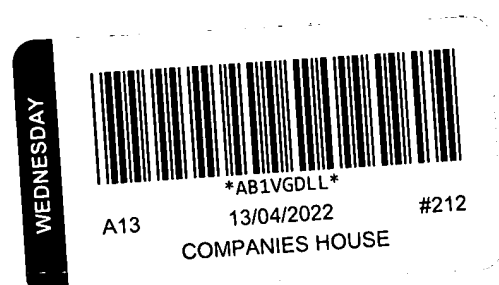


Company Registration No. 02727984 (England and Wales)

PACIFIC HEALTH AND FITNESS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 SEPTEMBER 2021



PACIFIC HEALTH AND FITNESS LIMITED

COMPANY INFORMATION

Directors	J Lyras M J Lyras
Company number	02727984
Registered office	24-26 Baltic Street London EC1Y 0RP
Auditor	Moore Northern Home Counties Limited Nicholas House River Front Enfield Middlesex EN1 3FG

PACIFIC HEALTH AND FITNESS LIMITED

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditor's report	3 - 5
Profit and loss account	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 17

PACIFIC HEALTH AND FITNESS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 29 SEPTEMBER 2021

The directors present their annual report and financial statements for the year ended 29 September 2021.

Principal activities

The principal activity of the company continued to be that of the ownership and operation of a high quality private health and fitness club.

Results and dividends

The company reports a loss of £48,703 (2020: £204,785 a profit). During the year dividends totalling £nil (2020: £400,000) were paid.

Directors

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

J Lyras
M J Lyras

Auditor

In accordance with the company's articles, a resolution proposing that Moore Northern Home Counties Limited be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

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

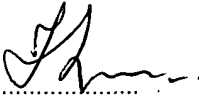
Risks and Uncertainties

The company is exposed to principal risks and uncertainties, which include Brexit and lifestyle trends. Management regularly monitor membership levels and implement marketing initiatives to stimulate demand.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



J Lyras
Director

Date: 28/03/2022

PACIFIC HEALTH AND FITNESS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 29 SEPTEMBER 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

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

PACIFIC HEALTH AND FITNESS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PACIFIC HEALTH AND FITNESS LIMITED

Opinion

We have audited the financial statements of Pacific Health and Fitness Limited (the 'company') for the year ended 29 September 2021 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 September 2021 and of its loss for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

PACIFIC HEALTH AND FITNESS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PACIFIC HEALTH AND FITNESS LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

PACIFIC HEALTH AND FITNESS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PACIFIC HEALTH AND FITNESS LIMITED

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation

We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Francis Corbishley (Senior Statutory Auditor)
For and on behalf of Moore Northern Home Counties Limited

Date: 28/03/2022

Chartered Accountants
Statutory Auditor

Nicholas House
River Front
Enfield
Middlesex
EN1 3FG

PACIFIC HEALTH AND FITNESS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 29 SEPTEMBER 2021

	Notes	2021 £	2020 £
Turnover		1,571,467	2,306,863
Administrative expenses		(1,963,860)	(2,390,784)
Other operating income		347,600	260,087
Operating (loss)/profit	3	(44,793)	176,166
Interest receivable and similar income		418	293
Interest payable and similar expenses		(9,988)	-
(Loss)/profit before taxation		(54,363)	176,459
Tax on (loss)/profit	5	5,660	28,326
(Loss)/profit for the financial year		(48,703)	204,785

PACIFIC HEALTH AND FITNESS LIMITED

BALANCE SHEET

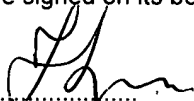
AS AT 29 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	6		363,456		400,172
Current assets					
Stocks		23,380		22,321	
Debtors	7	4,120,107		3,664,564	
Cash at bank and in hand		549,449		128,075	
		<u>4,692,936</u>		<u>3,814,960</u>	
Creditors: amounts falling due within one year	8	<u>(1,173,256)</u>		<u>(871,767)</u>	
Net current assets			3,519,680		2,943,193
Total assets less current liabilities			<u>3,883,136</u>		<u>3,343,365</u>
Creditors: amounts falling due after more than one year	9		(824,390)		(230,256)
Provisions for liabilities			<u>(63,061)</u>		<u>(68,721)</u>
Net assets			<u>2,995,685</u>		<u>3,044,388</u>
Capital and reserves					
Called up share capital	11		1,000		1,000
Profit and loss reserves			2,994,685		3,043,388
Total equity			<u>2,995,685</u>		<u>3,044,388</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

28/03/2022



J Lyras
Director

Company Registration No. 02727984

PACIFIC HEALTH AND FITNESS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 SEPTEMBER 2021

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 October 2019		1,000	3,238,603	3,239,603
Year ended 29 September 2020:				
Profit and total comprehensive income for the year		-	204,785	204,785
Dividends		-	(400,000)	(400,000)
Balance at 29 September 2020		1,000	3,043,388	3,044,388
Year ended 29 September 2021:				
Loss and total comprehensive income for the year		-	(48,703)	(48,703)
Balance at 29 September 2021		1,000	2,994,685	2,995,685

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 SEPTEMBER 2021

1 Accounting policies

Company information

Pacific Health and Fitness Limited is a private company limited by shares incorporated in England and Wales. The registered office is 24-26 Baltic Street, London, EC1Y 0RP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors have considered the impact of the Covid-19 pandemic on the business and do not believe there to be any change in the going concern status of the company.

1.3 Turnover

Revenue represents joining fees, subscriptions and income from goods and services net of value added tax. Income from joining fees is recognised when received and subscriptions are accrued for on accruals basis. All turnover is generated in the U.K.

1.4 Tangible fixed assets

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

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

Fixtures and fittings	20% reducing balance
Computers	25% straight line
Fitness equipment	20% straight line
Weights equipment	12.5% straight line

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

No depreciation is charged in year of disposal.

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

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

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

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

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

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

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

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

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

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

1.12 Leases

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

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants received in respect of the Coronavirus Job Retention Scheme (CJRS) is recognised as sundry income and is recognised as the related costs incurred.

The company received a grant in respect to restriction support of £25,832 and a restart grant of £18,000 these have been recognised as sundry income. The government grants received have been recognised due to the grant conditions being met during the year.

1.14 Government assistance

Included within bank loans is £986,111 which was obtained through the Coronavirus Business Interruption Loan Scheme (CBILS). These loans are interest and repayment free for the first 12 months. The government has provided a 90% guarantee on this loan with the remaining 10% covered by the members.

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating (loss)/profit

	2021	2020
	£	£
Operating (loss)/profit for the year is stated after charging:		
Auditors remuneration - audit	11,500	11,500
Auditors remuneration - corporation tax	2,000	2,000
Auditors remuneration - payroll	3,039	-
Operating lease expenses - land and building	175,000	262,500
Depreciation	92,084	100,787
Directors' emoluments	68,750	70,500

4 Employees

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

	2021	2020
	Number	Number
Total	62	60

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	904,456	968,214
Social security costs	60,069	64,349
Pension costs	12,337	11,792
	976,862	1,044,355

5 Taxation

	2021	2020
	£	£
Current tax		
Adjustments in respect of prior periods	-	(40,496)

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

5 Taxation

(Continued)

	2021 £	2020 £
Deferred tax		
Deferred taxation	(5,660)	12,170
	<u>(5,660)</u>	<u>12,170</u>
 Total tax credit	 (5,660)	 (28,326)
	<u>(5,660)</u>	<u>(28,326)</u>

The actual credit for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
(Loss)/profit before taxation	(54,363)	176,459
	<u>(54,363)</u>	<u>176,459</u>
 Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(10,329)	33,527
Tax effect of expenses that are not deductible in determining taxable profit	17,496	19,150
Under/(over) provided in prior years	-	(40,496)
Transfer pricing adjustment	13,489	12,726
Capital allowances	(15,375)	(14,873)
Deferred tax adjustment	(5,660)	12,170
Group relief	(5,281)	(50,530)
	<u>(5,660)</u>	<u>(28,326)</u>
Taxation credit for the year	(5,660)	(28,326)
	<u>(5,660)</u>	<u>(28,326)</u>

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

6 Tangible fixed assets

	Fixtures, fittings and equipment £	Fitness equipment £	Total £
Cost			
At 30 September 2020	1,476,857	396,018	1,872,875
Additions	18,089	42,384	60,473
Disposals	(6,996)	(2,025)	(9,021)
At 29 September 2021	1,487,950	436,377	1,924,327
Depreciation and impairment			
At 30 September 2020	1,145,672	327,031	1,472,703
Depreciation charged in the year	45,132	46,952	92,084
Eliminated in respect of disposals	(1,891)	(2,025)	(3,916)
At 29 September 2021	1,188,913	371,958	1,560,871
Carrying amount			
At 29 September 2021	299,037	64,419	363,456
At 29 September 2020	331,185	68,987	400,172

National Westminster Bank PLC hold fixed and floating charges over the assets of the company including fixtures, plant and machinery.

7 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Corporation tax recoverable	-	13,772
Amounts owed by group undertakings	4,100,453	3,597,790
Other debtors	19,654	53,002
	4,120,107	3,664,564

The amounts due from fellow subsidiaries are unsecured interest free and repayable on demand. The company has agreed not to seek repayment of the amounts due for the foreseeable future and to provide continuing financial support to a fellow subsidiary if required.

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

8 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	161,721	19,744
Trade creditors	94,767	50,235
Amounts owed to group undertakings	537,565	399,024
Taxation and social security	181,296	229,879
Other creditors	197,907	172,885
	<u>1,173,256</u>	<u>871,767</u>

9 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	<u>824,390</u>	<u>230,256</u>

The loan is secured by means of a fixed charge registered post year end against a property owned by a related company.

10 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
Balances:		
Accelerated capital allowances	<u>63,061</u>	<u>68,721</u>
Movements in the year:		2021 £
Liability at 30 September 2020		68,721
Credit to profit or loss		(5,660)
Liability at 29 September 2021		<u>63,061</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

PACIFIC HEALTH AND FITNESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 29 SEPTEMBER 2021

11 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital Issued and fully paid of £1 each	1,000	1,000	1,000	1,000

All shares carry equal voting rights.

12 Operating lease commitments

Lessee

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

	2021	2020
	£	£
Within one year	225,000	175,000
Between two and five years	150,000	-
	<u>375,000</u>	<u>175,000</u>

13 Ultimate Holding Company

In the opinion of the directors, the immediate parent company and ultimate holding company is Ocean Spirit Limited, a company incorporated in the British Virgin Islands. There is no ultimate controlling party.

14 Related party transactions

Remuneration of key management personnel

	2021	2020
	£	£
Aggregate compensation	<u>157,500</u>	<u>163,628</u>

During the year the company recharged £499,834 (2020: £739,123) in respect of staff costs to Baltic Health and Fitness Limited, which is wholly owned subsidiary of Ocean Spirit Limited.

At the year end, Baltic Health and Fitness Limited owed £912,236 (2020: £409,574) to the company.

At the year end, the company was owed £2,650,651 (2020: £2,789,192) from Pacific Freehold Properties Limited, which is a wholly owned subsidiary of Ocean Spirit Limited.

An operating lease is in place with Pacific Freehold Properties in relation to a property on which rental income of £175,000 (2020: £262,500) was due in respect of the year and £175,000 (2020: £262,500) was outstanding at 29 September 2021.

During the year, dividends totalling £nil (2020: £400,000) were declared to Ocean Spirit Limited.