

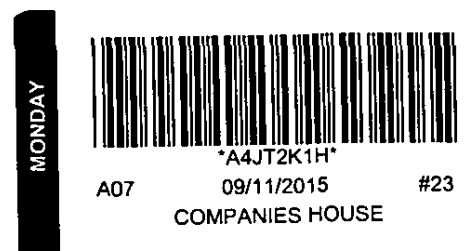
Parent Acc Co
7052639
Leisuretime Pub Group
Limited

Danieli Holdings Limited

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

30 April 2015



Company Registration No 06599929

Danieli Holdings Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

N A Winch
S W Howe

SECRETARY

N A Winch

REGISTERED OFFICE

Patrick House
Gosforth Park Avenue
Gosforth Business Park
Newcastle upon Tyne
NE12 8EG

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Danieli Holdings Limited

STRATEGIC REPORT

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

We have undertaken an analysis of the group companies' activities and performance and closing year end position. Our review has considered the market conditions prevailing, the opportunities and risks that each company has encountered during the year and we have anticipated what could occur going forward. The main trading companies are considered below.

Phoenix Eye Limited

The principal activity of the company has been, and will continue to be the supply of door supervisors, security guards, stadium security and closed circuit television installation, maintenance and monitoring. The emphasis will be on the development of our door supervision expansion into southern parts of the UK, as well as the migration of sites with a physical guard to a monitored CCTV rental system.

During the year sales and gross profit margins before tax were –

	2015	2014
	£	£
Sales	10,760,156	9,428,029
Gross profit	3,316,513	2,499,639

Sales during the financial year have increased by 14.1% which the directors are satisfied with.

There is an increase in gross margin from 26.5% to 31.4%.

The financial year ahead is expected to show further increased sales due to our continued expansion into other parts of the UK. The gross margin for this coming year, will however be lower than the year ending 2015 but in line with expectations.

Northridge Healthcare Limited

The principal activity of the company is to provide state of the art respite and residential nursing care for adults with complex healthcare needs.

During the year sales and gross profit margins before tax were –

	2015	2014
	£	£
Sales	838,279	815,321
Gross profit	250,369	273,380

Although performance has improved, results are behind expectations due to water ingress at the property. This has been rectified by the contractor and is subject to a loss of earnings claim.

In line with the overall strategy of the group to refocus on core activities the directors are planning on selling this business as a going concern in the next year.

Danieli Holdings Limited

STRATEGIC REPORT

Education and Training Services (UK) Limited

The principal activity of the company has been, and will continue to be, the delivery of training programmes within the security sector. The company is expected to deliver a pilot scheme to the NHS in the coming year and it is hoped that this will lead to further contracts.

During the year sales and gross profit margins before tax were –

	2015	2014
	£	£
Sales	107,170	46,407
Gross profit	104,070	44,505

Student Accommodation (UK) Limited

The principal activity of the company during the year was the provision of student accommodation. Development of the ground floor of Barker House was completed during the year.

During the year sales and gross profit margins before tax were –

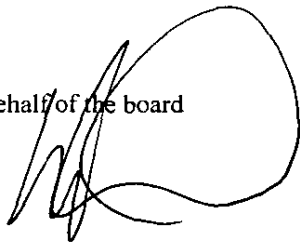
	2015	2014
	£	£
Sales	393,507	543,890
Gross profit	389,457	502,162

In line with the overall strategy of the group to re-focus on core activities the property was sold during the year.

Danieli Property Investments Limited

The principal activity of the company has been, and will continue to be the purchase and development of freehold properties. Not as a developer in the true sense of the word but as a developer operator in whatever sector fits.

On behalf of the board



N A Winch
Director

7 October 2015

Danieli Holdings Limited

DIRECTORS' REPORT

The directors present their report with the financial statements of the company and the group for the year ended 30 April 2015

PRINCIPAL ACTIVITIES

The principal activities of the group in the year under review were those of security services, respite care and training services

RESULTS AND DIVIDENDS

The profit for the year, after taxation and minority interests, amounted to £983,383 (2014 - £555,676) A dividend of £300,000 (2014 £400,000) was paid during the year

DIRECTORS

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

N A Winch

S W Howe

STRATEGIC REPORT

A strategic report has been prepared by the directors in line with s414c(11) of the Companies Act 2006 This contains a fair and balanced review of the group's business and discusses matters of a strategic nature The strategic report is contained on pages 1 to 2

EMPLOYEE INVOLVEMENT

The group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group and the company This is achieved through formal and informal meetings where employee representatives are consulted on a wide range of matters affecting their current and future interests

DISABLED PERSONS

The group will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise

During employment the group seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

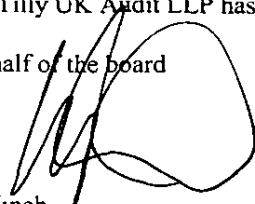
Danieli Holdings Limited

DIRECTORS' REPORT

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

On behalf of the board



N A Winch
Director

7 October 2015

Danieli Holdings Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF 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 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 group and the company and of the profit or loss of the group for that year.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DANIELI HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") on pages 7 to 26. 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 more fully explained in the Directors' Responsibilities Statement set out on page 5, 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 (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 <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 group's and parent company's affairs as at 30 April 2015 and of the group's 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.

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 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.



STEVEN CLEUGH (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

1 St James' Gate

Newcastle upon Tyne

NE1 4AD

16 October 2015

Danieli Holdings Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 30 April 2015

	Notes	2015 £	2014 £
TURNOVER	2	12,018,107	10,795,986
Cost of sales		(8,043,104)	(7,513,962)
Gross profit		<u>3,975,003</u>	<u>3,282,024</u>
Administrative expenses		(2,780,869)	(2,596,645)
Other operating income	3	701,984	180,886
OPERATING PROFIT	4	<u>1,896,118</u>	<u>866,265</u>
Loss on the disposal of fixed assets	5	(824,797)	-
Profit on ordinary activities before interest		<u>1,071,321</u>	<u>866,265</u>
Interest receivable and similar income		253	1
Interest payable and similar charges	7	(100,656)	(141,962)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>970,918</u>	<u>724,304</u>
Taxation	10	(369,979)	(178,305)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>600,939</u>	<u>545,999</u>
Minority interest		382,444	9,677
PROFIT FOR THE FINANCIAL YEAR	21	<u><u>983,383</u></u>	<u><u>555,676</u></u>

Turnover and Operating Profit are derived from the Group's continuing operations

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own profit and loss account

A note of historical cost profits and losses has not been presented as there is no material difference between the profit reported above and the historical cost profit

Danieli Holdings Limited

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 30 April 2015

	2015 £	2014 £
Profit for the financial year	983,383	555,676
Unrealised surplus / (reversal of unrealised surplus) on revaluation of freehold and investment properties	65,000	(176,851)
Minority interest share of revaluation reserve transfer	(230,752)	-
Total recognised gains and losses since the last financial statements	<u>817,631</u>	<u>378,825</u>

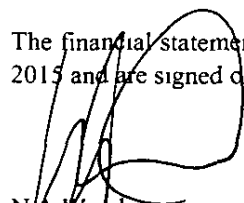
Danieli Holdings Limited

CONSOLIDATED BALANCE SHEET

for the year ended 30 April 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Intangible assets	11	718,478	776,529
Tangible assets	12	4,090,442	3,921,393
Investment properties	13	110,340	6,755,340
		<u>4,919,260</u>	<u>11,453,262</u>
CURRENT ASSETS			
Stocks	15	47,284	27,784
Debtors	16	4,306,425	2,748,598
Cash at bank and in hand		945	4,530
		<u>4,354,654</u>	<u>2,780,912</u>
CREDITORS			
Amounts falling due within one year	17	(5,003,079)	(5,743,938)
NET CURRENT LIABILITIES		<u>(648,425)</u>	<u>(2,963,026)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,270,835</u>	<u>8,490,236</u>
CREDITORS			
Amounts falling due after more than one year	18	(449,576)	(5,084,347)
PROVISIONS FOR LIABILITIES	19	(136,049)	(86,618)
MINORITY INTERESTS	26	53,477	(98,215)
		<u>3,738,687</u>	<u>3,221,056</u>
CAPITAL AND RESERVES			
Called up share capital	20	1,000	1,000
Revaluation reserve	21	188,281	1,317,810
Profit and loss account	21	3,549,406	1,902,246
SHAREHOLDERS' FUNDS	22	<u>3,738,687</u>	<u>3,221,056</u>

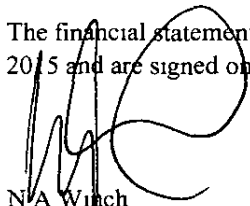
The financial statements on pages 7 to 26 were approved by the board of directors and authorised for issue on 7 October 2015 and are signed on its behalf by


N/A Wirch
Director

Danieli Holdings Limited
COMPANY BALANCE SHEET
for the year ended 30 April 2015

	<i>Notes</i>	2015 £	2014 £
FIXED ASSETS			
Tangible assets	12	1,163,895	1,035,780
Investments	14	1,110,123	1,110,123
		<u>2,274,018</u>	<u>2,145,903</u>
CURRENT ASSETS			
Debtors	16	4,447,672	3,334,325
Cash at bank and in hand		50	-
		<u>4,447,722</u>	<u>3,334,325</u>
CREDITORS			
Amounts falling due within one year	17	(3,017,863)	(2,615,174)
NET CURRENT ASSETS		<u>1,429,859</u>	<u>719,151</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,703,877</u>	<u>2,865,054</u>
CREDITORS			
Amounts falling due after more than one year	18	(88,176)	(762,098)
PROVISIONS FOR LIABILITIES	19	(13,217)	-
		<u>3,602,484</u>	<u>2,102,956</u>
CAPITAL AND RESERVES			
Called up share capital	20	1,000	1,000
Revaluation reserve	21	125,000	60,000
Profit and loss account	21	3,476,484	2,041,956
SHAREHOLDERS' FUNDS	22	<u>3,602,484</u>	<u>2,102,956</u>

The financial statements on pages 7 to 26 were approved by the board of directors and authorised for issue on 7 October 2015 and are signed on its behalf by



N/A Winch
Director

Danieli Holdings Limited
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 30 April 2015

	<i>Notes</i>	2015 £	2014 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	23	(841,253)	804,814
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	23	(100,403)	(141,961)
TAXATION	23	(202,853)	-
CAPITAL EXPENDITURE	23	(296,337)	(1,618,375)
EQUITY DIVIDENDS PAID		(300,000)	(400,000)
		<hr/>	<hr/>
CASH OUTFLOW BEFORE FINANCING		(1,740,846)	(1,355,522)
FINANCING	23	1,889,001	349,850
		<hr/>	<hr/>
INCREASE/(DECREASE) IN CASH FOR THE YEAR	25	148,155	(1,005,672)
		<hr/>	<hr/>

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards

BASIS OF CONSOLIDATION

The group financial statements consolidate the financial statements of Danieli Holdings Limited and all of its subsidiary undertakings. The results of subsidiaries acquired were consolidated for the period from which control passed. The difference between the cost of acquisition of shares in subsidiaries and the fair value of the separable net assets acquired is capitalised as purchased goodwill and amortised through the profit and loss account over its estimated economic life. Provision is made for any impairment.

All financial statements are made up to 30 April 2015.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

No profit and loss account for Danieli Holdings Limited has been presented as permitted by Section 408 of the Companies Act 2006.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis. The directors have noted the recent performance trends and the continued support of the group's major funders and related undertakings, which gives them confidence that the group will continue to be profitable, and will continue to meet its liabilities as they fall due.

The directors have prepared forecasts, which show the group's operating cash flows to be sufficient to fund the group's existing working capital requirements. Consequently the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

TURNOVER

Turnover represents the amounts (excluding value added tax) receivable for goods and services provided in the normal course of business during the year. The turnover of the group is derived from its principal activities carried out in the United Kingdom.

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

1 ACCOUNTING POLICIES *(continued)*

GOODWILL

Purchased goodwill is amortised by equal annual instalments over its estimated useful life of 10 years

Goodwill arising on consolidation is the excess of purchase consideration over fair value of the assets of the companies acquired. In the consolidated accounts the amount of goodwill is capitalised and amortised over 20 years, which, in the opinion of the directors, is the period the company will derive the economic benefit from this goodwill.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Assets under construction are not depreciated. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its useful life, as follows:

CCTV Equipment	- 25% reducing balance and 15% straight line
Plant & Machinery	- 25% straight line, 25% reducing balance, 20% reducing balance and 10% straight line
Fixtures & fittings	- 25% straight line, 20% reducing balance, 15% reducing balance and 10% straight line
Motor vehicles	- 25% straight line, 25% reducing balance and 20% reducing balance
Office equipment	- 25% straight line, 25% reducing balance, 20% straight line and 20% straight line

Freehold property is revalued professionally every five years (with a review by the directors in year three) with the surplus or deficit on book value being transferred to the revaluation reserve, except that a deficit which is in excess of any previously recognised surplus over depreciated cost, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. A deficit which represents a clear consumption of economic benefits is charged to the profit and loss account regardless of any such previous surplus.

INVESTMENT PROPERTIES

Investment properties are revalued annually.

Surpluses or deficits on individual properties are transferred to the revaluation reserve except where a deficit on an individual investment property is expected to be permanent in which case it is charged (or credited, where a deficit is reversed) to the profit and loss account for the year.

In the opinion of the directors the current market value of the investment property approximates to its carrying value in the financial statements.

Depreciation is not provided on investment properties, in accordance with Statement of Standard Accounting Practice No 19. The directors consider that this accounting policy, which represents a departure from the requirements of the Companies Act 2006 concerning depreciation of fixed assets, is necessary to provide a true and fair view. Depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

1 ACCOUNTING POLICIES *(continued)*

INVESTMENTS

Fixed asset investments are stated at cost

Provision is made for any impairment in the value of fixed asset investments

CAPITALISATION OF INTEREST

Interest directly attributable to the construction of tangible fixed assets, incurred up to the time that identifiable major capital projects are ready for service, is capitalised as part of the cost of the assets

STOCK

Stock is valued at the lower of cost and net realisable value

LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future years. The finance element of the rental payment is charged to the profit and loss account so as to produce constant rates of charge on the net obligations outstanding in each year.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the year of the lease.

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.

Timing differences are differences between taxable profits and the results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which 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 a non-discounted basis.

BANK BORROWINGS

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement on redemption and direct issue costs, are accounted for on an accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

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 Group after deducting all of its liabilities.

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

2 TURNOVER

The total turnover of the group for the year has been derived from its principal activities wholly undertaken in the UK as follows

	2015	2014
	£	£
Security services	10,769,262	9,428,029
Training services	7,245	1,732
Respite care services	838,280	815,321
Student accommodation	393,507	543,890
Residential accommodation	9,813	7,014
	<u>12,018,107</u>	<u>10,795,986</u>

3 OTHER OPERATING INCOME

Other operating income relates to compensation for consequential losses and rent receivable

4 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2015	2014
	£	£
Depreciation of owned assets	159,314	163,661
Depreciation of assets held under hire purchase agreements	63,057	99,590
Loss on disposal of fixed assets	19,413	105,414
Amortisation of intangible assets	58,051	58,051
Auditors' remuneration	19,000	16,000
Auditors' remuneration for non audit work	11,900	4,000
	<u>330,735</u>	<u>546,716</u>

5 EXCEPTIONAL ITEMS REPORTED AFTER OPERATING LOSS

The effect of the exceptional items reported after operating loss on the amounts charged to the profit and loss account for taxation were

	2015	2014
	£	£
Loss on disposal of fixed assets	<u>824,797</u>	<u>-</u>

6 DIRECTORS' REMUNERATION

	2015	2014
	£	£
Directors' remuneration	<u>69,122</u>	<u>45,000</u>

Danieli Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2015

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Bank interest	1,133	50,489
Bank loan interest	48,305	30,315
Factoring interest	27,433	30,797
Hire purchase interest	23,785	26,932
Interest on other loans	-	3,429
	<u>100,656</u>	<u>141,962</u>

8 PARTICULARS OF EMPLOYEES

The average number of full time and part time persons employed by the group (including directors) during the year, analysed by category, was as follows

	2015	2014
	No	No
Site	1,228	900
Administration	24	17
	<u>1,252</u>	<u>917</u>

The aggregate payroll costs of these persons were as follows

	2015	2014
	£	£
Wages and salaries	8,963,915	8,104,319
Social security costs	294,886	408,732
	<u>9,258,801</u>	<u>8,513,051</u>

9 DIVIDENDS

Equity dividends

	2015	2014
	£	£
Dividends on equity shares	<u>300,000</u>	<u>400,000</u>

10 TAXATION

Analysis of charge in the year

	2015	2014
	£	£
Current tax		
UK Corporation tax based on the results for the year at 20.92% (2014 – 23%)	306,781	156,624
Under provision in prior year	13,767	-
Total current tax	<u>320,548</u>	<u>156,624</u>
Deferred tax		
Origination and reversal of timing differences	49,431	21,681
Tax on profit on ordinary activities	<u>369,979</u>	<u>178,305</u>

Danieli Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2015

10 TAXATION (CONTINUED)

	£	£
Profit on ordinary activities before taxation	970,918	724,304
Profit on ordinary activities by rate of tax	203,116	166,590
Expenses not deductible for tax purposes	26,733	2,757
Capital allowances in excess of depreciation	130,893	9,978
Under provision in prior year	13,767	-
Other timing differences	(53,961)	(22,701)
Tax on profit on ordinary activities	320,548	156,624

11 INTANGIBLE FIXED ASSETS

Group	Goodwill £
Cost	
At 1 May 2014 and 30 April 2015	1,159,063
Amortisation	
At 1 May 2014	382,534
Charge for the year	58,051
At 30 April 2015	440,585
Net book value	
At 30 April 2015	718,478
At 30 April 2014	776,529

Danieli Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2015

12 TANGIBLE FIXED ASSETS

Group	Leasehold property £	Freehold property £	Asset in course of construction £	CCTV Equipment £	Plant & machinery £
Cost					
At 1 May 2014	-	2,918,991	-	657,161	144,025
Additions	3,665	4,032	275,830	205,257	6,487
Disposals	-	-	-	-	-
Revaluation	-	65,000	-	-	-
Transfers	-	-	(275,830)	-	-
At 30 April 2015	<u>3,665</u>	<u>2,988,023</u>	<u>-</u>	<u>862,418</u>	<u>150,512</u>
Depreciation					
At 1 May 2014	-	-	-	281,960	68,673
Charge for the year	-	-	-	103,965	11,737
On disposals	-	-	-	-	-
At 30 April 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>385,925</u>	<u>80,410</u>
Net book value					
At 30 April 2015	<u>3,665</u>	<u>2,988,023</u>	<u>-</u>	<u>476,493</u>	<u>70,102</u>
At 30 April 2014	<u>-</u>	<u>2,918,991</u>	<u>-</u>	<u>375,201</u>	<u>75,352</u>

Aggregate finance costs of £nil (2014 - £69,370) have been capitalised in relation to assets under construction. During the year finance costs of £nil (2014 - £ nil) have been capitalised.

Group	Fixtures & fittings £	Motor vehicles £	Office equipment £	Total £
Cost				
At 1 May 2014	475,915	407,893	131,809	4,735,794
Additions	33,048	63,703	159,821	751,843
Disposals	(59,883)	(190,315)	-	(250,198)
Revaluation	-	-	-	65,000
Transfers	-	-	-	(275,830)
At 30 April 2015	<u>449,080</u>	<u>281,281</u>	<u>291,630</u>	<u>5,026,609</u>
Depreciation				
At 1 May 2014	190,188	216,522	57,058	814,401
Charge for the year	47,714	26,690	32,265	222,371
On disposals	(10,916)	(89,689)	-	(100,605)
At 30 April 2015	<u>226,986</u>	<u>153,523</u>	<u>89,323</u>	<u>936,167</u>
Net book value				
At 30 April 2015	<u>222,094</u>	<u>127,758</u>	<u>202,307</u>	<u>4,090,442</u>
At 30 April 2014	<u>285,727</u>	<u>191,371</u>	<u>74,751</u>	<u>3,921,393</u>

Included in the total net book value of £4,090,442 in the group is £399,743 (2014 £278,528) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged during the year on those assets totalled £63,057 (2014 £99,590).

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

12 TANGIBLE FIXED ASSETS (CONTINUED)

The freehold property owned by the company was subject to a revaluation to its open market value by Edward Symmons during the year. The effect of this was to increase the carrying value of the property by £65,000. In respect of certain assets stated at valuation, the comparable historical cost and depreciation values are as follows

	2015		2014	
Net book value	2,988,023		2,918,991	
Cost	2,863,023		2,858,991	

Company	Freehold Property £	Fixtures & fittings £	Motor vehicles £	Office equipment £	Total £
Cost					
At 1 May 2014	860,000	565	211,390	91,153	1,163,108
Additions	-	-	25,249	159,820	185,069
Disposals	-	-	(166,260)	-	(166,260)
Revaluation	65,000	-	-	-	65,000
At 30 April 2015	925,000	565	70,379	250,973	1,246,917
Depreciation					
At 1 May 2014	-	483	92,266	34,579	127,328
Charge for the year	-	82	9,027	26,251	35,360
Disposals	-	-	(79,666)	-	(79,666)
At 30 April 2015	-	565	21,627	60,830	83,022
Net book value					
At 30 April 2015	925,000	-	48,752	190,143	1,163,895
At 30 April 2014	860,000	82	119,124	56,574	1,035,780

Included in the total net book value of £1,163,895 in the company is £148,382 (2014 £135,108) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged during the year on those assets totalled £37,085 (2014 £58,816).

The freehold property owned by the company was subject to a revaluation to its open market value by Edward Symmons during the year. The effect of this was to increase the carrying value of the property by £65,000. In respect of certain assets stated at valuation, the comparable historical cost and depreciation values are as follows

	2015	2014
Net book value	925,000	860,000
Cost	800,000	800,000

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

13 INVESTMENT PROPERTY

Group	Total £
Valuation	
At 1 May 2014	6,755,340
Transfer from assets in course of construction	275,830
Disposal	(6,920,830)
At 30 April 2015	<u>110,340</u>
Net book value	
At 30 April 2015	<u>110,340</u>
At 30 April 2014	<u>6,755,340</u>

In the opinion of the directors the current market value of the investment property approximates to its carrying value in the financial statements

The historical cost of the investment properties is £47,059 (2014 £5,497,530)

14 FIXED ASSET INVESTMENTS

Company	Shares in subsidiary undertakings £
Cost	
At 1 May 2014 and 30 April 2015	<u>1,110,123</u>

The parent company and group have investments in the following subsidiary undertakings

Name of company	Country of incorporation	Nature of business	Class and percentage of shares held
Phoenix Security UK Limited	England	Dormant	Ordinary, 100%
Phoenix Eye Limited	England	Security services	Ordinary, 100%
Education and Training Services (UK) Limited	England	Training services	Ordinary, 100%
Northridge Healthcare Limited	England	Respite care services	Ordinary, 100%
Danieli Property Investments Limited	England	Property investment	Ordinary, 75 19%
		Rental of	
Student Accommodation (UK) Limited	England	Student accommodation	Ordinary, 100%
Professional Parking Control Limited	England	Dormant	Ordinary, 100%
Leisuretime Pub Group Limited	England	Dormant	Ordinary, 100%
Leisuretime (Freehold) Limited	England	Dormant	Ordinary, 100%
Leisuretime (Leasehold) Limited	England	Dormant	Ordinary, 100%
Newco (Ponteland) Limited	England	Dormant	Ordinary, 100%

The results of all the subsidiaries have been included in the consolidated accounts

X Under section 479A of the Companies Act 2006 the financial statements of the following subsidiaries are exempt from audit Leisuretime Pub Group Limited (registered number - 07052639), Leisuretime (Leasehold) Limited (registered number - 07056601) and Leisuretime (Freehold) Limited (registered number - 07056661)

Danieli Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2015

15 STOCKS

	2015 Group £	2014 Group £
Consumables	47,284	27,784

16 DEBTORS

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	1,742,832	1,577,515	88	233
Amounts owed by group undertakings	-	-	3,330,513	2,844,011
Amounts due by related undertakings	626,851	-	270,616	-
Corporation tax repayable	-	-	-	27,317
VAT recoverable	-	-	16,793	-
Other debtors	621,342	670,893	303,301	74,345
Directors current account	490,841	373,744	490,841	373,744
Prepayments and accrued income	824,559	126,446	35,520	4,857
Deferred tax asset	-	-	-	9,818
	<u>4,306,425</u>	<u>2,748,598</u>	<u>4,447,672</u>	<u>3,334,325</u>

17 CREDITORS Amounts falling due within one year

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Bank loans and overdrafts	1,488,354	940,403	995,861	522,448
Trade creditors	126,031	477,623	96,491	17,730
Amounts owed to group undertakings	-	-	1,792,976	1,853,737
Amounts owed to related undertakings	41,200	-	-	-
Corporation tax	398,437	280,742	-	-
Social security and other taxes	779,684	1,789,060	6,868	55,193
Obligations under hire purchase agreements	191,278	151,491	49,584	53,113
Other creditors	1,427,663	1,571,396	26,470	69,324
Accruals and deferred income	550,432	533,223	49,613	43,629
	<u>5,003,079</u>	<u>5,743,938</u>	<u>3,017,863</u>	<u>2,615,174</u>

Included in other creditors are liabilities under debt factoring agreements (see note 18) Bank loans and overdrafts, debt factoring liabilities and obligations under hire purchase agreements are secured (see note 18)

18 CREDITORS Amounts falling due after more than one year

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Bank loans	272,889	4,939,913	-	727,602
Obligations under hire purchase agreements	176,687	144,434	88,176	34,496
	<u>449,576</u>	<u>5,084,347</u>	<u>88,176</u>	<u>762,098</u>

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

18 CREDITORS Amounts falling due after more than one year (continued)

	2015	Group 2014	2015	Company 2014
	£	£	£	£
Analysis of bank debt				
Repayable in one year or less, or on demand	1,488,354	345,309	995,861	45,230
Repayable between one and two years	56,000	357,198	-	46,587
Repayable between two and five years	168,000	1,021,822	-	148,316
Repayable in five years or more	48,889	3,560,893	-	532,699
	<u>1,761,243</u>	<u>5,285,222</u>	<u>995,861</u>	<u>772,832</u>

Net obligations under finance leases and hire purchase contracts

	Group 2015	2014	Company 2015	2014
	£	£	£	£
Amounts payable within 1 year	191,278	151,491	49,584	53,113
Amounts payable between 2 to 5 years	176,687	144,434	88,176	34,496
	<u>367,965</u>	<u>295,925</u>	<u>137,760</u>	<u>87,609</u>

The following secured debts are included within creditors

	Group 2015	2014	Company 2015	2014
	£	£	£	£
Bank overdrafts	443,354	1,295,094	6,861	477,218
Bank loans	1,317,889	5,285,222	989,000	772,832
Debt factoring liability	1,334,600	1,321,013	-	-
Obligations under hire purchase agreements	367,965	295,925	137,760	87,609
	<u>3,463,808</u>	<u>8,197,254</u>	<u>1,133,621</u>	<u>1,337,659</u>

The bank loans relating to the company's properties are secured on those properties. Other bank loans are secured by a debenture on certain assets.

The debt factoring liability is secured by way of a debenture on certain assets.

The hire purchase liabilities are secured on the assets being financed.

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

19 PROVISIONS FOR LIABILITIES

Deferred tax.	Group £	Company £
At beginning of year	86,618	-
Charge for the year	49,431	13,217
At end of year	<u>136,049</u>	<u>13,217</u>

Deferred taxation is analysed over the following timing differences provided at 20% (2014 23%)

Group

	2015 £	Provided 2014 £	2015 £	Not provided 2014 £
Accelerated capital allowances	136,049	86,618	(67,744)	(14,973)
Tax losses available	-	-	(1,892)	(1,892)
Undiscounted provision	<u>136,049</u>	<u>86,618</u>	<u>(69,636)</u>	<u>(16,865)</u>

20 SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid equity 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

21 RESERVES

Group	Profit and loss account £	Revaluation reserve £	Total £
At 1 May 2014	1,902,246	1,317,810	3,220,056
Retained profit for the year	983,383	-	983,383
Revaluations in the year	-	65,000	65,000
Transfer	963,777	(1,194,529)	(230,752)
Dividends	(300,000)	-	(300,000)
At 30 April 2015	<u>3,549,406</u>	<u>188,281</u>	<u>3,737,687</u>

The transfer between the profit and loss account and revaluation reserve nets down to £230,752 as a result of the share of the revaluation reserve not being reflected within the minority interest in previous years

Company	£	£	£
At 1 May 2014	2,041,956	60,000	2,101,956
Profit for the year	1,734,528	-	1,734,528
Revaluations in the year	-	65,000	65,000
Dividends	(300,000)	-	(300,000)
At 30 April 2015	<u>3,476,484</u>	<u>125,000</u>	<u>3,601,484</u>

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	2015 £	2014 £
Profit for the year	983,383	555,676
Dividends	(300,000)	(400,000)
	<u>683,383</u>	<u>155,676</u>
Revaluation of fixed assets	65,000	(176,851)
Minority interest on revaluation transfer	(230,752)	-
Net reduction/increase in shareholders' funds	<u>517,631</u>	<u>(21,175)</u>
Opening shareholders' funds	3,221,056	3,242,231
Closing shareholders' funds	<u>3,738,687</u>	<u>3,221,056</u>
Company	2015 £	2014 £
Profit for the year	1,734,528	794,643
Dividends	(300,000)	(400,000)
	<u>1,434,528</u>	<u>394,643</u>
Revaluation of fixed assets	65,000	60,000
Net increase in shareholders' funds	<u>1,499,528</u>	<u>454,643</u>
Opening shareholders' funds	2,102,956	1,648,313
Closing shareholders' funds	<u>3,602,484</u>	<u>2,102,956</u>

23 GROSS CASH FLOWS

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

	2015 £	2014 £
Operating profit	1,071,321	866,265
Depreciation	222,371	263,251
Loss on disposal of fixed assets	844,210	105,414
Amortisation of intangible assets	58,051	58,051
(Increase)/decrease in stocks	(19,500)	22,724
Increase in debtors	(1,557,827)	(678,281)
(Decrease)/increase in creditors	(1,459,879)	167,390
Net cash (outflow)/inflow from operating activities	<u>(841,253)</u>	<u>804,814</u>
	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	253	1
Interest paid	(76,871)	(115,030)
Interest element of hire purchase payments	(23,785)	(26,932)
	<u>(100,403)</u>	<u>(141,961)</u>

Danieli Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2015

23 GROSS CASH FLOWS (CONTINUED)

	2015 £	2014 £
Taxation		
Corporation tax paid	202,853	-
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(451,100)	(1,618,525)
Receipts from sales of tangible assets	154,763	150
	<u>(296,337)</u>	<u>(1,618,375)</u>
Financing		
Debt factoring finance movement	13,587	148,569
Increase in bank loans	2,260,359	780,000
Repayment of bank loans	(156,242)	(304,242)
Capital repayments in year	(228,703)	(274,477)
	<u>1,889,001</u>	<u>349,850</u>

24 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	£	£
Increase/(Decrease) in cash in the period	148,155	(1,005,672)
Cash inflow in respect of repayment of debts, hire purchase and finance lease	384,945	(575,522)
New bank loans	-	(780,000)
Change in net funds resulting from cash flows	533,100	(1,355,522)
Increase in debt factoring finance	(13,587)	-
Proceeds from the sale of investment properties	6,071,450	-
Increase in bank loans	(2,260,359)	-
New finance leases	(300,743)	(192,761)
Change in net funds	4,029,861	(1,548,283)
Net funds at the beginning of the year	(7,492,724)	(5,944,441)
Net funds at the end of the year	<u>(3,462,863)</u>	<u>(7,492,724)</u>

25 ANALYSIS OF CHANGES IN NET DEBT

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	4,530	(3,585)	-	945
Overdrafts	(595,094)	151,740	-	(443,354)
	<u>(590,564)</u>	<u>148,155</u>	<u>-</u>	<u>(442,409)</u>
Debt due within one year	(1,666,322)	156,242	(869,520)	(2,379,600)
Debt due after one year	(4,939,913)	-	4,667,024	(272,889)
Finance lease and hire purchase contracts	(295,925)	228,703	(300,743)	(367,965)
	<u>(6,902,160)</u>	<u>384,945</u>	<u>3,496,761</u>	<u>(3,020,454)</u>
Net debt	<u>(7,492,724)</u>	<u>533,100</u>	<u>3,496,761</u>	<u>(3,462,863)</u>

Danieli Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2015

26 MINORITY INTERESTS

The minority interest represents a 24.81% holding in the equity share capital of Danieli Property Investments Limited

27 RELATED PARTY TRANSACTIONS

The directors operate loan accounts jointly with their wives

N A Winch (Director) & J M Winch

	2015 £	2014 £
Amount due from related party	<u>276,078</u>	<u>202,139</u>
Dividends paid £150,000 (2014 £200,000)		

S W Howe (Director) & C Howe

	2015 £	2014 £
Amount due from related party	<u>214,763</u>	<u>171,605</u>
Dividends paid £150,000 (2014 £200,000)		

28 TRANSACTIONS WITH DIRECTORS

During the year under review Mr N A Winch and his wife Mrs J M Winch, maintained a joint loan account with the company. Funds of £2,046,653 (2014 £6,375,070) were introduced and funds of £2,120,592 (2014 £6,408,994) withdrawn leaving a balance due to the company of £276,078 (2014 £202,139 due to the company).

During the year under review Mr S W Howe and his wife Mrs C Howe, maintained a joint loan account with the company. Funds of £389,315 (2014 £379,800) were introduced and funds of £432,473 (2014 £542,935) withdrawn leaving a balance due to the company of £214,763 (2014 £171,605 due to the company).

No interest (2014 £Nil) has been charged on the above loans.

29 ULTIMATE CONTROLLING UNDERTAKING

The company is under the joint control of S Howe and N A Winch, directors of the company.