

Vimac Leisure Limited

Directors' report and financial statements

for the 52 weeks ended 28 March 2009

Registered number 3301149

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Vimac Leisure Limited

Directors' report and financial statements

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Vimac Leisure Limited

Directors' report

The directors present their report and the financial statements for the 52 weeks ended 28 March 2009.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Principal activity

The principal activity of the company is that of nightclub operator.

Results and dividends

The results for the period are set out on page 4.

Directors

The directors who served during the period are as stated below:

PA Mackings
JP Greenwood
LJ Miller
RA Smith

Vimac Leisure Limited

Directors' report

Charitable and political contributions

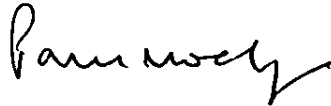
The company made no political contributions during the period. The company made donations and provided sponsorship of £2,402 (2008: £3,980) to organisations engaged in charitable work.

Auditors

Pursuant to a shareholders' resolution, the company is not obliged to reappoint auditors annually and The Charlton Williamson Partnership LLP will therefore continue in office.

This report was approved by the board on 16 September 2009 and signed on its behalf by

Director

A handwritten signature in black ink, appearing to read 'Pammy', written over a horizontal line.

Independent auditors' report to the shareholders of Vimar Leisure Limited

We have audited the financial statements of Vimar Leisure Limited for the 52 weeks ended 28 March 2009 on pages 4 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the information given in the directors' report for the 52 weeks ended 28 March 2009 is consistent with the financial statements;
- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 March 2009 and of its profit for the period then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.



Registered Auditors

16 September 2009

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THE CHARLTON WILLIAMSON PARTNERSHIP LLP

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PARTNERS DAVID CHARLTON FCA STUART MCKINNON CTA ATT

REGISTERED TO CARRY ON AUDIT WORK AND REGULATED FOR A RANGE OF INVESTMENT BUSINESS ACTIVITIES BY THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES
REGISTERED IN ENGLAND AND WALES LLP NO. 0C318549

Vimac Leisure Limited

Profit and loss account

for the 52 weeks ended 28 March 2009

		2009	52 weeks ended 29 March 2008
	Notes	£	£
Turnover - continuing operations	2	645,107	728,046
Cost of sales		(514,680)	(557,430)
Gross profit		130,427	170,616
Administrative expenses		(184,417)	(499,282)
Other operating income		8,804	15,181
Operating loss - continuing operations	3 - 5	(45,186)	(313,485)
Profit on sale of freehold property		219,078	-
Profit/(loss) on ordinary activities before interest		173,892	(313,485)
Interest receivable and similar income	6	218	583
Interest payable and similar charges	7	(93,373)	(113,796)
Profit/(loss) on ordinary activities before taxation		80,737	(426,698)
Taxation	8	(46,201)	93,152
Retained profit/(loss) for the financial period	17	34,536	(333,546)

There are no recognised gains or losses other than the profit or loss for the above two financial periods.

The notes on pages 6 to 14 form an integral part of these financial statements.

Vimac Leisure Limited

Balance sheet

at 28 March 2009

	Notes	£	2009 £	£	2008 £
Fixed assets					
Intangible assets	9		257,284		278,203
Tangible assets	10		790,605		1,030,805
			<u>1,047,889</u>		<u>1,309,008</u>
Current assets					
Stocks	11	4,649		10,585	
Debtors	12	1,130,749		732,753	
Cash at bank and in hand		15,116		4,077	
		<u>1,150,514</u>		<u>747,415</u>	
Creditors: amounts falling due within one year	13	(1,182,191)		(757,485)	
Net current liabilities			<u>(31,677)</u>		<u>(10,070)</u>
Total assets less current liabilities			<u>1,016,212</u>		<u>1,298,938</u>
Creditors: amounts falling due after more than one year	14		(1,270,947)		(1,588,209)
Deficiency of assets			<u>(254,735)</u>		<u>(289,271)</u>
Capital and reserves					
Called up share capital	16		550,000		550,000
Profit and loss account	17		(804,735)		(839,271)
Equity shareholders' funds	18		<u>(254,735)</u>		<u>(289,271)</u>

The financial statements were approved by the board on 16 September 2009 and signed on its behalf by

Director



The notes on pages 6 to 14 form an integral part of these financial statements.

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting convention

The financial statements are prepared under the historical cost convention.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Vimac Group Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Vimac Group Limited, within which this company is included, can be obtained from the address given in note 22.

The company meets its day to day working capital requirements through loans from group undertakings which are repayable on demand. The company's parent undertaking has confirmed that it will continue to provide financial support for the foreseeable future.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the period.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on business combinations has been capitalised. Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold property	- 2% per annum
Leasehold improvements	- 2% per annum
Plant and machinery	- 10% per annum
Motor vehicles	- 20% per annum

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

1 Accounting policies(*continued*)

Leasing and hire purchase commitments

Assets acquired under finance leases, including similar hire purchase obligations, are capitalised and the outstanding future lease obligations are shown in creditors.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Refurbishment costs

Subsequent expenditure on operating venues is capitalised where the expenditure enhances the economic benefits of the assets in excess of the previously assessed standard of performance or relates to a substantial replacement of venue assets. Expenditure to maintain the assets at their previously assessed standard of performance is charged to the profit and loss account as it is incurred.

Stock

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

Deferred tax assets and liabilities are not discounted.

2 Turnover

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

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

3	Operating loss	2009	2008
		£	£
	<i>Operating loss is stated after charging/(crediting):</i>		
	Amortisation of goodwill	20,919	20,918
	Depreciation of tangible fixed assets		
	- Owned	131,946	168,803
	- Leased	73,942	32,441
	Loss/(profit) on disposal of fixed assets	6,883	(19,046)
	Hire of other assets - operating leases	95,000	102,782
	Management fees	(917,699)	(596,422)
	Auditors' remuneration:		
	- Audit	5,000	5,000
	- Other	500	500
		<u> </u>	<u> </u>

4	Directors' emoluments	2009	2008
		£	£
	Directors' emoluments	<u>454,013</u>	<u>434,969</u>

The aggregate emoluments of the highest paid director were £311,565 (2008: £301,241).

5 Staff numbers and costs

The average number of full time and part time persons employed by the company (excluding directors) during the period, analysed by category, was as follows:

	Number of employees	
	2009	2008
Nightclub staff	16	18
Management	2	1
Administration	9	10
	<u>27</u>	<u>29</u>

The aggregate payroll costs of these persons were as follows:

	2009	2008
	£	£
Wages and salaries	610,075	632,119
Social security costs	60,977	63,188
	<u>671,052</u>	<u>695,307</u>

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

6	Interest receivable and similar income	2009	2008
		£	£
	Bank interest	218	583
		<u>218</u>	<u>583</u>
7	Interest payable and similar charges	2009	2008
		£	£
	On bank loans	77,250	100,682
	On all other loans	527	795
	Hire purchase interest	15,596	12,319
		<u>93,373</u>	<u>113,796</u>
8	Taxation		
	Analysis of charge/(credit) in period	2009	2008
		£	£
	Current tax		
	Group relief	54,091	-
	Prior period adjustments	(4,640)	-
		<u>49,451</u>	<u>-</u>
	Deferred tax		
	Timing differences, origination and reversal	(22,943)	(101,811)
	Prior period adjustments	19,693	8,659
		<u>(3,250)</u>	<u>(93,152)</u>
	Tax on profit on ordinary activities	<u>46,201</u>	<u>(93,152)</u>

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

8 Taxation (continued)

Factors affecting tax charge/(credit) for period

The tax assessed for the period differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2009 £	2008 £
Profit/(loss) on ordinary activities before taxation	80,737	(426,698)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 : 30%)	22,606	(128,009)
Expenses not deductible for tax purposes	9,434	6,332
Depreciation for period in excess of capital allowances	48,301	40,467
Utilisation of tax losses	(20,865)	-
Tax losses carried forward	-	81,210
Profit on disposal of fixed assets	(5,385)	-
Prior period adjustments	(4,640)	-
Current tax charge for period	49,451	-

Factors that may affect future tax charges

At the balance sheet date the company had unrelieved UK corporation tax losses of approximately £260,000 (2008: £405,000) available to carry forward.

9 Intangible fixed assets	Licences £	Goodwill £	Total £
<i>Cost</i>			
At beginning and end of period	2	414,515	414,517
<i>Provision for diminution in value</i>			
At beginning of period	-	136,314	136,314
Charge for period	-	20,919	20,919
At end of period	-	157,233	157,233
<i>Net book values</i>			
At 28 March 2009	2	257,282	257,284
At 29 March 2008	2	278,201	278,203

Goodwill arising on the acquisition of night club businesses has been capitalised and is being written off on a straight line basis over 20 years.

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

10 Tangible fixed assets

	Freehold property £	Leasehold improvements £	Plant, equipment, fixtures and fittings £	Motor vehicles £	Total £
<i>Cost</i>					
At beginning of period	104,880	100,953	1,178,452	448,153	1,832,438
Additions	-	-	4,241	110,843	115,084
Disposals	(104,880)	-	(30,675)	(124,984)	(260,539)
At end of period	-	100,953	1,152,018	434,012	1,686,983
<i>Depreciation</i>					
At beginning of period	-	7,948	670,646	123,039	801,633
Charge for the period	-	2,014	116,679	87,195	205,888
On disposals	-	-	(12,145)	(98,998)	(111,143)
At end of period	-	9,962	775,180	111,236	896,378
<i>Net book values</i>					
At 28 March 2009	-	90,991	376,838	322,776	790,605
At 29 March 2008	104,880	93,005	507,806	325,114	1,030,805

Included in the total net book value of motor vehicles is £300,950 (2008: £279,746) in respect of assets held under finance leases. Depreciation for the period on these assets was £73,942 (2008: £32,441).

11 Stocks

	2009 £	2008 £
Goods for resale and consumable stores	4,649	10,585

12 Debtors

	2009 £	2008 £
Trade debtors	17,101	14,062
Amounts owed by group undertakings	61,315	29
Other debtors	23,005	10,784
Director's loan account	820	1,674
Prepayments and accrued income	957,024	637,970
Deferred tax asset - see note 15	71,484	68,234
	1,130,749	732,753

The director's loan account relates to Mr P Mackings, it is interest free and repayable on demand. The highest amount outstanding during the period was £12,540 (2008: £4,525).

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

13	Creditors: amounts falling due within one year	2009 £	2008 £
	Bank loan (secured)	-	19,860
	Other loans	5,966	18,480
	Net obligations under finance leases (secured)	82,578	75,387
	Trade creditors	60,188	41,481
	Amounts owed to group undertakings	935,534	504,627
	Other taxes and social security costs	31,239	32,243
	Other creditors	18,340	17,055
	Accruals and deferred income	48,346	48,352
		<u>1,182,191</u>	<u>757,485</u>

The company's bank loan carries interest at 1.5% above LIBOR and is secured by a fixed and floating charge over the company's assets and by an inter company cross guarantee.

Other loans comprise of short term, unsecured borrowings.

Obligations under finance leases are secured on the assets to which they relate.

14	Creditors: amounts falling due after more than one year	2009 £	2008 £
	Bank loans (secured)	1,152,380	1,455,709
	Net obligations under finance leases (secured)	118,567	132,500
		<u>1,270,947</u>	<u>1,588,209</u>

Analysis of debt:	2009 £	2008 £
Repayable in one year or less, or on demand (Note 13)	88,544	113,727
Repayable between one and two years	60,393	153,269
Repayable between two and five years	219,479	349,783
Repayable in five years or more	991,075	1,085,157
	<u>1,359,491</u>	<u>1,701,936</u>

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

15	Provisions for liabilities and charges		Deferred taxation £	Total £
	At beginning of period		(68,234)	(68,234)
	Movement in the period		(3,250)	(3,250)
	Deferred tax asset at end of period		<u>(71,484)</u>	<u>(71,484)</u>
	Provision for deferred taxation at 28% (2008: 28%)			
		Provided 2009 £	2008 £	Not provided 2009 £
				2008 £
	Accelerated capital allowances	1,420	45,228	-
	Tax losses	(72,904)	(113,462)	-
	Capital losses	-	-	(22,060)
	Undiscounted provision for deferred tax	<u>(71,484)</u>	<u>(68,234)</u>	<u>(22,060)</u>
				<u>(26,634)</u>
16	Share capital		2009 £	2008 £
	<i>Authorised equity</i>			
	550,000 Ordinary shares of £1 each		<u>550,000</u>	<u>550,000</u>
	<i>Allotted, called up and fully paid equity</i>			
	550,000 Ordinary shares of £1 each		<u>550,000</u>	<u>550,000</u>
17	Reserves		Profit and loss account £	Total £
	At beginning of period		(839,271)	(839,271)
	Profit for the period		34,536	34,536
	At end of period		<u>(804,735)</u>	<u>(804,735)</u>
18	Reconciliation of movements in shareholders' funds		2009 £	2008 £
	Profit/(loss) for the period		34,536	(333,546)
	Opening shareholders' funds		<u>(289,271)</u>	<u>44,275</u>
	Closing deficiency of shareholders' funds		<u>(254,735)</u>	<u>(289,271)</u>

Vimac Leisure Limited

Notes to the financial statements

for the 52 weeks ended 28 March 2009

19 Capital and operating lease commitments

(a) There were no capital commitments as at the balance sheet date (2008 : £nil).

(b) Annual commitments under non-cancellable operating leases are as follows:

	2009		2008	
	Land and buildings £	Other £	Land and buildings £	Other £
<i>Operating leases which expire:</i>				
Within one year	-	-	32,500	-
Between one to five years	14,500	-	-	-
More than five years	62,500	-	62,500	-
	<u>77,000</u>	<u>-</u>	<u>95,000</u>	<u>-</u>

20 Related party disclosures

The company is controlled by Vimac Group Limited, the parent undertaking. The ultimate controlling party is Mr PA Mackings, a director of the company.

21 Contingent liabilities

The company is party to group cross guarantees to its bankers under which there is an aggregate potential liability of £14,704,507 at the balance sheet date (2008: £14,549,322).

22 Ultimate parent undertaking

The company is a subsidiary undertaking of Vimac Group Limited, incorporated in England.

The largest group in which the results of the company are consolidated is that headed by Vimac Group Limited. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. No other group accounts include the results of the company.