COMPANY REGISTRATION NUMBER 6365721

Pacific Leisure & Media Limited

Annual Report and Financial Statements

for the year ended 30 June 2013

Pacific Leisure & Media Limited

Financial Statements

for the year ended 30 June 2013

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Pacific Leisure & Media Limited

Officers and Professional Advisers

The board of directors	JL Beckwith SP Beckwith MC Johnson SD Roberts DF Rogers
Company secretary	SA Holder
Registered office	124 Sloane Street London SW1X 9BW
Auditor	Grant Thornton UK LLP Chartered Accountants London

Pacific Leisure & Media Limited

Chairman's Statement

for the year ended 30 June 2013

I present the annual report for the Pacific Leisure & Media Limited (PLM) Group for the year ended 30 June 2013 The consolidated profit and loss statement is shown on page 9

PLM was established in 2007 with the objective of investing in the leisure and media sectors The difficult trading conditions experienced in 2012 continued into 2013 Both the sector and jurisdictions in which PLM invests pose significant challenges in the current economic climate

<u>Leisure</u>

Leisure sector investments in the Group are made up of a health complex and racquet club in Lisbon (Clube VII), a short-sided football centre and soccer school in Valencia (Futbol City), and a five-a-side football centre in Paris(Urban Football - run in partnership with local management) In addition Pacific Sport and Entertainment was set up during the year, with this joint venture providing luxury entertainment packages at elite sporting events around the world

Clube VII has suffered in recent years from the difficult economic climate in Portugal, with membership numbers and per member spending patterns being adversely impacted To counter this marketing drives have sought to increase membership numbers attained through corporate membership programs as well as offering rewards programs to new and existing members, while cost-cutting has also taken place to make the administrative side of the business more efficient

Similarly Futbol City has seen a fall in casual sales and a reduction in subscriptions to its short-sided leagues as a result of the economic slowdown in Spain in recent years As a result innovative marketing and cross-branding programs are being developed to diversify the appeal of the centre while significant cost-cutting measures have also been introduced to improve the efficiency of the company

Contrary to the prevailing economic conditions in France and elsewhere, the Urban Football five-a-side football business based in Paris traded very well A new lease arrangement was recently entered into with Urban Football which extended the relationship on enhanced terms to PLM

<u>Media</u>

In the media sector the Group is represented by the Frontiers Group India, a business focussed on the Indian sports advertising market, and Heli-Banners, an aerial advertising company

During the year Frontiers Group India entered into an agreement to sell its business focussing on in-stadia advertising within Indian test match and one-day international cricket venues This sale is expected to be completed in 2014

Heli-Banners suffered a small loss in the year as the global advertising market continued to be suppressed As a result the business is being realigned to focus upon annual licensing arrangements to underpin cash flow while also trying to regain the licence in the UK to enable flying to recommence

Pacific Leisure & Media Limited

Chairman's Statement *(continued)*

for the year ended 30 June 2013

__Conclusion__

As the Group continues to face challenging economic conditions in its local markets, each investment is being monitored closely to ensure that any new issues are quickly identified and mitigated Significant changes to marketing strategies and cost control have already been made to improve the performance of each company, and it is expected that these changes will strengthen the Group's position over the next few years

D. Rogers

Doug Rogers
Chairman

Pacific Leisure & Media Limited

The Directors' Report

for the year ended 30 June 2013

The directors present their report and the audited financial statements of the group for the year ended 30 June 2013

Principal activities and business review
The principal activity of the company during the year was the management and holding of investments in the leisure and media sectors A description of the principal activities of the Group's subsidiaries is set out in Note 11 to the financial statements

Both the level of business and the year end financial position were satisfactory The directors do not envisage any change in the principal activity of the Group and expect that the present level of activity will be sustained or grown in the foreseeable future Further details of progress are described in the Chairman's Statement

Key performance indicators
Given the nature of the business the directors feel that the financial statements give an adequate indication of the continuing performance of the Group

The directors are also of the opinion that any additional information that is not disclosed within this report or statements is either too subjective to be useful to users of the accounts, or too commercially sensitive to be presented in this context

Results and dividends
The loss for the year, after taxation and minority interest, amounted to £605,488 (2012 £1,091,279) The directors have not recommended a dividend (2012 £nil)

Principal risks and uncertainties
The principal risks and uncertainties facing the Group are new ventures' performance in relation to their business plans in light of the current economic climate and the achievement of a profitable exit on disposal The Group faces additional risk and uncertainty on the future valuation of property assets held within the Group

The Group acts to mitigate risk through the diverse nature of its activities, the experience of the Group's directors, the implementation of stringent controls on activities, and by taking appropriate actions to safeguard the Group's assets

Liquidity and interest rate risk
The Group has adequate cash within its balance sheet and the directors feel that the Group's cash reserves are sufficient for current and future planned operations Interest rate exposure is not considered a risk given the nature of the Group's interest bearing assets and liabilities The directors will revisit the appropriateness of this policy should the Group's interest bearing assets and liabilities change significantly in size or nature

Directors
The directors who served the company during the year were as follows

JL Beckwith
SP Beckwith
MC Johnson
SD Roberts
DF Rogers

SP Beckwith was appointed as a director on 24 April 2013

Value of land and buildings
The directors consider that the market value of land and buildings is not materially different from the book value in the financial statements

Directors' responsibilities
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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws) 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 the group and of the profit or loss of the group for that year

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 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 group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors confirm that

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware, and
- 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 auditor is aware of that information

Pacific Leisure & Media Limited

The Directors' Report *(continued)*

for the year ended 30 June 2013

Auditor

Through elective resolutions the Company has dispensed with the holding of annual general meetings, the laying of financial statements before annual general meetings and the appointment of auditors annually

Registered office
124 Sloane Street
London
SW1X 9BW

Signed on behalf of the directors

SD Roberts
Director

Approved by the directors on 17 March 2014

Pacific Leisure & Media Limited

Independent Auditor's Report to the Members of Pacific Leisure & Media Limited

for the year ended 30 June 2013

We have audited the financial statements of Pacific Leisure & Media Limited for the year ended 30 June 2013 which comprise the Group Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet and Company Balance Sheet, Group Cash Flow Statement and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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, the directors are responsible for the preparation of the Annual Report, 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 (APB'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/apb/scope/private cfm

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 2013 and of the group's loss 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

Opinion on other matters 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Grant Thornton UK LLP

Paul Flatley
Senior Statutory Auditor
For and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

17 March 2014

Pacific Leisure & Media Limited

Group Profit and Loss Account

for the year ended 30 June 2013

	Note	2013 £	2012 £
Group turnover	2	6,191,836	4,322,672
Cost of sales		(3,938,500)	(2,569,697)
Gross profit		2,253,336	1,752,975
Administrative expenses		(2,210,888)	(2,756,867)
Operating profit/(loss)	3	42,448	(1,003,892)
Provision for diminution in value		(395,000)	–
		(352,552)	(1,003,892)
Interest receivable	5	288	261
Interest payable and similar charges	6	(97,704)	(107,022)
Loss on ordinary activities before taxation		(449,968)	(1,110,653)
Tax on loss on ordinary activities	7	(32,275)	(15,498)
Loss on ordinary activities after taxation		(482,243)	(1,126,151)
Minority interests		(123,245)	34,872
Loss for the financial year		(605,488)	(1,091,279)

All of the activities of the group are classed as continuing

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 16 to 27 form part of these financial statements

Pacific Leisure & Media Limited

Group Statement of Total Recognised Gains and Losses

for the year ended 30 June 2013

	Note	2013 £	2012 £
Loss for the financial year		(605,488)	(1,091,279)
Unrealised exchange differences arising on consolidation	19	6,162	96,811
Total gains and losses recognised since the last annual report		(599,326)	(994,468)

The notes on pages 16 to 27 form part of these financial statements

Pacific Leisure & Media Limited

Group Balance Sheet

as at 30 June 2013

	Note	2013 £	2013 £	2012 £
Fixed assets				
Intangible assets	9		2,119,161	2,651,317
Tangible assets	10		6,704,121	6,389,768
			8,823,282	9,041,085
Current assets				
Stocks	12	9,461		13,610
Debtors due within one year	13	944,348		764,570
Cash at bank		(185,572)		(120,738)
		768,237		657,442
Creditors: amounts falling due within one year	14	(1,068,585)		(1,225,584)
Net current liabilities			(300,348)	(568,142)
Total assets less current liabilities			8,522,934	8,472,943
Creditors: amounts falling due after more than one year	15		(9,830,580)	(9,304,509)
			(1,307,646)	(831,566)
Capital and reserves				
Called-up share capital	18		2,000,000	2,000,000
Profit and loss account	19		(3,062,271)	(2,462,945)
Shareholders' deficit	20		(1,062,271)	(462,945)
Minority interests			(245,375)	(368,621)
			(1,307,646)	(831,566)

These financial statements were approved by the directors and authorised for issue on 17 March 2014, and are signed on their behalf by

D. Rogers

DF Rogers
Director

The notes on pages 16 to 27 form part of these financial statements

Pacific Leisure & Media Limited

Company Balance Sheet

as at 30 June 2013

	Note	2013 £	2013 £	2012 £
Fixed assets				
Investments	11		5,918,058	5,233,031
Current assets				
Debtors due within one year	13	32,798		41,700
Creditors: amounts falling due within one year	14	(53,549)		(204,200)
Net current liabilities			(20,751)	(162,500)
Total assets less current liabilities			5,897,307	5,070,531
Creditors: amounts falling due after more than one year	15		(7,642,444)	(4,609,369)
			(1,745,137)	461,162
Capital and reserves				
Called-up share capital	18		2,000,000	2,000,000
Profit and loss account	19		(3,745,137)	(1,538,838)
Shareholders' (deficit)/funds			(1,745,137)	461,162

These financial statements were approved by the directors and authorised for issue on 17 March 2014, and are signed on their behalf by

D. Rogers

DF Rogers
Director

Company Registration Number 6365721

The notes on pages 16 to 27 form part of these financial statements

Pacific Leisure & Media Limited

Group Cash Flow Statement

for the year ended 30 June 2013

	Note	2013 £	2013 £	2012 £
Net cash inflow from operating activities			222,796	79,734
Returns on investments and servicing of finance				
Interest received		288		261
Interest paid		(51,029)		(56,272)
Interest element of finance lease rental payments		(46,675)		(50,750)
Net cash outflow from returns on investments and servicing of finance			(97,416)	(106,761)
Taxation				
Corporation tax paid			(32,275)	(15,498)
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(294,971)		(77,658)
Net cash outflow for capital expenditure and financial investment			(294,971)	(77,658)
Cash outflow before use of financing			(201,866)	(120,183)
Financing				
Repayment of secured loans		(41,999)		(326,083)
Increase of loan from related company		260,660		72,883
(Repayment)/increase of finance leases		(81,629)		197,640
Net cash inflow/(outflow) from financing			137,032	(55,560)
Decrease in cash			(64,834)	(175,743)

The notes on pages 16 to 27 form part of these financial statements

Pacific Leisure & Media Limited

Group Cash Flow Statement

for the year ended 30 June 2013

Reconciliation of operating profit/(loss) to net cash inflow from operating activities

	2013 £	2012 £
Operating loss	42,448	(1,003,892)
Amortisation of goodwill and other intangibles	151,112	180,533
Depreciation	363,961	252,254
Decrease/(increase) in stocks	4,149	(3,680)
(Increase)/decrease in debtors	(179,699)	238,230
(Decrease)/increase in creditors	(70,256)	6,095
Exchange differences	(88,919)	315,967
Impairment of intangible assets	–	94,227
Net cash inflow from operating activities	222,796	79,734

Reconciliation of net cash flow to movement in net debt

		2013 £	2012 £
Decrease in cash in the period	(64,834)		(175,743)
Net cash inflow from bank loans	41,999		326,083
Cash inflow/(outflow) in respect of hire purchase	81,629		(197,640)
Change in net funds/debt resulting from cash flows		58,794	(47,300)
Exchange movements		(99,111)	193,480
Movement in net debt/funds in the period		(40,317)	146,180
Net debt at 1 July 2012	(1,731,002)		(1,877,183)
Net debt at 30 June 2013	(1,771,319)		(1,731,002)

The notes on pages 16 to 27 form part of these financial statements

Pacific Leisure & Media Limited

Group Cash Flow Statement

for the year ended 30 June 2013

(continued)

Analysis of changes in net debt

	At 1 Jul 2012 £	Cash flows £	Translation differences £	At 30 Jun 2013 £
Net cash				
Cash in hand and at bank	96,384	15,471	–	111,855
Overdrafts	(217,122)	(80,305)	–	(297,427)
	(120,738)	(64,834)	–	(185,572)
Debt				
Debt due within 1 year	(39,564)	41,999	(2,435)	–
Debt due after 1 year	(178,562)	–	(10,991)	(189,553)
Finance leases	(1,392,138)	81,629	(85,685)	(1,396,194)
	(1,610,264)	123,628	(99,111)	(1,585,747)
Net funds	(1,731,002)	58,794	(99,111)	(1,771,319)

The notes on pages 16 to 27 form part of these financial statements

Pacific Leisure & Media Limited

Notes to the Financial Statements

for the year ended 30 June 2013

1. **Accounting policies**

Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards

The principal accounting policies are set out below

Basis of consolidation

The consolidated Group profit and loss account, balance sheet and cash flow statement incorporate the financial statements of all subsidiaries for the year ended 30 June 2013 Entities are considered to be a subsidiary where the Group controls the majority of the undertaking's voting rights, unless the ability of the Group to exercise control is subject to long term restrictions

Subsidiaries are consolidated from the date of acquisition to the date of disposal using the acquisition method of accounting On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their values reflecting their condition at that date

Goodwill arising on consolidation, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and amortised on a straight line basis over its estimated useful economic life

Going concern

These financial statements have been prepared on a going concern basis which assumes the continued financial support of the ultimate controlling party The directors have received a letter of support from JL Beckwith confirming his support for a period of at least 12 months from the date of the approval of these financial statements

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes Services related turnover is recognised proportionately over the duration of the service

Investments

Fixed asset investments are included in the balance sheet at cost, less any provision for permanent diminution in value Realised gains and losses on disposal and any provision for permanent impairment of value are dealt with through the profit and loss account The carrying value of investments is reviewed for impairment annually by the Board of Directors

1. Accounting policies *(continued)*

Intangible fixed assets

Acquired goodwill is capitalised at cost, less any provision for permanent diminution in value, and is amortised over an estimated useful economic life of 20 years Other intangible fixed assets relate to patents owned on the helicopter advertising systems and are stated at cost The assets are amortised on a straight line basis over the duration of the patent

Fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental costs of acquisition

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property / Improvements	-	Remaining period of lease / 8 to 50 years
Computer Equipment	-	3 to 18 years
Furniture, Fixtures & Fittings	-	3 to 25 years
Office & Other Equipment	-	3 to 5 years

Stock and work in progress

Raw materials and consumables are accounted for at the lower of cost and net realisable value

Leases

Where the Group enters into a lease that transfers substantially all the risks and rewards of ownership of that asset to the lessee, the lease is treated as a finance lease Assets held under finance leases and the initial related lease obligations are included at the fair value of the leased assets at the inception of the lease and recorded as a tangible fixed asset Depreciation on leased assets is calculated to write off the cost on a straight line basis over the shorter of the lease term and the useful life of the asset

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed, at the balance sheet date that may give rise to an obligation to pay more tax, or a right to pay less tax, based on current tax rates and law

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries where there is no commitment to remit these earnings

Deferred tax assets are recognised only to the extent that it is regarded as more likely than not that they will be recovered

Deferred tax assets and liabilities are not discounted

1 Accounting policies *(continued)*

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction Exchange differences are taken into account in arriving at the operating profit

Financial instruments

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 entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited direct to equity

2. Segmental information

Segmental analysis of turnover, result before taxation and net assets/(liabilities) by class of business is as follows

Geographical analysis:	Turnover 2013 £	Loss before tax 2013 £	Net liabilities 2013 £	Turnover 2012 £	Loss before tax 2012 £	Net liabilities 2012 £
European Union	2,954,863	(337,821)	(702,962)	2,738,967	(784,609)	(285,839)
Asia Pacific	3,236,973	(112,147)	(604,684)	1,583,705	(329,966)	(545,727)
	6,191,836	(449,968)	(1,307,646)	4,322,672	(1,114,575)	(831,566)

Geographical analysis is based on territory of trading activity and invoicing

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting)

	2013	2012
	£	£
Amortisation of intangible assets	151,112	180,533
Impairment of intangible fixed assets	–	94,227
Depreciation of owned fixed assets	258,272	127,957
Depreciation of assets held under finance lease agreements	105,689	124,297
Net (profit)/loss on foreign currency translation	(137,010)	260,282
Auditor's remuneration	25,950	32,353

	2013	2012
	£	£
Auditor's remuneration		
- Parent company	1,900	1,850
- Group	15,250	15,000
- Subsidiaries	8,800	15,503
	25,950	32,353

4. Particulars of employees

The average number of persons employed by the group during the financial year, including the directors, amounted to 62 (2012 - 63)

The aggregate payroll costs of the above were

	2013	2012
	£	£
Wages and salaries	357,908	391,678
Social security costs	79,054	79,201
	436,962	470,879

No emoluments were paid to directors during the year

5. Interest receivable

	2013	2012
	£	£
Bank interest receivable	288	261

6. Interest payable and similar charges

	2013 £	2012 £
Interest payable on bank loans and overdrafts	51,029	56,272
Interest payable on finance leases	46,675	50,750
	97,704	107,022

7 Taxation on ordinary activities

(a) Analysis of credit in the year

	2013 £	2012 £
Foreign tax		
Current tax on income for the year	32,275	15,498
Total current tax	32,275	15,498

(b) Factors affecting current tax credit

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 23% (2012 - 24%)

	2013 £	2012 £
Loss on ordinary activities before taxation	(449,968)	(1,110,653)
Loss on ordinary activities by rate of tax	(103,492)	(267,498)
Net income and expenses not deductible for tax purposes	109,296	(83,699)
Capital allowances for period in excess of depreciation	(109)	-
Unrelieved tax losses carried forward net of losses utilised	62,741	420,561
Tax chargeable at higher rate (24%)	(18,497)	(19,781)
Adjustments in respect of overseas tax rates	(17,664)	(34,085)
Total current tax (note 7(a))	32,275	15,498

8. Loss attributable to members of the parent company

As permitted by section 480 of the Companies Act 2006, the profit and loss account of the Company is not presented as part of these financial statements

The loss after taxation attributable to Pacific Leisure & Media Limited for the year after movements in provisions and dealt with in the financial statements of the Company was £2,206,299 (2012 £576,481) Before provisions on investments the profit was £284,691 (2012 £161,286 loss)

9. Intangible Fixed Assets

Intangible fixed assets of the Group are analysed as follows

	Goodwill arising on acquisitions £	Patents £	Lease Extensions £	Total £
Cost				
At 30 June 2012	3,848,769	14,629	205,793	4,069,191
Disposals	(425,012)	–	–	(425,012)
Amounts written off	(723,944)	–	–	(723,944)
Exchange adjustments	–	–	16,789	16,789
At 30 June 2013	2,699,813	14,629	222,582	2,937,024
Amortisation				
At 30 June 2012	1,400,034	4,444	13,396	1,417,874
Amortisation for the year	144,423	1,125	5,564	151,112
Disposals	(425,012)	–	–	(425,012)
Amounts written off	(328,944)	–	–	(328,944)
Exchange adjustments	–	–	2,833	2,833
At 30 June 2013	790,501	5,569	21,793	817,863
Net book value at 30 June 2013	1,580,368	9,060	200,789	2,119,161
Net book value at 30 June 2012	2,448,735	10,185	192,397	2,651,317

10. Tangible fixed assets

Group	Freehold & Leasehold Property £	Computer Equipment £	Furniture, Fixtures & Fittings £	Office & Other Equipment £	Total £
Cost					
At 1 July 2012	7,192,675	327,571	477,684	99,872	8,097,802
Additions	165,850	113,474	11,118	4,529	294,971
Exchange movements	444,121	19,866	29,496	4,967	498,450
At 30 June 2013	7,802,646	460,911	518,298	109,368	8,891,223
Depreciation					
At 1 July 2012	1,219,515	171,231	265,645	51,643	1,708,034
Charge for the year	270,714	38,724	44,141	10,382	363,961
Exchange movements	83,139	11,495	17,596	2,877	115,107
At 30 June 2013	1,573,368	221,450	327,382	64,902	2,187,102
Net book value					
At 30 June 2013	6,229,278	239,461	190,916	44,466	6,704,121
At 30 June 2012	5,973,160	156,340	212,039	48,229	6,389,768

Finance lease agreements

Included within the net book value of £6,704,121 is £1,706,067 (2012 - £1,690,577) relating to assets held under finance lease agreements The depreciation charged to the financial statements in the year in respect of such assets amounted to £105,689 (2012 - £124,297)

11. Investments

Investments are analysed as follows

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Subsidiary undertakings	–	–	**5,918,058**	5,233,031

Investment in subsidiaries

Investments in subsidiaries held by the Company are analysed as follows

	Ordinary Shares £	Preference Shares £	Loans to Subsidiaries £	Total £
Cost				
At 1 July 2012	1,348,936	2	4,982,159	1,348,938
Additions	50	-	3,175,967	50
Write off	(24)	-	(582,849)	(582,873)
At 30 June 2013	1,348,962	2	7,575,277	766,115
Provision				
At 1 July 2012	153,173	-	944,893	1,098,066
Provisions during period	1,100,000	-	1,390,990	2,490,990
Write off	(24)	-	(582,849)	(582,873)
At 30 June 2013	1,253,149	-	1,753,034	3,006,183
Net book value				
At 30 June 2013	95,813	2	5,822,243	5,918,058
At 30 June 2012	1,195,763	2	4,037,266	5,233,031

Details of the Group's subsidiary undertakings as at 30 June 2013, all of which are included in the consolidated financial statements, are given below

Subsidiary	**Principal activities**	**Class of share held**	**Voting rights of immediate parent**	**Effective Group Interest**	**Country of incorporation**
B@1 Ltd	Investment holding company	Ordinary & Preference	100%	100%	United Kingdom
Clube VII Exploraceo de Health Sociedade Unipessoal Lda	Sports and leisure club	Ordinary	100%	100%	Portugal
Unitenis-Empreendimento s de Tenis SA	Property investment	Ordinary	99%	99%	Portugal
Pacific Club Holdings SARL	Investment holding company	Ordinary	100%	100%	France
Tennis Club de Chantecoq SARL	Sports and leisure club	Ordinary	100%	100%	France
Frontiers Group India (UK) Ltd	Investment holding company	Ordinary	100%	100%	United Kingdom

Frontiers Group India Private Ltd	Sports rights & marketing	Ordinary	93%	93%	India
Heli-Banners Ltd	Aerial advertising	Ordinary	100%	100%	United Kingdom
Futbol City Holdings UK Limited	Investment holding company	Ordinary	55%	55%	United Kingdom
Futbol City 5 SA	Sports and leisure club	Ordinary	100%	55%	Spain
Pacific Sport and Entertainment Limited	Sports events	Ordinary	50%	50%	United Kingdom

12. Stocks

	Group		Company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Raw materials and consumables	9,461	13,610	–	–

13 Debtors

	Group		Company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Trade debtors	566,076	389,098	6,782	11,731
Corporation tax repayable	143,041	31,451	–	–
Other debtors	117,101	107,105	–	10,001
Prepayments and accrued income	118,130	236,916	26,016	19,968
	944,348	764,570	32,798	41,700

14. Creditors: amounts falling due within one year

	Group		Company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Secured bank loans and overdrafts	–	39,564	–	–
Trade creditors	219,204	175,190	–	–
Finance lease agreements	83,732	89,625	–	–
PAYE and social security	96,474	84,114	–	–
VAT	–	–	28,999	–
Amounts due to related undertakings	227	180,581	–	180,000
Other creditors	38,259	43,847	5,500	5,500
Accruals and deferred income	630,689	612,663	19,050	18,700
	1,068,585	1,225,584	53,549	204,200

15. Creditors: amounts falling due after more than one year

	Group		Company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Secured bank loans	189,553	178,562	–	–
Finance lease agreements	1,312,462	1,302,513	–	–
Amounts due to related undertakings	5,642,444	5,197,897	5,642,444	2,609,369
Other creditors	686,121	625,537	–	–
Amounts due to shareholders	2,000,000	2,000,000	2,000,000	2,000,000
	9,830,580	9,304,509	7,642,444	4,609,369

Total secured borrowings of the Group, including bank loans and overdrafts are repayable as follows

	Group		Company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Within one year	–	39,564	–	–
Within two and five years	189,553	178,562	–	–
	189,553	218,126	–	–

Borrowings are secured by a charge over the assets of the borrowing company

16. Commitments under finance leases agreements

Future commitments under finance leases agreements are as follows

	Group		Company	
	2013	2012	**2013**	2012
	£	£	**£**	£
Amounts payable within 1 year	83,732	89,625	-	-
Amounts payable between 1 and 2 years	349,137	89,619	-	-
Amounts payable between 3 and 5 years	275	236,943	-	-
Amounts payable after more than 5 years	963,050	975,951	-	-
	1,396,194	1,392,138	-	-

17 Related party transactions

The Company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Pacific Leisure & Media Limited Group of companies

During the year a fee of £395,000 (2012 £nil) was charged to Pacific Investments Management Limited and fee of £100,000 (2012 £100,000) was charged from Pacific Investments Management Limited, a company related by ultimate common shareholding for corporate finance services provided

At 30 June 2012 £nil (2012 £2,589,109) was owed to Pacific Investments Management Limited and £5,642,444 (2012 £2,789,369) was owed to Pacific Leisure, Entertainment & Media Limited, companies related by ultimate common shareholding and are shown as creditors in 'Amounts due to related undertakings'

18. Share capital

Authorised share capital:

	2013	2012
	£	£
Ordinary shares of £1 each	10,000,000	10,000,000

Allotted, called up and fully paid:

	2013		2012	
	No	**£**	No	£
Ordinary shares of £1 each	2,000,000	2,000,000	2,000,000	2,000,000

19 Reserves

Group	**Profit and loss account**
	£
Balance brought forward	(2,462,945)
Loss for the year	(605,488)
Foreign exchange adjustments - subsidiary entities	6,162
Balance carried forward	(3,062,271)

19. Reserves *(continued)*

Company

	Profit and loss account £
Balance brought forward	(1,538,838)
Loss for the year	(2,206,299)
Balance carried forward	(3,745,137)

20 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Loss for the financial year	(605,488)	(1,091,279)
Foreign exchange adjustments - subsidiary entities	6,162	96,811
Net reduction to shareholders' (deficit)/funds	(599,326)	(994,468)
Opening shareholders' (deficit)/funds	(462,945)	531,523
Closing shareholders' deficit	(1,062,271)	(462,945)

21. Capital commitments and contingencies

There were no contingent liabilities or capital commitments at 30 June 2013 (2012 £nil)

22 Ultimate controlling party

In the opinion of the directors the ultimate controlling part of the Company is JL Beckwith