

**PREPARED FOR THE REGISTRAR
PEARMAN BRIGGS LEISURE LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

Pearman Briggs Leisure Limited

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Pearman Briggs Leisure Limited

Company Information

| | |
|--------------------------|--|
| Directors | A J Baker M D Homer |
| Registered office | Staverton Court Staverton Cheltenham GL51 0UX |
| Bankers | Lloyds Bank Plc 19 Eastgate Street Gloucester GL1 1NU |
| Accountants | Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX |

Pearman Briggs Leisure Limited**(Registration number: 01738638)****Balance Sheet as at 31 July 2021**

| | Note | 2021 £ | 2020 £ |
|---|-------------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | <u>4</u> | 125,154 | 65,871 |
| Investments | <u>5</u> | 275,000 | - |
| | | <u>400,154</u> | <u>65,871</u> |
| Current assets | | | |
| Stocks | | 1,995,411 | 2,209,405 |
| Debtors | <u>6</u> | 292,561 | 243,382 |
| Cash at bank and in hand | | <u>1,454,848</u> | <u>1,102,030</u> |
| | | 3,742,820 | 3,554,817 |
| Creditors: Amounts falling due within one year | <u>7</u> | <u>(1,814,840)</u> | <u>(2,156,389)</u> |
| Net current assets | | <u>1,927,980</u> | <u>1,398,428</u> |
| Total assets less current liabilities | | 2,328,134 | 1,464,299 |
| Creditors: Amounts falling due after more than one year | <u>7</u> | <u>(11,045)</u> | <u>(2,252)</u> |
| Deferred tax liabilities | <u>8</u> | <u>(17,305)</u> | <u>(1,830)</u> |
| Net assets | | <u>2,299,784</u> | <u>1,460,217</u> |
| Capital and reserves | | | |
| Called up share capital | <u>11</u> | 625 | 625 |
| Share premium reserve | | 199,875 | 199,875 |
| Capital redemption reserve | | 500 | 500 |
| Profit and loss account | | <u>2,098,784</u> | <u>1,259,217</u> |
| Total equity | | <u>2,299,784</u> | <u>1,460,217</u> |

For the financial year ending 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 4 March 2022 and signed on its behalf by:

A J Baker

M D Homer

Director

The notes on pages 4 to 11 form an integral part of these financial statements.

Pearman Briggs Leisure Limited

Statement of Changes in Equity for the Year Ended 31 July 2021

| | Share capital £ | Share premium £ | Capital redemption reserve £ | Profit and loss account £ | Total £ |
|---------------------|--------------------|--------------------|---------------------------------------|---------------------------------|------------|
| At 1 August 2020 | 625 | 199,875 | 500 | 1,259,217 | 1,460,217 |
| Profit for the year | - | - | - | 964,859 | 964,859 |
| Dividends | - | - | - | (125,292) | (125,292) |
| At 31 July 2021 | 625 | 199,875 | 500 | 2,098,784 | 2,299,784 |

| | Share capital £ | Share premium £ | Capital redemption reserve £ | Profit and loss account £ | Total £ |
|---------------------|--------------------|--------------------|---------------------------------------|---------------------------------|------------|
| At 1 August 2019 | 625 | 199,875 | 500 | 1,073,275 | 1,274,275 |
| Profit for the year | - | - | - | 284,807 | 284,807 |
| Dividends | - | - | - | (98,865) | (98,865) |
| At 31 July 2020 | 625 | 199,875 | 500 | 1,259,217 | 1,460,217 |

The notes on pages 4 to 11 form an integral part of these financial statements.

Pearman Briggs Leisure Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Staverton Court
Staverton
Cheltenham
GL51 0UX

The principal place of business is:

224 Cheltenham Road
Gloucester
GL2 0JW

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Group accounts not prepared

The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small group.

Going concern

After reviewing the company's forecasts and projections, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amounts 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. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Pearman Briggs Leisure Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|----------------------------------|-------------------------------------|
| Fixtures, fittings and equipment | 15% to 33% of cost |
| Motor vehicles | 25% of cost |

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Trade debtors

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Pearman Briggs Leisure Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

The average number of persons employed by the company during the year was as follows:

| | 2021 | 2020 |
|-----------------------------|-------------|-------------|
| | No. | No. |
| Average number of employees | <u>26</u> | <u>18</u> |

4 Tangible assets

| | Fixtures, fittings and equipment £ | Motor vehicles £ | Total £ |
|------------------------|---|-----------------------------|--------------------|
| Cost | | | |
| At 1 August 2020 | 63,807 | 107,894 | 171,701 |
| Additions | 5,340 | 93,858 | 99,198 |
| Disposals | <u>-</u> | <u>(60,762)</u> | <u>(60,762)</u> |
| At 31 July 2021 | <u>69,147</u> | <u>140,990</u> | <u>210,137</u> |
| Depreciation | | | |
| At 1 August 2020 | 50,810 | 55,020 | 105,830 |
| Charge for the year | 3,289 | 23,164 | 26,453 |
| Eliminated on disposal | <u>-</u> | <u>(47,300)</u> | <u>(47,300)</u> |
| At 31 July 2021 | <u>54,099</u> | <u>30,884</u> | <u>84,983</u> |
| Carrying amount | | | |
| At 31 July 2021 | <u>15,048</u> | <u>110,106</u> | <u>125,154</u> |
| At 31 July 2020 | <u>12,997</u> | <u>52,874</u> | <u>65,871</u> |

Pearman Briggs Leisure Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 July 2021

5 Investments

| | 2021 | 2020 |
|-----------------------------|----------------|-------------|
| | £ | £ |
| Investments in subsidiaries | 275,000 | - |
| | <u>275,000</u> | <u>-</u> |
| Subsidiaries | | £ |
| Cost | | |
| Additions | | 275,000 |
| At 31 July 2021 | | 275,000 |
| Carrying amount | | |
| At 31 July 2021 | | 275,000 |

6 Debtors

| | | 2021 | 2020 |
|---------------------------------|-----------|----------------|----------------|
| | | £ | £ |
| Trade debtors | | 47,096 | 4,575 |
| Amounts owed by related parties | <u>10</u> | 215,021 | 211,919 |
| Other debtors | | 1,800 | 3,494 |
| Prepayments | | 28,644 | 23,394 |
| | | <u>292,561</u> | <u>243,382</u> |

7 Creditors

| | Note | 2021 | 2020 |
|--|-------------|------------------|------------------|
| | | £ | £ |
| Due within one year | | | |
| Loans and borrowings | <u>9</u> | 14,071 | 13,505 |
| Trade creditors | | 1,328,961 | 1,574,830 |
| Social security and other taxes | | 165,869 | 285,642 |
| Outstanding defined contribution pension costs | | 13,455 | 2,224 |
| Other creditors | | 1,092 | 1,092 |
| Accrued expenses | | 77,567 | 210,480 |
| Corporation tax liability | | 213,825 | 68,616 |
| | | <u>1,814,840</u> | <u>2,156,389</u> |
| Due after one year | | | |
| Loans and borrowings | <u>9</u> | 11,045 | 2,252 |

8 Deferred tax

| | Liability £ |
|---|----------------|
| 2021 | |
| Difference between accumulated depreciation and amortisation and capital allowances | 20,114 |
| Short term timing differences | (2,869) |
| | <u>17,245</u> |
| | |
| | Liability £ |
| 2020 | |
| Difference between accumulated depreciation and amortisation and capital allowances | 1,961 |
| Short term timing differences | (191) |
| | <u>1,770</u> |

9 Loans and borrowings

| | Notes | 2021 £ | 2020 £ |
|---|-------|---------------|---------------|
| Current loans and borrowings | | | |
| HP and finance lease liabilities | | 7,325 | 6,459 |
| Other borrowings | 10 | 6,746 | 7,046 |
| | | <u>14,071</u> | <u>13,505</u> |
| | | | |
| | | 2021 £ | 2020 £ |
| Non-current loans and borrowings | | | |
| HP and finance lease liabilities | | <u>11,045</u> | <u>2,252</u> |

Finance lease liabilities

Included within finance lease liabilities is £18,370 (2020 - £8,711) on which security has been provided by the company.

10 Related party transactions

Summary of transactions with key management

At the balance sheet date, the company owed £6,746 (2020 - £17,046) to its directors. There are no fixed repayment terms and no interest is charged on the outstanding balances.

Summary of transactions with parent

At the balance sheet date, the company was owed £215,021 (2020 - £211,919) from its parent company. There are no fixed repayment terms and no interest is charged on the outstanding balances.

11 Share capital

Allotted, called up and fully paid shares

| | 2021 | | 2020 | |
|--------------------------------|-------------|------------|-------------|------------|
| | No. | £ | No. | £ |
| Ordinary 'A' shares of £1 each | 623 | 623 | 623 | 623 |
| Ordinary 'C' shares of £1 each | 1 | 1 | 1 | 1 |
| Ordinary 'B' shares of £1 each | 1 | 1 | 1 | 1 |
| | <u>625</u> | <u>625</u> | <u>625</u> | <u>625</u> |

The different classes of share referred to above carry separate rights to dividends but, in all other significant respects, rank pari passu.

12 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £120,600 (2020 - £160,800). The total repayable in respect of financial commitments within 1 year of the balance sheet date is £40,200 (2020 - £40,200). The total due between 1 and 2 years is £40,200 (2020 - £40,200). The total due between 2 and 5 years is £40,200 (2020 - £80,400). There are no amounts due after more than 5 years.

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