

Ensco 961 Limited

Annual report and financial statements

Registered number 08268106

Period ended 14 March 2015

SATURDAY



A4JO0LDU

A14

07/11/2015

#209

COMPANIES HOUSE

Contents

Directors' report	3
Statement of directors' responsibilities in respect of the Directors' report and the financial statements	4
Independent auditor's report to the members of Ensco 961 Limited	5
Profit and loss account	7
Balance sheet	8
Reconciliation of Movements in Shareholder's Funds	9
Notes	10

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period to 14 March 2015.

Principal activities

The principal activity of the company was that of an investment and debt holding company, serving the wider Ensko 962 Limited group which trades predominantly through Playnation Limited.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the period were as follows:

A Hodges

R Hyde

Employees

It is group policy to give every practical consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities, and to ensure that those who are appointed receive the same opportunities as their colleagues for training, career development and promotions. If and when existing employees become disabled, every reasonable effort is made to ensure that their employment and training will continue as stated above.

Political contributions

The company did not make any political donations or incur any political expenditure during the period.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

KPMG LLP was appointed during the previous period as auditor of the company. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board .



R Hyde
Director

Ensko 961 Limited
17 Berkeley Court
Manor Park
Runcorn
WA7 1TQ

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of Ensco 961 Limited

We have audited the financial statements of Ensco 961 Limited for the period ended 14 March 2015 set out on pages 7 to 14. The financial reporting framework that has been applied in the preparation is applicable law and UK Accounting Standards (UK 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 auditors

As explained more fully in the Directors' Responsibilities Statement 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 14 March 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with UK 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 period for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Ensco 961 Limited *(continued)*

Matters on which we are required to report by exception

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

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



Frances Whittle (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

10 July 2013

Profit and loss account
for the period ended 14 March 2015

	<i>Note</i>	2015 £000	2014 £000
Administrative expenses		-	-
Operating loss		-	-
Interest payable and similar charges	6	(1,812)	(1,889)
Loss on ordinary activities before taxation		(1,812)	(1,889)
Tax on loss on ordinary activities	7	87	-
Loss for the financial period		(1,725)	(1,889)

All activities relate to continuing operations.

The notes on page 10 to 14 form an integral part of these financial statements

The company has no recognised gains or losses other than those reported above and therefore no statement of total recognised gains or losses has been presented.

Balance sheet
 at 14 March 2015

	Note	2015 £000	2015 £000	2014 £000	2014 £000
Current assets					
Debtors (including £16,995,000 (2014: £16,986,000) due after one year)	9	18,304		19,486	
Creditors: amounts falling due within one year	10	<u>(1,291)</u>		<u>(2,498)</u>	
Net current assets			17,013		16,988
Total assets less current liabilities			17,013		16,988
Creditors: amounts falling due after more than one year	11		(20,627)		(18,877)
Net liabilities			<u>(3,614)</u>		<u>(1,889)</u>
Capital and reserves					
Called up share capital	13		-		-
Profit and loss account	14		(3,614)		(1,889)
Total shareholder's deficit			<u>(3,614)</u>		<u>(1,889)</u>

The notes on page 10 to 14 form an integral part of these financial statements

These financial statements were approved by the board of directors on 10 July 2015 and were signed on its behalf by:



R Hyde
 Director

Company registered number: 08258418

Reconciliation of Movements in Shareholder's Funds
for the period ended 14 March 2015

	2015 £000	2014 £000
Loss for the financial period	(1,725)	(1,889)
Net reduction in shareholder's funds	(1,725)	(1,889)
Closing shareholder's deficit	(3,614)	(1,889)

The notes on page 10 to 14 form an integral part of these financial statements

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements, except as noted below.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. These financial statements are prepared for the 52 weeks to 14 March 2015.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its ultimate parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of Ensco 962 Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

The Company is exempt by virtue of section 400-402 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Going concern

The company has net liabilities of £3,614,000 at 14 March 2015. The company controls Playnation Limited which is the main trading entity of the Ensco 962 Limited group. In addition, the directors of the company have received a letter from the directors of Ensco 962 Limited informing them that the group will continue to support this company for at least 18 months following the date of these financial statements. The Directors have prepared detailed forecasts and trading projections of the wider group, incorporating Playnation Limited which this company wholly controls, for at least 12 months following the date of these financial statements. The Directors' forecasts, updated for the current trading and the director's latest view of market conditions, demonstrate that the group will be able to meet its projected working capital requirements and satisfy its liabilities as they arise, including liabilities arising on its financing obligations, throughout this period. The directors have also considered a number of sensitised forecasts to reflect the inherent uncertainty in the economic climate and are satisfied that there is sufficient headroom under all of the finance facilities to continue to meet terms including covenant compliance. Taking all of the above into account, the directors consider it appropriate to prepare the accounts on a going concern basis.

Investments

Investments in subsidiary undertakings, associates and joint ventures are stated at cost less any applicable impairment.

Interest bearing borrowings

Immediately after issue, debt is stated at the fair value of the consideration received on the issue of the capital instrument after deduction of issue costs. The finance cost of the debt is allocated to periods over the term of the debt at a constant rate on the carrying amount.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes (continued)

1 Accounting policies (continued)

Dividends on shares presented within equity

Dividends are only recognised as a liability to the extent that they are declared prior to the period end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

2 Segmental analysis

All operations originate in the UK and relate to one operating segment.

3 Auditor's remuneration

Auditor's remuneration of £3,000 (2014: £3,000) was borne by other group companies.

4 Remuneration of directors

Directors remuneration was borne by other group companies as their services to this company are incidental to their wider role in the group.

5 Staff numbers and costs

The company has no employees other than directors.

6 Interest payable and similar charges

	2015 £000	2014 £000
On bank loans and overdrafts	617	666
On all other loans	1,068	1,085
Amortisation of loan issue costs	127	138
	<hr/> 1,812	<hr/> 1,889
	<hr/>	<hr/>

7 Taxation

Analysis of (credit) /charge in period

	2015 £000	2014 £000
<i>UK corporation tax</i>		
Current tax on loss for the period	-	-
	<hr/>	<hr/>
Total current tax	-	-
<i>Deferred tax</i>		
Origination/reversal of timing differences	(46)	-
Adjustment in respect of previous period	(43)	-
Effect of changes in tax rates	2	-
	<hr/> (87)	<hr/> -
Total deferred tax	(87)	-
	<hr/>	<hr/>
Tax on loss on ordinary activities	(87)	-
	<hr/>	<hr/>

Notes (continued)

7 Taxation (continued)

Factors affecting the tax charge for the current period

The current tax charge for the period is higher (2014: higher) than the standard rate of corporation tax in the UK of 21.09% (2014: 23.13%). The differences are explained below.

	2015 £000	2014 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(1,812)	(1,889)
	<hr/>	<hr/>
Current tax at 21.09% (2014: 23.13%)	(382)	(437)
	<hr/>	<hr/>
<i>Effects of:</i>		
Expenses not deductible for tax purposes	237	126
Group relief not paid for	145	311
	<hr/>	<hr/>
Total current tax charge	-	-
	<hr/>	<hr/>

Factors affecting the tax charge in future years

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

8 Fixed asset investments

The company has tangible fixed asset investments totalling £1 (2014: £1).

The undertakings in which the company's interest at the period end is more than 20% are as follows.

	Country of incorporation	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
Playnation Limited	United Kingdom	Provision of machine gaming equipment	100% Ordinary
Leisure Projects Limited	United Kingdom	Dormant	100% Ordinary
Fun House Leisure Limited	United Kingdom	Provision of prize dispensing vending machines	100% Ordinary
Fun House Leisure Sales Limited	United Kingdom	Provision of prize dispensing vending machines	100% Ordinary

9 Debtors

	2015 £000	2014 £000
Amounts due from group undertakings	18,217	19,486
Deferred taxation	87	-
	<hr/>	<hr/>
	18,304	19,486
	<hr/>	<hr/>

Included within amounts due from group undertakings is £16,995,000 (2014: £16,986,000) due after more than one year.

Notes (continued)

10 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Bank loans and overdrafts	1,187	2,374
Interest payable	104	124
	<u>1,291</u>	<u>2,498</u>

11 Creditors: amounts falling due after more than one year

	2015 £000	2014 £000
Other loans	10,936	9,836
Bank loans and overdrafts	7,538	7,956
Accrued interest	2,153	1,085
	<u>20,627</u>	<u>18,877</u>

Bank loans and overdrafts include £9,307,000 (2014: £10,950,000) due to Lloyds Bank plc secured by a fixed and floating charge over all assets of the group. This loan carries interest at 5% and is repayable by instalments over the next 5 years.

Other loans include £10,936,000 (2014: £9,836,000) due to Palatine Private Equity LLP carrying interest at 10% and repayable in full on 8 February 2018.

The maturity of borrowing obligations is as follows:

	2015 £000	2014 £000
Bank loans and overdrafts		
Within one year	1,338	2,500
In the second to fifth years	7,971	8,450
	<u>9,309</u>	<u>10,950</u>
Less: unamortised issue costs		
Within one year	(151)	(126)
In the second to fifth years	(433)	(494)
	<u>(584)</u>	<u>(620)</u>
	<u>8,725</u>	<u>10,330</u>
	<u>2015 £000</u>	<u>2014 £000</u>
Other loans		
In the second to fifth years	10,936	9,836

Notes (continued)

12 Deferred tax

	2015 £000	2014 £000
At start of period	-	-
Credit to the profit and loss for the period	87	-
At end of period	<u>87</u>	<u>-</u>

The elements of deferred taxation are as follows:

	2015 £000	2014 £000
Short term timing differences	<u>87</u>	<u>-</u>

13 Called up share capital

	2015 £	2014 £
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

14 Profit and loss account

	2015 £000	2014 £000
At beginning of period	(1,889)	-
Loss for the period	(1,725)	(1,889)
At end of period	<u>(3,614)</u>	<u>(1,889)</u>

15 Related party disclosures

Interest accrues at a rate of 10% per annum on £10,936,000 (2014: £9,836,000) of loans from Palatine Private Equity LLP. There was no interest paid during the period with £2,153,000 (2014: £1,085,000) accrued at the period end.

16 Ultimate parent undertaking and controlling party

The company's ultimate parent is Ensco 962 Limited. The smallest and largest company in which this company's results are consolidated is Ensco 962 Limited. No other company prepares group financial statements including this company and/or any of its subsidiaries. In the directors' opinion the ultimate controlling party is Palatine Private Equity LLP.