Georgica Limited

Financial statements

for the year ended 27th December 2015

Company registration number: 04039562

Directors, secretary and advisers

Directors:	Nick Basing	
	Graham Blackwell	(appointed 24th April 2015)
	Mark Carrick	(appointed 24th April 2015)
	Charles Freeman	(appointed 24th April 2015)
	Alan Hand	(appointed 24th April 2015)
Company secretary:	Mark Carrick	(appointed 24th April 2015)
Registered office:	St. George's House, 5 St. George's Road, Wimbledon, London, SW19 4DR. Tel: 02088793932	
Solicitors:	Bircham Dyson Bell LLP, 50 Broadway London, SW1H 0BL	
Independent auditors:	PricewaterhouseCoopers LLP, Chartered Accountants and Statutory Auditors 1, Embankment Place, London, WC2N 6RH.	
Company registration number:	04039562	
Country of registration:	England and Wales	

Strategic report

The directors present their Strategic Report for the year ended 27th December 2015.

Business review and future developments

Principal activities:

Georgica Limited (the "company") is the holding company for Georgica Holdings Limited and the tenpin bowling operations of Tenpin Limited.

Operating performance:

The Georgica Limited operating profit decreased by £12,021k from £19,856k in the year ended 28th December 2014 to £7,835k in the year ended 27th December 2015. The change was due to the reversal of impairment of the company's holding in Tenpin Limited in 2014 after a review of the investments value was carried out due to the strong performance of Tenpin Limited net of the dividend received from Tenpin Limited during the year. There has been no further reversal this year of the impairment in Tenpin Limited.

Finance costs and income:

The finance costs increased by £2k during the year ended 27th December 2015 due to the increase in the intercompany payables while the finance income increased by £17k from £166k in the year ended 28th December 2014 to £183k in the year ended 27th December 2015 due to the increase in the intercompany receivable with Tenpin Limited.

Principal risks and uncertainties:

The principal risks and uncertainties which have been identified by management as facing Georgica Limited are the continued availability of the senior debt finance facilities with the Royal Bank of Scotland which are dependent on continued covenant compliance at the Indoor Bowling Equity Limited group level. The covenants measure the group's performance and strength around cash flow, fixed costs and debt levels all in relation to EBITDA generation. Additional risks and uncertainties which are not currently known or are deemed immaterial may also have a material impact on the company.

St. George's House,
5 St. George's Road
Wimbledon
London
SW19 4DR

Approved by the board, and signed by order of the board

15th August 2016

Charles Freeman – Company secretary

Directors' report

The directors present their annual report on the affairs of the company, together with the audited financial statements for the year ended 27th December 2015.

Results and dividends

The results for the year ended 27th December 2015 are set out in the statement of comprehensive income. The profit for the year was £7,965k (2014: £19,971k).

The directors paid an interim dividend of £7,666k, no final dividend is recommended (2014: £nil).

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Nick Basing	
Graham Blackwell	(appointed 24th April 2015)
Mark Carrick	(appointed 24th April 2015)
Charles Freeman	(appointed 24th April 2015)
Alan Hand	(appointed 24th April 2015)

There are no special arrangements for compensation payments on termination of any of the directors' contracts. All directors are responsible for their own pension arrangements. The directors are all covered by a Directors' and Officers' Liability Insurance policy maintained by the company with a qualifying third party insurance company which was maintained throughout the financial year and is still in place as at the date of the approval of these financial statements.

The future developments of the company are disclosed under the Strategic Report.

Financial instruments and risk management

The company has no fair value interest rate risk. Further information on risk management is disclosed under note 14 of the financial statements.

Independent Auditors and disclosure of information to auditors

PricewaterhouseCoopers LLP are the auditors of Georgica Limited.

For each of the persons who were directors at the time this report was prepared, the following applies:

(i) so far as the directors are aware, there is no relevant audit information (i.e. information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

(ii) the directors have taken all 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.

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution to reappoint them as auditors will be proposed at the forthcoming Annual General Meeting.

Going concern

The financial statements are prepared on a going concern basis, which the directors believe to be appropriate based on:

- the ongoing review of current trading performance and results and the impact on cash flows and the financial position of the company;

- The review of the company's operational cash requirements, investment and maintenance capital needs, financing cash requirements in the servicing and repaying of debt and how the current and forecast cash position covers these areas;
- the preparation of annual budgets and 3 year forecasts which analyse the future trading performance, the conversion to cash and the movement in the company's financial position;
- the review of current compliance with banking covenants and the analysis of forecast results and how they impact on compliance. This includes reviewing sensitised cases for potential risks impacting on forecast performance and what levels of headroom the company can sustain to remain compliant;
- the ongoing review of material risks and uncertainties to the business and the maintenance or implementation of controls and procedures to ensure these are monitored and managed. These risks are reviewed under the Strategic Report on page 2.
- The ongoing review of the business model and implementation of new technology and ideas as well as entering into new contracts and business partnerships to improve the business performance and ensure its going concern for at least the following 3 years as per current forecasts.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing these financial statements, the directors have also elected to comply with IFRSs, issued by the International Accounting Standards Board (IASB). 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB), 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.

St. George's House,
5 St. George's Road
Wimbledon
London
SW19 4DR

15th August 2016

Approved by the board, and signed by order of the board

Charles Freeman – Company secretary

Report on the financial statements

Our opinion

In our opinion, Georgica Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 27 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the Balance sheet as at 27th December 2015;
- the Statement of comprehensive income for the year then ended;
- the Cash flow statement for the year then ended;
- the Statement of changes in equity for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

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.

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 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("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 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.

John Ellis (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
15th August 2016

Statement of comprehensive income

for the year ended 27th December 2015

	Note	**Year ended 27th December 2015 £000**	Year ended 28th December 2014 £000
Revenue	1	-	-
Cost of sales		-	-
Gross profit		-	-
Impairment reversal		-	19,679
Dividend income	2	7,666	-
Other administrative income		169	177
Operating profit		**7,835**	19,856
Finance costs	3	**(45)**	(43)
Finance income	3	**183**	166
Profit before taxation	4	**7,973**	19,979
Taxation	5	**(8)**	(8)
Profit and total comprehensive income for the year		**7,965**	19,971

Balance sheet
as at 27th December 2015

	Note	27th December 2015 £000	28th December 2014 £000
Assets			
Non-current assets			
Investments	7	32,429	32,429
Trade and other receivables	8	3,071	2,760
Deferred tax asset	13	157	165
		35,657	35,354
Current assets			
Trade and other receivables	8	919	921
Cash and cash equivalents	9	59	5
		978	926
Liabilities			
Current liabilities			
Trade and other payables	12	(946)	(890)
Net current assets		32	36
Net assets		35,689	35,390
Equity			
Share capital	10	5,356	5,356
Share premium		27,602	27,602
Other reserves		189	189
Retained earnings		2,542	2,243
Total equity		35,689	35,390

The financial statements on pages 7 to 20 were authorised for issue by the board of directors and authorised for issue on 15th August 2016 and were signed on its behalf by:

Charles Freeman
Company registration number: 04039562

Cash flow statement

for the year ended 27th December 2015

	Note	**Year ended 27th December 2015**	Year ended 28th December 2014
		£000	£000
Cash flows from operating activities			
Cash generated from operations	11	**227**	182
Net finance income		**138**	123
Net cash provided by operating activities		**365**	305
Cash flows from investing activities		**-**	-
Cash flows from financing activities			
Loans to related parties		**(311)**	(301)
Net cash used in financing activities		**(311)**	(301)
Net increase in cash and cash equivalents		**54**	4
Cash and cash equivalents – beginning of year	9	**5**	1
Cash and cash equivalents – end of year	9	**59**	5

Statement of changes in equity

for the year ended 27th December 2015

	Share capital £000	Share premium £000	Other reserves £000	Retained earnings/(accumulated losses) £000	Total equity £000
Balance at 29th December 2013	5,356	27,602	189	(17,728)	15,419
Profit and total comprehensive income for the year	-	-	-	19,971	19,971
Balance at 28th December 2014	**5,356**	**27,602**	**189**	**2,243**	**35,390**
Profit and total comprehensive income for the year	-	-	-	7,965	7,965
Dividends paid	-	-	-	(7,666)	(7,666)
134 redeemable shares exercised (Note 10)	-	-	-	-	-
Balance at 27th December 2015	**5,356**	**27,602**	**189**	**2,542**	**35,689**

The company's other reserves at 27th December 2015 comprise a special capital reserve of £49,000 (2014: £49,000) and a capital redemption reserve of £140,000 (2014: £140,000). None of these reserves is distributable. As explained in note 2, the dividend paid to Essenden Limited (formerly Essenden plc) was not paid in cash but in specie as was the dividend received from Tenpin Limited. Essenden Limited (formerly Essenden plc) used the proceeds from the dividend to repay a portion of its intercompany loan with Tenpin Limited.

Statement of accounting policies

General information

Georgica Limited ("Georgica" or the "company") is a limited company incorporated and domiciled in the United Kingdom. The address of the registered office is St. George's House, 5 St. George's Road, Wimbledon, London, SW19 4DR. The company reports for a 52 week period which ended on 27th December 2015 (2014: 28th December 2014). The 52 week periods are determined with each week ending on a Sunday and thus the year end date will vary each year.

Statement of compliance

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the European Union ("Adopted IFRSs"), IFRIC interpretations and those parts of the Companies Act 2006 applicable to companies reporting under Adopted IFRS. Adopted IFRSs are subject to an ongoing process of review and endorsement by the European Commission and amendment and interpretation by the International Accounting Standards Board.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom for the year ended 27th December 2015. The financial statements are also prepared on a going concern basis, which the directors believe to be appropriate based on their ongoing review of the availability of cash to fund operational requirements and future debt repayments, and their assessment that the company will continue to comply with its banking covenants for at least the next 12 months.

The company is a wholly-owned subsidiary of Indoor Bowling Equity Limited and is included in the consolidated financial statements of Indoor Bowling Equity Limited which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Changes in accounting policy and disclosures

At the date of authorisation of the financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective. The company has not adopted early any of these pronouncements. The new standards, amendments and interpretations that are expected to be relevant to the company's financial statements in the future are as follows:

IFRS 9 Financial Instruments applicable from 1 January 2018, IFRS 15 Revenue from Contracts with Customers applicable from 1 January 2017, IAS 16 and IAS 38 (amendment) Clarification of Acceptable Methods of Depreciation and Amortisation applicable from 1 January 2016, IFRS 10 and IAS 28 (amendment) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture applicable from 1 January 2016, Annual improvements to IFRS 2012-2014 Cycle applicable from 1 January 2016, IAS 1 Disclosure Initiative: Amendments to IAS 1 Presentation to Financial Statements applicable from 1 January 2016 and IFRS 16 Leasing applicable from 1 January 2019.

The effective dates stated above are those given in the original IASB/IFRIC standards and interpretations. As the company prepares its financial statements in accordance with IFRS as adopted by the European Union (EU), the application of new standards and interpretations will be subject to their having been endorsed for use in the EU via the EU endorsement mechanism. The Directors do not expect the adoption of these standards and interpretations to have a material impact on the financial statements in future periods.

Critical accounting estimates and judgments

The preparation of financial statements requires the use of accounting estimates, and requires management to exercise judgment in the process of applying the company's accounting policies. Accounting estimates are based on historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily available from other sources.

The principal balance sheet accounts affected by judgment are investments (affected by impairment assessments) and deferred tax. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

Functional currency

The financial information in this report is presented in sterling, the functional currency of the company, rounded to the nearest thousand.

Investments

Investments are stated at cost less any provision for impairment in value.

Trade and other receivables

Trade and other receivables are initially recognised at cost and then subsequently measured at amortised cost.

Financial assets

The company classifies its financial assets as loans and receivables and cash and cash equivalents as they comprise non-derivative financial assets with fixed or determinable payments – loans and receivables are classified as "trade and other receivables" in the balance sheet.

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 of the statement of cash flows.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently held at amortised cost.

Tax

The tax charge comprises current tax payable and deferred tax. The current tax charge represents an estimate of the tax payable in respect of the company's taxable profits and is based on an interpretation of existing tax laws.

As required by IAS 12 (revised), the company provides deferred income tax using the balance sheet liability method on all temporary differences between the tax bases of assets and liabilities and their carrying values at the balance sheet date. Deferred income tax assets and liabilities so recognised are determined using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are based on the expected manner of realisation or settlement of the carrying amount of the assets or liabilities. Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax is not recognised in respect of the initial recognition of an asset or liability acquired in a transaction which is not a business combination and at the time of the transaction does not affect accounting or taxable profits. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Segment reporting

A segment is a distinguishable component of the group that is engaged either in providing products or services (business segment). The company wholly operates within the United Kingdom.

Dividends

Dividends receivable are recognised when the right to receive the dividend is established, which is generally when the dividend is received. Dividends payable are recognised when the directors declare a dividend.

Notes to the financial statements

1 Revenue

The company has only one segment, as all of its activities are located in the UK.

2 Dividend income

	Year ended 27th December 2015 £000	Year ended 28th December 2014 £000
Dividend income	7,666	-

The dividend income was received from Tenpin Limited and was not paid in cash to Georgica Limited but immediately used to pay a non cash dividend to Essenden Limited.

3 Finance income and costs

	Year ended 27th December 2015 £000	Year ended 28th December 2014 £000
Finance income		
Related party interest receivable	183	166
Finance costs		
Related party loans	44	43
Other	1	-
Total finance costs	45	43

4 Profit before taxation

The following items have been included in arriving at profit before taxation:

	Year ended 27th December 2015 £000	Year ended 28th December 2014 £000
Impairment reversal	-	19,679
Management charge	171	177

The company's audit fees and directors' emoluments in 2015 and 2014 were borne by a fellow subsidiary of Indoor Bowling Equity Limited. All key management positions are held by executive directors of Indoor Bowling Equity Limited and accordingly, no further disclosure of key management remuneration is deemed necessary.

5 Taxation

Recognised in the income statement:

	Year ended 27th December 2015 £000	Year ended 28th December 2014 £000
Current tax:		
Tax on profits for the year	-	-
Deferred tax:		
Change in tax rate to 20% effective 1 April 2015	(8)	(8)
Total taxation charge recognised in the income statement (note 13)	(8)	(8)

The tax on the company's profit before tax differs (2014: differs) from the theoretical amount that would arise using the standard rate of tax in the UK of 20.26% (2014: 21.5%). The differences are explained below.

Taxation (continued)

	Year ended 27th December 2015	Year ended 28th December 2014
	£000	£000
Profit before tax	**7,973**	19,979
Tax using the UK corporation tax rate of 20.26% (2014: 21.5%)	**1,615**	4,295
Exempt dividend income	**(1,553)**	-
Utilisation of tax losses	**(62)**	-
Impairment reversal	**-**	(4,295)
Change in tax rate to 20% effective 1 April 2015 (2014: 21%)	**(8)**	(8)
Total taxation charge recognised in the income statement	**(8)**	(8)

The Finance Bill 2015 included legislation to reduce the main rate of corporation tax to 19% for the financial years beginning 1 April 2017, 1 April 2018 and 1 April 2019, and at 17% for the financial year beginning 1 April 2020. These changes had been substantively enacted at the balance sheet date and consequently are included in these financial statements by using a blended rate of 19% which has been used to determine the overall net deferred tax liability, as the temporary differences are expected to reverse at the various rates over those periods.

6 Share-based payments

Essenden share scheme incentive:

A share incentive scheme exists which allows the executive directors and senior management participants' to either redeem the shares now or for either side to convert them to equity shares at a later date. The explanation below sets out the mechanics of the scheme followed by the analysis of any share based payments and redemptions made from the scheme.

A total of 200 redeemable shares were issued to the two Executives on the Essenden Board and other senior executives of Tenpin Limited by Georgica Limited. The scheme replaces the share price bonus previously in the Essenden Executives' service agreements. The redeemable shares entitle participants to redeem them for cash for 1/1000 (per redeemable share) of the **"Redemption Value"** (described below). For example, 10 redeemable shares are redeemable for cash equal in value to 10/1000 (1%) of the Redemption Value. At the time that they subscribed for the redeemable shares each participant granted Essenden a call option (**"Call Option"**), which will enable Essenden to call for the redeemable shares in return for the issue or transfer of Essenden ordinary shares (or a cash payment from Essenden), instead of the redeemable shares being redeemed by Georgica for cash. Essenden in turn granted to each participant a put option (**"Put Option"**), which will enable each participant to require Essenden to purchase the redeemable shares in return for the issue or transfer of Essenden ordinary shares (but not a cash payment from Essenden), instead of the redeemable shares being redeemed by Georgica for cash.

The Redemption Value is calculated by reference to the future share price performance of Essenden. The Opening Price for the share price incentive is 38.8p being the average price for the 30 days after the announcement of the appointment of the new CEO. This Opening Price has an annual hurdle of 12% applied to it. The earliest that the incentive can be redeemed is 3 years from the commencement date of 16th October 2009 (except in certain specified circumstances such as on a takeover of Essenden) and it falls away if it has not been earned by 7 years from the commencement date. Upon redemption any Essenden shares issued have to be held by participants for a period of 2 years. The total value of the incentive that could be paid and converted into Essenden shares is 20% of the gain in the share price (after the Opening Price is adjusted for the annual hurdle of 12%) multiplied by the number of shares in existence at the exercise date. The arrangement takes account of additional shares issued by applying an Opening Price (also adjusted for the annual hurdle of 12%) for these additional shares which is the share price on the date of issuance. The incentive share was valued upon grant using a Binomial valuation and the charge amortised from the date of inception of the scheme.

Share-based payments

Essenden Limited announced in June 2015 as part of its purchase by Indoor Bowling Acquisitions Limited that there would be 2 redemptions for the 134 outstanding redeemable shares held by Nick Basing and Richard Darwin under the Share Incentive Scheme. The closing price for the exercise value calculation under the Share Scheme is based on the average Essenden Limited share price in the 60 dealing days after each respective Notice has been received (the "Pricing Period"). The exercise value for the redemption of the 134 redeemable shares which occurred in August 2015 was £79,808 for Nick Basing and £27,544 for Richard Darwin. The share scheme has since been closed and the 134 redeemable shares have been cancelled and returned to authorised but unissued share capital as disclosed under note 10.

7 Investments

	Subsidiaries shares £000
At 29th December 2013	12,750
Impairment reversal	19,679
At 28th December 2014	32,429
At 27th December 2015	**32,429**

The value of the investment in Tenpin Limited was reviewed at the year end and £nil (2014: £19.7m) of prior impairment was reversed. The directors believe that the carrying values of the investments are supported by the underlying net assets of the businesses and the future profits that will be generated by the subsidiaries.

	Country of registration	Country of incorporation and operation	Principal activity	Percentage of ordinary shares held
Companies owned directly by Georgica Limited				
Georgica Holdings Limited	England & Wales	Great Britain	Holding Company	100%
Tenpin Limited	England & Wales	Great Britain	Bowling	100%
Companies owned indirectly by Georgica Limited				
Georgica (Lewisham) Limited *	England & Wales	Great Britain	Dormant	100%
GNU 5 Limited *	England & Wales	Great Britain	Dormant	100%
Tenpin (Sunderland) Limited **	England & Wales	Great Britain	Dormant	100%
Tenpin (Halifax) Limited **	England & Wales	Great Britain	Dormant	100%
Tenpin (One) Limited **	England & Wales	Great Britain	Operating	100%
Tenpin (Five) Limited **	England & Wales	Great Britain	Operating	100%

* These companies are all directly held subsidiaries of Georgica Holdings Limited.
** These companies are all directly held subsidiaries of Tenpin Limited.

8 Trade and other receivables

Current receivables	27th December 2015 £000	28th December 2014 £000
Other receivables	**2**	5
Amounts owed by subsidiary undertakings (note 16)	**917**	916
	919	921

Non-current receivables	27th December 2015 £000	28th December 2014 £000
Amounts owed by subsidiary undertakings (note 16)	**3,071**	2,760

All of the above balances are classified as loans and receivables. Amounts owed by Indoor Bowling Equity Limited Group undertakings were loaned at the group's average borrowing rate, being commercial loans repayable on demand. All current trade and other receivables are due within 12 months. The amount receivable from Tenpin Limited is being repaid in 36 monthly instalments which is why the balance is separately disclosed as a current and non-current receivable.

9 Cash and cash equivalents

	27th December 2015 £000	28th December 2014 £000
Cash and cash equivalents	**59**	5

10 Share capital

	27th December 2015 £000	28th December 2014 £000
Authorised share capital		
130,000,000 (2013: 130,000,000) ordinary shares of 5p each	**6,500**	6,500
200 (2014: 200) redeemable shares of £1 each	-	-
	6,500	6,500
Allotted, called up and fully paid share capital		
107,125,000 (2014: 107,125,000) ordinary shares of 5p each	**5,356**	5,356
Nil (2014: 134) redeemable ordinary shares of £1 each	-	-
	5,356	5,356

The movements on issued share capital in the financial year were as follows:

	Number of shares	Value of shares £000
Share capital at 28th December 2014	**107,125,134**	5,356
(Redemption)/issuance of redeemable shares at £1 each	**(134)**	-
Share capital at 27th December 2015	**107,125,000**	5,356

11 Cash from operations

Cash flows from operating activities	Year ended 27th December 2015 £000	Year ended 28th December 2014 £000
Profit before taxation	**7,973**	19,979
Adjustments for:		
Impairment reversal	-	(19,679)
Dividend income (note 2)	**(7,666)**	-
Finance costs	**45**	43
Finance income	**(183)**	(166)
Changes in working capital:		
Decrease in trade and other receivables	**2**	5
Increase in trade and other payables	**56**	-
Cash generated from operations	**227**	182

12 Trade and other payables

	27th December 2015 £000	28th December 2014 £000
Amounts owed to subsidiary undertakings (note 16)	**888**	**887**
Accruals	**58**	**3**
	946	**890**

Amounts due to group undertakings are loaned at the group's average borrowing rate, being commercial loans repayable on demand and are classified as financial liabilities at amortised cost and are unsecured.

13 Deferred tax asset

Deferred tax assets are attributable to the following:

	Assets	
	27th December 2015 £000	28th December 2014 £000
Capital allowances	**157**	165

The deferred tax asset represents a capital allowance pool in excess of the net book value of property, plant and equipment. The tax effect of the carry forward capital allowances has been recognised as it is expected that there will be future group taxable profits available against which these tax allowances can be group relieved.

Movement in deferred tax during the year ended 27th December 2015:

	28th December 2014 £000	Recognised in income statement £000	Recognised in equity £000	27th December 2015 £000
Capital allowances	165	(8)	-	**157**

The movement in the deferred tax asset during the year has been due to the change in the tax rate as disclosed in note 5.

Movement in deferred tax during the year ended 28th December 2014:

	29th December 2013 £000	Recognised in income statement £000	Recognised in equity £000	28th December 2014 £000
Capital allowances	173	(8)	-	165

The company is estimated to have carry-forward tax losses of £8.8m (2014: £9.1m). However, no deferred tax asset is recognised in respect of these losses as it is not probable that future taxable profits will be available against which these temporary differences can be utilised. The potential deferred tax asset of £1.8m (2014: £1.8m) on these losses is the only unprovided deferred tax.

14 Financial instruments

The company's principal financial instruments comprise cash and short-term deposits, loans due from group companies and loans due to subsidiaries. The company has various other financial instruments such as receivables and payables that arise directly from its activities. All the company's financial instruments are denominated in £ sterling. The carrying value of all the company's financial instruments approximates fair value and they are classified as bank balances, payables and receivables.

Financial risk management:

Cash flow and fair value interest rate risk

The Indoor Bowling Equity Limited group borrows in sterling on it Royal Bank of Scotland facilities, which are linked to LIBOR plus a margin of 2.75% or 3.25% depending on the facility used.

Credit risk

The company is exposed to minimal credit risk.

Liquidity risk

The Group's cash position and cash flow forecasts are reviewed by management on a daily basis.

Currency risk

The company has no material exposure to currency risk.

Capital risk management

The company's capital management objectives are to ensure the company's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk. The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the balance sheet.

	27th of December 2015 £000	28th of December 2014 £000
Total equity	**35,689**	35,390
Cash and cash equivalents (note 9)	**(59)**	(5)
Capital	**35,630**	35,385
Total financing	**35,630**	35,385
Bank borrowings	**-**	-
Overall financing	**35,630**	35,385
Capital to overall financing ratio	**100%**	100%

15 Capital commitments

The company had no capital commitments which were contracted for but not provided for at 27th December 2015 or at 28th December 2014.

16 Related party transactions

During 2015 Georgica Limited repaid £nil (2014: £nil) to Essenden Limited (formerly Essenden plc). Interest receivable and management fees of £0.3m (2014: £0.4m) were accrued on the intercompany debt with Tenpin Limited. Georgica Limited received £7.7m (2014: £nil) in dividends from Tenpin Limited and paid £7.7m (2014: £nil) in dividends to Essenden Limited.

As at the 27th December 2015, Georgica Limited owed £0.7m (2014: £0.6m) to Georgica Holdings Limited and £0.2m (2014: £0.2m) to Essenden Limited and Georgica Limited was owed £4.0m (2014: £3.7m) by Tenpin Limited.

Georgica Limited is an obligor to the Indoor Bowling Acquisitions Limited bank facilities with Royal Bank of Scotland, acts as a guarantor to a number of leases of which Tenpin Limited is the tenant and maintains the various legal licenses for the Tenpin Limited bowling sites.

Since August 2015 the parent company and controlling party is Indoor Bowling Equity Limited, a company incorporated in England and Wales and whose consolidated financial statements are available at St. George's House, 5 St. Georges Road, Wimbledon, London, SW19 4DR. Prior to August 2015, the ultimate parent company was Essenden Limited (formerly Essenden plc).

17 Post balance sheet Event – EU Referendum

On 23 June 2016 the UK electorate voted to leave the European Union. This decision commences a process that is likely to take a minimum of two years to complete, and during this time the UK remains a member of the European Union. There will be a resulting period of uncertainty for the UK economy, with increased volatility expected in financial markets. This event does not impact the fair value of assets and liabilities reported at the balance sheet date of 27 December 2015.