Registered Number: SC366604

HOST ACADEMY PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

COMPANIES HOUSE
30 SEP 2016
EDINBURGH FRONT DESK

FRIDAY
S5GLRSHC
SCT 30/09/2016 #15
COMPANIES HOUSE

COMPANY INFORMATION

Directors	B W C McGhee S P King S McQuade
Company Number	SC366604
Registered Office	Hamilton House 70 Hamilton Drive Glasgow G12 8DR
Auditor	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
Bankers	The Royal Bank of Scotland plc 36 St Andrews Square Edinburgh EH2 2YB

HOST ACADEMY PLC

CONTENTS

	Page
Strategic report	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditor's report	4-5
Profit and loss account	6
Statement of changes in equity	7
Balance sheet	8
Notes to the financial statements	9-16

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their strategic report for the year ended 31 March 2016.

Principal activity

The principal activity of the company is the provision of training services in the hospitality industry.

Review of business

Sales were £819,284 (2015: £729,213). The operating profit was £177,914 (2015: £99,164). The operating profit to sales % for the year was 21.7% (2015: 13.6%). The directors are satisfied with the performance of the business.

At the end of the year, net assets were £768,004 (2015: £581,960).

The directors continue to monitor all KPI's within the company and have noted above those that are key to the ongoing trade of the business.

Future Developments

The directors expect the company to continue to generate positive cash flows on its own account for the foreseeable future. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current banking arrangements.

There are no intentions for the principal activity of the company to alter in the next financial year.

Going Concern

The financial statements have been prepared on a going concern basis. The directors have not identified any material uncertainties which would affect the ability of the company to continue to trade for a period of at least 12 months from the date the financial statements are approved.

Principal risks and uncertainties

The principal risk and uncertainties facing the company relate to the demand for training. The company provides industry recognised training which is required in the hospitality industry due to various laws and regulations such as the Private Security Industry Act 2001, health and safety and licensing laws and regulations. As long as these laws and regulations are in force, there will be demand for such services.

The business review and future developments contains certain forward looking statements that have been made by the directors in good faith based on the information available at the time of approval of the annual report. By their nature, such forward looking statements involve risks and uncertainties because they relate to future events and depend on circumstances that will or may occur in the future.

This report was approved by the board on and signed on its behalf. 6/9/16

B W C McGhee
Director

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

Results and dividend

The profit for the year, after taxation, amounted to £186,044 (2015: £84,735). The directors have not recommended a dividend.

Directors

The directors who served during the year were:

S P King
B W C McGhee
S McQuade

Financial instruments

The company does not actively use financial instruments as part of its financial risk management, with the exception of intercompany borrowings.

Provision of information to auditor

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the board on 6/9/16 and signed on its behalf.

B W C McGhee
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2016

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standards 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOST ACADEMY PLC

We have audited the financial statements of Host Academy PLC for the year ended 31 March 2016 which comprise the Profit and Loss Account, the Statement of Changes in Equity, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is 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'.

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HOST ACADEMY PLC

Matters on which we are required to report by exception

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

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

BDO LLP

Martin Gill (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Glasgow, UK
Date 6/9/16

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
TURNOVER	1,3	**819,284**	729,213
Cost of sales		**(189,496)**	(177,855)
		629,788	551,358
GROSS PROFIT			
Selling and distribution costs		**(447,620)**	(451,328)
Administrative expenses		**(4,254)**	(15,477)
Other operating income		**-**	14,611
OPERATING PROFIT	4	**177,914**	99,164
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND TAXATION		**177,914**	99,164
Interest receivable	6	**13,260**	6,272
Interest payable	6	**(121)**	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**191,053**	105,436
Tax on profit on ordinary activities	7	**(5,009)**	(20,701)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		**186,044**	84,735

All results shown above are in respect of continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Called-up Share capital £	Profit and loss account £	Total Equity £
At 1 April 2014	50,000	447,225	497,225
Profit and total Comprehensive income for the year	-	84,735	84,735
At 31 March 2015	50,000	531,960	581,960
Profit and total Comprehensive income for the year	-	186,044	186,044
At 31 March 2016	50,000	718,004	768,004

The notes on pages 9 to 16 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible fixed assets	8		**6,735**		4,437
CURRENT ASSETS					
Stocks	9	**10,445**		9,521	
Debtors: amounts falling due after more than one year	10	**567,786**		272,587	
Debtors: amounts falling due within one year	10	**171,199**		170,669	
Cash at bank		**71,146**		204,453	
		820,576		657,230	
CREDITORS: amounts falling due within one year	11	**(59,307)**		(79,707)	
NET CURRENT ASSETS			**761,269**		577,523
TOTAL ASSETS LESS CURRENT LIABILITIES			**768,004**		581,960
NET ASSETS			**768,004**		581,960
CAPITAL AND RESERVES					
Called up share capital	13		**50,000**		50,000
Profit and loss account			**718,004**		531,960
SHAREHOLDERS' FUNDS			**768,004**		581,960

The financial statements were approved and authorised for issue by the board on 6/9/16 and were signed on its behalf by:

S P King
Director

Host Academy plc **Registered Number: SC366604**

The notes on pages 9 to 16 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements

Host Academy PLC is a company incorporated in Scotland under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 17.

The preparation of financial statements in compliance with FRS 102 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).

In preparing the financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS102:

- No cash flow statement has been presented for the company;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in the ultimate parent company's consolidated financial statements;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.
- No disclosure is given of transactions between wholly owned members of the group to which this company belongs.

The following principal accounting policies have been applied:

1.2. Turnover

Turnover represents the amount derived from the receipts or receivables, excluding discounts, rebates and value added tax associated with the continuing principal activity of providing training services in the hospitality industry and other leisure income.

1.3. Operating leases: Lessee

Operating lease rental expenses are charged to the profit and loss account on a straight line basis over the lease term.

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value over their expected useful lives on the following basis:

Furniture, fittings and equipment - 10% - 20% straight line

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

1.5. Stocks

Stocks are stated at the lower of cost and net realisable value.

1.6. 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.

1.7. 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 or 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's subsidiaries operate and generate taxable income.

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

- 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 timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.8. Grant received

Revenue grants are credited to the profit and loss account as the related expenditure is incurred.

1.9. Reserves

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements.

Taxation

Management establish provisions for taxation based on reasonable estimates, for possible consequences of taxation. The amount of provision is based on various factors. Management's estimation is required to determine the amount of deferred tax asset that can be recognised, based upon likely timing and level of future taxable profits.

Tangible fixed assets

Management have estimated the useful life and residual values of the company's tangible fixed assets. This is based on management's experience of the industry and similar assets held within the group.

Debtors and creditors

Short term debtors and creditors are measured at transaction price, less any impairment.

3. TURNOVER

The total turnover of the company for the year has been derived from its principal activity. All turnover arose within the United Kingdom.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets		
- owned by the company	**2,344**	2,221
Operating lease rentals – land and buildings	**12,705**	12,074

Directors' remuneration is incurred by a fellow subsidiary company and it is not practicable to allocate a proportion to the company (2015: £nil).

The audit fee for the company is incurred by the ultimate parent company. The audit fee for this company is £2,900 (2015: £2,800).

The company, being a subsidiary, has taken exemption from disclosing non-audit remuneration payable as the required disclosure is made within the parent company statutory accounts.

5. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	**320,011**	316,311
Social security costs	**28,148**	26,115
	348,159	342,426

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

	2016	2015
	No.	No.
Managerial and administration	**16**	18
	16	18

6. INTEREST RECIEVABLE/(PAYABLE)

	2016	2015
	£	£
Other interest payable	**(121)**	-
Interest receivable on intercompany loans	**13,260**	6,272
	13,139	6,272

7. TAXATION

The tax charge is based on profit for the year and comprises:

	2016	2015
Current tax	£	£
UK corporation tax charge on profits for the year	**5,080**	21,019
Adjustment in respect of prior years	**(1)**	-
	5,079	21,019
Deferred tax		
Origination and reversal of timing differences	**(70)**	(318)
Tax on profit on ordinary activities	**5,009**	20,701

7. TAXATION (CONT.)

b) The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20% (2015: 21%). The differences are explained below:

	2016	2015
	£	£
Profit on ordinary activities before taxation	191,053	105,436
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 21%)	38,211	22,142
Effects of:		
Capital allowances in excess of depreciation	-	195
Timing differences not recognised in the computation	70	(1,318)
Adjustments to brought forward values	1,254	-
Group relief claimed	(34,474)	-
Adjust closing deferred tax to average rate	19	-
Adjustment in respect of prior years	(1)	-
Deferred tax	(70)	(318)
Total tax charge for the year	5,009	20,701

There were no factors that may affect future tax charges.

8. TANGIBLE FIXED ASSETS

	Furniture, fittings and equipment
	£
Cost	
At 1 April 2015	11,106
Additions	4,642
At 31 March 2016	15,748
Depreciation	
At 1 April 2015	6,669
Charge for the year	2,344
At 31 March 2016	9,013
Net book value	
At 31 March 2016	6,735
At 31 March 2015	4,437

9. STOCKS

	2016	2015
	£	£
Merchandise stock	8,032	5,794
Bar stocks	2,413	3,727
	10,445	9,521

During the year stock of £69,938 (2015 - £52,802) was recognised in cost of sales.

10. DEBTORS: Amounts falling due within one year

	2016	2015
	£	£
Due after more than one year		
Amounts owed by group undertakings	567,786	272,587
Due within one year		
Trade debtors	96,853	91,739
Prepaid expenses and accrued income	11,870	13,052
Corporation tax	13,420	-
Other debtors	2	28,312
Deferred tax (note 12)	364	294
Amounts owed by group undertakings	20,643	22,479
Interest receivable	28,047	14,793
	171,199	170,669

11. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Social security and other taxes	15,459	12,310
Corporation tax	-	20,785
Accruals and deferred income	43,848	46,612
	59,307	79,707

12. DEFERRED TAXATION

	2016	2015
	£	£
At 1 April 2015	(294)	24
Release for the year	(70)	(318)
At 31 March 2016	(364)	(294)

The provision for deferred taxation is made up as follows:

	2016	2015
	£	£
Accelerated capital allowances	(364)	(294)

13. SHARE CAPITAL

	2016	2015
	£	£
Authorised		
50,000 ordinary shares of £1 each	50,000	50,000
Allotted, called up and fully paid		
50,000 ordinary shares of £1 each	50,000	50,000

14. OPERATING LEASE COMMITMENTS

LESSEE

The company leases out a property under a non - cancellable operating lease for the following future minimum lease payments.

	2016	2015
	£	£
Not later than 1 year	**12,075**	12,075
Later than 1 year and not later than 5 years	**38,420**	43,349
Later than 5 years	-	7,146
	50,495	62,570

15. RELATED PARTY TRANSACTIONS

Sales and purchases between related parties are made at normal market prices. Outstanding balances with related entities due less than one year are interest free. Balances due greater than one year are charged interest at a rate of 1.75% plus LIBOR. The closing balances are disclosed in note 10. The company has taken advantage of exemption, under the terms of 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose transactions between wholly owned subsidiaries within the group.

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking and the largest and smallest group for which consolidated accounts are prepared is G1 Group (Holdings) PLC, a company registered in Scotland. Consolidated accounts are available from the company's registered office. In the opinion of the directors, this is the ultimate parent company. The ultimate controlling party is S.P. King.

17. TRANSITION TO FRS 102

The company has transitioned to FRS 102 former UK GAAP as at 1 April 2014. The impact from the transition to FRS 102 is as follows:

		Shareholders' Funds at 1 April 2014	Profit for the year ended 31 March 2015	Shareholders' funds as at 31 March 2015
		£	£	
As previously stated under former UK GAAP		488,704	78,463	567,167
Transitional adjustments				
Interest receivable	1	8,521	6,272	14,793
As restated in accordance with FRS 102		497,225	84,735	581,960

Changes for FRS 102 adoption

1. **Interest receivable on Financial Instruments**

   Interest has been charged on intercompany loans > 1 year at the market rate of 1.75% plus LIBOR.