

ANDREW BROWN LEISURE LIMITED
STRATEGIC REPORT
YEAR ENDED 30 APRIL 2016

Company Registration Number: 03763413

The Directors present their strategic report for the year ended 30 April 2016.

Fair review of the business

A record year for the group with revenues growing 14.3% to £6,335,291 and net pre-tax profit growing 10.6% to £611,830.

During the final couple of months we started to operate our extended poolside bar and terrace area. This has been tremendously well received and although an expensive addition will prove to be an excellent investment.

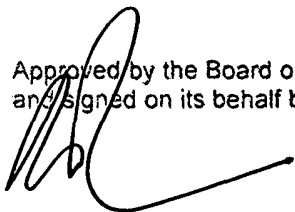
Food and beverage sales overall grew 17.6% and now represent 35.5% of our total sales.

In 2016 we won the prestigious 'Luxury Day Spa Award' at the World Luxury Spa Awards in Switzerland, this followed our success in 2015 when we were crowned the overall winner 'Global Spa Of The Year'.

During this current year we will expand our on site accommodation further with an additional 6 bedrooms and hope to obtain planning permission for a new build 80 bedroom hotel and banqueting facility on site, this is budgeted at £10.5 million.

We are as always extremely grateful to our staff for their hard work and to our management team for their foresight and creativity. We are never complacent and strive to constantly improve our customer experience, we view the future with confidence.

Approved by the Board on 1st November 2016
and signed on its behalf by:



.....
AW Brown
Director

THURSDAY



A5JHMTRK
A15 10/11/2016 #207
COMPANIES HOUSE

ANDREW BROWN LEISURE LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 APRIL 2016

Company Registration Number: 03763413

The Directors present their report and the consolidated financial statements for the year ended 30 April 2016.

Directors of the Group

The Directors who held office during the year were as follows:

AW Brown

Mrs S Brown

O Brown

Mrs HA Lord

The following directors were appointed after the year end:

S Burge (appointed 13 June 2016)

O Foucre (appointed 13 June 2016)

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, bank loans and overdrafts, trade debtors, trade creditors, other loans and hire purchase obligations to the business. The main purpose of these instruments is to finance the business' operations and the development of its facilities.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All off the business' cash balances are held in such a way that achieves a competitive rate of interest.

The group bank borrowings are variable interest loan arrangements, with an interest rate swap fixing the rate in respect of some of the loan borrowings.

Trade debtors are managed in respect of credit and cash flow risk in policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debts.

Trade creditors risk is managed by ensuring sufficient funds are available to meet amounts due.

Other loans comprise, in the main, loans from the directors. The majority of these balances are repayable in more than one year.

Hire purchase obligations are taken out at fixed rates.

Disclosure of information to the auditor

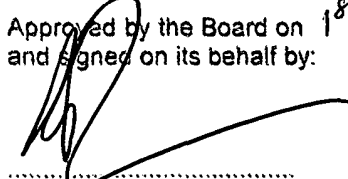
Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

ANDREW BROWN LEISURE LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 APRIL 2016

Reappointment of auditors

The auditors Cassons business advisers LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 18th November 2016
and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'AW Brown', written over a dotted line.

AW Brown
Director

ANDREW BROWN LEISURE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 30 APRIL 2016

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 apply them consistently;
- make judgements 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 Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ANDREW BROWN LEISURE LIMITED
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED 30 APRIL 2016

We have audited the financial statements of Andrew Brown Leisure Limited for the year ended 30 April 2016, set out on pages 7 to 24. 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 (set out on page 4), 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 Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 30 April 2016 and of the Group's profit 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.

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 year for which the financial statements are prepared is consistent with the financial statements.

ANDREW BROWN LEISURE LIMITED

INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 30 APRIL 2016

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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Carlton Cooper (Senior Statutory Auditor)

For and on behalf of:

Cassons business advisers LLP, Statutory Auditor

St Crispin House

St Crispin Way

Haslingden

Rossendale

Lancashire

BB4 4PW

7 November 2016

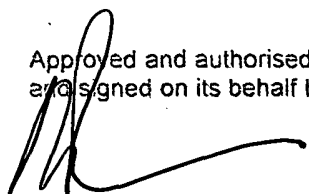
ANDREW BROWN LEISURE LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 APRIL 2016

	Note	2016 £	2015 £
Turnover		6,335,291	5,542,610
Cost of sales		<u>(3,327,792)</u>	<u>(2,849,749)</u>
Gross profit		3,007,499	2,692,861
Administrative expenses		(2,241,556)	(1,963,720)
Other operating income		<u>48,698</u>	<u>51,527</u>
Operating profit	3	<u>814,641</u>	<u>780,668</u>
Interest payable and similar charges	4	<u>(202,811)</u>	<u>(227,823)</u>
		<u>(202,811)</u>	<u>(227,823)</u>
Profit before tax		611,830	552,845
Taxation	8	<u>(96,618)</u>	<u>(106,000)</u>
Profit for the financial year		<u><u>515,212</u></u>	<u><u>446,845</u></u>

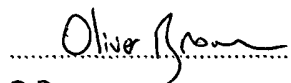
ANDREW BROWN LEISURE LIMITED
CONSOLIDATED BALANCE SHEET
30 APRIL 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	12,607,878	12,224,299
Current assets			
Stocks		105,648	76,295
Debtors	11	380,975	327,726
Cash at bank and in hand		<u>5,652</u>	<u>6,104</u>
		492,275	410,125
Creditors: Amounts falling due within one year	12	<u>(2,295,860)</u>	<u>(2,210,995)</u>
Net current liabilities		<u>(1,803,585)</u>	<u>(1,800,870)</u>
Total assets less current liabilities		10,804,293	10,423,429
Creditors: Amounts falling due after more than one year	12	(3,947,640)	(4,197,556)
Provisions for liabilities	13	<u>(584,000)</u>	<u>(477,000)</u>
Net assets		<u>6,272,653</u>	<u>5,748,873</u>
Capital and reserves			
Called up share capital	15	3,743,928	3,743,812
Share premium reserve		247,641	239,189
Capital redemption reserve		17,000	17,000
Profit and loss account		<u>2,264,084</u>	<u>1,748,872</u>
Total equity		<u>6,272,653</u>	<u>5,748,873</u>

Approved and authorised by the Board on 1st November 2016
and signed on its behalf by:



AW Brown
Director



O Brown
Director

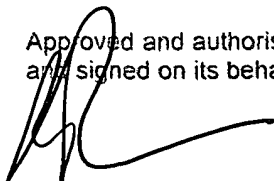
ANDREW BROWN LEISURE LIMITED

BALANCE SHEET

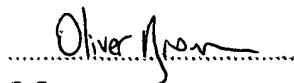
30 APRIL 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	9,922,755	9,507,806
Investments	10	<u>2</u>	<u>2</u>
		<u>9,922,757</u>	<u>9,507,808</u>
Current assets			
Debtors	11	2,470,230	2,593,084
Creditors: Amounts falling due within one year	12	<u>(2,668,481)</u>	<u>(2,477,380)</u>
Net current (liabilities)/assets		<u>(198,251)</u>	<u>115,704</u>
Total assets less current liabilities		9,724,506	9,623,512
Creditors: Amounts falling due after more than one year	12	(3,947,640)	(4,088,984)
Provisions for liabilities	13	<u>(419,000)</u>	<u>(383,000)</u>
Net assets		<u>5,357,866</u>	<u>5,151,528</u>
Capital and reserves			
Called up share capital		3,743,928	3,743,812
Share premium reserve		247,641	239,189
Capital redemption reserve		17,000	17,000
Profit and loss account		<u>1,349,297</u>	<u>1,151,527</u>
Total equity		<u>5,357,866</u>	<u>5,151,528</u>

Approved and authorised by the Board on 1st November 2016
and signed on its behalf by:



AW Brown
Director



O Brown
Director

ANDREW BROWN LEISURE LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30 APRIL 2016

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £	Total equity £
At 1 May 2015	3,743,812	239,189	17,000	1,748,872	5,748,873	5,748,873
Profit for the year	-	-	-	515,212	515,212	515,212
Total comprehensive income	-	-	-	515,212	515,212	515,212
New share capital subscribed	116	8,452	-	-	8,568	8,568
At 30 April 2016	3,743,928	247,641	17,000	2,264,084	6,272,653	6,272,653

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £	Total equity £
At 1 May 2014	3,743,812	239,189	17,000	1,302,027	5,302,028	5,302,028
Profit for the year	-	-	-	446,845	446,845	446,845
Total comprehensive income	-	-	-	446,845	446,845	446,845
At 30 April 2015	3,743,812	239,189	17,000	1,748,872	5,748,873	5,748,873

ANDREW BROWN LEISURE LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 30 APRIL 2016

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 May 2015	3,743,812	239,189	17,000	1,151,527	5,151,528
Profit for the year	-	-	-	197,770	197,770
Total comprehensive income	-	-	-	197,770	197,770
New share capital subscribed	116	8,452	-	-	8,568
At 30 April 2016	3,743,928	247,641	17,000	1,349,297	5,357,866

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 May 2014	3,743,812	239,189	17,000	955,470	4,955,471
Profit for the year	-	-	-	196,057	196,057
Total comprehensive income	-	-	-	196,057	196,057
At 30 April 2015	3,743,812	239,189	17,000	1,151,527	5,151,528

ANDREW BROWN LEISURE LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 30 APRIL 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		515,212	446,845
Adjustments to cash flows from non-cash items			
Depreciation	3	573,536	472,351
Profit on disposal of tangible assets		(1,795)	(26,295)
Finance costs	4	202,811	227,823
Corporation tax expense	8	96,618	106,000
		<u>1,386,382</u>	<u>1,226,724</u>
Working capital adjustments			
Increase in stocks		(29,353)	(3,969)
(Increase)/decrease in debtors	11	(53,249)	51,819
Increase/(decrease) in creditors	12	212,748	(1,085)
Decrease in deferred income, including government grants		<u>(36,400)</u>	<u>(36,400)</u>
Cash generated from operations		1,480,128	1,237,089
Corporation tax received	8	<u>10,382</u>	<u>-</u>
Net cash flow from operating activities		<u>1,490,510</u>	<u>1,237,089</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(1,025,636)	(957,266)
Proceeds from sale of tangible assets		<u>70,316</u>	<u>47,407</u>
Net cash flows from investing activities		<u>(955,320)</u>	<u>(909,859)</u>
Cash flows from financing activities			
Interest paid	4	(199,816)	(224,696)
Proceeds from issue of ordinary shares, net of issue costs		8,568	-
Proceeds from bank borrowing draw downs		156,467	53,250
Repayment of other borrowing		(417,558)	(238,909)
Payments to finance lease creditors		<u>(27,712)</u>	<u>(32,310)</u>
Net cash flows from financing activities		<u>(480,051)</u>	<u>(442,665)</u>
Net increase/(decrease) in cash and cash equivalents		55,139	(115,435)
Cash and cash equivalents at 1 May		<u>(376,510)</u>	<u>(261,075)</u>
Cash and cash equivalents at 30 April		<u><u>(321,371)</u></u>	<u><u>(376,510)</u></u>

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

Crow Wood Leisure Centre
Royle Lane
Burnley
Lancashire
BB12 0RT

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

In accordance with FRS 102 Section 1.12 the Company, as a qualifying entity, has taken advantage of the exemptions from the following disclosure requirements at company level;

Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.

Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

Section 33 'Related Party Disclosures' - Compensation for key management personnel.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 30 April 2016.

No Profit and Loss Account is presented for the Company as permitted by section 408 of the Companies Act 2006. The company made a profit after tax for the financial year of £197,770 (2015 - profit of £196,057).

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Tax

The tax expense for the period comprises current tax.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the Group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Buildings	2% straight line basis
Fixtures, fittings and equipment	5-33% straight line basis
Motor vehicles	25% straight line basis

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business.

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity.

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Operating profit

Arrived at after charging/(crediting)

	2016	2015
	£	£
Depreciation expense	573,536	472,351
Amortisation expense	(36,400)	(36,400)
Profit on disposal of property, plant and equipment	<u>(1,796)</u>	<u>(26,297)</u>

4 Interest payable and similar charges

	2016	2015
	£	£
Interest on bank overdrafts and borrowings	122,440	136,636
Interest on obligations under finance leases and hire purchase contracts	2,995	3,127
Interest expense on other finance liabilities	<u>77,376</u>	<u>88,060</u>
	<u><u>202,811</u></u>	<u><u>227,823</u></u>

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016	2015
	£	£
Wages and salaries	2,302,235	1,924,721
Social security costs	129,837	103,099
Pension costs, defined contribution scheme	45,938	30,265
	<u>2,478,010</u>	<u>2,058,085</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2016	2015
	No.	No.
Management	4	4
Leisure centre, spa and restaurant staff	168	157
Equestrian staff	10	10
	<u>182</u>	<u>171</u>

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016	2015
	£	£
Remuneration	147,065	84,657
Contributions paid to money purchase schemes	37,000	25,000
	<u>184,065</u>	<u>109,657</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016	2015
	No.	No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

7 Auditors' remuneration

	2016	2015
	£	£
Audit of the financial statements	<u>8,000</u>	<u>6,750</u>
Other fees to auditors		
The audit of the company's subsidiaries' annual accounts	6,000	4,600
Other services	27,030	16,118
	<u>33,030</u>	<u>20,718</u>

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

8 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	(10,382)	-
Deferred taxation		
Arising from origination and reversal of timing differences	<u>107,000</u>	<u>106,000</u>
Tax expense in the income statement	<u><u>96,618</u></u>	<u><u>106,000</u></u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>611,830</u>	<u>552,845</u>
Corporation tax at standard rate	122,366	110,569
Effect of revenues exempt from taxation	(7,280)	(7,280)
Effect of expense not deductible in determining taxable profit (tax loss)	975	489
Tax refund from prior period	(10,382)	-
Tax (decrease) increase from effect of unrelieved tax losses carried forward	<u>(9,061)</u>	<u>2,222</u>
Total tax charge	<u><u>96,618</u></u>	<u><u>106,000</u></u>

The group has taxable trading losses of £841,000 (2015 - £1,065,000) to carry forward and offset against any future profits it may earn.

The group has capital losses of £7,707 (2015 - £7,707) to offset against any future capital profits.

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

9 Tangible assets

Group

	Land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 May 2015	9,763,990	5,286,443	94,745	15,145,178
Additions	-	933,661	91,975	1,025,636
Disposals	-	(454,204)	(87,174)	(541,378)
At 30 April 2016	<u>9,763,990</u>	<u>5,765,900</u>	<u>99,546</u>	<u>15,629,436</u>
Depreciation				
At 1 May 2015	1,847,115	1,051,389	22,375	2,920,879
Charge for the year	179,492	374,368	19,676	573,536
Eliminated on disposal	-	(454,204)	(18,653)	(472,857)
At 30 April 2016	<u>2,026,607</u>	<u>971,553</u>	<u>23,398</u>	<u>3,021,558</u>
Carrying amount				
At 30 April 2016	<u>7,737,383</u>	<u>4,794,347</u>	<u>76,148</u>	<u>12,607,878</u>
At 30 April 2015	<u>7,916,876</u>	<u>4,235,053</u>	<u>72,370</u>	<u>12,224,299</u>

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016 £	2015 £
Fixtures, fittings and equipment	<u>23,400</u>	<u>66,719</u>

Company

	Land and buildings £	Fixtures and fitting £	Motor vehicles £	Total £
Cost or valuation				
At 1 May 2015	9,090,321	2,508,869	28,201	11,627,391
Additions	-	703,616	34,000	737,616
Disposals	-	(73,886)	(23,300)	(97,186)
At 30 April 2016	<u>9,090,321</u>	<u>3,138,599</u>	<u>38,901</u>	<u>12,267,821</u>
Depreciation				
At 1 May 2015	1,820,589	296,156	2,840	2,119,585
Charge for the year	166,016	133,351	970	300,337
Eliminated on disposal	-	(73,886)	(970)	(74,856)
At 30 April 2016	<u>1,986,605</u>	<u>355,621</u>	<u>2,840</u>	<u>2,345,066</u>
Carrying amount				
At 30 April 2016	<u>7,103,716</u>	<u>2,782,978</u>	<u>36,061</u>	<u>9,922,755</u>
At 30 April 2015	<u>7,269,732</u>	<u>2,212,711</u>	<u>25,361</u>	<u>9,507,804</u>

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016	2015
	£	£
Fixtures and fittings	<u>23,400</u>	<u>31,200</u>

10 Investments

Company

	2016	2015
	£	£
Investments in subsidiaries	<u>2</u>	<u>2</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2016	2015
Subsidiary undertakings				
Crow Wood Leisure Limited	England	Ordinary	100%	100%
Crow Wood Equestrian Limited	England	Ordinary	100%	100%

The principal activity of Crow Wood Leisure Limited is leisure centre and restaurant operators

The principal activity of Crow Wood Equestrian Limited is equestrian leisure services and livery services

11 Debtors

		Group		Company	
	Note	2016	2015	2016	2015
		£	£	£	£
Trade debtors		70,824	43,153	651	539
Amounts owed by group undertakings	19	-	-	2,430,991	2,574,894
Other debtors		37,243	18,270	37,241	17,270
Prepayments		<u>272,908</u>	<u>266,303</u>	<u>1,347</u>	<u>381</u>
Total current trade and other debtors		<u>380,975</u>	<u>327,726</u>	<u>2,470,230</u>	<u>2,593,084</u>

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 APRIL 2016

12 Creditors

		Group		Company	
	Note	2016 £	2015 £	2016 £	2015 £
Due within one year					
Loans and borrowings	16	895,386	1,023,269	880,825	961,392
Trade creditors		541,202	482,931	61,729	111,098
Amounts due to group undertakings	19	-	-	1,492,134	1,256,653
Social security and other taxes		304,124	257,505	2,106	2,770
Other creditors		10,857	10,493	-	6,945
Accrued expenses		507,891	400,397	195,286	102,121
Deferred income		36,400	36,400	36,400	36,400
		<u>2,295,860</u>	<u>2,210,995</u>	<u>2,668,480</u>	<u>2,477,379</u>
Due after one year					
Loans and borrowings	16	3,729,240	3,942,756	3,729,240	3,834,184
Deferred income		218,400	254,800	218,400	254,800
		<u>3,947,640</u>	<u>4,197,556</u>	<u>3,947,640</u>	<u>4,088,984</u>

13 Deferred tax and other provisions

Group

	Deferred tax £	Total £
At 1 May 2015	477,000	477,000
Increase (decrease) in existing provisions	<u>107,000</u>	<u>107,000</u>
At 30 April 2016	<u>584,000</u>	<u>584,000</u>

14 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £45,939 (2015 - £30,265).

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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15 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary £1 shares of £1 each	3,743,812	3,743,812	3,743,812	3,743,812
E Ordinary £0.001 shares of £0.001 each	115,788	116	-	-
	<u>3,859,600</u>	<u>3,743,928</u>	<u>3,743,812</u>	<u>3,743,812</u>

New shares allotted

During the year 115,788 E Ordinary £0.001 shares having a nominal value of £0.001 per share were allotted for an aggregate consideration of £8,568.

16 Loans and borrowings

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	3,126,745	2,876,431	3,126,745	2,876,431
Finance lease liabilities	2,495	11,855	2,495	11,855
Other borrowings	600,000	1,054,470	600,000	945,898
	<u>3,729,240</u>	<u>3,942,756</u>	<u>3,729,240</u>	<u>3,834,184</u>
	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Current loans and borrowings				
Bank borrowings	193,802	287,649	193,802	287,649
Bank overdrafts	327,023	382,614	312,462	364,600
Finance lease liabilities	9,360	24,717	9,360	10,682
Other borrowings	365,201	328,289	365,201	298,461
	<u>895,386</u>	<u>1,023,269</u>	<u>880,825</u>	<u>961,392</u>

Bank borrowings

The bank loans and overdrafts are secured by way of debentures over all group companies, a legal charge over the company's property and a personal guarantee from Mr A Brown. Additionally the bank have taken a charge over life policies executed by the company over the lives of certain directors.

The bank loan is subject to interest at 2.1% over bank base rate and is repayable by February 2020.

Other borrowings

The directors' current accounts are unsecured and interest is charged at an agreed rate. The bank have taken a charge upon £600,000 of the directors loans.

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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17 Obligations under leases and hire purchase contracts

Group

Finance leases

The total of future minimum lease payments is as follows:

	2016	2015
	£	£
Not later than one year	9,360	24,717
Later than one year and not later than five years	2,495	11,855
	<u>11,855</u>	<u>36,572</u>

Company

Finance leases

The total of future minimum lease payments is as follows:

	2016	2015
	£	£
Not later than one year	9,360	10,682
Later than one year and not later than five years	2,495	11,855
	<u>11,855</u>	<u>22,537</u>

18 Contingent liabilities

The group's bankers hold a composite guarantee securing the bank borrowings of the group. At 30 April 2016 the total bank borrowings of the group amounted to £3,615,525 (2015 - £3,519,128).

The company is part of a group registration for VAT purposes. At the year end the outstanding VAT liability of the group was £268,675 (2015 - £230,221).

19 Related party transactions

Mr & Mrs A W Brown

Directors and shareholders

During the year interest of £57,994 (2015 - £47,598) was charged to the company in respect of the loan from Mr & Mrs A W Brown. At the year end £57,994 (2015 - £46,598) of accrued interest is included within accruals and deferred income.

At the balance sheet date the amount due to Mr & Mrs A W Brown was £843,838 (2015 - £977,344)

Mr O Brown

Director and shareholder

During the year interest of £26,293 (2015 - £22,000) was charged to the company in respect of the loan from Mr O Brown. At the year end £nil (2015 - £nil) of accrued interest is included within accruals and deferred income.

At the balance sheet date the amount due to Mr O Brown was £121,364 (2015 - £171,728)

ANDREW BROWN LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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20 Financial instruments

Group

Categorisation of financial instruments

	2016	2015
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>70,824</u>	<u>43,153</u>
	<u>70,824</u>	<u>43,153</u>
Financial liabilities measured at amortised cost	<u>5,176,686</u>	<u>5,452,505</u>
	<u>5,176,686</u>	<u>5,452,505</u>

21 Share options

During the year the board of directors approved an Enterprise Management Incentive Plan. This is a HM Revenue and Customs approved share option scheme under which options can be granted to eligible employees.

During the year options were granted to two employees and both employees exercised their options. As a consequence 115,788 E ordinary shares of £0.001 were issued at a consideration of £8,568.

22 Parent and ultimate parent undertaking

The ultimate controlling party is A W Brown.

23 Transition to FRS 102

As stated in note 2, these are the company's first financial statements prepared in accordance with FRS102.

The accounting policies set out in the notes have been applied in preparing the financial statements for the year ended 30 April 2016 and the comparative information presented in these financial statements for the year ended 30 April 2015.

In preparing its FRS102 balance sheet, there has been no impact on equity or profit and loss.