

Company registration number 09039011 (England and Wales)

SDI FITNESS (COLCHESTER) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2023

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SDI FITNESS (COLCHESTER) LIMITED

COMPANY INFORMATION

Directors	AA Adegoke A P O Dick
Company number	09039011
Registered office	Unit A Brook Park East Shirebrook Mansfield NG20 8RY
Auditor	Cooper Parry Group Limited Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

SDI FITNESS (COLCHESTER) LIMITED

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SDI FITNESS (COLCHESTER) LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 APRIL 2023

The directors present their Directors' report and financial statements for the period ended 30 April 2023.

Principal activities

The principal activity of the company continued to be the provision of leisure and fitness activities to gym members.

From November 2021, the trade and assets of the company were transferred to another group company. SDI Fitness (Colchester) Limited retained the company's lease liability and associated property provisions. The company's trading activities were discontinued from November 2021.

Directors

The directors who held office during the period and up to the date of approval of the financial statements were as follows:

AA Adegoke
A P O Dick

Results and dividends

The results for the period are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions

The group has granted the directors with Qualifying Third Party Indemnity provisions within the meaning given to the term by Sections 234 and 235 of the Companies Act 2006. This is in respect of liabilities to which they may become liable in their capacity as director of the company and of any company within the group. Such indemnities were in force throughout the financial year and will remain in force.

Auditor

In accordance with the company's articles, a resolution proposing that Cooper Parry Group Limited be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemptions provided by section 415A of the Companies Act 2006.

On behalf of the board

DocuSigned by:

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AA Adegoke
Director

26 April 2024
Date:

SDI FITNESS (COLCHESTER) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 30 APRIL 2023

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 applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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; and
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SDI FITNESS (COLCHESTER) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SDI FITNESS (COLCHESTER) LIMITED

Opinion

We have audited the financial statements of SDI Fitness (Colchester) Limited (the 'company') for the period ended 30 April 2023 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2023 and of its profit for the period 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

In forming our opinion on the financial statements, we have considered the adequacy of the disclosures made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern. At 30 April 2023 the company's financial liabilities exceed its total assets by £1,060,105. These conditions along with the fact there is no formal confirmation of support in place for a period of 12 months or more from the date of approval of the financial statements, indicate the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern. Our opinion is not modified in respect of this matter. In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant section of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

SDI FITNESS (COLCHESTER) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SDI FITNESS (COLCHESTER) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

SDI FITNESS (COLCHESTER) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SDI FITNESS (COLCHESTER) LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment focused on key laws and regulations the entity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatements. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with the framework, including a review of legal and professional nominal codes and discussions with the group's legal advisors;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these;
- obtaining an understanding of the entity's risk assessment procedures, including the risk of fraud designing our audit procedures to respond to our risk assessment;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business; and reviewing accounting estimates for bias such as property provisions;
- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation;
- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims and discussing with the group's legal advisors.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as well will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

SDI FITNESS (COLCHESTER) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SDI FITNESS (COLCHESTER) LIMITED

Use of our report

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.



**Catherine Kelly (Senior Statutory Auditor)
for and on behalf of Cooper Parry Group Limited**

26 April 2024
.....

Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

SDI FITNESS (COLCHESTER) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE PERIOD ENDED 30 APRIL 2023**

	Notes	Period ended 30 April 2023 £	Period ended 24 April 2022 £
Turnover	3	-	299,371
Administrative expenses		1,256,199	(604,604)
Other operating income		-	3,313
Profit before taxation	5	1,256,199	(301,920)
Taxation	7	-	-
Profit/(loss) for the financial period		<u>1,256,199</u>	<u>(301,920)</u>

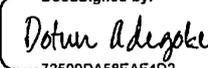
From November 2021, the trade and assets of the company were transferred to another group company. SDI Fitness (Colchester) Limited retained the company's lease liability and associated property provisions. The company's trading activities were discontinued from November 2021.

The notes on pages 10 - 17 form part of these financial statements.

SDI FITNESS (COLCHESTER) LIMITED**BALANCE SHEET****AS AT 30 APRIL 2023**

	Notes	2023		2022	
		£	£	£	£
Current assets					
Debtors	8	40,799		75,008	
Cash at bank and in hand		41		41	
		<u>40,840</u>		<u>75,049</u>	
Creditors: amounts falling due within one year	9	(135,233)		(1,596)	
Net current (liabilities)/assets			(94,393)		73,453
Provisions for liabilities	10		(965,712)		(2,389,757)
Net liabilities			<u>(1,060,105)</u>		<u>(2,316,304)</u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss reserves			(1,060,205)		(2,316,404)
Total deficit			<u>(1,060,105)</u>		<u>(2,316,304)</u>

The financial statements were approved by the board of directors and authorised for issue on 26 April 2024 and are signed on its behalf by:

DocuSigned by:

 72509DA58EAF4D2...
 A A Adegoke
 Director

Company Registration No. 09039011

The notes on pages 10 - 17 form part of these financial statements.

SDI FITNESS (COLCHESTER) LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE PERIOD ENDED 30 APRIL 2023**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 26 April 2021	100	(2,014,484)	(2,014,384)
Period ended 24 April 2022:			
Loss and total comprehensive income for the period	-	(301,920)	(301,920)
Balance at 24 April 2022	100	(2,316,404)	(2,316,304)
Period ended 30 April 2023:			
Profit and total comprehensive income for the period	-	1,256,199	1,256,199
Balance at 30 April 2023	100	(1,060,205)	(1,060,105)

The notes on pages 10 - 17 form part of these financial statements.

SDI FITNESS (COLCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 APRIL 2023

1 Accounting policies

Company information

SDI Fitness (Colchester) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit A, Brook Park East, Shirebrook, Mansfield, NG20 8RY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company.

The financial statements are for a period of 53 weeks ended 30 April 2023 (2022: 52 weeks ended 24 April 2022).

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosures

As permitted by FRS 102 the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash flow statement, the aggregate remuneration of key management personnel and related party transactions with other wholly-owned members of the group. Where required, equivalent disclosures are given in the group accounts of Frasers Group plc in which these financial statements are consolidated. The group accounts of Frasers Group plc are available to the public and can be obtained as set out in note 14.

1.2 Going concern

At the period end the company had net liabilities of £1,060,105. As the parent company are continuing to informally support the company, the directors consider that it is appropriate for the accounts to be prepared on a going concern basis.

In the light of the net liabilities position and the fact that there is no formal confirmation of support in place for a period of 12 months from approval of these financial statements there is a material uncertainty over the company's ability to continue as a going concern.

1.3 Turnover

Turnover represents amounts receivable for goods and services supplied in the period and non-refundable joining fees received during the period, exclusive of value added tax. Membership fees received in advance of the period to which they relate have been deferred and are recognised in the period in which the services are provided. All turnover relates to sales in the United Kingdom.

1.4 Government grants

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

Grants relating to the Coronavirus Job Retention Scheme are recognised when the requirements are met and recognised in the profit and loss account, within other operating income, in the period to which it relates.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

SDI FITNESS (COLCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2023

1 Accounting policies **(Continued)**

1.6 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable and loans to or from related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. The current tax charge will also be affected by estimates and judgements made by management on the availability and allocation of tax losses within the group.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

1.8 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in the profit and loss account in the period it arises.

Provisions in respect of public liability claims are made on a claim by claim basis where incidents have occurred before the balance sheet date and it is anticipated, based on professional advice and previous experience, that a liability will arise. Where the probability of the outcome of the claim is uncertain and cannot be reliably measured, a contingent liability will arise.

SDI FITNESS (COLCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

1.9 Retirement benefits

The company operates a defined contribution scheme plan for its employees. A defined contribution plan is a pension plan under which the the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the profit and loss account on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

SDI FITNESS (COLCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2023

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Taxation

Management judgement is required to estimate the availability and allocation of tax losses within the group, based upon the level of taxable profits across the group.

Provisions

Whether a present obligation is probable or not requires judgement. The nature and type of risk for these provisions differ and the directors' judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

The basis of the estimation of provisioning for dilapidations is detailed in the provisions accounting policy and note 10. Estimates and judgements are continually evaluated and are based on historical experience, external advice and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Where an onerous lease has been identified, the assets dedicated to that contract are impaired.

SDI FITNESS (COLCHESTER) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 30 APRIL 2023****3 Turnover**

An analysis of the company's turnover is as follows:

	2023	2022
	£	£
Turnover analysed by class of business		
Sale of goods	-	9,424
Provision of services	-	289,947
	<u>-</u>	<u>299,371</u>
	<u>-</u>	<u>299,371</u>

4 Other operating income

	2023	2022
	£	£
Government grants receivable	-	3,313
	<u>-</u>	<u>3,313</u>

5 Operating profit/(loss)

	2023	2022
	£	£
Operating profit/(loss) for the period is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	5,750	3,135
Operating lease charges	-	143,085
	<u>-</u>	<u>143,085</u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2023	2022
	Number	Number
Operations	-	4
	<u>-</u>	<u>4</u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	-	83,070
Social security costs	-	5,376
Pension costs	-	1,006
	<u>-</u>	<u>89,452</u>
	<u>-</u>	<u>89,452</u>

Directors are remunerated by other group companies.

SDI FITNESS (COLCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2023

7 Taxation

The actual charge for the period can be reconciled to the expected charge/(credit) for the period based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit/(loss) before taxation	1,256,199	(301,920)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.49% (2022: 19.00%)	244,835	(57,365)
Group relief	(246,433)	57,270
UK transfer pricing adjustment for notional interest	1,598	95
Taxation charge for the period	-	-

Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. This was substantively enacted on 24 May 2021.

8 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Amounts owed by group undertakings	-	38,371
Other debtors	16,000	8,000
Prepayments and accrued income	24,799	28,637
	40,799	75,008

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	134,102	-
Accruals and deferred income	1,131	1,596
	135,233	1,596

10 Provisions for liabilities

	2023 £	2022 £
Dilapidations	100,000	100,000
Onerous lease	865,712	2,289,757
	965,712	2,389,757

SDI FITNESS (COLCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2023

10 Provisions for liabilities (Continued)

Movements on provisions:

	Dilapidations £	Onerous lease £	Total £
At 25 April 2022	100,000	2,289,757	2,389,757
Reversal of provision	-	(1,424,045)	(1,424,045)
At 30 April 2023	<u>100,000</u>	<u>865,712</u>	<u>965,712</u>

The dilapidations provision is the best estimate of the present value of expenditure expected to be incurred by the company in order to restore its leasehold premises to the condition required under the lease agreement at the end of the lease.

The provision in respect of onerous contracts represents the net cost of fulfilling the company's obligations over the terms of these contracts discounted at 4.2% per annum. The provision is expected to be utilised over the period to the end of each specific lease. The unwinding of the discount on provision over time passes through the profit and loss account.

11 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	-	1,006

Contributions totalling £nil (2022: £nil) were payable to the fund at the balance sheet date and are included in creditors.

12 Share capital

	2023 £	2022 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	160,000	160,000
Between two and five years	640,000	640,000
In over five years	1,401,600	1,563,200
	<u>2,201,600</u>	<u>2,363,200</u>

SDI FITNESS (COLCHESTER) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2023

14 Ultimate controlling party

The ultimate controlling party is M J W Ashley, by virtue of his 100% ownership of MASH Holdings Limited, the ultimate parent company. MASH Holdings Limited indirectly holds the majority of shares in Frasers Group plc, who own 100% of the share capital of SDI.com Fitness Parent Limited (the immediate parent company).

Frasers Group plc is the smallest company and MASH Holdings Limited is the largest company to consolidate these accounts. Both Frasers Group plc and MASH Holdings Limited are companies registered in England and Wales. A copy of the group accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.