

**Esporta Financial Services Limited**

**Unaudited annual report and financial  
statements**

**Registered number 04555302**

**31 December 2017**

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## **Directors' report**

The directors present their annual report and unaudited financial statements for the year ended 31 December 2017. The Company was dormant throughout the current and previous year.

### **Dividend**

No dividends were paid or proposed during the year (2016: *£nil*).

### **Political and charitable contributions**

The Company made no political or charitable donations or incurred any political expenditure during the period (2016: *£nil*).

### **Directors**

The directors who held office during the period were as follows:

MW Bucknall  
JR Hartley  
DAR Carter  
RB Cook  
PA Woolf (resigned 21 February 2017)

By order of the board



**J Archibald**  
*Secretary*

100 Aldersgate Street  
London  
EC1A 4LX  
5 March 2018

## **Statement of directors' responsibilities in respect of the annual report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**Statement of profit or loss and other comprehensive income**  
*for the year ended 31 December 2017*

	<i>Note</i>	<b>2017</b>	<b>2016</b>
		<b>£000</b>	<b>£000</b>
Revenue		-	-
Operating costs		-	-
<b>Profit on ordinary activities for the year</b>	<b>2, 3</b>	-	-
Tax on profit on ordinary activities		-	-
<b>Profit for the year</b>		-	-
<b>Total comprehensive income for the year</b>		-	-

The notes on pages 6 - 10 form part of these financial statements.

## Statement of financial position

at 31 December 2017

	<i>Note</i>	<b>2017</b>	<b>2016</b>
		<b>£000</b>	<b>£000</b>
<b>Current assets</b>			
Amounts owed by group undertakings	4	162,734	162,734
		<b>162,734</b>	<b>162,734</b>
<b>Total assets</b>		<b>162,734</b>	<b>162,734</b>
<b>Capital and reserves</b>			
Called up share capital	3	-	-
Profit and loss account		(209)	(209)
<b>Shareholders' funds</b>		<b>(209)</b>	<b>(209)</b>
<b>Current liabilities</b>			
Amounts owed to group undertakings	4	162,943	162,943
<b>Total liabilities and shareholders' funds</b>		<b>162,734</b>	<b>162,734</b>

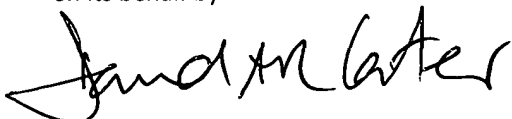
For the financial year in question, the company was entitled to exemption from audit under Section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit in accordance with Section 476 of the Companies Act.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.'

The financial statements on pages 3 to 10 were approved by the board of directors on 5 March 2018 and were signed on its behalf by



**DAR Carter**

**Director**

The notes on pages 6 - 10 form part of these financial statements.

**Statement of changes in equity**  
*for the year ended 31 December 2017*

	Called up share capital £000	Profit and loss account £000	Total equity £000
<b>Balance at 1 January 2016</b>	-	(209)	(209)
Profit for the year	-	-	-
<b>Balance at 31 December 2016</b>	-	(209)	(209)
 <b>Balance at 1 January 2017</b>	 -	 (209)	 (209)
Profit for the year	-	-	-
<b>Balance at 31 December 2017</b>	-	(209)	(209)

The notes on pages 6 - 10 form part of these financial statements.

## Notes

### *(forming part of the financial statements)*

#### **1 Accounting policies**

Esporta Financial Services Limited (the "Company") is a company incorporated and domiciled in the UK. The Company was dormant throughout the current and previous year.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's parent undertaking, Virgin Active International Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Virgin Active International Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the address given in note 6.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Virgin Active International Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 7.

#### **1.1 Basis of preparation**

The financial statements have been prepared on the historical cost basis unless otherwise noted. All amounts are presented in Great British Pounds (GBP).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.



## Notes (continued)

### 1 Accounting Policies (continued)

#### 1.2 Going concern

The Company was dormant throughout the current and previous year.

The Company does not trade and therefore does not generate trading cash flows. However, the Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the Company's immediate parent Esporta Tennis Clubs Limited to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Virgin Active Group to continue as a going concern or its ability to continue with the current banking arrangements.

The Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### 1.3 Income Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Statement of profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The company and its fellow group undertakings are able to relieve their tax losses by surrendering them to other group companies, within the UK corporation tax group, where capacity to utilise these losses exists. There is an agreement between members of the group that losses will not be paid for by the recipient company. Where there is reasonable certainty that tax losses can be relieved, the group relief receivable or payable is included in the taxation charge or credit in the year.

#### 1.4 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other debtors and trade and other creditors.

##### *Trade and other debtors*

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

##### *Trade and other creditors*

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

**Notes** *(continued)*

**1**      **Accounting Policies** *(continued)*

**1.5**     **Issued capital**

*Ordinary shares*

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

## Notes (continued)

### 2 Staff numbers and costs

The Company had no employees other than the directors. The directors were paid by other group companies and received no remuneration from the company during the year. The amount attributed was not significant, so no charge has been calculated.

### 3 Taxation

No liability to UK Corporation Tax arose on ordinary activities for the year ended 31 December 2017 (2016: £nil). There is no unprovided deferred tax (2016: £nil).

### 4 Called up share capital

	2017	2016
	£	£
<b>Allotted, called up and fully paid</b>		
Equity: 1 Ordinary share of £1	1	1
<b>Shares classified in shareholders' funds</b>	<b>1</b>	<b>1</b>

### 5 Financial instruments

As the consolidated financial statements of Virgin Active International Limited include the equivalent disclosures, the Company has taken the exemptions under FRS 101 available in respect of certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures. The disclosures below cover statutory balances in relation to Amounts owed by / to group undertakings that are not covered in the Virgin Active International Limited consolidated financial statements.

#### *Fair value measurements of financial assets and financial liabilities*

Amounts owed by group undertakings and Amounts owed to group undertakings are initially measured at fair value and are subsequently measured at amortised cost. The directors of Esporta Financial Services Limited consider that the carrying amounts of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

	Carrying amount			
	Loans and receivables	Other Financial liabilities	Loans and receivables	Other Financial liabilities
	2017	2017	2016	2016
	£000	£000	£000	£000
<b>Financial assets</b>				
Amounts owed by group undertakings	162,734	-	162,734	-
<b>Financial liabilities</b>				
Amounts due to group undertakings	-	162,943	-	162,943

The amounts owed by and to group undertakings are repayable on demand and no interest is charged.

## **Notes (continued)**

### **6 Ultimate parent company and parent company of larger group**

The Company is a subsidiary undertaking of Esporta Tennis Clubs Limited, a company incorporated in England and Wales. The ultimate parent company is Brait SE, which is registered in Malta.

The smallest and largest group in which the results of the Company are consolidated is that headed by Virgin Active International Limited, a company incorporated in England & Wales. The consolidated financial statements of the group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

### **7 Accounting estimates and judgements**

Recoverability of amounts owed by group undertakings

Determining whether amounts owed by group undertakings are recoverable requires a determination of whether the other party is able to repay. This is performed by assessing the assets and liabilities of the other party.

The carrying value of amounts owed by group undertakings at 31 December 2017 was £162,734,000 (2016: £162,734,000) and no impairment loss has been recognised (2016: £nil).