,614,860</u>
Carrying amount						
At 30 Sep 2017	<u>10,029,916</u>	<u>3,968,213</u>	<u>2,100,000</u>	<u>2,620,372</u>	<u>178,014</u>	<u>18,896,515</u>
At 30 Sep 2016	<u>10,869,769</u>	<u>4,088,576</u>	<u>2,100,000</u>	<u>3,024,408</u>	<u>203,563</u>	<u>20,286,316</u>

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

15. Tangible assets (continued)

Company	Freehold property £	Short leasehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 October 2016	14,695,278	3,676,575	9,455,745	460,189	28,287,787
Additions	179,289	–	299,682	82,850	561,821
Disposals	–	–	(14,526)	(91,590)	(106,116)
At 30 September 2017	14,874,567	3,676,575	9,740,901	451,449	28,743,492
Depreciation					
At 1 October 2016	3,825,509	1,576,575	7,262,319	271,938	12,936,341
Charge for the year	1,019,142	–	772,852	95,161	1,887,155
Disposals	–	–	(13,450)	(81,665)	(95,115)
At 30 September 2017	4,844,651	1,576,575	8,021,721	285,434	14,728,381
Carrying amount					
At 30 September 2017	10,029,916	2,100,000	1,719,180	166,015	14,015,111
At 30 September 2016	10,869,769	2,100,000	2,193,426	188,251	15,351,446

Four casino properties of the company together with their licences, fixtures and fittings, were valued on 28th September 1997 by the directors. The directors' valuations of the assets of each branch were on the basis of existing use on a going concern basis having regard to the branch's trading potential as a single entity. For this reason it was considered appropriate to combine the property and licence elements of the valuations until last year when they were divided as between intangible and tangible assets. The elements of the values placed on fixtures and fittings equalled the net book values at the date of the valuation.

Following a review of the valuation the amount at which these assets are stated does not, in the opinion of the directors, exceed their market value as at 30th September 2017 other than in respect of the Ecclesall Road, Sheffield property which was closed in January 2018 and has been offered for sale. The property has been reflected in the financial statements at the value at which it is currently being offered for sale and has resulted in an impairment charge of £904,381.

16. Investments

The group has no investments.

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

16. Investments (continued)

Company	Shares in group undertaking £
Cost	
At 1 October 2016 as restated and 30 September 2017	<u>1,217,255</u>
Impairment	
At 1 October 2016 as restated and 30 September 2017	<u>-</u>
Carrying amount	
At 1 October 2016 and 30 September 2017	<u>1,217,255</u>
At 30 September 2016	<u>1,217,255</u>

Subsidiaries, associates and other investments

The company owns 100% of the issued share capital of each of the companies listed below (all of which are registered in the UK).

	2017 £	2016 £
Sheffield Sports Stadium Limited	251,435	251,435
Harveys (Leisure) Limited	100	100
Napoleons Racing Limited	2	2
Napoleons Leisure Group Limited	2	2
The Players Club UK Limited	965,716	965,716
	<u>1,217,255</u>	<u>1,217,255</u>

The capital and reserves of each company as at 30th September 2017 were:

	Share capital £	Reserves £
Sheffield Sports Stadium Limited	9,006	5,535,680
Harveys (Leisure) Limited	100	100
Napoleons Leisure Limited	2	2
Napoleons Leisure Group Limited	2	2
The Players Club UK Limited	1,101,009	(1,101,009)

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

17. Stocks

	Group		Company	
	2017	2016 (restated)	2017	2016 (restated)
	£	£	£	£
Bar and restaurant stock	<u>122,890</u>	<u>119,166</u>	<u>84,372</u>	<u>72,630</u>

18. Debtors

	Group		Company	
	2017	2016 (restated)	2017	2016 (restated)
	£	£	£	£
Trade debtors	449,905	354,322	2,790	2,970
Prepayments and accrued income	289,025	150,835	274,625	102,334
Corporation tax repayable	185,324	—	209,617	—
Other debtors	<u>1,884,459</u>	<u>2,058,979</u>	<u>1,884,459</u>	<u>2,058,196</u>
	<u>2,808,713</u>	<u>2,564,136</u>	<u>2,371,491</u>	<u>2,163,500</u>

The debtors above include the following amounts falling due after more than one year:

	Group		Company	
	2017	2016 (restated)	2017	2016 (restated)
	£	£	£	£
Other debtors	<u>1,529,412</u>	<u>1,764,706</u>	<u>1,529,412</u>	<u>1,764,706</u>

During 2010 the company advanced £2,000,000 to CFC 2001 Limited, a company which operates the business interests of Chesterfield Football Club. During the summer of 2016, this loan was re-negotiated, and having reduced in value following repayments of capital over the years was then the subject of a further advance to return the capital value outstanding to £2,000,000.

The new arrangement called for monthly repayments over the term of the loan, ending in 2025.

Mr. D E D Allen, the Chairman and majority shareholder of the A & S Leisure Group Limited, is also the majority shareholder of CFC 2001 Limited.

The aggregate amount of interest received during the year in respect of loans to related parties was £94,608 (2016 - £46,791).

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

19. Creditors: amounts falling due within one year

	Group		Company	
	2017	2016 (restated)	2017	2016 (restated)
	£	£	£	£
Trade creditors	915,324	1,233,033	483,376	704,542
Amounts owed to group undertakings	–	–	1,277,432	1,583,966
Amounts owed to undertakings in which the company has a participating interest	747,540	629,600	747,540	629,600
Accruals and deferred income	723,205	825,016	483,849	613,257
Corporation tax	–	384,400	–	305,000
Social security and other taxes	1,207,277	1,073,690	1,024,782	914,459
Dividends payable	1,000,000	–	1,000,000	–
Other creditors	148,724	90,360	148,725	90,360
	<u>4,742,070</u>	<u>4,236,099</u>	<u>5,165,704</u>	<u>4,841,184</u>

20. Creditors: amounts falling due after more than one year

	Group		Company	
	2017	2016 (restated)	2017	2016 (restated)
	£	£	£	£
Accruals and deferred income	<u>199,853</u>	<u>292,236</u>	<u>–</u>	<u>–</u>

21. Provisions

Group

Deferred tax (note 22)

At 1 October 2016 (as restated)
Charge against provision

£
377,000
(62,000)

At 30 September 2017

315,000

Company

Deferred tax (note 22)

At 1 October 2016
Charge against provision

£
37,000
(37,000)

At 30 September 2017

–

The A&S Leisure Group Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2017	2016 (restated)	2017	2016 (restated)
	£	£	£	£
Included in provisions (note 21)	<u>315,000</u>	<u>377,000</u>	<u>–</u>	<u>37,000</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2017	2016 (restated)	2017	2016 (restated)
	£	£	£	£
Accelerated capital allowances	11,000	10,000	–	10,000
Revaluation of tangible assets	<u>304,000</u>	<u>367,000</u>	<u>–</u>	<u>27,000</u>
	<u>315,000</u>	<u>377,000</u>	<u>–</u>	<u>37,000</u>

23. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £56,322 (2016: £52,278).

24. Called up share capital

Issued, called up and fully paid

	2017		2016 (restated)	
	No.	£	No.	£
Ordinary £1 shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

25. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income. Profit and loss account - This reserve records retained earnings and accumulated losses.

The A&S Leisure Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

26. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2017	2016	2017	2016
	£	(restated)	£	(restated)
Not later than 1 year	30,446	28,354	30,446	28,354
Later than 1 year and not later than 5 years	620,006	630,778	620,006	630,778
Later than 5 years	74,000	74,000	74,000	74,000
	<u>724,452</u>	<u>733,132</u>	<u>724,452</u>	<u>733,132</u>