

Aspers (Swansea) Limited
(Registered Number: 4917863)

Annual Report and Financial Statements

For the year ended 30 June 2015



Aspers (Swansea) Limited

Strategic Report for the year ended 30 June 2015

The directors have pleasure in submitting the Strategic Report, their Directors' Report and the audited financial statements of the company for the year ended 30 June 2015.

Principal activity and review of the business

The principal activity of the company is the business of managing licensed gaming establishments.

Following a strategic review of the business and an announcement on 15 May 2012, the casino ceased trading on 30 August 2012.

The results for the year show a retained profit of £19,000 (2014: loss - £68,000), which has been transferred to reserves.

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties and the financial instruments management are integrated with the principal risks of Aspers UK Holdings Limited and subsidiaries ("the group") and are not managed separately. These are disclosed in the Directors Report of Aspers UK Holdings Limited.

Going concern

As mentioned above, the company ceased trading on 30 August 2012.

The financial statements have been prepared on a going concern basis as the parent undertaking has indicated its intention to provide sufficient financial support to the company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of these financial statements.

This parent undertaking support is dependent on its ability to refinance its and its subsidiaries' facilities with a subsidiary of one of the group's ultimate shareholders, Crown Resorts Limited ("Crown"), which expire on 30 June 2016. It is currently in discussions with a number of banks to refinance its Crown debt. Discussions are progressing well and loan terms have been agreed for a £75 million five year syndicated facility, including term loans repayable in instalments and a revolving credit facility. The banks have obtained Credit approval and the loan arrangements are now being documented. The parent undertaking directors believe that an agreement will be reached with the banks to provide the necessary facilities to refinance the Crown maturing debt in the near future.

In addition, the parent undertaking has had discussions with other financial institutions (including banks) who have also indicated a willingness to provide financing to the parent undertaking and subsidiaries, which will be explored should the bank refinancing not proceed.

The parent undertaking directors do recognise that there is a possibility that none of the refinancing options outlined above may occur and therefore that there is a material uncertainty surrounding the going concern of the parent undertaking, and therefore the company, should the funding alternatives not materialise.

However, having carefully considered the company's and group's current financial resources and cash flow forecasts, the status of the current negotiations with the banks and the other financing alternatives available should the favoured syndicate of banks option fail, the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

Aspers (Swansea) Limited

Strategic Report for the year ended 30 June 2015 (Continued)

By Order of the Board

A handwritten signature in black ink, appearing to read 'M. Kennedy', written in a cursive style.

M P B Kennedy
Company Secretary

10 March 2016

Aspers (Swansea) Limited

Directors' Report for the year ended 30 June 2015

Directors and company information

Directors:	J D A Aspinall M P B Kennedy
Secretary:	M P B Kennedy
Registered office:	1 Hans Street, London SW1X 0JD
Company number:	4917863

Dividends

1. No interim dividend has been paid and no final dividend is proposed (2014: none).

Statement of directors' responsibilities

1. The directors are responsible for preparing the Strategic Report, Directors' Report and financial statements in accordance with applicable law and regulations.
2. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:
- select suitable accounting policies and then apply them consistently;
 - make judgements and estimates that are reasonable and prudent;
 - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

3. 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.

Provision of information to auditors

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

Aspers (Swansea) Limited

Directors' Report for the year ended 30 June 2015 (Continued)

Auditors

Ernst & Young LLP have indicated their willingness to continue in office as auditors and a resolution concerning their appointment will be proposed at the Annual General Meeting.

By Order of the Board



M P B Kennedy
Company Secretary

10 March 2016

Independent auditor's report to the members of Aspers (Swansea) Limited

We have audited the financial statements of Aspers (Swansea) Limited for the year ended 30 June 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities set out on page 3, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter: going concern

In forming our opinion, which is not modified, we have also considered the adequacy of the disclosures made in note 1 to the financial statements concerning the Company's ability to continue as a going concern. The conditions described in note 1 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

Independent auditor's report to the members of Aspers (Swansea) Limited (continued)

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ernst & Young L.L.P.

Cameron Cartmell (Senior statutory auditor)

For and on behalf of Ernst & Young LLP, Statutory auditor

London

Date

10/3/16

Aspers (Swansea) Limited

Profit and Loss Account for the year ended 30 June 2015

	<i>Note</i>	2015 £000	2014 £000
Turnover	1(b)	1	22
Wages and salaries		-	(4)
Other operating charges		18	(92)
Profit/(loss) on ordinary activities before taxation		19	(74)
Tax credit on profit/(loss) on ordinary activities	4	-	6
Profit/(loss) on ordinary activities after taxation and for the financial year	9	19	(68)

There are no recognised gains and losses other than those recognised in the profit and loss account.


Following the closure of the company's casino on 30 August 2012, all results relate to discontinued operations.

Aspers (Swansea) Limited

Balance Sheet as at 30 June 2015

	<i>Note</i>	2015 £000	2014 £000
Current assets			
Debtors	5	367	476
Cash at bank and in hand		3	12
		370	488
Creditors: amounts falling due within one year	6	(25,245)	(24,247)
Net current liabilities		(24,875)	(23,759)
Provision for liabilities and charges	7	(2,608)	(3,743)
Net liabilities		(27,483)	(27,502)
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account	9	(27,483)	(27,502)
Equity shareholders' deficit	9	(27,483)	(27,502)

The financial statements on pages 7 to 14 were approved by the Board on 10 March 2016 and signed on its behalf by:



MPB Kennedy - Director

Aspers (Swansea) Limited

Notes to the Financial Statements for the year ended 30 June 2015

1 Accounting Policies

The following are the principal accounting policies adopted by the company:

a) Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards and Companies Act 2006.

Going concern

The company ceased trading on 30 August 2012, and from that date has continued to manage the closure of the company's casino.

As at 30 June 2015 and the date of approval of the financial statements, the company had net liabilities. The financial statements have been prepared on a going concern basis as the parent undertaking has indicated its intention to provide sufficient financial support to the company to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of these financial statements.

This parent undertaking support is dependent on its ability to refinance its and its subsidiaries' facilities with a subsidiary of one of the group's ultimate shareholders, Crown Resorts Limited ("Crown"), which expire on 30 June 2016. It is currently in discussions with a number of banks to refinance its Crown debt. Discussions are progressing well and loan terms have been agreed for a £75 million five year syndicated facility, including term loans repayable in instalments and a revolving credit facility. The banks have obtained Credit approval and the loan arrangements are now being documented. The parent undertaking directors believe that an agreement will be reached with the banks to provide the necessary facilities to refinance the Crown maturing debt in the near future.

In addition, the parent undertaking has had discussions with other financial institutions (including banks) who have also indicated a willingness to provide financing to the parent undertaking and subsidiaries, which will be explored should the bank refinancing not proceed.

The parent undertaking directors do recognise that there is a possibility that none of the refinancing options outlined above may occur and therefore that there is a material uncertainty surrounding the going concern of the parent undertaking, and therefore the company, should the funding alternatives not materialise.

However, having carefully considered the company's and group's current financial resources and cash flow forecasts, the status of the current negotiations with the banks and the other financing alternatives available should the favoured syndicate of banks option fail, the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

b) Turnover

Turnover represents sub-lease rental income after the casino closure.

Aspers (Swansea) Limited

Notes to the Financial Statements for the year ended 30 June 2015

1 Accounting Policies (Continued)

c) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

2 Operating profit/(loss)

	2015	2014
	£000	£000

The operating profit(loss) is stated after charging:

Auditor's remuneration

- audit of the financial statements

5

5

3 Directors' emoluments

The directors of the company are also directors of Aspers UK Holdings Limited ("Aspers Group") and other group companies. The directors received total remuneration for the year of £798,000 (2014: £542,000), all of which was paid by other companies within the Aspers Group. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of Aspers UK Holdings Limited and other group companies.

Aspers (Swansea) Limited

Notes to the Financial Statements for the year ended 30 June 2015 (Continued)

4 Taxation on profit/(loss) on ordinary activities

	2015 £'000	2014 £'000
Current taxation:		
UK corporation tax on profit/(loss) for the year at 20.75% (2014: 22.5%)		
- current year	-	-
- prior year	-	6
Tax credit on profit/(loss) on ordinary activities	-	6

The tax assessed on the loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20.75% (2014: 22.5%). The differences are reconciled below:

Tax reconciliation	2015 £'000	2014 £'000
Profit/(loss) on ordinary activities before taxation	19	(74)
Profit/(loss) before taxation multiplied by standard rate of Corporation Tax at 20.75% (2014: 22.5%)	4	(17)
Losses (available)/not available	(4)	17
Prior year adjustment	-	(6)
Total current taxation credit	-	(6)

The company ceased trading on 30 August 2012. Therefore the company only has an unrecognised deferred tax asset of £522,000 (2014: £749,000) in respect of other timing differences, which has not been recognised as there is not sufficient certainty that they can be relieved against future taxable profits. There are no other deferred tax balances available.

The main rate of UK corporation tax was reduced from 21% to 20% from 1 April 2015. The company has therefore recognised its deferred tax balances at 20%. The Finance Act 2015 included legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. These changes were substantively enacted on 26 October 2015. The announced reductions do not impact on the tax balances included in these financial statements, although they will reduce the Company's future tax charges.

Aspers (Swansea) Limited

Notes to the Financial Statements for the year ended 30 June 2015 (Continued)

5 Debtors

	2015 £000	2014 £000
Prepayments and accrued income	364	338
Other debtors	3	1
VAT recoverable	-	111
Amounts due from group undertakings	-	26
	367	476

6 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	463	170
Amounts due to group undertakings	24,777	24,077
Accruals and deferred income	5	
	25,245	24,247

7 Provisions for liabilities and charges

	Casino closure £'000	Total £'000
At 1 July 2014	3,743	3,743
Utilised in the year	(1,135)	(1,135)
At 30 June 2015	2,608	2,608

The casino closed on 30 August 2012 and during the year the company has continued to utilise the provision previously established to cover the expected onerous lease costs and other costs associated with the closure of the casino.

Aspers (Swansea) Limited

Notes to the Financial Statements for the year ended 30 June 2015 (Continued)

8 Share capital

	2015 £'000	2014 £'000
Authorised equity share capital: 1,000 £1 ordinary shares	1	1
Allotted, called up and fully paid equity share capital: 1 £1 ordinary share	-	-

9 Reconciliation of shareholders' deficit and movements in reserves

	Share capital £'000	Profit and loss account £'000	Total £'000
At 1 July 2013	-	(27,434)	(27,434)
Loss for the year	-	(68)	(68)
At 30 June 2014	-	(27,502)	(27,502)
Profit for the year	-	19	19
At 30 June 2015	-	(27,483)	(27,483)

10 Capital and financial commitments

At 30 June 2015 the company had no contracted capital expenditure (2014: none).

At 30 June, the company had annual commitments under non-cancellable operating leases expiring as follows:

	2015 £'000	2014 £'000
On leases expiring in more than 5 years:		
- Land & Buildings	724	724

11 Cash flow statement

The company has taken advantage of the provisions in FRS 1, which exempt subsidiary undertakings, 90% or more of whose voting rights are controlled within the group, from preparing a cash flow statement. The company's ultimate UK parent company, Aspers UK Holdings Limited, has included the required consolidated cash flow statement within its consolidated financial statements.

12 Related party transactions

The company has taken advantage of the provisions in FRS 8, which exempt subsidiary undertakings, 100% of whose voting rights are controlled within the group, from disclosing transactions with other entities within the group.

Aspers (Swansea) Limited

Notes to the Financial Statements for the year ended 30 June 2015 (Continued)

13 Immediate and ultimate parent undertaking

At 30 June 2015, the immediate parent undertaking of the company was Aspers H Limited, a company registered in England and Wales, and the ultimate parent undertaking was Aspers Holdings (Jersey) Limited ("AHJL"), a company registered in Jersey. The shareholding of AHJL is such that there is no controlling party of AHJL.

The largest and smallest group preparing consolidated financial statements which include the company is Aspers UK Holdings Limited for the year ended 30 June 2015. Copies of the financial statements of Aspers UK Holdings Limited can be obtained from the registered office of that company at 1 Hans Street, London, SW1X 0JD.