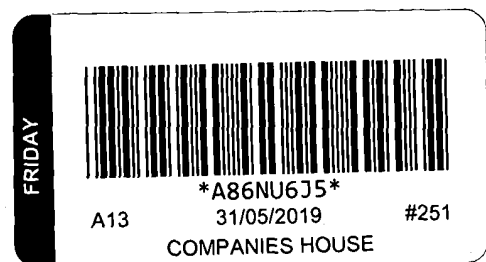


Registered number: 09217618

HAYTON LEISURE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 25 AUGUST 2018



HAYTON LEISURE LIMITED

COMPANY INFORMATION

DIRECTORS	Steve Simpson Kristian Lee (resigned 1 June 2017)
COMPANY SECRETARY	June Carruthers
REGISTERED NUMBER	09217618
REGISTERED OFFICE	Global House 5 Castle Street Carlisle Cumbria CA3 8SY
INDEPENDENT AUDITOR	KPMG LLP Quayside House 110 Quayside Newcastle Upon Tyne NE1 3DX

HAYTON LEISURE LIMITED

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HAYTON LEISURE LIMITED

DIRECTORS' REPORT FOR THE 78-WEEK PERIOD ENDED 25 AUGUST 2018

The directors present their report and the financial statements for the 78-week period ended 25 August 2018.

PRINCIPAL ACTIVITIES

The principal activity of the company is hospitality services.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, amounted to £605,000 (2017 - loss £261,000).

The directors do not recommend the payment of a dividend (2017 - £nil).

DIRECTORS

The directors who served during the period and to the date of this report were:

Steve Simpson
Kristian Lee (resigned 1 June 2017)

FUTURE DEVELOPMENTS

The company's underlying performance is expected to continue in the next financial period.

DISCLOSURE OF INFORMATION TO AUDITOR

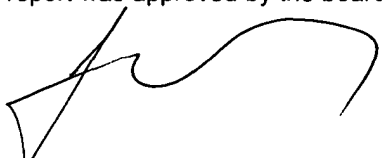
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that 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's auditor is aware of that information.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

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



June Carruthers
Secretary
Date: 17 May 2019

Global House
5 Castle Street
Carlisle
Cumbria
CA3 8SY

HAYTON LEISURE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAYTON LEISURE LIMITED

Opinion

We have audited the financial statements of Hayton Leisure Limited ("the company") for the period ended 25 August 2018 which comprise the profit and loss account, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 August 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as impairment of financial and non-financial assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover this report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial period is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAYTON LEISURE LIMITED

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Moran (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle Upon Tyne
NE1 3DX

22 May 2019

HAYTON LEISURE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE 78-WEEK PERIOD ENDED 25 AUGUST 2018**

	Note	Period ended 25 August 2018 £000	52 weeks ended 25 February 2017 £000
Turnover	3	2,058	1,171
Cost of sales		(530)	(302)
Gross profit		1,528	869
Administrative expenses (including the impairment of tangible fixed assets of £295,000 (2017: £Nil))		(2,299)	(1,204)
Loss before taxation	4	(771)	(335)
Tax on loss	8	166	74
Loss for the period		(605)	(261)

There was no other comprehensive income for 2018 or 2017, other than the result shown above.

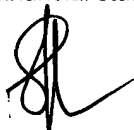
HAYTON LEISURE LIMITED
REGISTERED NUMBER: 09217618

BALANCE SHEET
AS AT 25 AUGUST 2018

	Note	25 August 2018 £000	25 February 2017 £000
Fixed assets			
Tangible assets	9	-	384
		-	384
Current assets			
Stocks	10	21	19
Debtors	11	230	106
Cash at bank and in hand		78	55
		329	180
Creditors: Amounts falling due within one year	12	(1,700)	(1,318)
Net current liabilities		(1,371)	(1,138)
Total assets less current liabilities		(1,371)	(754)
Provisions for liabilities			
Deferred taxation	13	-	(12)
Net liabilities		(1,371)	(766)
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account		(1,371)	(766)
Shareholders' deficit - equity		(1,371)	(766)

The Company's financial statements have been delivered in accordance with the provisions applicable to companies' subject to the small companies' regime.

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



Steve Simpson
Director

Date: 17 May 2019

HAYTON LEISURE LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 25 AUGUST 2018**

	Retained earnings	Total equity
	£000	£000
At 28 February 2016	(505)	(505)
Total comprehensive income		
Loss for the year	(261)	(261)
At 25 February 2017	(766)	(766)
Total comprehensive income		
Loss for the period	(605)	(605)
At 25 August 2018	(1,371)	(1,371)

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

Hayton Leisure Limited (the "Company") is a company incorporated and domiciled in the UK.

These financial statements are drawn up for the 78-period ended 25 August 2018. The comparative figures are for the 52-week period ended 25 February 2017.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The principal accounting policies adopted by the Company have been applied consistently throughout the period.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The company's ultimate parent undertaking, The Edinburgh Woollen Mill (Group) Limited, includes the company in its consolidated financial statements. The consolidated financial statements of The Edinburgh Woollen Mill (Group) Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

1.2 Financial reporting standard 101 - reduced disclosure exemptions

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

1. Accounting policies (continued)

1.2 Financial reporting standard 101 - reduced disclosure exemptions

As the consolidated financial statements of The Edinburgh Woollen Mill (Group) Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 'Impairment of assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 13 'Fair Value Measurement'; and
- The disclosures required by IFRS 7 'Financial Instrument Disclosures'.

1.3 Going concern

The financial statements have been prepared on the going concern basis notwithstanding the net current liabilities of £1,371,000 at 25 August 2018 (2017 - £1,138,000), and a loss in the period of £605,000. The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, The Edinburgh Woollen Mill (Group) Limited, to meet its liabilities as they fall due for that period.

The company is dependent for its working capital on funds provided by group companies. The company's ultimate parent undertaking, The Edinburgh Woollen Mill (Group) Limited, has indicated that for at least twelve months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company to pay its liabilities as they fall due and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. In reaching this conclusion, the directors have considered the financial position of The Edinburgh Woollen Mill (Group) Limited which has substantial net assets and cash reserves at the period end. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of hospitality supplied during the period, exclusive of value added tax. All turnover was derived from continuing activities in the UK.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

1. Accounting policies (continued)

1.5 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.

The Company 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 Company. 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.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

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:

Fixtures and fittings	13% per annum
Computer equipment	25% 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.

1.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

1. Accounting policies (continued)

1.7 Impairments excluding stock and deferred tax assets

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. 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 Company'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. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

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"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

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 in respect of goodwill is not reversed.

In respect of other assets, 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 if there has been a change in the estimates used to determine the recoverable amount. 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.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

1. Accounting policies (continued)

1.8 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.9 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

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

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

Impairment of assets

Financial and non-financial assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. Recoverable amount is based on the higher of the value in use and fair value less costs to sell. Value in use is calculated from expected future cash flows using suitable discount rates and includes management assumptions and estimates of future performance.

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

3. Turnover

Turnover arose from hospitality services of £2,058,000 (2017: £1,171,000) in the UK.

4. Loss before tax

The loss before tax is stated after charging:

	Period ended 25 August 2018 £000	52 weeks ended 25 February 2017 £000
Impairment of tangible fixed assets (note 9)	295	-
Depreciation of tangible fixed assets	103	65

5. Auditor's remuneration

The company paid the following amounts to its auditor in respect of the audit of the financial statements and for other services provided to the Company:

	Period ended 25 August 2018 £000	52 weeks ended 25 February 2017 £000
Fees for the audit of the Company	2	2

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the ultimate parent company.

6. Employees

Staff costs were as follows:

	Period ended 25 August 2018 £000	52 weeks ended 25 February 2017 £000
Wages and salaries	1,117	648
Social security costs	70	36
	1,187	684

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

	Period ended 25 August 2018 No.	52 weeks ended 25 February 2017 No.
Hotel staff	51	42

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 25 AUGUST 2018

7. Directors' remuneration

No directors' emoluments were incurred in either period. The directors did not provide any material qualifying services to the Company. All directors who served during the period were employed by The Edinburgh Woollen Mill Limited and were remunerated through that Company.

Retirement benefits are accruing to one director (2017 - two) under a group defined contribution pension scheme.

8. Taxation

	Period ended 25 August 2018 £000	52 weeks ended 25 February 2017 £000
Corporation tax		
Group relief on loss for the period	(106)	(77)
Adjustments in respect of previous periods	-	(2)
Total current tax	(106)	(79)
Deferred tax		
Origination and reversal of timing differences	(56)	3
Adjustments in respect of previous periods	(4)	2
Total deferred tax	(60)	5
Taxation on loss	(166)	(74)

HAYTON LEISURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 AUGUST 2018

8. Taxation (continued)

Factors affecting the tax credit for the period

The tax credit for the period is higher than (2017 - *higher than*) the standard rate of corporation tax in the UK of 19.06% (2017 – 20%). The differences are explained below:

	Period ended 25 August 2018 £000	52 weeks ended 25 February 2017 £000
Loss for the period	(605)	(261)
Total tax credit	(166)	(74)
Loss before tax	(771)	(335)
Loss multiplied by standard rate of corporation tax in the UK of 19.06% (2017 – 20%)	(147)	(67)
Effects of:		
Expenses not deductible for tax purposes	2	-
Adjustments in respect of previous periods	(4)	-
Transfer pricing adjustments	(17)	(7)
Total tax credit for the period	(166)	(74)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax at the balance sheet date has been calculated based on these rates.

HAYTON LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 AUGUST 2018**

9. Tangible fixed assets

	Fixtures and fittings £000
Cost	
At 26 February 2017	509
Additions	<u>14</u>
At 25 August 2018	<u>523</u>
Depreciation	
At 26 February 2017	125
Charge for the period	103
Impairment	<u>295</u>
At 25 August 2018	<u>523</u>
Net book value	
At 25 August 2018	<u>-</u>
At 25 February 2017	<u><u>384</u></u>

10. Stocks

	25 August 2018 £000	25 February 2017 £000
Raw materials and consumables	<u>21</u>	<u>19</u>
Raw materials and consumables recognised in cost of sales for the period	530	301

11. Debtors

	25 August 2018 £000	25 February 2017 £000
Due within one year		
Amounts owed by group undertakings	2	-
Deferred tax (note 13)	48	-
Group relief receivable	98	82
Other debtors, prepayments and accrued income	<u>82</u>	<u>24</u>
	<u>230</u>	<u>106</u>

HAYTON LEISURE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 25 AUGUST 2018**

12. Creditors: Amounts falling due within one year

	25 August 2018	<i>25 February 2017</i>
	£000	<i>£000</i>
Trade creditors	63	20
Amounts owed to group undertakings	1,401	1,099
Taxation and social security	73	48
Accruals and deferred income	163	151
	1,700	<i>1,318</i>

13. Deferred taxation

	25 August 2018	<i>25 February 2017</i>
	£000	<i>£000</i>
At beginning of the period	12	7
(Credited)/Charged to the profit or loss	(60)	5
At end of the period	(48)	<i>12</i>

The provision for deferred taxation is made up as follows:

	25 August 2018	<i>25 February 2017</i>
	£000	<i>£000</i>
Accelerated capital allowances	(48)	12

14. Share capital

	25 August 2018	<i>25 February 2017</i>
	£	<i>£</i>
Allotted, called up and fully paid		
1- Ordinary share of £1 each	1	1

15. Controlling party

The company's ultimate parent company is The Edinburgh Woollen Mill (Group) Limited which is incorporated in Scotland and prepares group financial statements in which the company is consolidated. The registered office address of the ultimate parent company is Waverley Mill, Langholm, Dumfriesshire, DG13 0EB.

The company's immediate parent company is Equorium Property Company Limited having a registered office at Waverley Mill, Langholm, Dumfriesshire, DG13 0EB.

By virtue of his shareholding in the ultimate parent company P. Day is the ultimate controlling party.