Glendola Leisure Limited

Directors' report and financial statements
Registered number 06692102
31 March 2018

Contents

Directors' Report

The directors present their report and the audited financial statements of Glendola Leisure Limited ("the company" for the 53 week period ended 31 March 2018.

Proposed dividend

The directors do not recommend the payment of a dividend (*2017:* £nil).

Directors

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

P N Salussolia

G J Ramsay, FCA

A Salussolia

A Bree (resigned 9 September 2017)

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 he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

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.

On behalf of the board

G J Ramsay, FCA

Secretary

364 High Street
Harlington
Heathrow
Hayes
UB3 5LF

20 November 2018

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), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

KPMG LLP
15 Canada Square
London
E14 5GL

Independent auditor's report to the members of Glendola Leisure Limited

Opinion

We have audited the financial statements of Glendola Leisure Limited ("the company") for the period ended 31 March 2018 which comprise the Profit and loss account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 company's affairs as at 31 March 2018 and of its 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 company 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.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

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

Our responsibility is to read 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 directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements; and
- in our opinion that report has 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, 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 from the requirement to prepare a strategic report.

We have nothing to report in these respects.

KPMG LLP
15 Canada Square
London
E14 5GL

Independent auditor's report to the members of Glendola Leisure Limited *(continued)*

Directors' responsibilities

As explained more fully in their statement set out on page 3, 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 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 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.

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.

Mark Prince (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL

22 November 2018

Profit and loss account and Other Comprehensive Income

for the 53 week period ended 31 March 2018

	Note	**2018**	2017
		£000	£000
Turnover	*2*	**6,142**	5,923
Cost of sales		**(3,045)**	(2,861)
Gross profit		**3,097**	3,062
Administrative expenses	*3*	**(2,763)**	(2,577)
Operating profit		**334**	485
Profit on ordinary activities before taxation		**334**	485
Tax on profit on ordinary activities	*5*	**(86)**	(101)
Profiton ordinary activities after taxation		**248**	384
Total comprehensive incomefor the period		**248**	384

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 22 are integral to the financial statements.

Balance sheet

at 31 March 2018

	Note	2018		2017	
		£000	**£000**	£000	£000
Fixed assets					
Intangible assets	*6*		**67**		104
Tangible assets	*7*		**1,349**		1,711
			1,416		1,815
Current assets					
Stocks	*8*	**163**		140	
Debtors	*9*	**268**		96	
Cash at bank and in hand		**145**		280	
		576		516	
Creditors: amounts falling due within one year	*10*	**(877)**		(1,458)	
Net current liabilities			**(301)**		(942)
Total assets less current liabilities			**1,115**		873
Provisions for liabilities and charges	*11*		**(25)**		(31)
Net assets			**1,090**		842
Capital and reserves					
Called up share capital	*12*		**-**		-
Profit and loss account			**1,090**		842
Shareholders' funds			**1,090**		842

These financial statements were approved by the board of directors on 20 November 2018 and were signed on its behalf by:

G J Ramsay

G J Ramsay
Director

The notes on pages 9 to 22 are integral to the financial statements.

Statement of Changes in Equity

for the 53 week period ended 31 March 2018

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
Balance at 27 March 2016	-	458	458
Total comprehensive income for the period			
Profit for the period	-	384	384
Balance at 25 March 2017	-	**842**	**842**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
Balance at 26 March 2017	-	**842**	**842**
Total comprehensive income for the period			
Profit for the period	-	248	248
Balance at 31 March 2018	-	**1,090**	**1,090**

The notes on pages 9 to 22 are integral to the financial statements.

Notes

1 Accounting policies

Glendola Leisure Limited (the 'Company') is a company limited by shares and incorporated and domiciled in England & Wales, in the UK.

These 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 presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking, Glendola Leisure (Holdings) Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Glendola Leisure (Holdings) Limited are available to the public and may be obtained from Companies House, 4 Abbey Orchard Street, London, SW1P 2HT. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Glendola Leisure (Holdings) Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The 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 rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

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 15.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

Notes *(continued)*

1 Accounting policies *(continued)*

1.2 Going concern

The financial statements have been prepared on the going concern basis, notwithstanding the net current liabilities of £301,000 *(2017: £942,000)*, which the directors believe to be appropriate for the following reason. The company is reliant for its working capital on funds provided to it by the company's parent undertaking, which has provided the company with an undertaking that it will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. 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 this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) They include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) Where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.5 Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Notes *(continued)*

1 Accounting policies *(continued)*

1.5 Basic financial instruments (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Tangible fixed assets include investment property whose fair value cannot be measured reliably without undue cost or effort.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease payments are accounted for as described at 1.13 below.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- Leasehold property and improvements – Over the life of the lease
- Fixtures, fittings and equipment – 10% to 33% per annum

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Notes *(continued)*

Accounting policies *(continued)*

1.7 Intangible assets and goodwill

Goodwill

Goodwill which represents the difference between the fair value of the consideration paid for the company acquired and the fair values of the separable net assets acquired is capitalised in the balance sheet and written off over the life of the assets.

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Amortisation

Goodwill is amortised on a straight line basis over its useful life. Goodwill has no residual value. The finite useful life of goodwill is estimated to be 10 years.

- The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.
- Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the current cost principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

1.9 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit').

Notes *(continued)*

Accounting policies *(continued)*

1.9 Impairment excluding stocks and deferred tax assets *(continued)*

Non-financial assets (continued)

The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ('CGU') that are expected to benefit from the synergies of the combination.

For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.10 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.11 Provisions

A provision is recognised in the balance sheet when the Company 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. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

1.12 Turnover

Generally, revenue represents external sales (excluding taxes) of goods and services, net of discounts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and is measured at the fair value of consideration receivable, excluding discounts, rebates, and other sales taxes or duty. Revenue principally consists of drink, food and accommodation sales, which are recognised at the point at which goods or services are provided and machine income, where net takings are recognised as earned.

Notes *(continued)*

1 Accounting policies *(continued)*

1.13 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.14 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

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

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. [For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes *(continued)*

2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Expenses and auditor's remuneration

	2018	2017
	£000	£000
Included in profit/(loss) are the following:		
Amortisation	**37**	37
Depreciation	**433**	324
Management fee	**309**	297
Hire of other assets – Operating leases	**731**	596

Auditor's remuneration:

	2018	2017
	£000	£000
Audit of these financial statements	**13**	12

The auditor's remuneration is borne by the parent undertaking.

Notes *(continued)*

4 Staff numbers and costs

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

	Number of employees	
	2018	2017
Management	**9**	7
Operations	**78**	75
	87	82

The aggregate payroll costs of these persons were as follows:

	2018	2017
	£000	£000
Wages and salaries	**1,289**	1,371
Social security costs	**111**	102
Pension costs	**7**	6
	1,407	1,479

None of the directors of the company were remunerated by the company during the period (2017: £nil). The directors' remuneration is estimated at £105,000 (2017: £104,000) which was settled by the parent company.

Notes *(continued)*

5 Taxation

	2018	2017
	£000	£000
UK Corporation Tax		
Current tax on income for the period	**100**	**122**
Total current tax	**100**	**122**
Deferred tax (see note 11)		
Origination and reversal of timing differences	**(16)**	1
Adjustments in respect of prior periods	**2**	(22)
Total deferred tax	**(14)**	(21)
Tax on profit on ordinary activities	**86**	101

	£000	£000
Reconciliation of effective tax rate		
Profit for the period	**148**	384
Total tax expense	**86**	101
Profit excluding taxation	**234**	485
Tax using the UK corporation tax rate of 19% (2017: 20%)	**44**	97
Effects of:		
Expenses not deductible for tax purposes	**39**	31
Other timing differences	**2**	(2)
Prior period adjustments	**1**	(25)
Total tax expense included in profit or loss	**86**	101

Notes *(continued)*

5 Taxation *(continued)*

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 asset/ liability at 31 March 2018 has been calculated based on these rates.

6 Intangible fixed assets

	Goodwill
	£000
Cost	
At the beginning and end of the period	370
Amortisation	
At the beginning of the period	266
Charge for period	37
At the end of the period	303
Net book value	
At 31 March 2018	67
At 25 March 2017	104

Notes *(continued)*

7 Tangible fixed assets

	Leasehold property and improvements	Fixtures, fittings and equipment	Total
	£000	**£000**	**£000**
Cost			
At the beginning of period	831	2,220	3,051
Additions	-	71	71
Disposals	-	-	-
At the end of period	831	2,291	3,122
Depreciation			
At beginning of period	254	1,086	1,340
Charge for period	71	362	433
At end of period	325	1,448	1,773
Net book value			
At 31 March 2018	**506**	**843**	**1,349**
At 25 March 2017	577	1,134	1,711

Notes *(continued)*

8 Stocks

	2018	2017
	£000	£000
Goods held for resale	163	140

9 Debtors

	2018	2017
	£000	£000
Amounts owed by group undertakings	2	-
Trade debtors	24	22
Other debtors	26	-
Deferred tax asset (see note 11)	7	-
Prepayments	209	74
	268	96

10 Creditors: amounts falling due within one year

	2018	2017
	£000	£000
Trade creditors	292	392
Amounts owed to group undertakings	-	590
Corporation tax	163	124
Taxation and social security	236	150
Other creditors	65	41
Accruals	81	111
Deferred income	40	50
	877	1,458

There is no interest charged on the balance owed to group undertakings and it is repayable on demand.

Notes *(continued)*

11 Deferred tax

	2018	2017
	£000	£000
At the beginning of the period	**(31)**	(52)
Charge to the profit and loss account	**13**	21
At the end of the period	**(18)**	(31)

The elements of deferred tax (liability)/asset are as follows:

	Assets		Liabilities		Net	
	2018	2017	**2018**	2017	**2018**	2017
	£000	£000	**£000**	£000	**£000**	£000
Accelerated capital allowances	**5**	-	-	(6)	**5**	(6)
Other	**2**	-	**(25)**	(25)	**(23)**	(25)
Tax assets / (liabilities)	**7**	-	**(25)**	(31)	**(18)**	(31)

12 Called up share capital

	2018	2017
	£	£
Authorised		
1,000 Ordinary shares of £1 each	**1,000**	1,000
	1,000	1,000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	**2**	2
	2	2

Notes *(continued)*

13 Operating leases

Non-cancellable operating lease rentals are payable as follows

	Land and buildings	
	2018	2017
	£000	£000
Less than one year	**617**	615
Between one and five years	**2,134**	2,579
More than five years	**1,914**	3,034
	4,665	6,228

During the year £730,995 was recognised as an expense in the profit and loss account in respect of operating leases (2017: £595,565).

14 Contingent liability

The company is a party to the bank overdraft and bank loans of other group and related party companies. At the balance sheet date these totalled £18,200,000 (*2017:* £18,625,000).

15 Accounting estimates and judgements

Critical accounting judgements in applying the Company's accounting policies

Goodwill

Goodwill which represents the difference between the fair value of the consideration paid for the company acquired and the fair values of the separable net assets acquired is capitalised in the balance sheet and written off over the life of the assets.

16 Ultimate parent company

The immediate and ultimate parent company is Glendola Leisure (Holdings) Limited, a company registered in England and Wales. The ultimate controlling party is Peter Salussolia, the major shareholder of the ultimate parent company.

Glendola Leisure (Holdings) Limited prepares group financial statements and copies can be obtained from its registered office at 364 High Street, Harlington, Heathrow, Hayes, UB3 5LF.