

GLENDOLA LEISURE (HOLDINGS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 25 MARCH 2023

GLENDOLA LEISURE (HOLDINGS) LIMITED

COMPANY INFORMATION

Directors

P N Salussolia
C Salussolia
G J Ramsay, FCA
A Salussolia
L Salussolia
F Boorman
N Salussolia

Company secretary

G J Ramsay, FCA

Registered number

04324211

Registered office

364 High Street
Harlington Heathrow
Hayes
UB3 5LF

Independent auditors

Xeinadin Audit Limited
Statutory Auditors and Chartered Accountants
8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

GLENDOLA LEISURE (HOLDINGS) LIMITED

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GLENDOLA LEISURE (HOLDINGS) LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 25 MARCH 2023

Introduction

The principal activities of Glendola Leisure (Holdings) Limited (the "company") and its subsidiaries (together the "group") continued to be the management and operation of licensed premises and restaurants and the provision of management services ancillary thereto.

Business review

The results of the group are shown on page 11 of the financial statements.

The group has continued in its strong recovery following on from Covid, the war in Ukraine and the resulting economic challenges, such as higher energy costs, staffing availability, interest rate increases, high inflation and the cost of living crisis. The management are continuously trying to manage and mitigate these various challenges.

Management believes the group is in a strong financial and operational position to grow the business and take on new opportunities.

Principal risks and uncertainties

Credit, Interest rate and Liquidity Risk

The group manages a variety of financial risks including interest rate, liquidity and credit risk. Fluctuations in the interest rates affects the group's reported results. It is the group's goal to mitigate the effects of interest rate movements on profit, equity and cash flow. Whenever possible the group tries to establish this by creating natural hedges and by matching assets and liabilities. When natural hedges are not available the group seeks to use financial instruments. For this propose, hedging ranges have been identified and strict policies and governance are in place to cover the program, including authorisation procedures.

Long term strategies and annual business plans are formulated to ensure that the financial covenants can be met and monitored on a regular basis. Working capital requirements are also regularly reviewed and closely managed to sure there are sufficient cashflows available for the group.

The group maintains significant cash balances in order to mitigate any potential liquidity risk. It also has significant unutilised group borrowing facilities.

The group has a large number of customers and maintains tight credit control at each of its operations in order to mitigate its credit risk.

Trading and Economic Risk

The level of economic activity in the UK continues to have a significant influence on the profitability of the group.

The group is also exposed to pressures arising from increasing costs from suppliers, increases in alcohol duty, and changes to government policies affecting the minimum wage, VAT and corporation tax.

Financial key performance indicators

The group's key performance indicators can be reviewed as follows;

GLENDOLA LEISURE (HOLDINGS) LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 25 MARCH 2023**

	2023 £000	2022 £000	Movement £000	%
£000's				
Turnover	33,379	22,816	19,563	46
Operating profit/(loss)	3,223	2,839	384	12
Profit before tax	2,499	2,363	136	6
EBITDA	4,947	4,864	83	2
Net Debt: EBITDA	3.7	3.6	0.1	3

The above profit before taxation includes impairments totalling £nil (2022: £170,000).

The group has complied with all of its bank covenants throughout the year.

The group successfully renewed its financing, in July 2020, with the new facility for £26,700,000 expiring in December 2021. Additional facilities of £6,000,000 were attained as part of this refinancing, therefore, giving the group and its related parties access to total financing of £32,700,000.

In May 2021 the group extended the expiry date of the main facility of £26,700,000. In addition, the CLBILS facility was increased from £6,000,000 to £8,000,000 giving the group access to total funding of £34,700,000 of which £26,400,000 has been utilised.

GLENDOLA LEISURE (HOLDINGS) LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 25 MARCH 2023

s172 reporting

The board of directors provide the following statement on how they have performed of their statutory duties in accordance with s172(1) of the Companies Act 2006.

The board of Directors of Glendola Leisure (Holdings) consider that both individually and together, they have acted in a way that would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the year ended 25 March 2023.

The likely consequences of any decision in the long term

Consideration of the consequences of any decision in both the short, medium and long term is duly considered as part of the decision making process.

The interests of the Group's employees

The group is an operator of hospitality businesses. Our employees have a voice in the business. We continually liaise with employees, and conduct an annual employee survey, which are used to shape the future of the business and ensure that decisions are made in the interest of the company's employees.

The need to foster the Group's business relationships with suppliers, customers and others

Our customers are at the heart of everything we do and our mission is to provide them with memorable experiences. As a result, the relationships with our customers and also our suppliers who are in integral part of allowing us to provide our customer experience are very important. We collect feedback from all social media communities for our customers. This allows us to ensure that we can react to customer feedback and needs.

The impact of the Group's operations on the community and the environment

The impact of our operations on the community and the environment is very important to us and that is why we regularly review our processes and procedures to seek continual improvements in this respect. We have joined the Zero Carbon Forum to allow us to measure our emissions and develop a strategy towards a more sustainable future.

The desirability of the Group maintaining a reputation for high standards of business conduct

Our company core values set out the values that are a fundamental part in how we deliver our mission. Our core values include communicating honestly and openly in our interactions and set the standard for how we maintain high standards of business conduct.

The need to act fairly as between members of the Group

Consideration of the consequences of any decision on all members of the company is duly considered as part of the decision making process.

Directors' statement of compliance with duty to promote the success of the Group

The directors have sought to put the group on a financially stable position coming out of the pandemic and believes it is well positioned to take further opportunities in the future.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 25 MARCH 2023**

This report was approved by the board and signed on its behalf.

DocuSigned by:

Graeme Ramsay
B15F0ED560D1476
G J Ramsay, FCA
Director

Date: 12/29/2023

GLENDOLA LEISURE (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 25 MARCH 2023

The directors present their report and the financial statements for the period ended 25 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Principal activity

The principal activities of Glendola Leisure (Holdings) Limited (the 'Company') and its subsidiaries (together the Group') continued to be operation and management of licensed premises and restaurants and the provision of management services ancillary thereto.

Results and dividends

The directors did not declare or pay a dividend (2022: £nil) in the 52 week period ended 25 March 2023.

Directors

The directors who served during the period were:

P N Salussolia
C Salussolia
G J Ramsay, FCA
A Salussolia
L Salussolia
F Boorman
N Salussolia

GLENDOLA LEISURE (HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 25 MARCH 2023

Disabled persons

The Group's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Consideration is given to appropriate training and career development prospects for those who are or become disabled.

Employee involvement

Regular meetings are held between senior management and employees to discuss the performance of the group, and to encourage employees' further development.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Group has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the period is 40,000kWh or lower.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events


There have been no significant events affecting the Group since the year end.

Auditors

The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 12/29/2023

and signed on its behalf.

DocuSigned by:

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G J Ramsay, FCA
Director

GLENDOLA LEISURE (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLENDOLA LEISURE (HOLDINGS) LIMITED

Opinion

We have audited the financial statements of Glendola Leisure (Holdings) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 25 March 2023, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, 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 Group's and of the parent Company's affairs as at 25 March 2023 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

GLENDOLA LEISURE (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLENDOLA LEISURE (HOLDINGS) LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 Group strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLENDOLA LEISURE (HOLDINGS) LIMITED
(CONTINUED)**

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 Group's and the parent 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 Group or the parent 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 an Auditors' 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 Group 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:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 we 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.

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 Auditors' report.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLENDOLA LEISURE (HOLDINGS) LIMITED
(CONTINUED)**

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 Auditors' 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.

DocuSigned by:

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Karanjit Gill (Senior statutory auditor)

for and on behalf of
Xeinadin Audit Limited

Statutory Auditors and Chartered Accountants

8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD
Date: 12/29/2023

GLENDOLA LEISURE (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 52 WEEK PERIOD ENDED 25 MARCH 2023**

	Note	2023 £000	2022 £000
Turnover	4	33,379	22,816
Cost of sales		(12,512)	(9,027)
Gross profit		<u>20,867</u>	<u>13,789</u>
Administrative expenses		(18,552)	(12,834)
Other operating income	5	910	1,884
Operating profit	6	<u>3,225</u>	<u>2,839</u>
Interest receivable and similar income		10	-
Interest payable and similar expenses	10	(734)	(476)
Profit before taxation		<u>2,501</u>	<u>2,363</u>
Tax on profit	11	960	(467)
Profit for the financial period		<u>3,461</u>	<u>1,896</u>
Profit for the period attributable to:			
Non-controlling interests		2	9
Owners of the parent Company		3,459	1,887
		<u>3,461</u>	<u>1,896</u>

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED
REGISTERED NUMBER: 04324211

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 25 MARCH 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	12	929	1,274
Tangible fixed assets	13	37,278	37,989
		<u>38,207</u>	<u>39,263</u>
Current assets			
Stocks	15	555	584
Debtors: amounts falling due within one year	16	2,111	1,189
Cash at bank and in hand	17	2,573	3,278
		<u>5,239</u>	<u>5,051</u>
Creditors: amounts falling due within one year	18	(23,305)	(10,614)
Net current liabilities		<u>(18,066)</u>	<u>(5,563)</u>
Total assets less current liabilities		<u>20,141</u>	<u>33,700</u>
Creditors: amounts falling due after more than one year	19	-	(16,612)
Provisions for liabilities			
Deferred taxation	21	(1,047)	(1,606)
		<u>(1,047)</u>	<u>(1,606)</u>
Net assets		<u><u>19,094</u></u>	<u><u>15,482</u></u>

GLENDOLA LEISURE (HOLDINGS) LIMITED
REGISTERED NUMBER: 04324211

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 25 MARCH 2023

	Note	2023 £000	2022 £000
Capital and reserves			
Called up share capital	22	158	158
Share premium account	23	85	85
Revaluation reserve	23	2,187	2,190
Capital redemption reserve	23	87	87
Cash flow hedge reserve	23	528	354
Merger reserve	23	(208)	(208)
Profit and loss account	23	16,431	12,992
Equity attributable to owners of the parent Company		<u>19,268</u>	<u>15,658</u>
Non-controlling interests		(174)	(176)
		<u>19,094</u>	<u>15,482</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

Graeme Ramsay

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G J Ramsay, FCA
 Director

Date: 12/29/2023

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED
REGISTERED NUMBER: 04324211

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 25 MARCH 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	12	1,291	1,506
Tangible assets	13	38,502	39,071
Investments	14	5,813	5,815
		45,606	46,392
Current assets			
Stocks	15	307	320
Debtors: amounts falling due within one year	16	5,217	4,374
Cash at bank and in hand	17	1,488	2,316
		7,012	7,010
Creditors: amounts falling due within one year	18	(30,616)	(17,280)
		(23,604)	(10,270)
Net current liabilities			
		(23,604)	(10,270)
Total assets less current liabilities			
		22,002	36,122
Creditors: amounts falling due after more than one year	19	-	(16,612)
Provisions for liabilities			
Deferred taxation	21	(759)	(1,315)
		(759)	(1,315)
Net assets			
		21,243	18,195

GLENDOLA LEISURE (HOLDINGS) LIMITED
REGISTERED NUMBER: 04324211

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 25 MARCH 2023

	Note	2023 £000	2022 £000
Capital and reserves			
Called up share capital	22	158	158
Share premium account	23	85	85
Capital redemption reserve	23	87	87
Cash flow hedge reserve	23	528	354
Profit and loss account	23	20,385	17,511
		21,243	18,195

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

Graeme Ramsay

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G J Ramsay, FCA
 Director

Date: 12/29/2023

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEK PERIOD ENDED 25 MARCH 2023**

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Other reserves	Merger reserve	Profit and loss account
	£000	£000	£000	£000	£000	£000	£000
At 26 March 2022	158	85	87	2,190	354	(208)	12,992
Comprehensive income for the period							
Profit for the period	-	-	-	-	-	-	3,459
Deficit on revaluation of other fixed assets	-	-	-	(3)	-	-	(20)
Net change in fair value of cash flow hedges recycled to profit or loss	-	-	-	-	174	-	-
Total comprehensive income for the period	-	-	-	(3)	174	-	3,439
At 25 March 2023	158	85	87	2,187	528	(208)	16,431

GLENDOLA LEISURE (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE 52 WEEK PERIOD ENDED 25 MARCH 2023**

	Equity attributable to owners of parent Company £000	Non-controlling interests £000	Total equity £000
At 26 March 2022	15,658	(176)	15,482
Comprehensive income for the period			
Profit for the period	3,459	2	3,461
Deficit on revaluation of other fixed assets	(23)	-	(23)
Net change in fair value of cash flow hedges recycled to profit or loss	174	-	174
Total comprehensive income for the period	3,610	2	3,612
At 25 March 2023	19,268	(174)	19,094

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Cash flow hedge reserve	Merger reserve	Profit and loss account
	£000	£000	£000	£000	£000	£000	£000
At 27 March 2021	158	85	87	2,173	(125)	(208)	11,068
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	-	1,887
Difference between historical cost depreciation charge and actual	-	-	-	17	-	-	-
Net change in income tax	-	-	-	-	479	-	-
Tax adjustment	-	-	-	-	-	-	37
Total comprehensive income for the year	-	-	-	17	479	-	1,924
Total transactions with owners	-	-	-	-	-	-	-
At 26 March 2022	158	85	87	2,190	354	(208)	12,992

GLENDOLA LEISURE (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

	Equity attributable to owners of parent Company £000	Non-controlling interests £000	Total equity £000
At 27 March 2021	13,238	(165)	13,073
Comprehensive income for the year			
Profit for the year	1,887	(11)	1,876
Difference between historical cost depreciation charge and actual	17	-	17
Net change in income tax	479	-	479
Tax adjustment	37	-	37
Total comprehensive income for the year	2,420	(11)	2,409
Total transactions with owners	-	-	-
At 26 March 2022	15,658	(176)	15,482

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEK PERIOD ENDED 25 MARCH 2023**

	Called up share capital	Share premium account	Capital redemption reserve	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000
At 26 March 2022	158	85	87	354	17,511	18,195
Comprehensive income for the year						
Profit for the period	-	-	-	-	2,906	2,906
Deficit on revaluation of other fixed assets	-	-	-	-	(32)	(32)
Net change in fair value of cash flow hedges recycled to profit or loss	-	-	-	174	-	174
Other comprehensive income for the period	-	-	-	174	(32)	142
At 25 March 2023	158	85	87	528	20,385	21,243

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE 52 WEEK PERIOD ENDED 26 MARCH 2022**

	Called up share capital	Share premium account	Other reserves	Cash flow hedge reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000
At 27 March 2021	158	85	87	(125)	15,488	15,693
Comprehensive income for the year						
Profit for the year	-	-	-	-	1,363	1,363
Revaluation of investment	-	-	-	-	660	660
Income tax on comprehensive income	-	-	-	479	-	479
Allocated profit	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	479	660	1,139
At 26 March 2022	158	85	87	354	17,511	18,195

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 52 WEEK PERIOD ENDED 27 MARCH 2022**

	2023 £000	2022 £000
Cash flows from operating activities		
Profit for the financial period	3,461	1,896
Adjustments for:		
Amortisation of intangible assets	345	349
Depreciation of tangible assets	1,379	1,506
Impairments of fixed assets	-	170
Disposal of tangible assets	-	(415)
Government grants	(5)	(1,230)
Interest paid	734	476
Interest received	(10)	-
Taxation charge	(960)	467
Decrease/(increase) in stocks	29	(256)
(Increase)/decrease in debtors	(458)	1,678
(Increase)/decrease in amounts owed by associates	(9)	9
(Increase)/decrease in amounts owed by participating interest	(279)	-
Increase in creditors	472	1,469
(Decrease)/increase in amounts owed to related parties	(2,420)	-
Net fair value (gains)/losses recognised in cash flow reserve	-	(479)
Corporation tax received	(465)	(230)
Revaluation reserve movement	-	(17)
Net cash generated from operating activities	<u>1,814</u>	<u>5,393</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(671)	(1,880)
Sale of tangible fixed assets	-	415
Government grants received	5	1,230
Interest received	10	-
Net cash from investing activities	<u>(656)</u>	<u>(235)</u>
Cash flows from financing activities		
Repayment of loans	(1,130)	(1,499)
Interest paid	(734)	(476)
Net cash used in financing activities	<u>(1,864)</u>	<u>(1,975)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(706)</u>	<u>3,183</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 25 MARCH 2023

	2023 £000	2022 £000
Cash and cash equivalents at beginning of period	3,278	95
Cash and cash equivalents at the end of period	<u>2,572</u>	<u>3,278</u>
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	2,573	3,278
Bank overdrafts	(1)	-
	<u>2,572</u>	<u>3,278</u>

The notes on pages 24 to 50 form part of these financial statements.

GLENDOLA LEISURE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 MARCH 2023

1. General information

Glendola Leisure (Holdings) Limited is a company limited by shares and incorporated and domiciled in England & Wales in the UK.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 27 March 2020. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

In the parent financial statements, investments in subsidiaries, are carried at fair value through profit or loss.

GLENDOLA LEISURE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 MARCH 2023

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis, which the Directors consider to be appropriate for the following reasons.

Funding for Glendola Leisure Holdings Limited and subsidiaries (together "the UK Group") entities is provided under facilities with Barclays. The UK Group successfully arranged new facilities in May 2021 which expire and are disclosed in note 18. The UK facilities have certain liquidity and loan to value financial covenant requirements that must be met in order for the facilities to continue. The Group has met all of its covenants.

The directors have prepared forecasts for the UK group for the period to March 2025, including a severe but plausible downside scenario, which are based on the trading of the group. Both the base case and the severe but plausible downside scenarios show that the group have adequate cash resources throughout the forecast period.

In respect of both the base case and the severe but plausible downside case, the covenants attached to the UK banking facilities are expected to be met throughout the forecast period.

The Directors continually evaluate opportunities to obtain, retire, or restructure the Group or financing arrangements for strategic reasons to further strengthen the Group's financial position.

The Directors have considered the information described herein and have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus, the company continues to adopt the going concern basis of accounting in preparing the consolidated financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

2. Accounting policies (continued)**2.5 Revenue**

The Group is principally engaged in one class of business, that of operating and managing restaurants and licensed premises and the provision of management services ancillary thereto. Turnover is derived wholly from retail operations in the UK and is recognised, excluding VAT, as the services are provided.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Government grants

Government grants are included within the balance sheet and credited to the profit and loss account over the periods in which the related costs are incurred.

2.8 Interest receivable and interest payable

Interest income is recognised in profit or loss using the effective interest method.

Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 Pensions**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

2. Accounting policies (continued)**2.12 Current and deferred taxation**

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

The current income 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 and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.13 Intangible assets**Goodwill**

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Amortisation

Goodwill is amortised on a straight line basis over the useful life of the asset it relates to. This has been assessed as 10 years from the date of transition. Goodwill has no residual value.

- The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

- Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

2. Accounting policies (continued)**2.14 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Over the life of the lease
Short-term leasehold property	-
Fixtures and fittings	- 10% to 33.33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

2. Accounting policies (continued)**2.16 Impairment of fixed assets and goodwill**

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the entity's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

2. Accounting policies (continued)**2.17 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.18 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

2.19 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.20 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.21 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.22 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

2. Accounting policies (continued)**2.23 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses .

Investments in preference and ordinary shares.

Investments in equity instruments are measured initially at fair value, which is normally the

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

2. Accounting policies (continued)

2.23 Financial instruments (continued)

transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

In accordance with FRS 102.22, financial instruments issued by the group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and

(b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

GLENDOLA LEISURE (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 MARCH 2023

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgments, 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 recognised 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 where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Critical accounting judgments in applying the Company's accounting policies:

Goodwill:

Goodwill is measured by taking the difference between the net asset value of the assets acquired and the consideration paid.

Deferred taxation:

In accordance with FRS 102 the group provides for deferred taxation on all capital gains tax rolled over and any revaluations. It is currently not the directors' intention to dispose of any of these assets.

Hedge accounting:

As part of its risk management the group enters into interest rate swaps. It seeks to match these up to the future borrowing costs of the business. Accordingly, the group uses hedge accounting where appropriate.

Tangible assets:

Tangible assets are assessed for impairment at the end of each reporting period. Reviews of indicators of impairment and impairment assessments of our tangible assets are judgmental, and involve estimates in particular in relation to the future cash flows of the sites.

4. Turnover

The Group is principally engaged in one class of business, that of operating and managing restaurants and licensed premises and the provision of management services ancillary thereto. Turnover is derived wholly from retail operations in the UK.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

5. Other operating income

	2023 £000	2022 £000
Other operating income	404	64
Net rents receivable	501	462
Grant income	5	1,230
Profit on asset disposal	-	128
	<u>910</u>	<u>1,884</u>

6. Operating profit

The operating profit is stated after charging:

	2023 £000	2022 £000
Depreciation	1,379	1,506
Amortisation	345	349
Impairment expense	-	170
	<u>1,724</u>	<u>1,925</u>

7. Auditors' remuneration

	2023 £000	2022 £000
Fees payable to the Company's auditors and their associates for the audit of the consolidated and parent Company's financial statements	85	85
Fees payable to the Company's auditors and their associates in respect of:		
Other services relating to taxation	9	9
	<u>94</u>	<u>94</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

8. Employees

Staff costs were as follows:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Wages and salaries	9,577	6,502	7,164	4,883
Social security costs	455	449	279	325
Cost of defined contribution scheme	80	58	51	35
	10,112	7,009	7,494	5,243
	10,112	7,009	7,494	5,243

The average monthly number of employees, including the directors, during the period was as follows:

	2023 No.	2022 No.
Management	18	23
Administration	8	7
Operational staff	309	359
	335	389
	335	389

The Company has no employees other than the directors, who did not receive any remuneration (2022 - £NIL)

9. Directors remuneration

	2023 £000	2022 £000
Emoluments:		
Remuneration for management services	301	273
Other pension costs	2	2
	303	275
Emoluments of the highest paid director were:		
Remuneration for management services	301	273
Other pension costs	2	2
	303	275
	303	275

The other directors were remunerated by the Foundation Group of Companies Limited, which is a related party due to common ultimate shareholders. Their fees are estimated at £606,000 (2022: £452,000), which are recharged through the management fee.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

10. Interest payable and similar expenses

	2023 £000	2022 £000
Finance lease and commercial loan interest	734	476
	<u>734</u>	<u>476</u>

11. Taxation

	2023 £000	2022 £000
Corporation tax		
Current tax on profits for the period	585	55
Adjustments in respect of previous periods	(923)	2
Total current tax	<u>(338)</u>	<u>57</u>
Deferred tax		
Origination and reversal of timing differences	(622)	410
Total deferred tax	<u>(622)</u>	<u>410</u>
Taxation on (loss)/profit on ordinary activities	<u>(960)</u>	<u>467</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

11. Taxation (continued)
Factors affecting tax charge for the period/year

The tax assessed for the period/year is the same as the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £000	2022 £000
Profit on ordinary activities before tax	2,496	2,385
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	475	475
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	23	-
Expenses not deductible for tax purposes	2	26
Capital allowances for period/year in excess of depreciation	20	208
Adjustments to tax charge in respect of prior periods	(923)	2
Group relief surrendered/(claimed)	-	2
Other differences leading to an increase (decrease) in the tax charge	145	22
Remeasurement of deferred tax	(20)	258
Movement in deferred tax not recognised	(682)	(526)
Total tax charge for the period/year	(960)	467

Factors that may affect future tax charges

The rate of corporation tax has been increased from 19% to 25% with effect from 1 April 2023. Deferred tax assets and liabilities have therefore been remeasured at 25%.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

12. Intangible assets**Group**

	Goodwill £000
Cost	
At 26 March 2022	4,079
At 25 March 2023	<u>4,079</u>
Amortisation	
At 26 March 2022	2,805
Charge for the period on owned assets	345
At 25 March 2023	<u>3,150</u>
Net book value	
At 25 March 2023	<u>929</u>
At 25 March 2022	<u>1,274</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

12. Intangible assets (continued)
Company

	Goodwill £000
Cost	
At 26 March 2022	2,151
At 25 March 2023	<u>2,151</u>
Amortisation	
At 26 March 2022	645
On disposals	215
At 25 March 2023	<u>860</u>
Net book value	
At 25 March 2023	<u><u>1,291</u></u>
At 25 March 2022	<u><u>1,506</u></u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

13. Tangible fixed assets
Group

	Freehold property £000	Long-term leasehold property £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 26 March 2022	42,329	4,128	22,374	68,831
Additions	-	-	671	671
Disposals	-	-	(3)	(3)
At 25 March 2023	<u>42,329</u>	<u>4,128</u>	<u>23,042</u>	<u>69,499</u>
Depreciation				
At 26 March 2022	9,250	3,552	18,040	30,842
Charge for the period on owned assets	217	93	1,072	1,382
Disposals	-	-	(3)	(3)
At 25 March 2023	<u>9,467</u>	<u>3,645</u>	<u>19,109</u>	<u>32,221</u>
Net book value				
At 25 March 2023	<u>32,862</u>	<u>483</u>	<u>3,933</u>	<u>37,278</u>
At 25 March 2022	<u>33,079</u>	<u>576</u>	<u>4,334</u>	<u>37,989</u>

The management team conducted an impairment review of all its fixed assets. The value of the impairments are included within the administrative expenses within the profit and loss account.

The net book value of land and buildings may be further analysed as follows:

	2023 £000	2022 £000
Freehold	32,862	33,080
Long leasehold	483	576
	<u>33,345</u>	<u>33,656</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

13. Tangible fixed assets (continued)
Company

	Freehold property £000	Fixtures and fittings £000	Total £000
Cost or valuation			
At 26 March 2022	44,054	20,332	64,386
Additions	-	429	429
At 25 March 2023	<u>44,054</u>	<u>20,761</u>	<u>64,815</u>
Depreciation			
At 26 March 2022	8,977	16,338	25,315
Charge for the period on owned assets	217	781	998
At 25 March 2023	<u>9,194</u>	<u>17,119</u>	<u>26,313</u>
Net book value			
At 25 March 2023	<u>34,860</u>	<u>3,642</u>	<u>38,502</u>
At 25 March 2022	<u>35,077</u>	<u>3,994</u>	<u>39,071</u>

The net book value of land and buildings may be further analysed as follows:

	2023 £000	2022 £000
Freehold	<u>34,860</u>	<u>35,077</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

14. Fixed asset investments
Company

	Investments in subsidiary companies £000
Cost or valuation	
At 26 March 2022	5,815
Revaluations	(2)
At 25 March 2023	<u>5,813</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Glendola Leisure Limited	England	Ordinary	100%
Glendola Irish Bars Limited	England	Ordinary	100%
Glendola Leisure 2 Limited	England	Ordinary	95%
Handmade Pubs 2012 Limited	England	Ordinary	100%
Carlton Hotels UK Limited	Scotland	Ordinary	100%
Saltire Taverns Limited	Scotland	Ordinary	100%

The companies that are incorporated in England all have their registered office at 364 High Street, Harlington, Hayes, UB3 5LF. The companies that are incorporated in Scotland all have their registered office at 44 West George Street, Glasgow, G2 1DH.

The principal activity of all the companies was operation and management of themed operations

15. Stocks

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Finished goods and goods for resale	555	584	307	320
	<u>555</u>	<u>584</u>	<u>307</u>	<u>320</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

16. Debtors

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Due within one year				
Trade debtors	59	60	35	31
Amounts owed by group undertakings	-	-	3,519	3,454
Amounts owed by related parties	288	-	288	8
Other debtors	621	227	568	303
Prepayments and accrued income	206	204	153	100
Deferred taxation	283	220	-	-
Financial instruments	654	478	654	478
	<u>2,111</u>	<u>1,189</u>	<u>5,217</u>	<u>4,374</u>

Amounts owed by related parties are interest free and repayable on demand.

17. Cash and cash equivalents

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Cash at bank and in hand	2,573	3,278	1,488	2,316
	<u>2,573</u>	<u>3,278</u>	<u>1,488</u>	<u>2,316</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

18. Creditors: Amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Bank loans	15,483	-	15,483	-
Trade creditors	1,939	2,130	1,223	1,115
Amounts owed to group undertakings	-	-	9,417	8,332
Amounts owed to related parties	1,075	3,495	1,075	3,504
Corporation tax	597	1,441	375	1,357
Other taxation and social security	975	761	568	543
Other creditors	836	593	756	690
Accruals and deferred income	2,400	2,194	1,719	1,739
	<u>23,305</u>	<u>10,614</u>	<u>30,616</u>	<u>17,280</u>

The Group has a secured overdraft facility with its bankers of £2.0m which attracts interest at 4.5% above the banks base rate per annum. Interest is only applicable when the Groups total bank balances are overdrawn.

Amounts owed to related parties are interest free and repayable on demand.

19. Creditors: Amounts falling due after more than one year

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Bank loans	-	16,612	-	16,612
	<u>-</u>	<u>16,612</u>	<u>-</u>	<u>16,612</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

20. Loans

Analysis of the maturity of loans is given below:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Amounts falling due within one year				
Bank loans	15,483	-	15,483	-
Amounts falling due 1-2 years				
Bank loans	-	16,612	-	16,612
	<u>-</u>	<u>16,612</u>	<u>-</u>	<u>16,612</u>
	<u>15,483</u>	<u>16,612</u>	<u>15,483</u>	<u>16,612</u>

The bank loan as at balance sheet date had a margin which is based upon performance ratios and was 2% over LIBOR at the year end.

As at 25 March 2023, the company and its related parties (together "the group") had facilities of £26,400,000. The group successfully renewed its financing in May 2022, with the new facility for £26,400,000.

The bank loan is secured by a fixed and floating charge over freehold and leasehold properties of the group and related groups and all other assets of the company with net book values totaling £67,123,000 (2022: £66,848,000).

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

21. Deferred taxation**Group**

	2023 £000	2022 £000
At beginning of year	(1,386)	(975)
Charged to profit or loss	622	(411)
At end of year	<u>(764)</u>	<u>(1,386)</u>

Company

	2023 £000	2022 £000
At beginning of year	(1,315)	(1,518)
Charged to profit or loss	556	203
At end of year	<u>(759)</u>	<u>(1,315)</u>

The deferred tax balance is made up as follows:

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Fixed assets timing differences	(343)	(1,328)	(337)	(1,299)
Short term timing differences	(421)	(58)	(421)	(16)
	<u>(764)</u>	<u>(1,386)</u>	<u>(758)</u>	<u>(1,315)</u>
Comprising:				
Asset - due within one year	283	220	-	-
Liability	(1,047)	(1,606)	(758)	(1,315)
	<u>(764)</u>	<u>(1,386)</u>	<u>(758)</u>	<u>(1,315)</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

22. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
13,258,644 (2022 - 13,258,644) A Ordinary Shares shares of £0.01 each	132,586	132,586
2,525,456 (2022 - 2,525,456) B Ordinary Shares shares of £0.01 each	25,255	25,255
	<u>157,841</u>	<u>157,841</u>

Holders of Ordinary A shares have full voting rights. Holders of B shares have restricted voting rights. In all other regards, the shares rank pari passu.

23. Reserves
Share premium account

Share premium is the excess above the nominal value of the Company's shares of the total price the company received for its issued shares.

Revaluation reserve

Where tangible fixed assets are revalued or reclassified as investment property, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

Capital redemption reserve

A statutory, non-distributable reserve arising from the redemption or purchase of a company's own shares.

Cash flow hedge reserves

This relates to cash flow hedge reserve. The cash flow hedge reserve provides for the net liability due on the outstanding cash flow hedges.

Merger Reserve

The merger reserve comprises the differences between consideration and book value which arose on the restructuring of the group.

Profit and loss account

Profit & loss account includes all current and prior periods retained profits.

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

24. Contingent liabilities

As at 25 March 2023, the company and its related parties (together 'the group') had facilities of £26,400,000 (2022: £32,700,000).

The company is a party to the bank overdraft and bank loans of other group and related party companies. At the balance sheet date these totalled £9,417,500 (2022: £9,972,000).

25. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £80,000 (2022: £58,086) and by the Company to the fund and amounted to £51,211 (2022: £15,623). Contributions totaling £16,863 (2022: £nil) were payable to the fund at the reporting date and are included in creditors.

26. Commitments under operating leases

At 25 March 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £000	Group 2022 £000
Within 1 year	1,467	1,937
Later than 1 year and not later than 5 years	4,347	6,777
Later than 5 years	2,089	2,548
	<u>7,903</u>	<u>11,262</u>

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

27. Related party transactions

The company's aggregate balances with related parties were as follows:

	2023 £000	2022 £000
Glendola Irish Bars Ltd	(2,735)	(1,719)
Saltire Taverns Ltd	(5,978)	(5,981)
Glendola Leisure 2 Ltd	3,519	3,454
Glendola Leisure Ltd	(328)	(206)
Handmade Pubs 2012 Ltd	(374)	(363)
Carlton Hotels UK Ltd	-	(63)
	<u> </u>	<u> </u>

The group's and company's trading transactions during the period with related parties

	2023 £000	2022 £000
Management Fees Payable		
The Foundation Group of Companies Limited	1,391	1,391
Hotel Management International Limited	99	79
	<u> </u>	<u> </u>
	<u>1,490</u>	<u>1,470</u>

The above companies are related due to common ultimate controlling parties.

Transaction with key management personal

Total compensation of key management personnel (including the directors) in the year amounted to £1,464,000 (2022: £1,094,000).

GLENDOLA LEISURE (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 MARCH 2023**

Group

The group's aggregate balances with related parties were as follows:

	2023 £000	2022 £000
Amounts due from / (to) related undertakings:		
The Foundation Group of Companies Limited	(1,075)	(702)
Hotel Management International Holdings Limited	-	-
Hotel Management International Limited	288	(2,793)
	<u>(787)</u>	<u>(3,495)</u>

28. Ultimate controlling party

The ultimate controlling party is P N Salussolia, being the major shareholder.