

**Annual Report and  
Financial Statements for the Year Ended 31 December 2014**

**for**

**Esporta Health & Racquets Club  
Gloucester Limited**

**Registered number: 05819067**

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**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

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for the Year Ended 31 December 2014**

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**Esporta Health & Racquets Club  
Gloucester Limited**

**Company Information  
for the Year Ended 31 December 2014**

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**DIRECTORS:** M W Bucknall  
M P Burrows (appointed 24 November 2014)  
M G Merrick  
P A Woolf

**SECRETARY:** J Archibald

**REGISTERED OFFICE:** 100, Aldersgate Street  
London  
EC1A 4LX

**REGISTERED NUMBER:** 05819067 (England and Wales)

**AUDITORS:** KPMG LLP  
Statutory Auditor  
Chartered Accountants  
Altius House  
1, North Fourth Street  
Central Milton Keynes  
Buckinghamshire  
MK9 1NE

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Report of the Directors  
for the Year Ended 31 December 2014**

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The directors present their report with the audited financial statements of the company for the year ended 31 December 2014.

**PRINCIPAL ACTIVITY**

The company has not traded during the current or prior year.

**REVIEW OF BUSINESS**

The profit before taxation for the year was £nil (2013: £2,551,071) as shown in the Profit and Loss Account on page 6.

The Strategic report for Virgin Active Health Fitness & Racquets Limited, the smallest and largest group in which the results are consolidated, contains a fair review of the business of the Virgin Active Health Fitness & Racquets Limited group (the Group) including this company, and an indication of future developments as required by section 417 of the Companies Act 2006, using key performance indicators and risk analysis.

**DIVIDENDS**

Dividends were proposed and paid during the year of £nil (2013: £2,320,999).

**DIRECTORS**

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

M W Bucknall  
M P Burrows (appointed 24 November 2014)  
M G Merrick  
P A Woolf

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

The Company did not make any political donations during the year. The Company made charitable donations of £nil (2013: £nil).

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each 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 to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Report of the Directors  
for the Year Ended 31 December 2014**

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**AUDITORS**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**ON BEHALF OF THE BOARD:**



J Archibald - Secretary  
100, Aldersgate Street  
London  
EC1A 4LX

22 September 2015

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Statement of Directors' Responsibilities  
for the Year Ended 31 December 2014**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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.

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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ESPORTA HEALTH & RACQUETS CLUB GLOUCESTER LIMITED**

We have audited the financial statements of Esporta Health & Racquets Club Gloucester Limited for the year ended 31 December 2014 set out on pages 6 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally 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 auditor's 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 Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 31 December 2014 and of its result for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Mark Matthewman (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
Altius House  
1, North Fourth Street  
Central Milton Keynes  
Buckinghamshire  
MK9 1NE

22 September 2015

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Profit and Loss Account  
for the Year Ended 31 December 2014**

	Notes	2014 £	2013 £
<b>TURNOVER</b>		-	-
<b>OPERATING PROFIT BEFORE NON RECURRING ITEMS</b>		-	-
Non recurring items	4	-	2,551,071
<b>OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	5	-	2,551,071
Tax on profit on ordinary activities	6	-	-
<b>PROFIT FOR THE YEAR</b>		<u>-</u>	<u>2,551,071</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses for the current year or previous year.

The notes on pages 8 to 11 form an integral part of these financial statements.



**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Balance Sheet  
31 December 2014**

	Notes	2014 £	2013 £
<b>CURRENT ASSETS</b>			
Debtors	7	<u>1</u>	<u>1</u>
<b>TOTAL ASSETS</b>		<u><u>1</u></u>	<u><u>1</u></u>
<b>NET ASSETS</b>		<u><u>1</u></u>	<u><u>1</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1	1
Profit and loss account	9	<u>-</u>	<u>-</u>
<b>SHAREHOLDERS' FUNDS</b>	11	<u><u>1</u></u>	<u><u>1</u></u>

The financial statements, and notes on pages 8 to 11 were approved by the Board of Directors on 22 September 2015 and were signed on its behalf by:



M P Burrows - Director

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Notes to the Financial Statements  
for the Year Ended 31 December 2014**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

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 intermediate parent Virgin Active Holdings 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.

**Cash flow statement**

The company is exempt from the requirement of FRS 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Virgin Active Health Fitness & Racquets Limited, and is included within the publicly available consolidated financial statements of that company, see note 10.

**Taxation**

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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.

**Related party transactions**

The directors have taken advantage of the exemption in FRS 8, Paragraph 3(c) and have not disclosed related party transactions with fellow subsidiary undertakings which are wholly owned subsidiaries of Virgin Active Health Fitness & Racquets Limited.

**2. STAFF COSTS**

There were no staff costs for the year ended 31 December 2014 nor for the year ended 31 December 2013. There were no employees in the company (2013: nil).

**3. DIRECTORS' EMOLUMENTS**

During the current and previous year, no director of the Company received any remuneration for their services to the Company.

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2014**

**4. NON RECURRING ITEMS**

The non recurring administrative expenses included in the profit and loss account are as follows:

	2014 £	2013 £
Write off intercompany balances	-	<u>2,551,071</u>
	<u>-</u>	<u>2,551,071</u>

The write off of intercompany balances relates to the waiver of balances owed to various group companies.

**5. OPERATING PROFIT**

**Auditor's remuneration**

Auditor's remuneration is paid by Virgin Active Limited, a fellow subsidiary undertaking.

**6. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2014 nor for the year ended 31 December 2013.

The tax assessed for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 21.5% (2013: 23.25%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	<u>-</u>	<u>2,551,071</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013 – 23.25%)	-	593,124
Effects of: Income not chargeable for tax purposes	<u>-</u>	<u>(593,124)</u>
Current tax (credit)/charge	<u>-</u>	<u>-</u>

There is no un-provided deferred tax (2013: £nil).

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2014**

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Amounts owed to group undertakings	<u>1</u>	<u>1</u>

**8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
			£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

**9. RESERVES**

	Profit and loss account £
At 1 January 2014	-
Profit for the year	<u>-</u>
At 31 December 2014	<u>-</u>

**10. ULTIMATE PARENT COMPANY**

The company's immediate parent undertaking is Esporta Tennis Clubs Limited, a company incorporated in England and Wales. During the year ended 31 December 2014 the ultimate parent company was Darwin Holdings SARL, which is registered in Luxembourg. Following the sale of the business on 15 July 2015 the ultimate parent company became 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 Health Fitness & Racquets Limited, a company incorporated in England and Wales. The latest set of consolidated accounts of the group are for the period ending 31 December 2014 and are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

**11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2014	2013
	£	£
Profit for the financial year	-	2,551,071
Dividends on shares classified in shareholders' funds	-	(2,320,999)
Net addition in shareholders' funds	<u>-</u>	<u>230,072</u>
<b>Opening shareholders' deficit</b>	<u>1</u>	<u>(230,071)</u>
<b>Closing shareholders' funds</b>	<u>1</u>	<u>1</u>

**Esporta Health & Racquets Club  
Gloucester Limited (Registered number: 05819067)**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2014**

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**12. SUBSEQUENT EVENTS**

On 15 April 2015, CVC and Virgin Group agreed to sell a controlling stake in ActiveTopco Limited, the top company in the Virgin Active Group, to Brait Mauritius Limited. The sale was finalised on 15 July 2015, which resulted in revised ultimate shareholders of the Group.

There have been no further materially significant events subsequent to 31 December 2014 that haven't already been included within these financial statements.