

REGISTERED NUMBER: 02658441 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
J. HOLLAND & SONS LIMITED**



Wallwork Nelson & Johnson.
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

| | Page |
|---|-------------|
| Company Information | 1 |
| Strategic Report | 2 |
| Report of the Directors | 3 |
| Report of the Independent Auditors | 4 |
| Income Statement | 6 |
| Other Comprehensive Income | 7 |
| Balance Sheet | 8 |
| Statement of Changes in Equity | 9 |
| Cash Flow Statement | 10 |
| Notes to the Cash Flow Statement | 11 |
| Notes to the Financial Statements | 12 |

J. HOLLAND & SONS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019**

DIRECTORS:

J M Holland
Mrs J E Holland
C J Holland

SECRETARY:

Mrs J E Holland

REGISTERED OFFICE:

Unit 3 St Georges Court
St Georges Park
Kirkham
Lancashire
PR4 2EF

REGISTERED NUMBER:

02658441 (England and Wales)

AUDITORS:

Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their strategic report for the year ended 31 March 2019.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The company now operates four amusement arcades throughout the UK. The company has seen a rise in turnover and reported a pre tax profit which has translated to increased net assets, after the effects of taxation and dividends.

Throughout the year the company has continued to invest in fixed assets to support future growth in turnover and profits, whilst also focusing on reducing its net debt through strong controls over operating costs.

PRINCIPAL RISKS AND UNCERTAINTIES

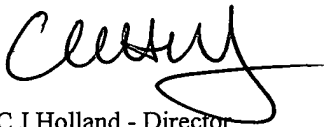
The risks and uncertainties facing the company are those relating to the continuing credit squeeze on consumer spending, longer term effects of any upward pressure on bank interest rates and the living wage and continued increase in regulation of sites offering public access.

Based on information currently available the directors anticipate reasonable levels of business and profitability for the forthcoming year, subject to the risks and uncertainties outlined previously.

FUTURE DEVELOPMENTS

The directors propose to continue to manage the assets of the company in such a way as to achieve a level of profitability reported in recent years and to continue with the management policies which should improve the company's efficiency and performance.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'C J Holland', with a long horizontal flourish extending to the right.

C J Holland - Director

25 October 2019

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

DIVIDENDS

The total distribution of dividends for the year ended 31 March 2019 will be £178,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

J M Holland
Mrs J E Holland
C J Holland

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Wallwork Nelson & Johnson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



C J Holland - Director

25 October 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF J. HOLLAND & SONS LIMITED

Opinion

We have audited the financial statements of J. Holland & Sons Limited (the 'company') for the year ended 31 March 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 Financial Reporting Standard 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 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF J. HOLLAND & SONS 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 Strategic Report or the Report of the Directors.

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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

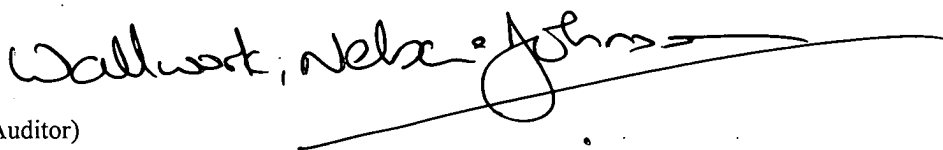
Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.



I M Johnson (Senior Statutory Auditor)
for and on behalf of Wallwork Nelson & Johnson
Chartered Accountants & Statutory Auditors
Chandler House
7 Ferry Road Office Park
Riversway
Preston
Lancashire
PR2 2YH

25 October 2019

J. HOLLAND & SONS LIMITED (REGISTERED NUMBER: 02658441)**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

| | Notes | 31/3/19 £ | 31/3/18 £ |
|--|-------|-------------------------|-------------------------|
| TURNOVER | | 6,819,049 | 5,740,097 |
| Cost of sales | | <u>1,436,897</u> | <u>1,269,258</u> |
| GROSS PROFIT | | 5,382,152 | 4,470,839 |
| Administrative expenses | | <u>3,761,908</u> | <u>3,008,634</u> |
| | | 1,620,244 | 1,462,205 |
| Other operating income | | <u>27,101</u> | <u>25,494</u> |
| OPERATING PROFIT | 4 | 1,647,345 | 1,487,699 |
| Interest receivable and similar income | | <u>4,205</u> | <u>1,556</u> |
| | | 1,651,550 | 1,489,255 |
| Interest payable and similar expenses | 5 | <u>189,269</u> | <u>154,717</u> |
| PROFIT BEFORE TAXATION | | 1,462,281 | 1,334,538 |
| Tax on profit | 6 | <u>287,576</u> | <u>259,241</u> |
| PROFIT FOR THE FINANCIAL YEAR | | <u><u>1,174,705</u></u> | <u><u>1,075,297</u></u> |

The notes form part of these financial statements


**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

| | Notes | 31/3/19 £ | 31/3/18 £ |
|---|-------|----------------|------------------|
| PROFIT FOR THE YEAR | | 1,174,705 | 1,075,297 |
| OTHER COMPREHENSIVE INCOME | | | |
| Revaluation of properties | | 863,158 | - |
| Deferred tax | | (1,042,890) | - |
| Income tax relating to components of other comprehensive income | | - | - |
| | | <hr/> | <hr/> |
| OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX | | (179,732) | - |
| | | <hr/> | <hr/> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>994,973</u> | <u>1,075,297</u> |

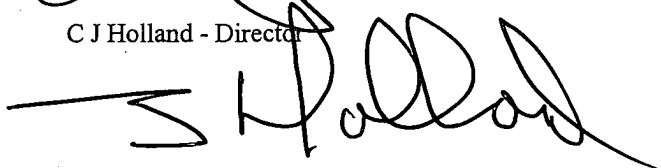
J. HOLLAND & SONS LIMITED (REGISTERED NUMBER: 02658441)**BALANCE SHEET
31 MARCH 2019**

| | Notes | 31/3/19 £ | 31/3/18 £ |
|--|-------|--------------------------|--------------------------|
| FIXED ASSETS | | | |
| Intangible assets | 8 | 978,417 | 481,417 |
| Tangible assets | 9 | 18,560,606 | 15,645,867 |
| Investments | 10 | 100 | 100 |
| | | <u>19,539,123</u> | <u>16,127,384</u> |
| CURRENT ASSETS | | | |
| Stocks | 11 | 173,930 | 105,000 |
| Debtors | 12 | 709,882 | 709,619 |
| Cash at bank and in hand | | 589,086 | 492,543 |
| | | <u>1,472,898</u> | <u>1,307,162</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 13 | <u>2,329,061</u> | <u>2,037,968</u> |
| NET CURRENT LIABILITIES | | <u>(856,163)</u> | <u>(730,806)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>18,682,960</u> | <u>15,396,578</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 14 | (4,352,058) | (2,955,415) |
| PROVISIONS FOR LIABILITIES | 18 | <u>(1,323,525)</u> | <u>(250,759)</u> |
| NET ASSETS | | <u><u>13,007,377</u></u> | <u><u>12,190,404</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 19 | 4 | 4 |
| Share premium | | 47,998 | 47,998 |
| Revaluation reserve | | 6,693,195 | 6,872,927 |
| Retained earnings | | 6,266,180 | 5,269,475 |
| SHAREHOLDERS' FUNDS | | <u><u>13,007,377</u></u> | <u><u>12,190,404</u></u> |

The financial statements were approved by the Board of Directors on 25 October 2019 and were signed on its behalf by:



C J Holland - Director



J M Holland - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

| | Called up share capital £ | Retained earnings £ | Share premium £ | Revaluation reserve £ | Total equity £ |
|---------------------------------|------------------------------------|---------------------------|-----------------------|-----------------------------|----------------------|
| Balance at 1 April 2017 | 4 | 4,355,378 | 47,998 | 6,872,927 | 11,276,307 |
| Changes in equity | | | | | |
| Dividends | - | (161,200) | - | - | (161,200) |
| Total comprehensive income | - | 1,075,297 | - | - | 1,075,297 |
| Balance at 31 March 2018 | 4 | 5,269,475 | 47,998 | 6,872,927 | 12,190,404 |
| Changes in equity | | | | | |
| Dividends | - | (178,000) | - | - | (178,000) |
| Total comprehensive income | - | 1,174,705 | - | (179,732) | 994,973 |
| Balance at 31 March 2019 | 4 | 6,266,180 | 47,998 | 6,693,195 | 13,007,377 |

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

| | Notes | 31/3/19 £ | 31/3/18 £ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 2,735,576 | 2,216,401 |
| Interest paid | | (186,608) | (146,710) |
| Interest element of hire purchase payments paid | | (2,661) | (7,707) |
| Finance costs paid | | - | (300) |
| Tax paid | | (351,632) | (147,717) |
| Net cash from operating activities | | <u>2,194,675</u> | <u>1,913,967</u> |
| Cash flows from investing activities | | | |
| Purchase of intangible fixed assets | | (540,000) | - |
| Purchase of tangible fixed assets | | (2,898,299) | (1,381,301) |
| Sale of tangible fixed assets | | 77,638 | 73,401 |
| Interest received | | 4,205 | 1,556 |
| Net cash from investing activities | | <u>(3,356,456)</u> | <u>(1,306,344)</u> |
| Cash flows from financing activities | | | |
| New loans in year | | 2,000,000 | - |
| Loan repayments in year | | (419,843) | (364,114) |
| Capital repayments in year | | (603) | (7,235) |
| Amount introduced by directors | | 8,599 | 476 |
| Amount withdrawn by directors | | (151,829) | (142,959) |
| Equity dividends paid | | (178,000) | (161,200) |
| Net cash from financing activities | | <u>1,258,324</u> | <u>(675,032)</u> |
| Increase/(decrease) in cash and cash equivalents | | <u>96,543</u> | <u>(67,409)</u> |
| Cash and cash equivalents at beginning of year | 2 | 492,543 | 559,952 |
| Cash and cash equivalents at end of year | 2 | <u><u>589,086</u></u> | <u><u>492,543</u></u> |

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

| | 31/3/19 | 31/3/18 |
|--|------------------|------------------|
| | £ | £ |
| Profit before taxation | 1,462,281 | 1,334,538 |
| Depreciation charges | 804,712 | 659,376 |
| Loss on disposal of fixed assets | 7,367 | 69,136 |
| Finance costs | 189,269 | 154,717 |
| Finance income | (4,205) | (1,556) |
| | <u>2,459,424</u> | <u>2,216,211</u> |
| Increase in stocks | (68,930) | (12,500) |
| Decrease/(increase) in trade and other debtors | 142,967 | (87,304) |
| Increase in trade and other creditors | 202,115 | 99,994 |
| | <u>2,735,576</u> | <u>2,216,401</u> |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2019

| | 31/3/19 | 1/4/18 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | <u>589,086</u> | <u>492,543</u> |

Year ended 31 March 2018

| | 31/3/18 | 1/4/17 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | <u>492,543</u> | <u>559,952</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. STATUTORY INFORMATION

J. Holland & Sons Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Preparation of consolidated financial statements

The company has taken the option under section 405 of the Companies Act 2006 to exclude its only subsidiary, Jumpin Star Limited, from consolidation due to its size not being material for the purpose of giving a true and fair view. Therefore consolidated financial statements have not been prepared.

Turnover

Turnover represents income received from the operation of amusement arcades, excluding value added tax and machine gaming duty, where applicable.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of amusement arcades in 2015 and 2018, is being amortised evenly over its estimated useful life of 20 years and 10 years, respectively.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment in value.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|---------------------------|
| Plant and machinery | - 20% on reducing balance |
| Fixtures and fittings | - 15% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Computer equipment | - 20% on reducing balance |

Freehold and long leasehold property are not depreciated. Freehold and long leasehold property are maintained to ensure that their value does not diminish over time. The maintenance costs are charged to the profit and loss account as they are incurred. In the opinion of the directors, depreciation would be immaterial and, therefore, freehold and long leasehold property are not depreciated. Any increase or decrease to the market value is taken to the revaluation reserve.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

2. ACCOUNTING POLICIES - continued

Financial instruments

A basic financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument of another entity

The following assets and liabilities are classified as financial instruments; investment in subsidiaries, amounts owed by group undertakings, other debtors, trade creditors, hire purchase contracts and other creditors.

Investments in subsidiaries are measured at cost less impairment.

Hire purchase contracts and loans are initially measured at the present value of future payments, discounted at a market rate of interest, and subsequently at amortised cost using the effective interest method

Trade creditors and amounts owed to group undertakings are measured at the undiscounted amount of cash or other consideration expected to be paid..

Financial assets are assessed at the end of the reporting period for objective evidence of impairment and if applicable is recognised as appropriate.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease of the term, whichever is the shorter.

The interest element is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

2. ACCOUNTING POLICIES - continued

Going concern

The directors believe that the company has sufficient trade and financial resources to continue in operational existence for the foreseeable future. Thus the going concern basis of accounting in preparing the annual financial statements has been adopted.

Fixed asset investment

Fixed asset investments are shown at cost less provision for impairment.

3. EMPLOYEES AND DIRECTORS

| | 31/3/19 | 31/3/18 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 1,674,633 | 1,399,290 |
| Social security costs | 121,892 | 105,924 |
| Other pension costs | 50,892 | 17,104 |
| | <u>1,847,417</u> | <u>1,522,318</u> |

The average number of employees during the year was as follows:

| | 31/3/19 | 31/3/18 |
|----------------------------|-----------|-----------|
| Service and administration | 91 | 71 |
| Directors | 3 | 3 |
| | <u>94</u> | <u>74</u> |

| | 31/3/19 | 31/3/18 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Directors' remuneration | <u>116,070</u> | <u>119,480</u> |

4. OPERATING PROFIT

The operating profit is stated after charging:

| | 31/3/19 | 31/3/18 |
|----------------------------------|---------------|---------------|
| | £ | £ |
| Hire of plant and machinery | 4,294 | 4,395 |
| Depreciation - owned assets | 761,713 | 632,124 |
| Loss on disposal of fixed assets | 7,367 | 69,136 |
| Goodwill amortisation | 43,000 | 27,250 |
| Auditors' remuneration | <u>10,000</u> | <u>10,000</u> |

5. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 31/3/19 | 31/3/18 |
|-----------------------------|----------------|----------------|
| | £ | £ |
| Bank loan interest | 140,620 | 130,380 |
| Bank charges | 45,988 | 16,330 |
| Hire purchase | 184 | 1,490 |
| Interest on corporation tax | 2,477 | 6,217 |
| Late filing penalties | - | 300 |
| | <u>189,269</u> | <u>154,717</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

| | 31/3/19 £ | 31/3/18 £ |
|--------------------|----------------|----------------|
| Current tax: | | |
| UK corporation tax | 257,700 | 272,589 |
| Deferred tax | 29,876 | (13,348) |
| Tax on profit | <u>287,576</u> | <u>259,241</u> |

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | 31/3/19 £ | 31/3/18 £ |
|--|------------------|------------------|
| Profit before tax | <u>1,462,281</u> | <u>1,334,538</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%) | 277,833 | 253,562 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 2,869 | 13,374 |
| Capital allowances in excess of depreciation | (18,087) | - |
| Depreciation in excess of capital allowances | - | 6,853 |
| Timing differences | 29,876 | (13,348) |
| Further allowable expenses | (4,915) | (1,200) |
| Total tax charge | <u>287,576</u> | <u>259,241</u> |

Tax effects relating to effects of other comprehensive income

| | Gross £ | 31/3/19 Tax £ | Net £ |
|---------------------------|------------------|---------------------|------------------|
| Revaluation of properties | 863,158 | - | 863,158 |
| Deferred tax | (1,042,890) | - | (1,042,890) |
| | <u>(179,732)</u> | <u>-</u> | <u>(179,732)</u> |

7. DIVIDENDS

| | 31/3/19 £ | 31/3/18 £ |
|-----------------------------------|----------------|----------------|
| Ordinary shares shares of £1 each | | |
| Interim | <u>178,000</u> | <u>161,200</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

8. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|-----------------------|---------------|
| COST | |
| At 1 April 2018 | 545,000 |
| Additions | 540,000 |
| | <hr/> |
| At 31 March 2019 | 1,085,000 |
| | <hr/> |
| AMORTISATION | |
| At 1 April 2018 | 63,583 |
| Amortisation for year | 43,000 |
| | <hr/> |
| At 31 March 2019 | 106,583 |
| | <hr/> |
| NET BOOK VALUE | |
| At 31 March 2019 | 978,417 |
| | <hr/> |
| At 31 March 2018 | 481,417 |
| | <hr/> |

9. TANGIBLE FIXED ASSETS

| | Freehold property £ | Short leasehold £ | Long leasehold £ | Plant and machinery £ |
|---------------------------|---------------------------|-------------------------|------------------------|-----------------------------|
| COST OR VALUATION | | | | |
| At 1 April 2018 | 4,300,000 | 264,143 | 7,836,842 | 6,739,693 |
| Additions | 1,559,655 | - | - | 1,310,359 |
| Disposals | - | - | - | (224,595) |
| Revaluations | 450,000 | - | 413,158 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2019 | 6,309,655 | 264,143 | 8,250,000 | 7,825,457 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| DEPRECIATION | | | | |
| At 1 April 2018 | - | - | 7,704 | 3,654,599 |
| Charge for year | - | 26,414 | - | 706,068 |
| Eliminated on disposal | - | - | - | (139,590) |
| Reclassification/transfer | - | 7,704 | (7,704) | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2019 | - | 34,118 | - | 4,221,077 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| NET BOOK VALUE | | | | |
| At 31 March 2019 | 6,309,655 | 230,025 | 8,250,000 | 3,604,380 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 March 2018 | 4,300,000 | 264,143 | 7,829,138 | 3,085,094 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

9. TANGIBLE FIXED ASSETS - continued

| | Fixtures and fittings £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|---------------------------|----------------------------------|------------------------|----------------------------|-------------|
| COST OR VALUATION | | | | |
| At 1 April 2018 | 445,087 | 34,250 | 11,327 | 19,631,342 |
| Additions | 28,285 | - | - | 2,898,299 |
| Disposals | - | - | - | (224,595) |
| Revaluations | - | - | - | 863,158 |
| At 31 March 2019 | 473,372 | 34,250 | 11,327 | 23,168,204 |
| DEPRECIATION | | | | |
| At 1 April 2018 | 291,464 | 24,336 | 7,372 | 3,985,475 |
| Charge for year | 25,961 | 2,479 | 791 | 761,713 |
| Eliminated on disposal | - | - | - | (139,590) |
| Reclassification/transfer | - | - | - | - |
| At 31 March 2019 | 317,425 | 26,815 | 8,163 | 4,607,598 |
| NET BOOK VALUE | | | | |
| At 31 March 2019 | 155,947 | 7,435 | 3,164 | 18,560,606 |
| At 31 March 2018 | 153,623 | 9,914 | 3,955 | 15,645,867 |

Included within net book value is £Nil (2018: £9,740) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2018: £3,247).

Cost or valuation at 31 March 2019 is represented by:

| | Freehold property £ | Short leasehold £ | Long leasehold £ | Plant and machinery £ |
|-------------------|---------------------------|-------------------------|------------------------|-----------------------------|
| Valuation in 2011 | - | - | 2,802,032 | - |
| Valuation in 2015 | 967,145 | - | 3,103,750 | - |
| Valuation in 2018 | 450,000 | - | 413,158 | - |
| Cost | 4,892,510 | 264,143 | 1,931,060 | 7,825,457 |
| | 6,309,655 | 264,143 | 8,250,000 | 7,825,457 |

| | Fixtures and fittings £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|-------------------|----------------------------------|------------------------|----------------------------|-------------|
| Valuation in 2011 | - | - | - | 2,802,032 |
| Valuation in 2015 | - | - | - | 4,070,895 |
| Valuation in 2018 | - | - | - | 863,158 |
| Cost | 473,372 | 34,250 | 11,327 | 15,432,119 |
| | 473,372 | 34,250 | 11,327 | 23,168,204 |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019

9. TANGIBLE FIXED ASSETS - continued

If freehold & leasehold property had not been revalued they would have been included at the following historical cost:

| | 31/3/19 | 31/3/18 |
|------|------------------|------------------|
| | £ | £ |
| Cost | <u>7,087,713</u> | <u>5,360,474</u> |

Freehold & leasehold property were valued on an open market basis on 20 November 2018 by Colliers International.

10. FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ |
|--------------------------------------|---|
| COST | |
| At 1 April 2018 and 31 March 2019 | <u>480,000</u> |
| PROVISIONS | |
| At 1 April 2018 and 31 March 2019 | <u>479,900</u> |
| NET BOOK VALUE | |
| At 31 March 2019 | <u>100</u> |
| At 31 March 2018 | <u>100</u> |

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Jumpin Star Limited

Registered office: Unit 3 St Georges Court, St Georges Park, Kirkham, PR4 2EF

Nature of business: Dormant

| | % holding | 30/6/19 | 30/6/18 |
|--------------------------------|--------------|------------|------------|
| | | £ | £ |
| Class of shares: | | | |
| Ordinary | 100.00 | | |
| Aggregate capital and reserves | | <u>429</u> | <u>429</u> |

11. STOCKS

| | 31/3/19 | 31/3/18 |
|--------|----------------|----------------|
| | £ | £ |
| Stocks | <u>173,930</u> | <u>105,000</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31/3/19 | 31/3/18 |
|--------------------------------|----------------|----------------|
| | £ | £ |
| Other debtors | 341,972 | 369,455 |
| Directors' current accounts | 246,960 | 103,730 |
| VAT | 76,827 | 102,804 |
| Prepayments and accrued income | 44,123 | 133,630 |
| | <u>709,882</u> | <u>709,619</u> |

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31/3/19 | 31/3/18 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 15) | 561,664 | 378,151 |
| Hire purchase contracts (see note 16) | - | 603 |
| Trade creditors | 950,740 | 756,794 |
| Amounts owed to group undertakings | 889 | 889 |
| Tax | 487,766 | 581,698 |
| Social security and other taxes | 80,622 | 62,121 |
| Other creditors | 180,965 | 180,965 |
| Accrued expenses | 66,415 | 76,747 |
| | <u>2,329,061</u> | <u>2,037,968</u> |

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 31/3/19 | 31/3/18 |
|--------------------------|------------------|------------------|
| | £ | £ |
| Bank loans (see note 15) | <u>4,352,058</u> | <u>2,955,415</u> |

15. LOANS

An analysis of the maturity of loans is given below:

| | 31/3/19 | 31/3/18 |
|---|------------------|------------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>561,664</u> | <u>378,151</u> |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | <u>1,809,389</u> | <u>389,139</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>1,509,029</u> | <u>2,010,313</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments | | |
| Bank loans more 5 yr by instal | <u>1,033,640</u> | <u>555,963</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

| | Hire purchase contracts | |
|----------------------------|----------------------------------|-------------------|
| | 31/3/19 | 31/3/18 |
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | - | 603 |
| | <u> </u> | <u> </u> |
| | Non-cancellable operating leases | |
| | 31/3/19 | 31/3/18 |
| | £ | £ |
| Within one year | 125,000 | 125,000 |
| Between one and five years | 500,000 | 500,000 |
| In more than five years | 1,475,000 | 1,600,000 |
| | <u>2,100,000</u> | <u>2,225,000</u> |

17. SECURED DEBTS

The following secured debts are included within creditors:

| | 31/3/19 | 31/3/18 |
|------------|------------------|------------------|
| | £ | £ |
| Bank loans | <u>4,913,722</u> | <u>3,333,566</u> |

Various legal charges in favour of Clydesdale Bank PLC have been registered at Companies House secured against the company's freehold and leasehold property.

An Inter Company Guarantee exists with Goldrush Amusements Limited.

18. PROVISIONS FOR LIABILITIES

| | 31/3/19 | 31/3/18 |
|--------------------------|------------------|------------------|
| | £ | £ |
| Deferred tax | <u>1,323,525</u> | <u>250,759</u> |
| | | Deferred tax |
| | | £ |
| Balance at 1 April 2018 | | 250,759 |
| Movement in the year | | 29,876 |
| Revaluation of property | | <u>1,042,890</u> |
| Balance at 31 March 2019 | | <u>1,323,525</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

19. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | Nominal value: | 31/3/19 | 31/3/18 |
|----------------------------------|-----------------|-------------------|----------|----------|
| Number: | Class: | | £ | £ |
| 4 | Ordinary shares | £1 | <u>4</u> | <u>4</u> |

20. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 March 2019 and 31 March 2018:

| | 31/3/19 | 31/3/18 |
|--------------------------------------|----------------|----------------|
| | £ | £ |
| J M Holland and C J Holland | | |
| Balance outstanding at start of year | 103,730 | (38,753) |
| Amounts advanced | 151,828 | 142,959 |
| Amounts repaid | (8,598) | (476) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>246,960</u> | <u>103,730</u> |

The amount outstanding at the year end is repayable on demand.

Interest at a rate of 2.5% has been charged by the company on balances owing to the company during the year.

21. RELATED PARTY DISCLOSURES

During the year, total dividends of £178,000 (2018 - £161,200) were paid to the directors.

The following companies are deemed to be related parties; Jumpin Star Limited, Holland Leisure Limited and Goldrush Amusements Limited.

Included within other creditors at 31 March 2019 is an amount due to Holland Leisure Limited of £180,965 (2018: £180,965).

During the year various monies have been loaned between J. Holland & Sons Limited and Goldrush Amusements Limited. Included within other debtors as at 31 March 2019 is an amount of £341,972 (2018: £369,455) due from Goldrush Amusements Limited.

22. ULTIMATE CONTROLLING PARTY

The company is under the control of J M Holland and Mrs J E Holland by virtue of their ownership of 100% of the issued ordinary share capital of the company.