

Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 December 2016
for
Broadwater Leisure Limited

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Broadwater Leisure Limited

Contents of the Financial Statements
for the Year Ended 31 December 2016

	Page
Company Information	1
Report of the Directors	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Notes to the Financial Statements	6

Broadwater Leisure Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

D G Swinburn
S L Booker

REGISTERED OFFICE:

Parkwood House
Cuerden Park
Berkeley Drive
Preston
Lancashire
PR5 6BY

REGISTERED NUMBER:

04383905 (England and Wales)

Broadwater Leisure Limited

Report of the Directors
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the Company for the year ended 31 December 2016.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

D G Swinburn
S L Booker

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company uses financial instruments comprising cash, trade receivables and trade payables that arise directly from its operations. The main purpose of the financial instruments is to fund ongoing operations.

Liquidity risk

The Company seeks to manage financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Interest rate risk

The Company finances its operations from retained profits, therefore the risk arising from material fluctuations in interest rates is considered minimal.

Currency risk

The Company operates wholly within the United Kingdom and all transactions are denominated in Sterling. Consequently the Company is not exposed to currency risk.

Credit risk

The Company has no significant concentrations of credit risk. The Company has implemented policies that require appropriate credit checks on potential customers before sales commence. Surplus funds held in the Company are invested, in line with board-approved policy, in high quality, short-term liquid instruments, usually money market funds or bank deposits. Accordingly, the possibility of material loss arising in the event of non-performance by counterparties is considered to be unlikely.

EVENTS SINCE THE BALANCE SHEET DATE

On 31 January 2017 Broadwater Leisure Limited's contract with Portsmouth City Council was terminated.

POLITICAL DONATIONS AND EXPENDITURE

Political donations and expenditure in the year amounted to £nil (2015: £nil).

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


D G Swinburn - Director

Date: 28 September 2017

Broadwater Leisure Limited

Statement of Comprehensive Income
for the Year Ended 31 December 2016

	Notes	2016 £	2015 £
REVENUE		860,814	854,758
Cost of sales		<u>860,814</u>	<u>854,758</u>
GROSS PROFIT		-	-
OPERATING PROFIT		-	-
Interest receivable and similar income	3	<u>159</u>	<u>210</u>
PROFIT BEFORE TAXATION	4	159	210
Tax on profit	5	<u>31</u>	<u>56</u>
PROFIT FOR THE FINANCIAL YEAR		128	154
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>128</u></u>	<u><u>154</u></u>

The notes on pages 6 to 8 form part of these financial statements

Statement of Financial Position
31 December 2016

	Notes	£	2016 £	£	2015 £
CURRENT ASSETS					
Debtors	6		78,595		530,373
Cash at bank			<u>927,440</u>		<u>782,117</u>
			1,006,035		1,312,490
CREDITORS					
Amounts falling due within one year	7		<u>1,004,223</u>		<u>1,310,806</u>
NET CURRENT ASSETS			<u>1,812</u>		<u>1,684</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,812</u>		<u>1,684</u>
CAPITAL AND RESERVES					
Called up share capital	8		2		2
Retained earnings	9		<u>1,810</u>		<u>1,682</u>
SHAREHOLDERS' FUNDS			<u>1,812</u>		<u>1,684</u>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

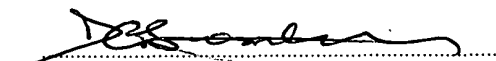
The members have not required the Company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 28 September 2017 and were signed on its behalf by:


D G Swinburn - Director

Broadwater Leisure Limited

**Statement of Changes in Equity
for the Year Ended 31 December 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2015	2	1,528	1,530
Changes in equity			
Total comprehensive income	-	154	154
Balance at 31 December 2015	2	1,682	1,684
Changes in equity			
Total comprehensive income	-	128	128
Balance at 31 December 2016	2	1,810	1,812

The notes on pages 6 to 8 form part of these financial statements

1. STATUTORY INFORMATION

Broadwater Leisure Limited is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared on the going concern basis, in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

Changes in accounting policies

There have been no changes in accounting policies during the year and accounting policies have been consistently applied with the prior year.

Revenue

Revenue is the total amount receivable by the Company for management services provided, excluding VAT and trade discounts. Revenue is matched to the periods for which a service is being provided to a customer.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is recognised in profit or loss when there is reliable evidence that the Company will not be able to fully collect the balance of the amount due. The amount of the provision is the difference between the carrying amount and the recoverable amount being the present value of the expected future cash flows, discounted at the original effective interest rate.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Taxation

The tax expense represents the sum of the tax currently payable. Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

The tax expense represents the sum of the tax currently payable and deferred tax. Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016 £	2015 £
Deposit account interest	<u>159</u>	<u>210</u>

4. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	2016 £	2015 £
Contractual maintenance costs	<u>253,002</u>	<u>246,562</u>

5. TAXATION

Analysis of tax expense

	2016 £	2015 £
Current tax: Tax	<u>31</u>	<u>56</u>
Total tax expense in statement of comprehensive income	<u>31</u>	<u>56</u>

Factors affecting the tax expense

The tax assessed for the year is lower (2015 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit before income tax	<u>158</u>	<u>210</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.250%)	32	43
Effects of: Adjustments in respect of prior years	<u>(1)</u>	<u>13</u>
Tax expense	<u>31</u>	<u>56</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	22,241	385,601
Other debtors	-	35,536
Prepayments and accrued income	56,354	109,236
	<u>78,595</u>	<u>530,373</u>

All of the trade and other debtors above were receivable under normal commercial terms of 30 days. The directors consider that the carrying value of trade and other debtors approximates to their fair value. Company debtor days were 8 days (2015: 139 days). A provision of £nil (2015: £nil) was held against debtors.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	3,067	84,017
Amounts owed to group undertakings	335,863	337,361
Tax	32	43
Social security and other taxes	7,031	-
Other creditors	455	455
Accruals and deferred income	657,775	888,930
	<u>1,004,223</u>	<u>1,310,806</u>

Trade purchases are made under normal commercial terms. The directors consider that the carrying value of trade and other creditors approximates to their fair value.

8. CALLED UP SHARE CAPITAL

Number:	Class:	Nominal value:	2016	2015
			£	£
2	Ordinary	1.00	<u>2</u>	<u>2</u>

9. RESERVES

	Retained earnings
	£
At 1 January 2016	1,682
Profit for the year	<u>128</u>
At 31 December 2016	<u>1,810</u>
	Retained earnings
	£
At 1 January 2015	1,528
Profit for the year	<u>154</u>
At 31 December 2015	<u>1,682</u>

10. IMMEDIATE AND ULTIMATE PARENT COMPANY

The Company's immediate parent company is Leisureplan Limited which is incorporated in England and Wales. The Company's ultimate parent company is Parkwood Leisure Holdings Limited, a limited liability company incorporated and domiciled in England and Wales. The Company's registered head office and principal trading address is Parkwood House, Cuerden Park, Berkeley Drive, Preston, Lancashire, PR5 6BY. The largest and smallest group in which the results of the Company are consolidated is that headed by Parkwood Leisure Holdings Limited. Copies of the ultimate parent undertaking's consolidated financial statements are available from Companies House.

11. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is A W Hewitt, who is the majority shareholder of the ultimate parent company.