

REGISTERED NUMBER: 04340639 (England and Wales)

**The Franklyn Group Limited and its
subsidiary undertaking**

**Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements**

Year Ended 30 June 2016

Jolliffe Cork LLP
Chartered Accountants & Statutory Auditor
33 George Street
Wakefield
West Yorkshire
WF1 1LX



The Franklyn Group Limited and its subsidiary undertaking

Contents of the Consolidated Financial Statements for the year ended 30 June 2016

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Consolidated Income Statement	7
Consolidated Other Comprehensive Income	8
Consolidated Balance Sheet	9
Company Balance Sheet	11
Consolidated Statement of Changes in Equity	13
Company Statement of Changes in Equity	14
Consolidated Cash Flow Statement	15
Notes to the Consolidated Cash Flow Statement	16
Notes to the Consolidated Financial Statements	17
Reconciliation of Equity	29
Reconciliation of Profit	31

The Franklyn Group Limited and its subsidiary undertaking

Company Information for the year ended 30 June 2016

DIRECTORS:	Mr R A Fleming Mrs S A MacArthur
SECRETARY:	Mr R A Fleming
REGISTERED OFFICE:	33 George Street Wakefield West Yorkshire WF1 1LX
REGISTERED NUMBER:	04340639 (England and Wales)
AUDITORS:	Jolliffe Cork LLP Chartered Accountants & Statutory Auditor 33 George Street Wakefield West Yorkshire WF1 1LX
BANKERS:	Barclays Bank Plc Sheffield City 2 Leicestershire LE87 2BB

The Franklyn Group Limited and its subsidiary undertaking

Group Strategic Report for the year ended 30 June 2016

The directors present their strategic report of the company and the group for the year ended 30 June 2016.

REVIEW OF BUSINESS

The directors are pleased with the results for the year. Each home has made a significant contribution with occupancy rates been excellent on the whole. The pressure on the business for the compliance constantly increases but we continue to invest in our systems and training so that we are fully compliant.

We are pleased that the subsidiary company, The Franklyn (Developments) Limited has a further year with an operating profit.

The directors have considered the changes and disclosures required by FRS 102, these are fully disclosed on pages 28-30 of the financial statements. There are no significant changes.

PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to the business are the recruitment and retention of good quality staff, the ever changing legislation and increasing staff costs. We use our experience to manage these issues carefully, balancing cost control with providing a caring and safe environment for our residents.

ON BEHALF OF THE BOARD:



Mr R A Fleming - Secretary

5 December 2016

The Franklyn Group Limited and its subsidiary undertaking

Report of the Directors for the year ended 30 June 2016

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2016.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of care homes, care home agents and property developers.

DIVIDENDS

An interim dividend of £2.49377 per share was paid on 30 October 2015. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 June 2016 will be £100,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2015 to the date of this report.

Mr R A Fleming
Mrs S A MacArthur

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

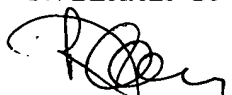
The Franklyn Group Limited and its subsidiary undertaking

**Report of the Directors
for the year ended 30 June 2016**

AUDITORS

The auditors, Jolliffe Cork LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr R A Fleming - Secretary

5 December 2016

Report of the Independent Auditors to the Members of The Franklyn Group Limited and its subsidiary undertaking

We have audited the financial statements of The Franklyn Group Limited and its subsidiary undertaking for the year ended 30 June 2016 on pages seven to thirty one. 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 30 June 2016 and of the group's 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of The Franklyn Group Limited and its subsidiary undertaking

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 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.

Adam Perkin FCA (Senior Statutory Auditor)
for and on behalf of Jolliffe Cork LLP
Chartered Accountants & Statutory Auditor
33 George Street
Wakefield
West Yorkshire
WF1 1LX

5 December 2016

The Franklyn Group Limited and its subsidiary undertaking

**Consolidated Income Statement
for the year ended 30 June 2016**

	Notes	2016 £	2015 £
TURNOVER		2,743,437	2,805,346
Cost of sales		<u>158,712</u>	<u>142,620</u>
GROSS PROFIT		2,584,725	2,662,726
Administrative expenses		<u>2,103,870</u>	<u>2,066,217</u>
		480,855	596,509
Other operating income		<u>27,437</u>	<u>28,237</u>
OPERATING PROFIT	3	508,292	624,746
Interest receivable and similar income		<u>411</u>	<u>285</u>
		508,703	625,031
Interest payable and similar charges	4	<u>40,630</u>	<u>44,237</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		468,073	580,794
Tax on profit on ordinary activities	5	<u>91,222</u>	<u>67,225</u>
PROFIT FOR THE FINANCIAL YEAR		<u>376,851</u>	<u>513,569</u>
Profit attributable to: Owners of the parent		<u>376,851</u>	<u>513,569</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Consolidated Other Comprehensive Income
for the year ended 30 June 2016**

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		376,851	513,569
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>376,851</u>	<u>513,569</u>
Total comprehensive income attributable to: Owners of the parent		<u>376,851</u>	<u>513,569</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

**Consolidated Balance Sheet
30 June 2016**

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	8	40,000	40,000
Tangible assets	9	5,765,035	5,780,081
Investments	10	-	-
		<u>5,805,035</u>	<u>5,820,081</u>
CURRENT ASSETS			
Stocks	11	4,401	5,118
Debtors	12	131,402	118,065
Cash at bank and in hand		<u>656,779</u>	<u>646,081</u>
		<u>792,582</u>	<u>769,264</u>
CREDITORS			
Amounts falling due within one year	13	<u>466,937</u>	<u>468,358</u>
NET CURRENT ASSETS		<u>325,645</u>	<u>300,906</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,130,680</u>	<u>6,120,987</u>
CREDITORS			
Amounts falling due after more than one year	14	(2,258,102)	(2,526,967)
PROVISIONS FOR LIABILITIES	18	<u>(16,063)</u>	<u>(14,356)</u>
NET ASSETS		<u><u>3,856,515</u></u>	<u><u>3,579,664</u></u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

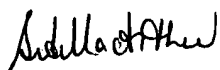
Consolidated Balance Sheet - continued
30 June 2016

	Notes	2016	2015
		£	£
CAPITAL AND RESERVES			
Called up share capital	19	201,000	201,000
Revaluation reserve	20	1,990,747	1,990,747
Retained earnings	20	<u>1,664,768</u>	<u>1,387,917</u>
SHAREHOLDERS' FUNDS		<u><u>3,856,515</u></u>	<u><u>3,579,664</u></u>

The financial statements were approved by the Board of Directors on 5 December 2016 and were signed on its behalf by:



Mr R A Fleming - Director



Mrs S A MacArthur - Director

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

Company Balance Sheet

30 June 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	5,753,453	5,762,617
Investments	10	<u>40,200</u>	<u>40,200</u>
		5,793,653	5,802,817
CURRENT ASSETS			
Stocks	11	4,350	4,350
Debtors	12	141,135	252,861
Cash at bank and in hand		<u>493,337</u>	<u>387,705</u>
		638,822	644,916
CREDITORS			
Amounts falling due within one year	13	<u>395,557</u>	<u>410,988</u>
NET CURRENT ASSETS		<u>243,265</u>	<u>233,928</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,036,918	6,036,745
CREDITORS			
Amounts falling due after more than one year	14	(2,258,102)	(2,526,967)
PROVISIONS FOR LIABILITIES	18	<u>(16,063)</u>	<u>(14,356)</u>
NET ASSETS		<u><u>3,762,753</u></u>	<u><u>3,495,422</u></u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking (Registered number: 04340639)

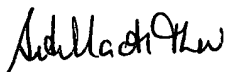
Company Balance Sheet - continued
30 June 2016

	Notes	2016 £	2015 £
CAPITAL AND RESERVES			
Called up share capital	19	201,000	201,000
Revaluation reserve	20	1,990,747	1,990,747
Retained earnings	20	<u>1,571,006</u>	<u>1,303,675</u>
SHAREHOLDERS' FUNDS		<u>3,762,753</u>	<u>3,495,422</u>

The financial statements were approved by the Board of Directors on 5 December 2016 and were signed on its behalf by:



Mr R A Fleming - Director



Mrs S A MacArthur - Director

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Consolidated Statement of Changes in Equity
for the year ended 30 June 2016**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 July 2014	201,000	924,348	1,990,747	3,116,095
Changes in equity				
Dividends	-	(50,000)	-	(50,000)
Total comprehensive income	-	513,569	-	513,569
Balance at 30 June 2015	<u>201,000</u>	<u>1,387,917</u>	<u>1,990,747</u>	<u>3,579,664</u>
Changes in equity				
Dividends	-	(100,000)	-	(100,000)
Total comprehensive income	-	376,851	-	376,851
Balance at 30 June 2016	<u>201,000</u>	<u>1,664,768</u>	<u>1,990,747</u>	<u>3,856,515</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Company Statement of Changes in Equity
for the year ended 30 June 2016**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 July 2014	201,000	1,021,498	1,990,747	3,213,245
Changes in equity				
Dividends	-	(50,000)	-	(50,000)
Total comprehensive income	-	332,177	-	332,177
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2015	201,000	1,303,675	1,990,747	3,495,422
Changes in equity				
Dividends	-	(100,000)	-	(100,000)
Total comprehensive income	-	367,331	-	367,331
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2016	<u>201,000</u>	<u>1,571,006</u>	<u>1,990,747</u>	<u>3,762,753</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

Consolidated Cash Flow Statement for the year ended 30 June 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	419,222	528,879
Interest paid		(40,630)	(44,237)
Tax paid		<u>(72,487)</u>	<u>(69,280)</u>
Net cash from operating activities		<u>306,105</u>	<u>415,362</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(36,827)	(77,585)
Sale of tangible fixed assets		-	17,197
Interest received		<u>411</u>	<u>285</u>
Net cash from investing activities		<u>(36,416)</u>	<u>(60,103)</u>
Cash flows from financing activities			
Loan repayments in year		(152,685)	(150,360)
Capital repayments in year		(6,306)	(40,023)
Equity dividends paid		<u>(100,000)</u>	<u>(50,000)</u>
Net cash from financing activities		<u>(258,991)</u>	<u>(240,383)</u>
Increase in cash and cash equivalents		10,698	114,876
Cash and cash equivalents at beginning of year	2	646,081	531,205
Cash and cash equivalents at end of year	2	<u>656,779</u>	<u>646,081</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Cash Flow Statement for the year ended 30 June 2016

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

	2016	2015
	£	£
Profit before taxation	468,073	580,794
Depreciation charges	51,874	43,308
Loss on disposal of fixed assets	-	146
Finance costs	40,630	44,237
Finance income	(411)	(285)
	<u>560,166</u>	<u>668,200</u>
Decrease in stocks	717	85
(Increase)/decrease in trade and other debtors	(13,337)	43,699
Decrease in trade and other creditors	<u>(128,324)</u>	<u>(183,105)</u>
Cash generated from operations	<u>419,222</u>	<u>528,879</u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 30 June 2016

	30.6.16	1.7.15
	£	£
Cash and cash equivalents	<u>656,779</u>	<u>646,081</u>

Year ended 30 June 2015

	30.6.15	1.7.14
	£	£
Cash and cash equivalents	<u>646,081</u>	<u>531,205</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements for the year ended 30 June 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared and submitted to Companies House under the previous UKGAAP were for the year ended 30 June 2015. The date of transition to FRS 102 was 1 July 2014 and there were no adjustments arising as a result of the transition from the previous UKGAAP to FRS 102.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Goodwill

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- 10% straight line
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Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 1% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on cost

Fixed assets are initially recorded at cost.

No depreciation is provided on freehold land.

Stocks

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

Deferred tax

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

Hire purchase and leasing commitments

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

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

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

2. STAFF COSTS

	2016 £	2015 £
Wages and salaries	1,383,405	1,342,650
Social security costs	97,496	105,465
Other pension costs	<u>3,965</u>	<u>3,520</u>
	<u>1,484,866</u>	<u>1,451,635</u>

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

	2016	2015
Management	5	5
Care home staff	83	88
Administration	<u>5</u>	<u>5</u>
	<u>93</u>	<u>98</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation - owned assets	43,149	34,385
Depreciation - assets on hire purchase contracts	8,724	8,923
Loss on disposal of fixed assets	-	146
Auditors' remuneration	<u>8,424</u>	<u>8,094</u>
Directors' remuneration	104,810	112,123
Directors' pension contributions to money purchase schemes	<u>3,965</u>	<u>3,520</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

3. OPERATING PROFIT - continued

In addition to remuneration for the audit, the auditors have also levied the following fees:

	2016	2015
	£	£
Audit of subsidiary undertaking	2,550	2,550
Tax advisory services	1,125	1,125
Other services	600	600
	<u>4,275</u>	<u>4,275</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Bank interest	37,997	38,823
Interest on other loans	<u>2,633</u>	<u>5,414</u>
	<u>40,630</u>	<u>44,237</u>

5. TAXATION

Analysis of the tax charge

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	89,490	72,462
Over/(under) provision in prior year	<u>25</u>	<u>-</u>
Total current tax	89,515	72,462
Deferred tax	<u>1,707</u>	<u>(5,237)</u>
Tax on profit on ordinary activities	<u>91,222</u>	<u>67,225</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

5. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2016 £	2015 £
Profit on ordinary activities before tax	<u>468,073</u>	<u>580,794</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	93,615	121,967
Effects of:		
Expenses not deductible for tax purposes	166	(54,742)
Group relief	<u>(2,559)</u>	<u>-</u>
Total tax charge	<u>91,222</u>	<u>67,225</u>

6. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £367,331 (2015 - £332,177).

7. DIVIDENDS

	2016 £	2015 £
Interim	<u>100,000</u>	<u>50,000</u>

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Financial Statements - continued
for the year ended 30 June 2016**

8. INTANGIBLE FIXED ASSETS

Group

**Goodwill
£**

COST

At 1 July 2015
and 30 June 2016

140,200

AMORTISATION

At 1 July 2015
and 30 June 2016

100,200

NET BOOK VALUE

At 30 June 2016

40,000

At 30 June 2015

40,000

Company

**Goodwill
£**

COST

At 1 July 2015
and 30 June 2016

100,000

AMORTISATION

At 1 July 2015
and 30 June 2016

100,000

NET BOOK VALUE

At 30 June 2016

-

At 30 June 2015

-

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2015	5,578,164	223,954	63,276	63,085	5,928,479
Additions	-	36,827	-	-	36,827
At 30 June 2016	<u>5,578,164</u>	<u>260,781</u>	<u>63,276</u>	<u>63,085</u>	<u>5,965,306</u>
DEPRECIATION					
At 1 July 2015	-	88,663	15,260	44,475	148,398
Charge for year	-	35,010	10,720	6,143	51,873
At 30 June 2016	-	<u>123,673</u>	<u>25,980</u>	<u>50,618</u>	<u>200,271</u>
NET BOOK VALUE					
At 30 June 2016	<u>5,578,164</u>	<u>137,108</u>	<u>37,296</u>	<u>12,467</u>	<u>5,765,035</u>
At 30 June 2015	<u>5,578,164</u>	<u>135,291</u>	<u>48,016</u>	<u>18,610</u>	<u>5,780,081</u>

The property was valued in November 2013 on a Market Value basis by Edward Symmons. The directors are of the opinion that this represents the fair value of the property at the balance sheet date.

The historical cost of the revalued assets is £3,569,919 (2015: £3,569,919).

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 July 2015 and 30 June 2016	<u>48,000</u>
DEPRECIATION	
At 1 July 2015	8,923
Charge for year	<u>8,724</u>
At 30 June 2016	<u>17,647</u>
NET BOOK VALUE	
At 30 June 2016	<u>30,353</u>
At 30 June 2015	<u>39,077</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

9. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 July 2015	5,578,164	216,145	75,756	3,043	5,873,108
Additions	-	36,827	-	-	36,827
At 30 June 2016	<u>5,578,164</u>	<u>252,972</u>	<u>75,756</u>	<u>3,043</u>	<u>5,909,935</u>
DEPRECIATION					
At 1 July 2015	-	80,853	27,739	1,899	110,491
Charge for year	-	35,010	10,720	261	45,991
At 30 June 2016	-	<u>115,863</u>	<u>38,459</u>	<u>2,160</u>	<u>156,482</u>
NET BOOK VALUE					
At 30 June 2016	<u>5,578,164</u>	<u>137,109</u>	<u>37,297</u>	<u>883</u>	<u>5,753,453</u>
At 30 June 2015	<u>5,578,164</u>	<u>135,292</u>	<u>48,017</u>	<u>1,144</u>	<u>5,762,617</u>

The property was valued in November 2013 on a Market Value basis by Edward Symmons. The directors are of the opinion that this represents the fair value of the property at the balance sheet date.

The historical cost of the revalued assets is £3,569,919 (2015: £3,569,919).

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 July 2015 and 30 June 2016	<u>48,000</u>
DEPRECIATION	
At 1 July 2015	8,923
Charge for year	<u>8,724</u>
At 30 June 2016	<u>17,647</u>
NET BOOK VALUE	
At 30 June 2016	<u>30,353</u>
At 30 June 2015	<u>39,077</u>

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Financial Statements - continued
for the year ended 30 June 2016**

10. FIXED ASSET INVESTMENTS

Company

**Shares in
group
undertakings
£**

COST

At 1 July 2015
and 30 June 2016

40,200

NET BOOK VALUE

At 30 June 2016

40,200

At 30 June 2015

40,200

11. STOCKS

Group

Company

2016

2015

2016

2015

£

£

£

£

Stocks

4,401

5,118

4,350

4,350

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Group

Company

2016

2015

2016

2015

£

£

£

£

Trade debtors

87,203

57,119

51,474

56,389

Amounts owed by group undertakings

-

-

64,919

153,440

Other debtors

1,000

600

1,000

600

Prepayments and accrued income

43,199

60,346

23,742

42,432

131,402

118,065

141,135

252,861

The Franklyn Group Limited and its subsidiary undertaking

**Notes to the Consolidated Financial Statements - continued
for the year ended 30 June 2016**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts (see note 15)	157,754	153,769	157,754	153,769
Hire purchase contracts (see note 16)	1,671	6,306	1,671	6,306
Trade creditors	45,177	77,815	28,813	64,732
Tax	89,490	72,462	89,490	72,462
Social security and other taxes	42,021	29,865	30,670	16,047
VAT	34,814	27,469	-	-
Other creditors	44,294	42,632	44,294	42,632
Accruals and deferred income	51,716	58,040	42,865	55,040
	<u>466,937</u>	<u>468,358</u>	<u>395,557</u>	<u>410,988</u>

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

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans (see note 15)	2,239,202	2,395,871	2,239,202	2,395,871
Hire purchase contracts (see note 16)	-	1,671	-	1,671
Directors loan account	-	99,725	-	99,725
Accruals and deferred income	18,900	29,700	18,900	29,700
	<u>2,258,102</u>	<u>2,526,967</u>	<u>2,258,102</u>	<u>2,526,967</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Amounts falling due within one year or on demand:				
Bank loans	<u>157,754</u>	<u>153,769</u>	<u>157,754</u>	<u>153,769</u>
Amounts falling due between one and two years:				
Bank loans	<u>161,779</u>	<u>157,754</u>	<u>161,779</u>	<u>157,754</u>
Amounts falling due between two and five years:				
Bank loans	<u>510,508</u>	<u>497,808</u>	<u>510,508</u>	<u>497,808</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>1,566,915</u>	<u>1,740,309</u>	<u>1,566,915</u>	<u>1,740,309</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2016 £	2015 £
Net obligations repayable:		
Within one year	1,671	6,306
Between one and five years	-	<u>1,671</u>
	<u>1,671</u>	<u>7,977</u>

Company

	Hire purchase contracts	
	2016 £	2015 £
Net obligations repayable:		
Within one year	1,671	6,306
Between one and five years	-	<u>1,671</u>
	<u>1,671</u>	<u>7,977</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans	2,396,956	2,549,640	2,396,956	2,549,640
Hire purchase contracts	<u>1,671</u>	<u>7,977</u>	<u>1,671</u>	<u>7,977</u>
	<u>2,398,627</u>	<u>2,557,617</u>	<u>2,398,627</u>	<u>2,557,617</u>

Security is held by way of a cross guarantee from Sirtin Limited and a first legal charge dated 2 April 2014 over the the companys freehold property:Stobars Hall, Kirkby Hall, Cumbria; Kirkwood, 35 Moorfield Road, Ben Rhydding; The Gatehouse, 9 Manor Road, Harrogate and that of Sirtin Limited; Hillcrest, Byng road, Catterick Garrison.

Obligations under hire purchase are secured against the asset to which they relate.

18. PROVISIONS FOR LIABILITIES

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Deferred tax	<u>16,063</u>	<u>14,356</u>	<u>16,063</u>	<u>14,356</u>

Group

	Deferred tax £
Balance at 1 July 2015	14,356
Accelerated capital allowances	<u>1,707</u>
Balance at 30 June 2016	<u>16,063</u>

Company

	Deferred tax £
Balance at 1 July 2015	14,356
Accelerated capital allowances	<u>1,707</u>
Balance at 30 June 2016	<u>16,063</u>

The Franklyn Group Limited and its subsidiary undertaking

Notes to the Consolidated Financial Statements - continued for the year ended 30 June 2016

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
201,000	Ordinary	£1	<u>201,000</u>	<u>201,000</u>

20. RESERVES

Group

	Retained earnings £	Revaluation reserve £	Totals £
At 1 July 2015	1,387,917	1,990,747	3,378,664
Profit for the year	376,851		376,851
Dividends	<u>(100,000)</u>		<u>(100,000)</u>
At 30 June 2016	<u>1,664,768</u>	<u>1,990,747</u>	<u>3,655,515</u>

Company

	Retained earnings £	Revaluation reserve £	Totals £
At 1 July 2015	1,303,675	1,990,747	3,294,422
Profit for the year	367,331		367,331
Dividends	<u>(100,000)</u>		<u>(100,000)</u>
At 30 June 2016	<u>1,571,006</u>	<u>1,990,747</u>	<u>3,561,753</u>

21. CONTINGENT LIABILITIES

The company is subject to a cross guarantee dated 2 April 2014 for the liabilities of Sirtin Limited.

22. RELATED PARTY DISCLOSURES

The group was under the control of Mr R A Fleming throughout the current year and previous year.

During the year the company has paid rent in the sum of £35,906 (2015: £35,906) to the RAF Partnership, in which Mr R A Fleming is a partner.

The Franklyn Group Limited and its subsidiary undertaking

Reconciliation of Equity

1 July 2014

(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		40,000	-	40,000
Tangible assets		<u>5,715,147</u>	<u>-</u>	<u>5,715,147</u>
		<u>5,755,147</u>	<u>-</u>	<u>5,755,147</u>
CURRENT ASSETS				
Stocks		5,203	-	5,203
Debtors		161,764	-	161,764
Cash at bank and in hand		<u>531,205</u>	<u>-</u>	<u>531,205</u>
		<u>698,172</u>	<u>-</u>	<u>698,172</u>
CREDITORS				
Amounts falling due within one year		<u>(477,410)</u>	<u>-</u>	<u>(477,410)</u>
NET CURRENT ASSETS		<u>220,762</u>	<u>-</u>	<u>220,762</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,975,909	-	5,975,909
CREDITORS				
Amounts falling due after more than one year		(2,840,221)	-	(2,840,221)
PROVISIONS FOR LIABILITIES		<u>(19,593)</u>	<u>-</u>	<u>(19,593)</u>
NET ASSETS		<u>3,116,095</u>	<u>-</u>	<u>3,116,095</u>
CAPITAL AND RESERVES				
Called up share capital		201,000	-	201,000
Revaluation reserve		1,990,747	-	1,990,747
Retained earnings		<u>924,348</u>	<u>-</u>	<u>924,348</u>
SHAREHOLDERS' FUNDS		<u>3,116,095</u>	<u>-</u>	<u>3,116,095</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

Reconciliation of Equity - continued
30 June 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		40,000	-	40,000
Tangible assets		<u>5,780,081</u>	<u>-</u>	<u>5,780,081</u>
		<u>5,820,081</u>	<u>-</u>	<u>5,820,081</u>
CURRENT ASSETS				
Stocks		5,118	-	5,118
Debtors		118,065	-	118,065
Cash at bank and in hand		<u>646,081</u>	<u>-</u>	<u>646,081</u>
		<u>769,264</u>	<u>-</u>	<u>769,264</u>
CREDITORS				
Amounts falling due within one year		<u>(468,358)</u>	<u>-</u>	<u>(468,358)</u>
NET CURRENT ASSETS		<u>300,906</u>	<u>-</u>	<u>300,906</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,120,987	-	6,120,987
CREDITORS				
Amounts falling due after more than one year		(2,526,967)	-	(2,526,967)
PROVISIONS FOR LIABILITIES		<u>(14,356)</u>	<u>-</u>	<u>(14,356)</u>
NET ASSETS		<u>3,579,664</u>	<u>-</u>	<u>3,579,664</u>
CAPITAL AND RESERVES				
Called up share capital		201,000	-	201,000
Revaluation reserve		1,990,747	-	1,990,747
Retained earnings		<u>1,387,917</u>	<u>-</u>	<u>1,387,917</u>
SHAREHOLDERS' FUNDS		<u>3,579,664</u>	<u>-</u>	<u>3,579,664</u>

The notes form part of these financial statements

The Franklyn Group Limited and its subsidiary undertaking

**Reconciliation of Profit
for the year ended 30 June 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	2,805,346	-	2,805,346
Cost of sales	<u>(142,620)</u>	<u>-</u>	<u>(142,620)</u>
GROSS PROFIT	2,662,726	-	2,662,726
Administrative expenses	(2,066,217)	-	(2,066,217)
Other operating income	<u>28,237</u>	<u>-</u>	<u>28,237</u>
OPERATING PROFIT	624,746	-	624,746
Interest receivable and similar income	285	-	285
Interest payable and similar charges	<u>(44,237)</u>	<u>-</u>	<u>(44,237)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	580,794	-	580,794
Tax on profit on ordinary activities	<u>(67,225)</u>	<u>-</u>	<u>(67,225)</u>
PROFIT FOR THE FINANCIAL YEAR	<u>513,569</u>	<u>-</u>	<u>513,569</u>
Profit attributable to: Owners of the parent	<u>513,569</u>	<u>-</u>	<u>513,569</u>

The notes form part of these financial statements