Bar Fever
(Tewkesbury) Ltd
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Bar Fever Limited
Group of Companies

Registered number 06845048
Directors' report and consolidated financial statements
Period ended 31 March 2019

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Contents

Strategic report

The directors present their strategic report and financial statements for the year ended 31 March 2019.

On 22 January 2019 Bar Fever Limited and all its subsidiaries were acquired by Stonegate Pub Company Limited, a company registered in the Cayman Islands. The additional resources available by being part of a larger group and the second largest managed pub operator on the high street, will enable the Bar Fever Group to grow in the late night bar sector.

Our Business

As at the financial year end, the Bar Fever Group of companies operated 30 late night bars and clubs under the brands Fever, Bierkeller, Boutique, Kukui, Zinc and MooMoo Club. Most of the sites are multi roomed venues e.g. Fever & Boutique, Boutique and the Beach and MooMoo clubrooms (MooMoo is a triple scene venue with three of the companies' brands within.) The companies' strategy is to provide a 'Big City' late night experience within smaller towns offering a memorable experience with first class surroundings, excellent service, top entertainment, a great drink range and above all value for money. In short, we treat our customers as weekend millionaires.

Review of the business

The Fever brands offer the following entertainment -
Fever – A stylish retro party bar with the new enhanced 100+ tile illuminated dancefloor
Boutique – Often the entry room – sumptuous booths and furniture, chandeliers as the lighting feature and a mainstream RnB / Urban music policy
Kukui – Polynesian cocktail bar – no longer building as a standalone but may form one of the rooms within a MooMoo venue
MooMoo – any three rooms from the above
Zinc – a stand-alone conceptual clubroom to gradually replace Boutique

The growth strategy involves;

- Continued regular investment in sites
- Expansion of the booth culture and pre-book facility
- Acquisition of new sites in key towns
- Disposal of sites that no longer fit the company profile

Managers remain the key to our business and their ability to run our venues, whilst branded to suit the local market place. Our business is focused on weekend trade with a greater percentage of the total sales made on a Saturday night. The size and flexibility of the venues allows the venues to generate a disproportionately high share of the available market on a Friday (and midweek nights where applicable) by opening fewer rooms and creating a better atmosphere.

The pre-book booth culture has become an important part of our business model and has led to the rise of the employment of sales managers in many sites.

New venues and refurbishments

During the year, the Group mainly consolidated its venues but did open a new MooMoo multi room site in Southend. In addition, major refurbishments were carried out at the venues in Banbury, Barnstaple, Cheltenham, Exeter, Maidstone, Newbury, Nuneaton, Redditch, Tunbridge, Weston Super Mare and at Zinc in Taunton. The retained sites are trading exceptionally as are all core key businesses.

Venue disposals and closures

The Group continued its policy of concentrating on profitable business and as a result closed during the year its venues at Burton and Gillingham and sold its operation in Northampton.

Financial review and key performance indicators

The results for the Group for the year ended 31 March 2019 are shown in the consolidated statement of comprehensive income on page 11. The key performance figures are shown below. The Group further increased its cash and bank resources from £3,057,948 in March 2018 to £3,318,967 at the end of March 2019 after refurbishment costs of £1,550,846 and payments of £1,000,000 to the new parent company. This level of liquid funds provides the Group with a strong working capital resource as well as securing funds for future expansion. The Group continued to obtain short term finance leases, all repayable within 24 months, to provide funds for the opening of the new bars and major capital replacement costs. The outstanding finance lease balance as at 31 March 2019 were £437,552 (2018 - £643,323).

Business review

The results of the Group for the year ended 31 March 2019 are shown in the consolidated statement of comprehensive income on page 11.

The results for the period was turnover of £29,778,557 (31 March 2018 - £25,931,029) and a profit after tax of £2,797,553 (31 March 2018 - £2,128,179).

As at 31 March 2019, the balance sheet of the Group has net assets of £6,509,067 (31 March 2018 - £3,711,514).

The key financial performance indicators during the period were as follows:

	2019 31 March	2018 31 March	Change
	£000	£000	%
Turnover	**29,778**	25,931	15%
Operating profit	**3,493**	2,794	25%
Profit after tax	**2,798**	2,128	31%
Current assets as % of current liabilities	**142%**	103%	39%

Principal risks and uncertainties

Given the rapidly evolving nature of the situation it is impossible to quantify the impact COVID-19 could have on the financial performance of the Company. However, it is expected there will be a significant reduction in performance for the next twelve months and, given this uncertainty, can no longer provide detailed guidance on the expected forward financial performance for the year.

The Company is working proactively to protect the trading and cash flow through a number of actions including suspension of the capital programme and reduction of costs across the business.

The wider group currently has a strong balance sheet with material cash resources which should be sufficient to fund obligations for the foreseeable future. The Company is encouraged by the measures announced recently by the Chancellor, notably business rates relief and access to a credit guarantee facility, which should further underpin the Company's future performance and liquidity. Nevertheless the current situation is considered to be a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. See note 1.2 for further details.

Principal risks and uncertainties *(continued)*

The Group's operations expose it to a variety of financial risks including the effects of credit risk and liquidity. The Group's principal financial instruments comprise cash sterling balances and bank deposits, bank loans, and other obligations that arise under leases together with trade receivables and trade payables that arise directly out of its operations.

The main risks can be analysed as:

Industry specific

The industry is under cost pressures from legislation, utility costs, business rates and leasehold rents, which leads to an on-going risk to our business. The Bar Fever Group established and experienced procurement team, manage contracts to ensure we mitigate against increases in food and drink costs, as well as ensuring cost control processes are in place. These inflation driven factors reinforce our already strong emphasis on margins and cost control.

Risks to the Group's day to day trading include deterioration in consumer spending prompted by any downturn in the economy together with potential shifts in consumer spending patterns. The fundamental need for the UK consumer to socialise will always remain, however the changes in behaviour are rapid. Therefore there is a risk to market share if the Group is not positioned to react to these changes. The Group's Segment Strategy Teams, involving marketers, operators and finance, meet regularly to ensure segments respond quickly. The focus tends to be on opportunities, such as within the expanding dining out market as well as broad ranges of products which appeal to all demographics.

The Group is subject to various areas of regulation, particularly with regards to the sale of alcohol. This can include licences, permits, late night levies and various restriction orders. The Bar Fever Group works closely with the Police, Local Authorities and trade bodies in order to ensure we remain compliant with legislation.

The Group's employees are subject to the Working Time Regulations, which controls the hours they are legally allowed to work. In addition, as a number of the Group's staff are employed at the national living wage, the Group is impacted by increases in the national living wage. The Directors expect that imminent increases will result in an increase in the Group's labour costs, however they expect increases to be mitigated to a certain extent by revenue growth resulting from higher wages, as well as certain measures introduced by the Group.

With the UK poised to leave the EU in 2020 following the recent General Election, this does bring a degree of risk and uncertainty to the business. This is due to potential impacts on the business due to uncertainty in the political and economic environment. Initial impacts seen are around movement of people, exchange rates and the cost of imports which we will need to commercially manage through negotiation and retail pricing. Management are not aware of anything which, to date suggests any material impacts.

Group specific

A large proportion of the Group's revenues are collected in cash across its bars, which exposes the Group to potential cash loss. The Group has a strong internal audit department which maintains a comprehensive cash handling policy and ensures there is minimal cash leakage out of the business.

Reliance is placed on key suppliers to ensure continuous supply of both food and drink. The Group is exposed to the risk of failure by these suppliers to deliver to the required time scales or standards. A disaster recovery and business continuity plan is established to mitigate such risks.

The Group reinvests in the growth of the business by way of new outlets and refurbishment of existing outlets. There is a risk that these investments do not perform to the levels expected. The Group performs careful market and financial analysis before committing to such investments.

There is a risk to business operations if there is a critical IT systems loss caused by failure or a security breach. The Group operates offsite recovery capability, with back up data plans in place. Systems are protected by anti-virus software and firewalls, which are regularly kept up to date.

In order to deliver the fantastic customer experience, it is important to attract and develop our people within the organisation. As well as our career pathway and training programme, we undertake succession planning and remuneration benchmarking in order to retain our best people.

David Ross

Director

31 March 2020

Porter Tun House
500 Capability Green
Luton, LU1 3LS

Directors' report

The directors present their directors' report and financial statements for the year ended 31 March 2019.

Principal Activity

The principal activity of the Group is the operation of late night bars in the United Kingdom.

Results for the period for the Company

As permitted by Section 408 of the Companies Act 2006, the Company's profit and loss account has not been included in these financial statements. The Company, which acts as a parent company absorbing some of the expenditure on behalf of the group, does not trade. The Company's loss after tax for the financial period was £729,876 (2018 restated: profit - £26,365).

Going Concern

The Group met its day-to-day working capital requirements through its standard trading cycle of cash sales and loans from other group companies. Customers pay by cash resulting in minimal credit risk for the Group and the Group takes advantage of supplier's normal credit terms.

The Bar Fever Group and parent Company is reliant on the support of its parent undertaking; Stonegate Pub Company Group ('Stonegate'), for continued funding to allow it to continue trading as a going concern. Uncertainty due to the recent COVID-19 outbreak has been considered as part of the Group's adoption of the going concern basis. Following guidance provided by the UK government, the Group has closed all venues until further notice.

The Stonegate Pub Company Group has implemented appropriate measures to reduce the impact on trading, including cost reduction, postponement of refurbishments and other capital expenditure projects. Whilst the Stonegate Group has at this time significant headroom in its borrowing facilities, there is a risk of breaching Stonegate Group's financial covenants and exceeding credit facilities if all venues were to remain closed for a period greater than 6 months. The Stonegate Board is in discussions with its various lenders and is hopeful of their continued support in this period of uncertainty which is underpinned by the Government announcement to provide guaranteed loans to business.

The Stonegate Group's latest forecasts are based on a scenario where the venues closed for a period of three months with reduced sales until September 2020. The forecasts have included a delay in all non-committed capital expenditure, reduction in variable costs including staffing. In addition the Government has recently announced a twelve month business rates holiday for the hospitality sector which is assumed in the forecasts, In these forecasts, the Stonegate Group is able to continue trading within its existing facilities.

The Stonegate Board has also considered a number of severe but plausible downside scenarios of closure for a longer period of time than three months. This continues to be under review given current market conditions associated with COVID-19. The Stonegate Group, subject to the length of closure as a result of the COVD-19 outbreak not exceeding 6 months as noted above and taking into account government initiatives as set out above, has the ability to remain trading for a period of at least 12 months from the date of signing of these financial statements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on the above, the directors believe that it is appropriate to prepare the financial statements on a going concern basis. However, the events and consequential effect on trading arising as a result of the Covid-19 outbreak and reliance on funding from Stonegate Group's lenders represent a material uncertainty that may cast significant doubt on the Group and Company's ability to continue as a going concern and, therefore, to continue realizing their assets and discharging their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Directors' report *(continued)*

Future developments

As stated in the Strategic Report the Company and Group will continue its policy of selling or closing venues which are performing below the Company's level of expectation and opening new venues where the right opportunity arises. With the new IT systems installed the Group will improve its financial control and bring its reporting timetable into line with the larger parental group.

Employee Policy

The Group provides employees with information about the company which is sufficient to involve the employees in the Group's affairs. The company arranges regular opportunities for employees to express their views on decisions that are likely to affect their interests and to be made aware of possible financial and economic factors affecting the group's performance. The Group provides incentives for its employees to participate in the Group's performance through appropriate bonus schemes.

The Group gives full and fair consideration to applications for employment which disabled people make to the Company and its subsidiaries and adopts a fair approach to the employment, training, career development and promotion of disabled people and for the continuing employment and training of employees who have become disabled while employed within the group.

Results & Dividends

The Group's profit before tax for the year was £3,316,954 (2018: £2,792,789).

Directors

The directors who held office during the period and up to the date of signing the financial statements were as follows:
Nigel Blair (Ceased 22 January 2019)
Mark Shorting (Ceased 22 January 2019)
Simon Longbottom (Commenced 22 January 2019)
David Ross (Commenced 22 January 2019)

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 Group's auditor in 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 Group's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the previous auditor, Holbrook Curtis Ltd resigned as auditor in December 2018 and KPMG LLP were appointed as auditors.

By order of the board

David Ross

Director

Porter Tun House
500 Capability Green
Luton, LU1 3LS

Date 31 March 2020

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

The directors are responsible for preparing the Strategic Report, 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 period. 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), including Financial Reporting Standard 102 *The Financial Reporting Standard in the UK and Republic of Ireland (FRS 102).*

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

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAR FEVER LIMITED

Opinion

We have audited the financial statements of Bar Fever Limited ("the group") for the period ended 31 March 2019 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Balance Sheet, Parent Company Balance Sheet, Consolidated Statement of Changes in Equity, Parent Company Statement of Changes in Equity, Consolidated Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2019 and of the group's profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 to the financial statements which indicates that the group is reliant on the support of its parent, the Stonegate Group. Due to the recent COVID-19 outbreak the Stonegate group has shut all its venues until further notice and the Stonegate group's ability to remain in compliance with its debt agreements and pay its liabilities as they fall due for the foreseeable future is dependent on how long this disruption in trading carries on for. These events and conditions, along with the other matters explained in note 1.2, constitute a material uncertainty that may cast significant doubt on the group's and the parent company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as those assumptions determining the valuation of goodwill, property, plant and equipment and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and its effects are subject to unprecedented levels of uncertainty of consequences, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAR FEVER LIMITED *(continued)*

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BAR FEVER LIMITED *(continued)*

Auditor's responsibilities *(continued)*

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Mike Barradell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 31 March 2020

Consolidated Statement of Comprehensive Income

	Note	Year to 31 March 2019	Year to 31 March 2018
		£	£
Turnover	2	29,778,557	25,931,029
Cost of sales		6,169,627	5,603,404
Gross profit		**23,608,930**	**20,327,625**
Administrative expenses	3,4	20,115,830	17,512,852
Operating profit		**3,493,100**	**2,814,773**
Loss on sale of fixed assets and investments		78,349	20,332
Interest receivable and other income		-	(75,869)
Interest payable and similar charges	6	97,797	77,521
Profit on ordinary activities before taxation		**3,316,954**	**2,792,789**
Tax charge on profit on ordinary activities	7	519,401	664,610
Total comprehensive income for the financial period		**2,797,553**	**2,128,179**

There was no other income received during the year.

The notes on pages 18 to 38 form part of these financial statements.

Consolidated Balance Sheet

	Note	At 31 March 2019	At 31 March 2018
		£	£
Fixed assets			
Goodwill and intangible assets	8	3,155,404	1,903,727
Tangible assets	10	1,851,561	1,864,635
Total fixed assets		**5,006,965**	**3,768,362**
Current assets			
Stocks	11	256,228	285,001
Debtors	12	1,959,927	841,291
Cash at bank and in hand		3,318,967	3,057,948
Total currents assets		**5,535,122**	**4,184,240**
Creditors: amounts falling due within one year	13	3,863,455	4,013,520
Provisions	16	37,829	49,145
Net current assets/(liabilities)		**1,633,838**	**121,575**
Total assets less current liabilities		**6,640,803**	**3,889,937**
Creditors: amounts falling due after more than one year	14	131,736	178,423
Net assets		**6,509,067**	**3,711,514**
Capital and reserves			
Called up share capital	18	2	2
Profit and loss account	18	6,509,065	3,711,512
Total Shareholders' funds		**6,509,067**	**3,711,514**

These financial statements were approved and authorised for issue by the board of directors on 31 March 2020 and were signed on its behalf by:

David Ross

Director

Porter Tun House
500 Capability Green
Luton, LU1 3LS

The notes on pages 18 to 38 form part of these financial statements.

Company Balance Sheet

	Note	At 31 March 2019 £	At 31 March 2018 Restated* £
Fixed assets			
Investments	9	5,310,983	3,551,177
Tangible assets	10	1,403,506	1,296,765
Total fixed assets		**6,714,489**	**4,847,942**
Current assets			
Debtors	12	2,120,799	1,276,838
Cash at bank and in hand		269,142	124,208
Total current assets		**2,389,941**	**1,401,046**
Creditors: amounts falling due within one year	13	9,562,644	5,699,534
Provisions	16	0	1,147
Net current liabilities		**7,172,703**	**4,299,635**
Total assets less current liabilities		**(458,214)**	**548,307**
Creditors: amounts falling due after more than one year	14	131,736	168,949
Net (liabilities)/assets		**(589,050)**	**379,358**
Capital and reserves			
Called up share capital	18	2	2
Profit and loss account	18	(589,952)	379,356
Total Shareholders' funds		**(589,050)**	**379,358**

These financial statements were approved and authorised for issue by the board of directors on 31 March 2020 and were signed on its behalf by:

David Ross

Director

Porter Tun House
500 Capability Green
Luton, LU1 3LS

Company registered number 06845048

The notes on pages 18 to 38 form part of these financial statements.

** See Note 1 for details of the restatement.*

Consolidated Cash Flow Statement

	Note	Year ended 31 March 2019	Year ended 31 March 2018
		£	£
Net cash inflow from operating activities	19	**4,189,174**	**3,754,499**
Tax paid		(687,803)	(524,404)
Net cash from operating activities		**3,501,371**	**3,230,095**
Cash flows from investing activities			
Acquisition of tangible fixed assets		(712,072)	(1,041,157)
Acquisition of intangible assets relating to new subsidiaries		0	(50,000)
Acquisition of new subsidiaries		(2,000,010)	(850,010)
Cash included in the acquisition of subsidiary		326,054	91,481
Payment to parent company		(1,000,000)	0
Proceeds from sale of fixed assets		157,875	0
Proceeds from sale of subsidiary		0	2
Other		(12,199)	7
Net cash from investing activities		**(3,240,352)**	**(1,849,677)**
Net increase in cash and cash equivalents		**261,019**	**1,380,418**
Cash and cash equivalents at the beginning of the period		**3,057,948**	**1,677,530**
Cash and cash equivalents at the end of the period		**3,318,967**	**3,057,948**

The notes on pages 18 to 38 form part of these financial statements.

Consolidated Statement of Changes in Equity

	Share capital £	Retained earnings £	Total group equity £
Balance at 1 April 2018		3,711,512	3,711,514
Total comprehensive income for the period			
Profit for the period		2,797,553	2,797,553
Balance at 31 March 2019	**2**	**6,509,065**	**6,509,067**

	Share capital £	Retained earnings £	Total group equity £
Balance at 1 April 2017		1,583,333	1,583,335
Total comprehensive income for the period			
Profit for the period		2,128,179	2,128,179
Dividend		0	0
Balance at 31 March 2018	**2**	**3,711,512**	**3,711,514**

Company Statement of Changes in Equity

	Share capital £	Retained earnings £	Total group equity £
Balance at 1 April 2018 (as previously reported)		19,607	19,607
Prior year restatement (see note 1)	-	359,749	359,749
Balance at 1 April 2018 restated	2	379,356	379,358
Total comprehensive income for the period			
(Loss) for the period	-	(969,308)	(969,308)
Balance at 31 March 2019	**2**	**(589,952)**	**(589,950)**

	Share capital £	Retained earnings £	Total group equity £
Balance at 1 April 2017		352,991	352,993
Total comprehensive income for the period			
Profit for the period restated	-	26,365	26,365
Dividend	-	-	-
Balance at 31 March 2018 restated	**2**	**379,356**	**379,358**

Notes

1 Accounting policies

Bar Fever Limited (the "Company") is a private limited company incorporated and domiciled in England and Wales. The Company is limited by shares. The registered address of the Company is Porter Tun House, 500 Capability Green, Luton, LU1 3LS. These consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. The business head office of the Company is the same as the registered office.

These consolidated financial statements were prepared in accordance with Financial Reporting Standard 102 '*The financial reporting standard applicable in the UK and Republic of Ireland*' ("*FRS 102*")

The comparative figures in these financial statements are for the year ended 31 March 2018.

The presentation currency of these financial statements is sterling.

In these financial statements, the Group has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Parent company information in respect of a Cash Flow Statement and related notes;
- On publishing the parent company financial statements here together with the group financial statements, the Company is taking advantage of the exemption in s408 of the Companies Act 2006 not to present its individual income statement and related notes that form a part of these approved financial statements;
- Key management personnel compensation has not been included;
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting riles of Paragraph 36(4) of Schedule 1; and
- Disclosures in respect of transactions with wholly owned subsidiaries.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 1.3.

Prior period restatement – Parent company only

A prior year restatement has been recorded in relation to the recognition of dividend income from a subsidiary of Bar Fever Limited which was not recognised by the company in the year ending 31 March 2018. The dividend was declared and settled pre-31 March 2018 following which the subsidiary was disposed of. The impact of the adjustment in the prior period on the Company is to:

- Increase profit for the period by £359,749
- Decrease creditors: amounts falling due within one year, in particular amounts due to other group companies by £359,749.

This has led to an increase in parent company net assets and retained earnings of £359,749 as at 31 March 20 18.

There is no impact on the consolidated performance or position.

Notes *(continued)*

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on pages 2 and 3.

The Bar Fever Group and parent Company is reliant on the support of its parent undertaking; Stonegate Pub Company Group ('Stonegate'), for continued funding to allow it to continue trading as a going concern. Uncertainty due to the recent COVID-19 outbreak has been considered as part of the Group's adoption of the going concern basis. Following guidance provided by the UK government, the Group has closed all venues until further notice.

The Stonegate Pub Company Group has implemented appropriate measures to reduce the impact on trading, including cost reduction, postponement of refurbishments and other capital expenditure projects. Whilst the Stonegate Group has at this time significant headroom in its borrowing facilities, there is a risk of breaching Stonegate Group's financial covenants and exceeding credit facilities if all venues were to remain closed for a period greater than 6 months. The Stonegate Board is in discussions with its various lenders and is hopeful of their continued support in this period of uncertainty which is underpinned by the Government announcement to provide guaranteed loans to business.

The Stonegate Group's latest forecasts are based on a scenario where the venues closed for a period of three months with reduced sales until September 2020. The forecasts have included a delay in all non-committed capital expenditure, reduction in variable costs including staffing. In addition the Government has recently announced a twelve month business rates holiday for the hospitality sector which is assumed in the forecasts, In these forecasts, the Stonegate Group is able to continue trading within its existing facilities.

The Stonegate Board has also considered a number of severe but plausible downside scenarios of closure for a longer period of time than three months. This continues to be under review given current market conditions associated with COVID-19. The Stonegate Group, subject to the length of closure as a result of the COVD-19 outbreak not exceeding 6 months as noted above and taking into account government initiatives as set out above, has the ability to remain trading for a period of at least 12 months from the date of signing of these financial statements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on the above, the directors believe that it is appropriate to prepare the financial statements on a going concern basis. However, the events and consequential effect on trading arising as a result of the Covid-19 outbreak and reliance on funding from Stonegate Group's lenders represent a material uncertainty that may cast significant doubt on the Group and Company's ability to continue as a going concern and, therefore, to continue realizing their assets and discharging their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Significant accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect reported amounts of assets, liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period.

Management bases its estimates and judgements on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are discussed below:

Notes *(continued)*

1 Accounting policies *(continued)*

Impairment of property, plant, equipment

Property, plant and equipment are reviewed for impairment if circumstances suggest that the carrying amount may not be recoverable. Recoverable amounts are determined based on value-in-use calculations and estimated sales proceeds. These calculations require assumptions to be made regarding future cash flows and the choice of a suitable discount rate in order to calculate the value-in-use of those cash flows. Actual outcomes may vary from these estimates.

Onerous lease provisions

The Company provides for its onerous obligations under operating leases where the site is closed off for properties where rental expense is in excess of income. The estimated timings and amounts of cash flows are determined using management experience.

1.4 Tangible fixed assets

Tangible fixed assets are stated at a cost less accumulated depreciation.

Depreciation

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Leases in which the Group assumes substantially all risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at cost less accumulated depreciation and less accumulated impairment losses. All financial leases are subject to a maximum of a three-year repayment period and interest is charged at commercial rates. Lease payments are accounted for as described in 1.9 below.

Depreciation is charged to the statement of income on a reducing balance basis over the estimated useful lives of each part of an item of tangible fixed asset. The estimated useful lives are as follows:

- bar equipment and fittings 25% of the reducing balance

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.5 Intangible assets

Goodwill

Goodwill is stated at cost less any accumulated amortisation. Goodwill has been created in the consolidated accounts as a result of the purchase of subsidiary companies. Goodwill which is part of the acquisition costs of a business is stated at cost less amortisation.

Amortisation

Amortisation is charged to administrative expenses in the statement of income on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- goodwill equally over 10 years
- trade marks equally over 5 years
- leases over the life of the lease

Notes *(continued)*

1 Accounting policies *(continued)*

The useful economic lives were determined based on the time period the Group expects to receive the benefit of the asset and the brands.

Goodwill is being amortised over 10 years as this is the period over which management believe the benefit of the goodwill will be consumed although it expected that the brand goodwill will continue beyond 10 years.

Impairment charges are made where necessary to reduce the balance sheet value of goodwill where the subsidiary to which the goodwill relates is no longer trading.

1.6 Stocks

Stocks relate to liquor supplies for resale and are stated at the lower of cost and net realisable value. Cost relates to the expenditure incurred in acquiring the stocks.

1.7 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation.

1.8 Turnover

Turnover is recognised as revenue net of value added tax at the point of sale.

1.9 Expenses

Operating lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense and spread over the lease term on a straight-line basis.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable on finance leases and interest receivable are recognised in the statement of comprehensive income when the interest is accrued and paid.

1.10 Business combinations

Where the Group enters into a business combination the assets and liabilities purchased are recognised in the balance sheet at cost.

Deferred consideration on any combination is recognised as a liability in the balance sheet and is released at the point that the consideration is paid.

Any transaction costs incurred as part of the business combination are charged against profits unless they are significant and form a part of the capital cost in which case they are capitalised and included as part of the goodwill.

Goodwill generated as a result of such transactions, are recognised in the balance sheet and amortised as described in 1.5 above.

Losses attributable to any period when the ownership of a company which has been sold and repurchased during the same period, are not reported in the statement of comprehensive income and are reported separately in the statement of changes in equity.

1.11 Taxation

Tax on profit or loss for the period comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax

Deferred tax is provided on timing differences between the carrying amounts of assets and the liabilities for financial reporting purposes and the amounts used for taxation purposes. The following timing differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is not recognised in the accounts.

Group relief

Where a group company has taxable losses arising in an accounting period in excess of its other taxable profits for the period, it may surrender these losses to a group member with sufficient taxable profits in the same accounting period. The company receiving losses may offset them against their own taxable profits.

1.12 Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Notes *(continued)*

2 Turnover

	Group 2019	Group 2018
	£	£
Sales from the Group's principal activity in the UK	29,778,557	25,931,029
Total Turnover	29,778,557	25,931,029

All turnover is generated in the United Kingdom.

3 Expenses and auditor's remuneration

Included within profit before tax are the following:

	Group 2019	Group 2018
	£	£
Operating lease costs – land and buildings	1,693,505	1,486,113
Amortisation	310,784	618,138
Depreciation	619,066	733,703
(Profit)/loss on sale of tangible fixed assets	(5,651)	8,332
Loss on disposal of intangible fixed assets	84,000	12,000
Auditor's remuneration:		
Audit of these financial statements	40,000	7,000

Notes *(continued)*

4 Staff numbers and costs

The average number of full-time equivalent persons employed by the Group (including directors) during the period, analysed by category, was as follows:

	Number of employees 2019	Number of employees 2018
Operations	646	732
Administration	3	5
Total staff numbers	649	737

The aggregate payroll costs of these persons were as follows:

	2019	2018
	£	£
Gross wages and salaries (excluding directors)	5,262,766	4,478,516
Social security costs	296,761	206,919
Pension fund contributions	29,325	12,034
Total payroll costs	5,588,852	4,697,469

5 Directors' remuneration

	Group 2019	Group 2018
	£	£
Directors gross salaries (pre 22 January 2019)	120,000	144,000
Social security costs	14,235	17,619
Total directors' emoluments	134,235	161,619

The highest paid director received emoluments of £60,000 (31 March 2018 - £72,000) and received private health cover amounting to £10,141 (31 March 2018 - £7,523).

Key management personnel comprises the directors only whose compensation is solely remuneration as reported in this note.

Notes *(continued)*

6 Interest payable

	Group 2019	Group 2018
	£	£
Interest payable on finance leases	89,219	74,209
Interest payable on bank loans and facilities	3,990	2,783
Interest other	4,588	529
Total interest payable	97,797	77,521

7 Taxation

Recognised in the statement of income

	2019	2018
	£	£
UK corporation tax		
Total current tax	540,721	691,289
Adjustment in respect of previous years	(3,554)	1,190
Total corporation tax	537,167	692,479
Deferred tax		
Origination of timing differences	(17,766)	(27,869)
Adjustment in respect of previous years	0	0
Total deferred tax	(17,766)	(27,869)
Tax charge on profit on ordinary activities	519,401	664,610

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 30 September 2018 has been calculated based on these rates.

Notes *(continued)*

7 **Taxation** *(continued)*

Reconciliation of effective tax rate

	2019	2018
	£	£
Profit for the period	**3,316,954**	**2,792,789**
Tax using the UK corporation tax rate at 19.00% (2018: 19.00%)	605,968	530.630
Expenses not deductible for tax purposes	119.589	83.902
Depreciation, amortisation, loss on disposal of tangible assets and investments not deductible for tax purposes	164,787	188.597
Capital allowances	(101,242)	(113,761)
Losses	(172.892)	6,085
Non-taxable income	(78,367)	(4,164)
Over/under provision in prior period	(676)	1.190
Deferred tax – origination of timing differences	(17,766)	(27,869)
Total tax charge	519,401	664,610

Deferred tax

	2019	2018
	£	£
Deferred tax liability		
Difference between depreciation and capital allowances	37,829	49,145
Other timing differences	0	0
Total deferred tax liability	37.829	49,145

The deferred tax liability will be reversed in the following period to the extent that depreciation charged to the statement of income exceeds capital allowances claimed in the same period.

Notes *(continued)*

8 Goodwill and intangible assets

Group

	Goodwill	Operating leases	Trademark	Total
	£	£	£	£
Cost				
Balance at 1 April 2018	3,140,899	0	0	3,140,899
Additions through business combinations	0	1,646,461	0	1,646,461
Write off, goodwill on disposal of investment	(474,998)	0	0	(474,998)
Balance at 31 March 2019	2,665,901	1,646,461	0	4,312,362
Amortisation and impairment				
Balance at 1 April 2018	1,237,172	0	0	1,237,172
Amortisation for the period	273,785	36,999	0	310,784
Amortisation elim. on disposal of investment	(390,998)	0	0	(390,998)
Balance at 31 March 2019	1,119,959	36,999	0	1,156,958
Net book value				
At 31 March 2019	1,545,942	1,609,462	0	3,155,404
At 1 April 2018	1,903,727	0	0	1,903,727

The disposal of goodwill at cost include £369,998 (amortisation to date of disposal - £369,998) relating to Retro Leisure (Newbury) Ltd and £105,000 (amortisation to date of disposal - £21,000) relating to the goodwill on acquisition of the business Be Live 345 Ltd (formerly Bar Fever (Gillingham) Ltd. Retro Leisure (Newbury) Ltd was dissolved on 28 May 2018. The business of Be Live 345 Ltd was sold on 31 July 2018. There was no value attributed to the goodwill within the sale price.

Notes *(continued)*

Acquisitions in the current period

Bar Fever (Cheltenham) Limited

On 1 October 2018, Bar Fever Limited acquired the entire issued share capital of Bar Fever (Cheltenham) Limited for consideration of £2 million, comprising 2 trading businesses. Fever and MooMoo. Bar Fever (Cheltenham) Ltd was previously owned by the previous directors of Bar Fever Ltd. The purchase of the company was a continuation of commercial policy to bring all the companies in the trading group under single ownership.

A summary of the fair values of the assets and liabilities are given in the table below:

	Fair value £
Operating leases	1,646,461
Property, plant and equipment	40,376
Inventory	16,886
Cash	326,054
Trade and other receivables	576,547
Trade and other payables	(600,090)
Deferred tax	(6,234)
Net assets acquired	**2,000,000**
Purchase price satisfied by:	
Cash consideration	2,000,000
Goodwill	-

The Group incurred acquisition-related costs of £10,000 related to stamp duty.

Operating leases: The fair value of lease premiums was derived through a fair value exercise, taking into accounts earnings (profit) and the geographical locations across the UK, and increases the book value by £1,646,461.

Property, plant and equipment: Included in property, plant and equipment are fixtures and fittings with a valuation of £40,376

Inventory: The fair value applied to inventory was that at the date of acquisition.

Post-acquisition to 31 March 2019 Bar Fever (Cheltenham) Limited contributed £1,248,030 in revenue and £209,335 in profit before tax. If the acquisition of Bar Fever Limited had taken place at the start of the financial period the Group's consolidated revenue would have been £30,838,757 and its consolidated profit before tax would have been £3,336,996.

Notes *(continued)*

9 Fixed asset investments

Company

	Investments
	£
Cost	
Balance at 1 April 2018	3,921,175
Additions in the period	2,000,010
	5,921,175
Disposal in period	(370,760)
Balance at 31 March 2019	5,550,415
Depreciation and impairment	
Balance at 1 April 2018	369,998
Impairment charge	239,432
	609,430
Disposal in period	(369,998)
Balance at 31 March 2019	239,432
Net book value	
At 31 March 2019	5,310,983
At 1 April 2018	3,551,177

Notes *(continued)*

Bar Fever Limited is the parent company of the subsidiaries listed below, the results of which have been consolidated into these financial statements. The year-end date for all subsidiaries is 31 March 2019.

The following companies are wholly owned by Bar Fever Limited and the subsidiaries are exempt from the requirements relating to the audit of the accounts under section 479A of the Companies Act 2006.

Subsidiary name	Registered Number	Class of share capital	Number of £1 shares in issue	Proportion held	Principal activity
Bar Fever (Aylesbury) Ltd	08292714	Ordinary	2	100%	Late night bars
Bar Fever (Banbury) Ltd	08242798	Ordinary	2	100%	Late night bars
Bar Fever (Barnstaple) Ltd	08235527	Ordinary	2	100%	Late night bars
Bar Fever (Basingstoke) Ltd	09764523	Ordinary	2	100%	Late night bars
Bar Fever (Burton) Ltd	08082218	Ordinary	2	100%	Dormant
Bar Fever (Cannock) Ltd	10830345	Ordinary	2	100%	Late night bars
Bar Fever (Cheltenham) Ltd	06401298	Ordinary	2	100%	Late night bars
Bar Fever (Derby) Ltd	07266686	Ordinary	2	100%	Late night bars
Bar Fever (Epsom) Ltd	10247037	Ordinary	2	100%	Late night bars
Bar Fever (Exeter) Ltd	10852551	Ordinary	2	100%	Late night bars
Bar Fever (Exmouth) Ltd	09430376	Ordinary	2	100%	Late night bars
Bar Fever (Fleet) Ltd	09349502	Ordinary	2	100%	Late night bars
Be Live 345 Ltd (Formerly Bar Fever (Gillingham) Ltd)	10377435	Ordinary	2	100%	Late night bars
Bar Fever (Gloucester) Ltd	06760999	Ordinary	2	100%	Late night bars
Bar Fever (Isle of Wight) Ltd	10129193	Ordinary	2	100%	Late night bars
Bar Fever (Lincoln) Ltd	10421531	Ordinary	2	100%	Late night bars
Bar Fever (Macclesfield) Ltd	09792688	Ordinary	2	100%	Late night bars
Bar Fever (Maidstone) Ltd	10509564	Ordinary	2	100%	Late night bars
Bar Fever (Nuneaton) Ltd	07046207	Ordinary	2	100%	Late night bars
Bar Fever (Oxford) Ltd	10421829	Ordinary	2	100%	Late night bars
Bar Fever (Plymouth) Ltd	11054968	Ordinary	2	100%	Late night bars
Bar Fever (Redditch) Ltd	06828086	Ordinary	2	100%	Late night bars

Bar Fever (Southend) Ltd	11293662	Ordinary	2	100%	Late night bars
Bar Fever (Shrewsbury) Ltd	07266690	Ordinary	2	100%	Late night bars
Bar Fever (Taunton) Ltd	08431218	Ordinary	100	100%	Late night bars
Bar Fever (Trowbridge) Ltd	06776726	Ordinary	2	100%	Late night bars
Bar Fever (Tunbridge Wells) Ltd	09942681	Ordinary	2	100%	Late night bars
Bar Fever (Weston-super-Mare) Ltd	10908671	Ordinary	2	100%	Late night bars
Kukui Bars (Newbury) Ltd	08431208	Ordinary	75	100%	Late night bars
Bierkeller Cheltenham Ltd	08182884	Ordinary	1000	100%	Late night bars
Retro Leisure (Rugby) Ltd	06946878	Ordinary	2	100%	Late night bars
Zinc Taunton Ltd	10332341	Ordinary	2	100%	Late night bars
Chilli Whites Epsom Ltd	09632522	Ordinary	100	100%	Property leaseholder
Element Thirty Limited	09440649	Ordinary	100	100%	Dormant
South East Clubs Ltd	08193531	Ordinary	100	100%	Dormant
Bar Fever (Macclesfield No.2) Ltd	11365763	Ordinary	2	100%	Dormant
Barclub (Lincoln) Ltd	07959644	Ordinary	1	100%	Dormant
Bar Fever (Blackpool) Ltd	11381744	Ordinary	2	100%	Dormant
Bar Fever (Reading) Ltd	11454741	Ordinary	2	100%	Dormant

The registered office for the above companies is Porter Tun House, 500 Capability Green, Luton, England, LU1 3LS.

The parent company, Bar Fever Limited, has guaranteed the liabilities of the subsidiaries listed above in order that they qualify for the exemption from individual audit under Section 479A of the Companies Act in respect of the year ended 31 March 2019.

Notes *(continued)*

10 Tangible fixed assets

Group

	Equipment and fittings	Total
	£	£
Cost		
Balance at 1 April 2018	4,312,018	4,312,018
Additions	712,072	712,072
Additions from company acquisition	262,262	262,262
Disposals	(341,169)	(341,169)
Balance at 31 March 2019	4,945,183	4,945,183
Depreciation and impairment		
Balance at 1 April 2018	2,447,383	2,447,383
Depreciation from company acquisition	216,118	216,118
Depreciation charge for the period	619,066	619,066
Disposals from company and business sales	(188,945)	(188,945)
Balance at 31 March 2019	3,093,622	3,093,622
Net book value		
At 31 March 2019	1,851,561	1,851,561
At 1 April 2018	1,864,635	1,864,635

Included in the equipment and fittings are items held under finance with a net book value of £554,993 (2018: £857,609) on which £184,998 (2018: £285,868) depreciation has been charged in the period.

Notes *(continued)*

10 Tangible fixed assets *(continued)*

Company	Equipment and fittings	Total
	£	£
Cost		
Balance at 1 April 2018	1,958.894	1,958,894
Additions	704,426	704,426
Disposals	(219,593)	(219,593)
Balance at 31 March 2019	2,443,727	2,443,727
Depreciation and impairment		
Balance at 1 April 2018	662,129	662,129
Depreciation change for the period	467,836	467,836
Disposals	(89,744)	(89,744)
Balance at 31 March 2019	1,040,221	1,040,221
Net book value		
At 31 March 2019	1,403,506	1,403,506
At 1 April 2018	1,296,765	1,296,765

11 Stock

	Company		Group	
	2019	2018	2019	2018
	£	£	£	£
Goods for resale	0	0	256,228	285,001

Notes *(continued)*

12 Debtors

	Company		Group	
	2019	2018	2019	2018
	£	£	£	£
Amounts due from other group companies	1,989,531	1,025,202	1,141,464	0
Trade debtors	25,409	0	25,879	0
Other debtors	1,000	133,456	180,155	249,811
Prepayments and accrued income	104,859	118,180	612,430	591,480
Total debtors	2,120,799	1,276,838	1,959,927	841,291

Other debtors include an amount of £nil (2018; £33,853) owed by the directors. The Group other debtors also include £178,500 (2018: £187,933) of rent deposits on operating property leases.

In 2019 the Company declared and paid a dividend amounting to £141,462. Prior to the approval of the 2019 financial statements it was noted that the distribution was in contravention of section 117 of the Companies Act 2014. The Company has taken the necessary steps as required by the Companies Act 2014 and agreed that the 2019 distribution to the previous directors would be repaid. This has resulted in a post balance sheet adjusting event and accordingly the £141,462 dividends paid have been recorded as other debtors as at 31 March 2019. No further distributions were made by the company in 2019.

All intercompany loans and loans to companies under common control are repayable on demand.

13 Creditors: amounts falling due within one year

	Company		Group	
	2019	2018 restated	2019	2018
	£	£	£	£
Obligations and finance leases	305,816	436,245	305,816	464,900
Amounts due to other group companies	8,530,245	4,866,552	0	0
Trade creditors	52,815	122,969	1,335,506	1,468,881
Taxation and social security	213,764	207,864	1,397,657	1,417,123
Other creditors	16,493	55,664	55,347	291,545
Accruals and deferred income	443,511	10,240	769,129	371,071
Total creditors falling due within one year	9,562,644	5,699,534	3,863,455	4,013,520

All intercompany loans and loans from companies under common control are repayable on demand.

Notes *(continued)*

14 Creditors: amounts falling after more than one year

	Company		Group	
	2019	2018	2019	2018
	£	£	£	£
Obligations under finance leases (see note 15)	131,736	168,949	131,736	178,423
Total creditors falling due in greater than one year	131,736	168,949	131,736	178,423

15 Finance lease liabilities

The minimum lease payment in relation to finance lease liabilities are payable as follows:

	Group 2019	Group 2018
	£	£
Less than one year	305,816	464,900
Between one and five years	131,736	178,423
Total finance lease liabilities	437,552	643,323

The finance leases relate to the purchase of equipment and fittings. The finance lease liabilities are secured on the underlying assets to which the financial leases relate.

Notes *(continued)*

16 Provisions

Group

	Deferred tax provision	Total
	£	£
Balance at 1 April 2018	49,145	49,145
Provisions added through company acquisitions	7,188	7,188
Provisions made during the period	0	0
Provisions released during the period	(18,504)	(18,504)
Balance at 31 March 2019	37,829	37,829

Company

	Deferred tax provision	Total
	£	£
Balance at 1 April 2018	1,147	1,147
Provisions made during the period	0	0
Provisions used during the period	0	0
Provisions released during the period	(1,147)	(1,147)
Balance at 31 March 2019	0	0

17 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Company		Group	
	2019	**2018**	**2019**	**2018**
	£	£	£	£
Less than one year	18,000	18,000	1,602,000	1,688,589
Between one and five years	37,578	55,578	6,373,578	6,411,578
More than five years	0	0	10,619,594	11,125,355
Total operating lease commitments	55,578	73,578	18,595,172	19,225,522

The operating lease commitments relate to the lease of properties in which clubs are based, as well as the parent company offices.
The note discloses the future obligation for leases that have been assigned to the Group and Company at the period end.

Notes *(continued)*

18 Capital and reserves

Share capital

	2019		2018	
	No.	£	No.	£
Allotted, called up and fully paid				
Ordinary shares of £1 each	2	2	2	2
Shares classified in shareholders' funds	2	2	2	2

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

19 Notes to the consolidated Cash Flow statement

Reconciliation of operating profit to net cash inflow from operating activities

	Group 2019	Group 2018
	£	£
Profit before taxation	3,316,954	2,792,789
Depreciation	619,066	733,703
Amortisation	310,784	618,138
Loss (Profit) on sale of fixed assets	78,349	20,332
Other	0	0
Other movements excluding balances on acquisition of subsidiary -		
Decrease/(increase) in stock	28,773	(43,032)
Decrease/(increase) in trade and other debtors	(118,635)	1,125,959
(Decrease) /increase in creditors	(46,117)	(1,493,390)
Net cash inflow from operating activities	4,189,174	3,754,499

Notes *(continued)*

20 Related party transactions

The directors

The directors and sole shareholders prior to 22 January 2019 sold their entire shareholding in the company on 22 January 2019 to Stonegate Pub Company Limited. Prior to the sale of the company on 22 January 2019 the directors were owed a total of £141,462 (2018 - £65,300) which was repaid as part of the sale agreement. On 1 October 2018 the company purchased from the directors 100% of the share capital in Bar Fever (Cheltenham) Ltd for £2,000,000. This was a continuation of the commercial policy to bring all the companies in the trading group under single ownership. All directors balances with the company and the group were cleared prior to 22 January 2019. There were no transactions with the new directors appointed on 22 January 2019.

Fever Developments Ltd

During the year, payments totalling £65,000 were made to Fever Developments Ltd, a company owned wholly by the previous directors of the company. This amount was a repayment of monies already owed to the directors at that time and did not create a new related party balance.

Companies under common control

Between 22 January 2019 and 31 March 2019 the company and group paid a total of £1,000,000 to its parent company Stonegate Pub Company Limited. As at the balance sheet date the parent company owed £1,141,462 as an unconditional loan repayable on demand.

21 Contingent liability

All charges on the company and group as at 31 March 2018 were satisfied and discharged prior to 22 January 2019.

22 Events after the end of the period

Following the outbreak of Covid-19 and the guidance by the UK government to close all venues until further notice, the Company expect there will be a significant reduction in performance for the next twelve months and, given this uncertainty, can no longer provide detailed guidance on the expected forward financial performance for the year. The Company is working proactively to protect the trading and cash flow through a number of actions including suspension of the capital programme and reduction of costs across the business. The current situation is considered to be a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. See note 2 for further details.

23 Ultimate parent company and parent company of larger group

The company and group are under the direct control of Stonegate Pub Company Limited who owns 100% of the company's share capital. Stonegate Pub Company Limited is registered in the Cayman Islands at 2681 Cricket Square, Grand Cayman, Islands KY1 111.