

Kingswood Learning and Leisure Group Limited

Annual report and financial statements

for the year ended 31 October 2014

Registered number: 03476432

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Kingswood Learning and Leisure Group Limited

Annual report and financial statements for the year ended 31 October 2014

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Kingswood Learning and Leisure Group Limited

Directors and advisers

Directors

J Bentley
N Goodwin

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
3 St James Court
Whitefriars
Norwich
NR3 1RJ

Bankers

National Westminster Bank plc
208 Piccadilly
London
W1A 2DG

Solicitors

DLA Piper
3 Noble Street
London
EC2V 7EE

Registered office

Kingswood House
Alkmaar Way
Norwich
Norfolk
NR6 6BF

Kingswood Learning and Leisure Group Limited

Strategic report for the year ended 31 October 2014

The directors present their strategic report for Kingswood Learning and Leisure Group Limited for the year ended 31 October 2014.

Business review

The principal activity of the company is the provision of inspiring learning experiences for young people including educational school visits and adventure breaks. The directors do not anticipate any material changes in the company's activities in the ensuing year. The performance of the company during the year and the year end financial position are considered satisfactory by the directors.

Principal risks and uncertainties


The management of the business and the execution of the company's strategy are subject to a number of risks, the key ones being set out below:

- Customer demand and market competition – the business engages in regular communication with its customers to establish trends and ensure maximum customer satisfaction. Market competitors are recognised and monitored.
- Major disaster – as with any major operator the business is exposed to external events such as fire, natural disaster or infectious disease. A disaster recovery plan is in place and commercial insurances exist for any significant business interruption or loss/damage.
- Reputational risk – the business has a robust safeguarding and health and safety policy which is reviewed on a regular basis to ensure it is fit for purpose. The group also employs a PR agency to manage image and brand awareness within the industry.
- Adequate financing and funding risk – the business is in regular communication with all shareholders and lenders to assess future funding requirements. The business monitors cash flow and forward looking forecasts to ensure a clear view of the coming events.

Key performance indicators

The directors of Inspiring Learning Services Limited manage the group's operations on a group wide basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Kingswood learning and Leisure Group Limited. The development, performance and position of Inspiring Learning Services Limited group, which includes this company, is discussed in the annual report of Inspiring Learning Services Limited which does not form part of this report.

On behalf of the board


Nicholas Goodwin
Director
13 March 2015

Kingswood Learning and Leisure Group Limited

Directors' report for the year ended 31 October 2014

The directors present their report and the audited financial statements for the year ended 31 October 2014.

Results and dividends

The loss after taxation for the year amounted to £1,036,000 after exceptional costs of £1,472,000 (2013: profit £1,052,000 after exceptional costs of £468,000). The directors have not recommended the payment of a dividend (2013: £nil).

Going concern

The directors have received confirmation from Inspiring Learning Services Limited, an intermediate parent undertaking, that it will provide financial support to Kingswood Learning and Leisure Group Limited, in order for it to meet its commitments as they fall due for a period of at least 12 months from the date of approval of these financial statements.

The directors have prepared the financial statements on the going concern basis. The directors have considered the group's detailed budget prepared by the intermediate parent undertaking, Inspiring Learning Services Limited, up to 30 April 2016 and the current trading performance for the first four months of the financial year ending 31 October 2015. The directors have performed analyses to assess the impact on the projections of reductions in revenues and increased costs, incorporating where necessary the deferral of discretionary spend such as capital expenditure. On this basis the directors believe that the group will be able to operate within the terms of its loan agreements.

Having taken into account the operating risks and uncertainties, reviewed the trading and cash flow forecasts, and reflected on the facilities available the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

Financial risk management

The company's operations expose it to a variety of financial risks that include foreign exchange risk, liquidity risk and credit risk. Given the size of the company the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Liquidity risk

The company has cash at bank and access to funding from other group companies such as to ensure it is able to settle its debtors as they fall due.

Credit risk

The business's principal financial assets are cash and trade debtors, with the main risk arising from its trade debtors. In order to manage the credit risk the company requires stage payments leading up to the date of the activity break such that the full balance is paid before this date.

Foreign exchange risk

The business has some exposure to translation and transaction foreign exchange risk through its overseas activities. The business enters into forward foreign exchange contracts to manage the potential risks associated with exchange rate volatility.

Directors

The directors, who held office throughout the year and up to the date of signing the financial statements, were as follows:

L Addy (resigned 31/10/2014)
J Bentley
N Goodwin

Kingswood Learning and Leisure Group Limited

Directors' report for the year ended 31 October 2014 (continued)

Directors' and officers' indemnity insurance

The company maintains liability insurance for its directors and officers, with a cover limit for each claim or series of claims against them in that capacity. The directors have also been granted a qualifying third party provision under sections 234 and 235 of the Companies Act 2006. Neither the company's indemnity nor insurance provides cover in the event that a director is proved to have acted fraudulently or dishonestly.

Statement of directors' responsibilities

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 year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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 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.


Statement of disclosure of information to auditors

So far as each of the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each has taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the next annual general meeting.

On behalf of the board


Nicholas Goodwin
Director
13 March 2015

Kingswood Learning and Leisure Group Limited

Independent auditors' report to the members of Kingswood Learning and Leisure Group Limited

Report on the financial statements

Our opinion

In our opinion, Kingswood Learning and Leisure Group Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 October 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Kingswood Learning and Leisure Group Limited's financial statements comprise:

- the balance sheet as at 31 October 2014;
- the profit and loss account; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Kingswood Learning and Leisure Group Limited

Independent auditors' report to the members of Kingswood Learning and Leisure Group Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

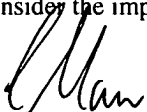
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Christopher Maw (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Norwich
13 March 2015

Kingswood Learning and Leisure Group Limited

Profit and loss account for the year ended 31 October 2014

		Year ended 31 October 2014 £'000	15 months ended 31 October 2013 £'000
	Note		
Turnover	2	21,462	24,689
Cost of sales		(9,480)	(10,054)
Gross profit		11,982	14,635
Exceptional costs	3	(1,724)	(468)
Other administrative expenses		(12,068)	(13,844)
Total administration costs		(13,792)	(14,312)
Other operating income		774	958
Operating (loss)/profit	3	(1,036)	1,281
Interest payable and similar charges	6	-	(33)
(Loss)/Profit on ordinary activities before taxation		(1,036)	1,248
Tax on profit on ordinary activities	7	-	(196)
(Loss)/Profit for the financial year/period	19	(1,036)	1,052

The results for the current year and prior period relate entirely to continuing operations.

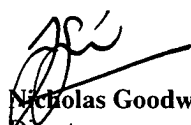
There is no difference between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial year/period in both the current year and prior period stated above and their historical cost equivalents.

Kingswood Learning and Leisure Group Limited

Balance sheet as at 31 October 2014

	Note	31 October 2014 £'000	31 October 2013 £'000
Fixed assets			
Intangible assets	8	24	-
Tangible assets	9	31,364	31,690
Investments	10	25	25
		31,413	31,715
Current assets			
Stocks	11	151	129
Debtors (including £5,000,000 (2013: £5,000,000) due after one year)	12	30,116	18,801
Cash at bank and in hand		306	-
		30,573	18,930
Creditors: amounts falling due within one year	13	(33,875)	(21,913)
Net current liabilities		(3,302)	(2,983)
Total assets less current liabilities		28,111	28,732
Creditors: amounts falling due after one year	14	-	(3)
Provision for liabilities	15	(600)	(182)
Net assets		27,511	28,547
Capital and reserves			
Called up share capital	17	-	-
Revaluation reserve	18	11,211	11,211
Profit and loss account	19	16,300	17,336
Total shareholders' funds	20	27,511	28,547

The financial statements on pages 8 to 19 were approved by the board of directors on 13 March 2015 and were signed on its behalf by:


Nicholas Goodwin
 Director

Registered number: 03476432

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014

1. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and with applicable United Kingdom Accounting Standards. These policies have been consistently applied unless otherwise stated.

Going concern

The directors have received confirmation from Inspiring Learning Services Limited, an intermediate parent undertaking, that it will provide financial support to Kingswood Learning and Leisure Group Limited, in order for it to meet its commitments as they fall due for a period of at least 12 months from the date of approval of these financial statements.

The directors have prepared the financial statements for the company on the going concern basis. The directors have considered the group's detailed budget prepared by the intermediate parent undertaking, Inspiring Learning Services Limited, up to 30 April 2016 and the current trading performance for the first four months of the financial year ending 31 October 2015. The directors have performed analyses to assess the impact on the projections of reductions in revenues and increased costs, incorporating where necessary the deferral of discretionary spend such as capital expenditure. On this basis the directors believe that the group will be able to operate within the terms of its loan agreements.

Having taken into account the operating risks and uncertainties, reviewed the trading and cash flow forecasts, and reflected on the facilities available the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

Consolidated financial statements

The company is exempt from preparing consolidated financial statements under section 400 of the Companies Act 2006 on the grounds that its results and those of its subsidiaries are included in the financial statements of its intermediate parent undertaking Inspiring Learning Services Limited, a company incorporated in England and Wales. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard ("FRS") 1 (Revised 1996), "Cash Flow Statements", from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and this company is included in the consolidated financial statements of a parent undertaking which publishes a consolidated cash flow statement.

Related party transactions

The company has taken advantage of the exemption in FRS 8, "Related Party Disclosures", from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Turnover

The turnover shown in the profit and loss account represents amounts receivable for educational visits and any related coach travel commencing in the year, exclusive of Value Added Tax.

Educational visit deposits received in advance for educational visits commencing after the year end are included within deferred income. Other income, excluding Value Added Tax, is recognised at date of sale, with the exception of income generated on the sale of third party insurance policies which is recognised on departure date.

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

1. Accounting policies (continued)

Fixed assets

Tangible assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings	-	2% straight line
Leasehold property improvements	-	lease period straight line
Plant and machinery	-	25% straight line
Website development costs	-	25% straight line

No depreciation is provided on freehold land.

Investments

Investments in the subsidiary undertakings are included at cost less any provision for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is determined on a First In First Out basis.

Lease agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

Assets acquired under finance leases are included in fixed assets and depreciated over the shorter of the lease period or their expected useful economic lived. The capital elements of the leasing commitments are shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the profit and loss account so as to give a constant rate of charge on the remaining balance of each accounting period.

Deferred taxation

The charge for taxation is based on the result for the period as adjusted for disallowable items and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. In accordance with Financial Reporting Standard 19 "Deferred Tax", deferred taxation is recognised as a liability or asset if transactions have occurred at the balance sheet date that gives rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. Deferred taxation assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred taxation assets and liabilities are measured on a non-discounted basis.

Foreign currency translation

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities outstanding at the period end are translated at the rate ruling at the balance sheet date. Gains and losses are included in the profit and loss account.

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

2. Turnover

The turnover and loss on ordinary activities before tax are attributable to the principal activities of the company. The directors consider that the disclosure of a geographical analysis by destination of turnover and profit would be seriously prejudicial to the Company.

3. Operating (loss)/profit

	2014	2013
	Total	Total
	£'000	£'000
Operating (loss)/profit is stated after charging:		
Foreign exchange gains	7	-
Depreciation of tangible assets	2,931	2,774
Loss on disposal of fixed assets	412	-
Exceptional items	1,724	468
Auditors' remuneration – audit of financial statements	79	77
Auditors' remuneration – other fees	31	37
Operating lease costs – land and buildings	1,565	1,252

The exceptional costs of £1.72m in the year ended 31 October 2014 relate to the corporate restructure (£0.25m), rebranding (£0.47m) and onerous lease (£0.64m).

The corporate restructure costs relate to the reorganisation of the legal entity structure.

The rebranding costs relate to the change from 9 brands to 3 across the group with the associated design and rebranding works undertaken at the Kingswood Centres and all customer communication material

The onerous lease relate to a provision for the future lease costs of the unused element of the Kingswood Norwich head office. This arose due to the corporate restructure and reorganisation.

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2014	2013
	£'000	£'000
Aggregate emoluments	148	149
Loss of office	86	-
	234	149

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

5. Employee information

The average monthly number of persons, including directors, employed by the group during the year/period was:

	2014	2013
	Number	Number
By activity:		
Administration staff	86	104
Activity centres and support	621	643
	707	747

The aggregate payroll costs of these persons were as follows:

	2014	2013
	£'000	£'000
Wages and salaries	8,631	10,930
Social security costs	511	562
Pension costs	87	-
	9,229	11,492

6. Interest payable and similar charges

	2014	2013
	£'000	£'000
Other interest	-	33

7. Tax on (loss)/profit on ordinary activities

(a) Analysis of tax (charge)/credit in the year/period

	2014	2013
	£'000	£'000
Current tax		
UK corporation tax on (loss)/profits of the year/period	-	-
Total current tax (note 8b)	-	-
Deferred tax		
Derecognition of previously recognised deferred tax asset	-	196
Total deferred tax	-	196
Tax on (loss)/profit on ordinary activities	-	196

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

7. Tax on loss/profit on ordinary activities (continued)

(b) Factors affecting the tax charge in the year/period

The current tax assessed for the year/period differs to the standard rate of corporation tax in the UK of 21.8% (2013: 23.5%). The differences are explained below:

	2014	2013
	£'000	£'000
(Loss)/profit on ordinary activities before taxation	(1,037)	1,248
(Loss)/profit on ordinary activities multiplied by rate of tax at 21.8% (2013: 23.5%)	(226)	293
Effects of:		
Permanent differences	254	295
Depreciation in excess of capital allowances	388	366
Group relief not paid for	(416)	(954)
Current tax charge for the year/period (note 8a)	-	-

The company has an unrecognised deferred tax asset on respect of capital allowances of £921,000 (2013: £196,000). This amount has been calculated at a rate of 20% (2013: 23%).

8. Intangible assets

	Sales licenses	Assets in course of construction - software	Total
	£'000	£,000	£'000
Cost			
At 1 November 2013	100	-	100
Additions	-	24	24
At 31 October 2014	100	24	124
Accumulated amortisation			
At 1 November and 31 October 2014	100	-	100
Net book amount			
At 31 October 2014	-	24	24
At 1 November 2013	-	-	-

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

9. Tangible assets

	Freehold property £'000	Leasehold property improvements £'000	Plant and machinery £'000	Website development costs £'000	Total £'000
Cost or valuation					
At 1 November 2013	25,855	7,751	7,610	124	41,340
Additions	974	570	1,474	-	3,017
Disposals	(492)	(135)	(227)	-	(854)
At 31 October 2014	26,337	8,185	8,857	124	43,503
Accumulated depreciation					
At 1 November 2013	2,025	2,129	5,416	80	9,650
Charge for year	1,231	640	1,041	18	2,930
Disposals	(128)	(86)	(227)	-	(441)
At 31 October 2014	3,128	2,683	6,230	98	12,139
Net book amount					
At 31 October 2014	23,209	5,502	2,627	26	31,364
At 31 October 2013	23,830	5,622	2,194	44	31,690

10. Investments

	£'000
Cost as at 1 November 2013 and 31 October 2014	25

At 31 October 2014 the principal subsidiaries, all 100% owned and incorporated within England and Wales, were as follows:

Entity name	Principal activity
Britannia Learning & Leisure Group Limited	Educational visits
Britannia Coach Services Limited	Coach travel supporting educational visits
Kingswood Colomendy Limited	Educational visits
Kingswood Centre Limited	Dormant
Kingswood (Isle of Wight) Limited	Dormant
Kingswood (Norfolk) Limited	Dormant
Kingswood (Head Office) Limited	Dormant
Freetime Leisure Limited	Dormant
Interlent Limited	Dormant

The directors consider the value of the investments to be supported by their underlying assets and cashflows.

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

11. Stocks

	31 October 2014 £'000	31 October 2013 £'000
Goods held for resale	151	129

The replacement cost of stocks does not differ materially from the values disclosed above.

12. Debtors

	31 October 2014 £'000	31 October 2013 £'000
Trade debtors	2,388	2,144
Amounts owed by group undertakings	26,930	15,741
Other debtors	16	39
Prepayments and accrued income	782	877
	30,116	18,801

Amounts owed by group undertakings include £5,000,000 (2013: £5,000,000) falling due after more than one year.

Other amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

13. Creditors: amounts falling due within one year

	31 October 2014 £'000	31 October 2013 £'000
Bank overdraft	2,416	53
Trade creditors	2,098	1,134
Amounts owed to group undertakings	22,779	14,365
Other taxation and social security	1,099	812
Other creditors	22	686
Finance leases due within one year	-	10
Accruals and deferred income	5,461	4,853
	33,875	21,913

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment.

The bank overdraft is secured on the assets of the company.

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

14. Creditors: amounts falling due after one year

	31 October 2014 £'000	31 October 2013 £'000
Finances leases due within more than one year	-	3

Future minimum payments under finance leases are as follows:

	31 October 2014 £'000	31 October 2013 £'000
Within one year	-	10
In more than one year but not more than 5 years	-	3
Total gross payments	-	13
Less finance charges included above	-	(1)
	-	12

15. Provision for liabilities

	Other provision £'000	Onerous Lease £'000	Total £'000
At 1 November 2013	(182)	-	(182)
Charge in the year	-	(635)	(635)
Utilised in the year	182	35	217
At 31 October 2014	-	(600)	(600)

Other provision

The provision relates to VAT due to HM Revenue and Customs in respect of underpaid VAT in prior years.

The onerous lease relate to a provision for the future lease costs of the unused element of the Kingswood Norwich head office. This arose due to the corporate restructure and reorganisation. The lease has a remaining life of ten years, the provision will reverse over this period.

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

16. Financial commitments

The company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014 £'000	Other 2014 £'000	Land and buildings 2013 £'000	Other 2013 £'000
In one year or less	455	35	224	8
Between one and five years	30	45	392	117
In five years or more	286	-	339	-
	771	80	955	125

17. Called up share capital

	31 October 2014 £	31 October 2013 £
Authorised		
10,000 (2013: 10,000) Ordinary shares of £1 (2013: £1) each	10,000	10,000
Allotted and fully paid:		
2 (2013: 2) Ordinary shares of £1 (2013: £1) each	2	2

18. Revaluation reserve

	£'000
At 1 November 2013 and 31 October 2014	11,211

19. Profit and loss account

	£'000
At 1 November 2013	17,336
Loss for the financial year	(1,036)
At 31 October 2014	16,300

Kingswood Learning and Leisure Group Limited

Notes to the financial statements for the year ended 31 October 2014 (continued)

20. Reconciliation of movements in total shareholders' funds

	31 October 2014 £'000	31 October 2013 £'000
Opening total shareholders' funds	28,547	27,495
(Loss)/profit for the financial year/period	(1,036)	1,052
Closing total shareholders' funds	27,511	28,547

21. Contingent liabilities and commitments

The company is a guarantor, alongside other group subsidiaries, of the Inspiring Learning Services Limited group bank facilities. The liabilities concerned amounted to £41,936,000 at 31 October 2014 (2013: £41,646,000).

There were no other material contingent liabilities at 31 October 2014 or 31 October 2013.

	31 October 2014 £'000	31 October 2013 £'000
Capital and other financial commitments		
Contracts placed for future capital expenditure not provided in the financial statements	-	109

22. Ultimate controlling party

The immediate parent undertaking of the entity is Kingswood Educational Group Limited, a company incorporated in England.

The largest and smallest group of undertakings for which consolidated financial statements are prepared to include the results of this company are headed by Inspiring Learning Services Limited and Inspiring Learning Limited both of which are registered in England.

A copy of Inspiring Learning Services Limited and Inspiring Learning Limited consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

Inspiring Learning Group Limited, incorporated in England is the ultimate parent undertaking of the entity.

The directors consider that the company is controlled by funds managed and controlled by aPriori Capital Partners IV LLC.