Georgica Limited

Financial statements

for the 52 week period ended 29 December 2019

Company registration number: 04039562

Directors, secretary and advisers

Directors:	Nick Basing Graham Blackwell Mark Willis (resigned 31 March 2019) Antony Smith (appointed 1 April 2019) Alan Hand (resigned 31 March 2019) George Sheppard
Company secretary:	George Sheppard
Registered office:	Aragon House Cranfield Technology Park, Cranfield, Bedford, MK43 0EQ Tel: 02034 410 700
Solicitors:	BDB Pitmans 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 52 week year ended 29 December 2019.

Business review and future developments

Principal activities:

Georgica Limited (the company) is a wholly owned subsidiary of Essenden Limited and is included in the consolidated financial statements of Ten Entertainment Group plc. The company is the holding company for Georgica Holdings Limited and was for the tenpin bowling operations of Tenpin Limited before Tenpin Limited was sold to TEG Holdings Limited on 12 April 2017. The company also maintains related party loan receivables with Tenpin Limited, Ten Entertainment Group plc and TEG Holdings Limited as well as related party loan payables with Essenden Limited and Georgica Holdings Limited.

Loss before taxation:

The loss before taxation for Georgica Limited was £7k (2018: loss of £1k) for the 52 week year ended 29 December 2019 and the financial position of the company as at 29 December 2019 consisted of net assets of £106,532k (30 December 2018: net assets £106,560k).

Future outlook:

The company is an investment and holding company and assists the group with future acquisitions and investments.

Principal risks and uncertainties:

The company has limited operational activity however any such activities rely on the company maintaining its current cash and cash equivalents as well as obtaining any potential funding from the ultimate parent company of the Group, Ten Entertainment Group plc. The company also has large intercompany receivables that gives rise to credit risk if these become impaired. As such, the principal risks and uncertainties which have been identified by management as facing Georgica Limited are the continued availability of its cash balances and funding from the Group as well as the continued strong position and performance of the related parties which the company has receivables with. These risks are mitigated by the financing facilities with the Royal Bank of Scotland and the support level provided amongst the group companies by their parent companies and the ultimate parent, Ten Entertainment Group plc. The impact of Covid-19 in 2020 has not had a direct impact on the company but does impact on the cash resources of the overall Group which could also affect the values of investment balances as well as the carrying values of intercompany receivables held by the company. Additional risks and uncertainties which are not currently known or are deemed immaterial may also have a material impact on the company.

Key performance indicators (KPI's):

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary in this report for understanding the development, performance, or position of the company.

Aragon House
Cranfield Technology Park,
Cranfield, Bedford,
MK43 0EQ

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

23 September 2020

George Sheppard – Company secretary

Directors' report

The directors present their annual report on the affairs of the company, together with the audited financial statements for the 52 week year ended 29 December 2019.

Results and dividends

The results for the 52 week period ended 29 December 2019 are set out in the statement of comprehensive income. The loss for the year was £28k (2018: loss of £45k).

The directors do not recommend the payment of a dividend (2018: do not recommend).

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	
George Sheppard	
Antony Smith	(appointed 1 April 2019)
Alan Hand	(resigned 31 March 2019)
Mark Willis	(resigned 31 March 2019)

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 qualifying Directors' and Officers' indemnity policy maintained by the company with a qualifying third party indemnity 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 9 of the financial statements.

Independent Auditors and disclosure of information to auditors

PricewaterhouseCoopers LLP are the independent 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

As part of the adoption of the going concern basis, the company has considered the uncertainty caused by the recent Covid-19 outbreak. Although the company does not have any trading sites, its investment values and intercompany receivables will be affected by the impact of the crisis on the Group. All of the Group's sites were closed for trade from 20 March 2020 with the sites then reopening during August and September 2020. In response to the Covid-19 pandemic, in the period since 20 March 2020, the Group has:

- raised £5.0m in cash resources from its shareholders after completing the Placement announced on 25 March 2020;
- taken advantage of the business rates relief available until March 2021;
- claimed furlough relief from the Government's Coronavirus Job Retention Scheme (CJRS);
- taken advantage of the VAT payment deferral up to 30 June 2020;
- increased its drawdown on its bank borrowings with Royal Bank of Scotland (RBS) to £20m, with £5m still available;
- obtained a waiver letter setting aside any potential breaches of the financial covenants until the end of June 2021; and
- negotiated rent deferrals and rent regears with landlords.

As part of the review and the potential impact of the Covid-19 outbreak on the Group's results for the next 12 months, a base case and a downside scenario were prepared. The base case assumed resumption of business in August, with trade ramping up until the end of FY21 at levels of between 60% and 90%, while still factoring the impact of socially distanced operations on the revenue and cost lines. A downside scenario was prepared using the following key assumptions:

- trade levels assumed at 20% down on the base case scenario;
- a "second wave" lockdown occurred and there was no trade in December and January;
- all administration costs remained as normal during this two month closure, with no furlough claims reflected;
- trade resumed from February 2021 onwards for the rest of the year at levels of between 65% to 70% of 2019 levels

The downside scenario would still provide sufficient liquidity within its £25m debt financing facilities such that the business would still have headroom of over 20% of the facility throughout the downside case. The waiver letter with RBS expires at the end of June 2021 and the financial covenants will need to be reported on to RBS at the end of September 2021. Under the base case scenario the covenants will be passed but under a downside scenario they would not be met. An extension of the waiver letter would need to be negotiated and the Directors believe that it is likely that an agreement could be reached with RBS in these circumstances.

Accepting the risks as described above, the Directors have concluded that the potential impact of the Covid-19 pandemic and uncertainty over possible mitigating actions to prevent a breach of covenants, represents a material uncertainty that may cast significant doubt on the Group's and thus the company's ability to continue as a going concern. Nevertheless, having assessed these options and the impact of a potential liquidity shortfall in the event of further periods of closure the Directors have a reasonable expectation that the Group and thus the company has adequate resources to continue in operational existence for the next 12 months, with the company being provided support by the Group. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

Aragon House
Cranfield Technology Park,
Cranfield,
Bedford,
MK43 0EQ
23 September 2020

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

George Sheppard – Company secretary

Independent auditors' report to the members of Georgica Limited

Report on the audit of the financial statements

Opinion

In our opinion, Georgica Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 29 December 2019 and of its loss for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Financial statements (the "Annual Report"), which comprise: the Statement of financial position as at 29 December 2019; the Statement of comprehensive income, the Statement of changes in equity for the 52 week period then ended; the Statement of accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made on page 4 to the financial statements concerning the company's ability to continue as a going concern. Although the company does not have any trading sites, its investment values and intercompany receivables will be affected by the impact of the Covid-19 outbreak on the Group. The Group's forecasts and projections includes a downside scenario which includes a 20% reduction in trading levels on the disclosed base case, and a further second wave full lockdown in December 2020 and January 2021 with no trade, and administration costs remaining as per base case during this two month closure. In this downside scenario, whilst liquidity would remain within the available cash and financing facilities, the Group would be in breach of its banking covenants and would need to negotiate a waiver up to September 2021 with its lenders in order to avoid its borrowings becoming repayable immediately. The company is supported by the Group and therefore these conditions, along with the other matters explained on page 4 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic report and Directors' report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 29 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements
As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report
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.

Other required reporting

Companies Act 2006 exception reporting
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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Craig Skelton (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 September 2020

Statement of comprehensive income

for the 52 week year ended 29 December 2019

	Note	**52 weeks to 29 December 2019 £000**	52 weeks to 30 December 2018 £000
Revenue		**-**	-
Cost of sales		**-**	-
Gross result		**-**	-
Other administrative expenses		**(5)**	-
Operating loss		**(5)**	-
Finance costs	1	**(2)**	(1)
Loss before taxation	2	**(7)**	(1)
Tax on loss	2	**(21)**	(44)
Loss and total comprehensive loss for the year		**(28)**	(45)

The accompanying statements of accounting policies and notes on pages 11 to 19 are an integral part of these financial statements.

Statement of financial position
as at 29 December 2019

	Note	**29 December 2019**	30 December 2018
		£000	£000
Assets			
Non-current assets			
Investments	3	**-**	-
Deferred tax asset	4	**88**	109
		88	109
Current assets			
Trade and other receivables	5	**107,396**	107,398
Cash and cash equivalents	6	**61**	63
		107,457	107,461
Liabilities			
Current liabilities			
Trade and other payables	7	**(1,013)**	(1,010)
Net current assets		**106,444**	106,451
Net assets		**106,532**	106,560
Equity			
Share capital	8	**5,356**	5,356
Share premium account		**27,602**	27,602
Other reserves		**189**	189
Retained earnings		**73,385**	73,413
Total equity		**106,532**	106,560

The accompanying statements of accounting policies and notes on pages 11 to 19 are an integral part of these financial statements. The financial statements on pages 8 to 19 were authorised for issue by the board of directors and authorised for issue on 23 September 2020 and were signed on its behalf by:

George Sheppard
Company registration number: 04039562

Statement of changes in equity

for the 52 week year ended 29 December 2019

	Share capital £000	Share premium £000	Other reserves £000	Retained earnings £000	Total equity £000
Balance at 1 January 2018	**5,356**	**27,602**	**189**	**73,458**	**106,605**
Loss and total comprehensive loss for the year	-	-	-	(45)	(45)
Balance at 30 December 2018	**5,356**	**27,602**	**189**	**73,413**	**106,560**
Loss and total comprehensive loss for the year	**-**	**-**	**-**	**(28)**	**(28)**
Balance at 29 December 2019	**5,356**	**27,602**	**189**	**73,385**	**106,532**

The accompanying statement of accounting policies and notes on pages 11 to 19 are an integral part of these financial statements. The company's other reserves at 29 December 2019 comprise a special capital reserve of £49,000 (2018: £49,000) and a capital redemption reserve of £140,000 (2018: £140,000). None of these reserves is distributable.

Statement of accounting policies

General information

Georgica Limited ("Georgica" or the "company") is a private company limited by shares incorporated and domiciled in the United Kingdom (England & Wales). The address of the registered office is Aragon House, University Way, Cranfield Technology Park, Cranfield, Bedford, United Kingdom, MK43 0EQ. The company reports for a 52 week year which ended on 29 December 2019 (2018: 30 December 2018). The 52 week periods are determined with each week ending on a Sunday and thus the year end date and number of weeks will vary each year.

Statement of compliance

These Financial Statements have been prepared under the historical cost convention and in accordance with FRS 101 "Reduced Disclosure Framework" and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

a) IAS 7, 'Statement of cash flows';

b) The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group

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 52 week year ended 29 December 2019.

The company is a wholly owned subsidiary of Essenden Limited and is included in the consolidated financial statements of Ten Entertainment Group Plc 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 financial statements have been prepared on the going concern basis as explained in the Directors' report on pages 3-4. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Changes in accounting policy and disclosures

During the year, a number of amendments to IFRS became effective from 1 January 2019 and were adopted by the company, none of which had a material impact on the company's net cash flows, financial position or total comprehensive income.

IFRS 16 Leases sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer (lessee) and the supplier (lessor). The effective date applicable is for financial years beginning on or after 1 January 2019. The company's current financial year commenced on 31 December 2018 and the standard was not adopted early. The Directors do not expect the adoption of this standard to have a material impact on the financial statements in future periods as the company no longer has any leased assets which would meet the definitions and principles of the standard.

Statement of accounting policies

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 as explained below:

IFRS 3: Definition of a business
In October 2018, the International Accounting Standards Board ("IASB") issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the company will not be affected by these amendments on the date of transition. Entities shall apply these amendments to business combinations for which the acquisition date is on or after annual reporting periods beginning on or after 1 January 2020.

IAS 1 and IAS 8: Definition of material
In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that: "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments to the definition of material are not expected to have a significant impact on the company's financial statements. The amendments to IAS 1 and IAS 8 are required to be applied for annual periods beginning on or after 1 January 2020.

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 the recoverability of trade and other receivables. 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.

Property disposals

Disposals of properties and any resultant gain or loss on disposal are recognised in the income statement once all conditions of the sale contract become unconditional.

Investments

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

Financial instruments

Financial assets and liabilities are recognised in the company's balance sheet when the company becomes party to the contractual rights and obligations of the instrument.

Initial recognition and subsequent measurement

FINANCIAL ASSETS

All financial assets are initially recognised at fair value less transaction costs and then can be subsequently measured at amortised cost or fair value.

Trade and other receivables

Trade receivables are measured at fair value at initial recognition, do not carry any interest and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement. Allowances for doubtful debts are recognised based on management's expectation of losses, without regard to whether an impairment trigger has occurred or not (an "expected credit loss" model under IFRS 9).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances consisting of safe and till floats maintained at site. The company has no bank account and all cash is banked into its parent bank account.

FINANCIAL LIABILITIES AND EQUITY

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Interest-bearing bank borrowings

Interest-bearing borrowings are recognised initially at fair value with attributable debt issue costs capitalised. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income 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 using the effective interest rate method.

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.

1 Finance income and costs

	52 week year ended 29 December 2019	52 week year ended 30 December 2018
	£000	*£000*
Finance income		
Related party interest income	-	-
Finance costs		
Related party loans	-	-
Bank charges and other finance costs	(2)	(1)
Total finance costs	(2)	(1)

The company's audit fees of £2k in 2019 and 2018 were borne by Tenpin Limited. The directors receive no emoluments and all key management positions are held by executive directors of Ten Entertainment Group plc and Tenpin Limited where their remuneration is paid and accordingly, no further disclosure of key management remuneration is deemed necessary. The directors provided no services to the company in the year. The company has no employees (2018: nil).

2 Tax on loss

Recognised in the income statement:	**52 week year ended 29 December 2019 £000**	52 week year ended 30 December 2018 £000
Current tax:		
Tax on loss for the year	-	-
Deferred tax:		
Group relief of capital allowances and losses to Tenpin Limited (note 4)	21	44
Total tax charge recognised in the income statement	21	44

The tax on the company's loss before taxation differs (2018: differs) from the theoretical amount that would arise using the standard rate of tax in the UK of 19% (2018: 19%). The differences are explained below.

	52 week year ended 29 December 2019	52 week year ended 30 December 2018
	£000	£000
Loss before taxation	**(7)**	(1)
Tax using the UK corporation tax rate of 19% (2018: 19%)	**(1)**	-
Group relief of tax losses	**1**	1
Group relief of capital allowances to Tenpin Limited	**21**	43
Total tax charge recognised in the income statement	**21**	44

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate, to reduce the rate to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements. In November 2019, the Prime Minister announced that he intended to cancel the future reduction in corporate tax rate from 19% to 17%. This announcement does not constitute substantive enactment and therefore deferred taxes at the balance sheet date continue to be measured at the enacted tax rate of 17%. However, it is possible that the corporation tax rate remains at 19% after 1 April 2020.

3 Investments

	Subsidiaries shares £000
1 January 2018	-
Acquisition/disposals of investments	-
At 30 December 2018	**-**
Acquisition/disposals of investments	-
At 29 December 2019	**-**

As part of a Group restructure, Georgica Limited sold its interest in the entire share capital of Tenpin Limited to TEG Holdings Limited on 12 April 2017.

	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%
Companies owned indirectly by Georgica Limited				
Georgica (Lewisham) Limited *	England & Wales	Great Britain	Dormant	100%
GNU 5 Limited *	England & Wales	Great Britain	Dormant	100%

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

The registered office of the company and the companies it has investments in tabled above is Aragon House, Cranfield Technology Park, Cranfield, Bedford, MK43 0EQ.

4 Deferred tax asset

Deferred tax assets are attributable to the following:

	29 December 2019 £000	**30 December 2018 £000**
Capital allowances	**88**	**109**

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 more than twelve months after the reporting period.

Movement in deferred tax during the 52 week year ended 29 December 2019:

	31 December 2018 £000	Recognised in income statement £000	Recognised in equity £000	**29 December 2019 £000**
Capital allowances	109	(21)	-	**88**

Movement in deferred tax during the 52 week year ended 30 December 2018:

	1 January 2018 £000	Recognised in income statement £000	Recognised in equity £000	**30 December 2018 £000**
Capital allowances	153	(44)	-	**109**

The company is estimated to have carry-forward tax losses of £8,729k (2018: £8,729k). 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 £1,487k (2018: £1,487k) on these losses is the only unprovided deferred tax.

5 Trade and other receivables

Current receivables	29 December 2019 £000	30 December 2018 £000
Other receivables	-	1
Amounts owed by related parties	107,396	107,397
	107,396	107,398

All of the above balances are classified as financial assets at amortised cost. Amounts owed by Ten Entertainment Group plc undertakings/related parties are commercial loans and are unsecured.

6 Cash and cash equivalents

	29 December 2019 £000	30 December 2018 £000
Cash and cash equivalents	61	63

All floats, cash and bank account balances are classified as cash and cash equivalents.

7 Trade and other payables

	29 December 2019 £000	30 December 2018 £000
Amounts owed to related parties	958	953
Accruals	55	57
	1,013	1,010

Amounts due to group undertakings/related parties are commercial loans repayable on demand and are classified as financial liabilities at amortised cost and are unsecured.

8 Share capital

	29 December 2019 £000	30 December 2018 £000
Authorised share capital		
130,000,000 (2018: 130,000,000) ordinary shares of 5p each	6,500	6,500
	6,500	6,500
Allotted, called up and fully paid share capital		
107,125,000 (2018: 107,125,000) ordinary shares of 5p each	5,356	5,356
	5.356	5,356

9 Financial instruments

The company's principal financial instruments comprise cash and short-term deposits, loans due to and from group companies. 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 with the financial liabilities measured at amortised cost

Financial assets at amortised cost	**29 December 2019**	30 December 2018
Assets as per balance sheet	£000	£000
Current trade and other receivables	**107,396**	107,398
Cash and cash equivalents	**61**	63
	107,457	107,461

Financial liabilities at amortised cost	**29 December 2019**	30 December 2018
Liabilities as per balance sheet	£000	£000
Current trade and other payables	**1,013**	1,010

Financial risk management:

Cash flow and fair value interest rate risk

As at the year end, the Ten Entertainment Group plc borrowed in sterling on its Royal Bank of Scotland facilities, which were linked to LIBOR plus a margin of 1.4%. There was a group re-organisation and change in the loan facilities in the prior year.

Credit risk

The company is exposed to minimal credit risk. Cash and cash equivalents are held with a bank with a strong financial history and financial assets are held with related parties with good credit ratings and thus no balances have been impaired.

Liquidity risk

The company'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.

	29 December 2019	30 December 2018
	£000	£000
Total equity	**106,532**	106,560
Cash and cash equivalents (note 6)	**(61)**	(63)
Capital	**106,471**	106,497
Total financing	**106,471**	106,497
Bank borrowings	**-**	-
Overall financing	**106,471**	106,497
Capital to overall financing ratio	**100%**	100%

10 Capital commitments

The company had no capital commitments which were contracted for but not provided for at 29 December 2019 or at 30 December 2018.

11 Related party transactions

The company has taken advantage of the exemptions granted by paragraph 3(c) of FRS 8, Related Party Disclosures, not to disclose transactions with Ten Entertainment Group companies and interests of the Group who are related parties.

12 Ultimate parent undertaking

The immediate parent company is Essenden Limited and the ultimate parent company and controlling party is Ten Entertainment Group plc which is the smallest and largest group to consolidate these financial statements. Ten Entertainment Group plc is a company incorporated in England and Wales and whose consolidated financial statements are available at Aragon House, Cranfield Technology Park, Cranfield, Bedford, MK43 0EQ. Ten Entertainment Group plc is the only company to prepare consolidated financial statements.

13 Post balance sheet events

The impact of Covid-19 in 2020 has not had a direct impact on the company but does impact on the cash resources of the overall Group which could also affect the values of investment balances as well as the carrying values of intercompany receivables held by the company. The approach to managing the risk around Covid-19 has been explained in the going concern paragraph.