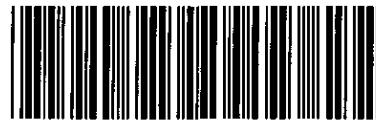


Filed AAIS for
The caravan company (Properties) Limited
6846476
COMPANY REGISTRATION NUMBER: 05132696

FLAGDAWN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2016

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FLAGDAWN LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2016

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FLAGDAWN LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	P S Clarke A M J Scott
Company secretary	P S Clarke
Registered office	Dorchester Road Wimborne BH21 3HA
Auditor	Streets Audit LLP Chartered accountant & statutory auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Bankers	Natwest Gateway House 4 Penman Way Grove Park Enderby Leicester LE19 1SY

FLAGDAWN LIMITED
STRATEGIC REPORT
YEAR ENDED 31 OCTOBER 2016

We aim to present a balanced and comprehensive review of the development and performance of our group business during the year and its position at the year end. Our review is consistent with the size and non complex nature of our business and is written in the context of the risks and uncertainties we face.

The group continues to deal in the retail and servicing of caravans.

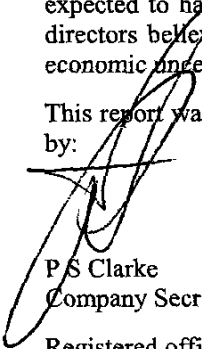
We consider that our key performance indicators are those that communicate the financial performance and strength of the group as a whole, these being turnover, profits before tax, net assets and cash generated from operating activities.

The results for the group show turnover for the year of £11,958,011 (2015 - £11,194,712), an increase of 7% and net assets of £1,187,330 (2015 - £1,465,944). The group has generated a profit before tax of £192,044 (2015 - £48,866).

The group has cash inflows from operating activities of £349,157 compared to £556,219 in 2015. Overall the group has cash inflows before financing of £685,391 compared to £480,558 in 2015.

The current economic conditions create an element of uncertainty over demand, but the group's forecasts and projection show an improvement when compared to the current year. The group is expected to have sufficient financial resources available through current facilities and therefore the directors believe that the group is well placed to manage its business risks successfully despite the economic uncertainty.

This report was approved by the board of directors on 2 May 2017 and signed on behalf of the board by:



P S Clarke
Company Secretary

Registered office:
Dorchester Road
Wimborne
BH21 3HA

FLAGDAWN LIMITED
DIRECTORS' REPORT
YEAR ENDED 31 OCTOBER 2016

The directors present their report and the financial statements of the group for the year ended 31 October 2016.

DIRECTORS

The directors who served the company during the year were as follows:

P S Clarke
A M J Scott

DIVIDENDS

Particulars of recommended dividends are detailed in note 12 to the financial statements.

DISCLOSURE OF INFORMATION IN THE STRATEGIC REPORT

Information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the Strategic Report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, 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). 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 group and the company and 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 judgments 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 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 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.

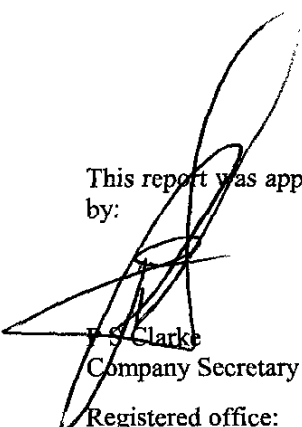
AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

FLAGDAWN LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 OCTOBER 2016

This report was approved by the board of directors on 2 May 2017 and signed on behalf of the board by:



P. S. Clarke
Company Secretary

Registered office:
Dorchester Road
Wimborne
BH21 3HA

FLAGDAWN LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLAGDAWN LIMITED

YEAR ENDED 31 OCTOBER 2016

We have audited the financial statements of Flagdawn Limited for the year ended 31 October 2016 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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 AUDITOR

As explained more fully in the directors' responsibilities statement, 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 strategic report and the directors' report 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 31 October 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.

FLAGDAWN LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLAGDAWN
LIMITED *(continued)*

YEAR ENDED 31 OCTOBER 2016

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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.



Robert Anderson (Senior Statutory Auditor)

For and on behalf of
Streets Audit LLP
Chartered accountant & statutory auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

9 May 2017

FLAGDAWN LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 OCTOBER 2016

		2016			2015		
	Note	Continuing operations	Discont'd operations	Total	Continuing operations	Discont'd operations	Total
		£	£	£	£	£	£
TURNOVER	4	11,958,011	–	11,958,011	10,479,082	715,630	11,194,712
Cost of sales		9,716,236	–	9,716,236	8,451,971	679,088	9,131,059
GROSS PROFIT		2,241,775	–	2,241,775	2,027,111	36,542	2,063,653
Distribution costs		384,150	–	384,150	385,312	13,822	399,134
Administrative expenses		1,728,065	–	1,728,065	1,476,419	152,266	1,628,685
Other operating income	5	116,455	–	116,455	112,227	–	112,227
OPERATING PROFIT	6	246,015	–	246,015	277,607	(129,546)	148,061
Interest payable and similar charges	9	53,971	–	53,971	99,195	–	99,195
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		192,044	–	192,044	178,412	(129,546)	48,866
Tax on profit on ordinary activities	10	41,158	–	41,158	20,370	–	20,370
PROFIT FOR THE FINANCIAL YEAR		<u>150,886</u>	–	<u>150,886</u>	<u>158,042</u>	<u>(129,546)</u>	<u>28,496</u>
Revaluation of tangible assets				(299,500)			–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				<u>(148,614)</u>			<u>28,496</u>

The notes on pages 13 to 27 form part of these financial statements.

FLAGDAWN LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 OCTOBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Intangible assets	13	21,172	31,757
Tangible assets	14	<u>1,812,732</u>	<u>2,528,131</u>
		1,833,904	2,559,888
CURRENT ASSETS			
Stocks	16	1,531,927	2,184,653
Debtors	17	389,104	131,596
Cash at bank and in hand		<u>364,477</u>	<u>347,839</u>
		2,285,508	2,664,088
CREDITORS: amounts falling due within one year	19	<u>2,258,656</u>	<u>2,607,652</u>
NET CURRENT ASSETS		26,852	56,436
TOTAL ASSETS LESS CURRENT LIABILITIES		1,860,756	2,616,324
CREDITORS: amounts falling due after more than one year	20	650,297	1,123,875
PROVISIONS			
Taxation including deferred tax	22	<u>23,129</u>	<u>26,505</u>
NET ASSETS		<u>1,187,330</u>	<u>1,465,944</u>
CAPITAL AND RESERVES			
Called up share capital	26	500,100	500,100
Revaluation reserve	27	597,334	935,744
Profit and loss account	27	<u>89,896</u>	<u>30,100</u>
MEMBERS FUNDS		<u>1,187,330</u>	<u>1,465,944</u>

These financial statements were approved by the board of directors and authorised for issue on 2 May 2017, and are signed on behalf of the board by:

P S Clarke
Director

Company registration number: 05132696

The notes on pages 13 to 27 form part of these financial statements.

FLAGDAWN LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
31 OCTOBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	14	66,651	828,434
Investments	15	<u>380,200</u>	<u>380,200</u>
		446,851	1,208,634
CURRENT ASSETS			
Debtors	17	416,244	389,282
CREDITORS: amounts falling due within one year	19	<u>319,895</u>	<u>328,567</u>
NET CURRENT ASSETS		<u>96,349</u>	<u>60,715</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		543,200	1,269,349
CREDITORS: amounts falling due after more than one year	20	—	427,737
PROVISIONS			
Taxation including deferred tax	22	<u>(5,705)</u>	<u>2,822</u>
NET ASSETS		<u>548,905</u>	<u>838,790</u>
CAPITAL AND RESERVES			
Called up share capital	26	500,100	500,100
Revaluation reserve	27	—	338,410
Profit and loss account	27	<u>48,805</u>	<u>280</u>
MEMBERS FUNDS		<u>548,905</u>	<u>838,790</u>

These financial statements were approved by the board of directors and authorised for issue on 2 May 2017, and are signed on behalf of the board by:

P S Clarke
Director

Company registration number: 05132696

The notes on pages 13 to 27 form part of these financial statements.

FLAGDAWN LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 OCTOBER 2016

	Note	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
AT 1 NOVEMBER 2014		500,100	935,744	101,604	1,537,448
Profit for the year		—	—	28,496	28,496
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	—	28,496	28,496
Dividends paid and payable	12	—	—	(100,000)	(100,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	—	(100,000)	(100,000)
AT 31 OCTOBER 2015		500,100	935,744	30,100	1,465,944
Profit for the year				150,886	150,886
Other comprehensive income for the year:					
Revaluation of tangible assets	14	—	(299,500)	—	(299,500)
Reclassification from revaluation reserve to profit and loss account		—	(38,910)	38,910	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	(338,410)	189,796	(148,614)
Dividends paid and payable	12	—	—	(130,000)	(130,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	—	(130,000)	(130,000)
AT 31 OCTOBER 2016		<u>500,100</u>	<u>597,334</u>	<u>89,896</u>	<u>1,187,330</u>

The notes on pages 13 to 27 form part of these financial statements.

FLAGDAWN LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 OCTOBER 2016

	Note	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
AT 1 NOVEMBER 2014		500,100	338,410	(24,871)	813,639
Profit for the year		—	—	125,151	125,151
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	—	125,151	125,151
Dividends paid and payable	12	—	—	(100,000)	(100,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	—	(100,000)	(100,000)
AT 31 OCTOBER 2015		500,100	338,410	280	838,790
Profit for the year				139,615	139,615
Other comprehensive income for the year:					
Revaluation of tangible assets	14	—	(299,500)	—	(299,500)
Reclassification from revaluation reserve to profit and loss account		—	(38,910)	38,910	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		—	(338,410)	178,525	(159,885)
Dividends paid and payable	12	—	—	(130,000)	(130,000)
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS		—	—	(130,000)	(130,000)
AT 31 OCTOBER 2016		500,100	—	48,805	548,905

The notes on pages 13 to 27 form part of these financial statements.

FLAGDAWN LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 OCTOBER 2016

	Note	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the financial year		150,886	28,496
<i>Adjustments for:</i>			
Depreciation of tangible assets		76,868	68,494
Amortisation of intangible assets		10,585	10,585
Interest payable and similar charges		53,971	99,195
Loss on disposal of tangible assets		2,797	31,034
Tax on profit on ordinary activities		41,158	20,370
Accrued expenses/(income)		76,470	(12,899)
<i>Changes in:</i>			
Stocks		652,726	(155,594)
Trade and other debtors		(257,508)	35,883
Trade and other creditors		(386,485)	544,229
Cash generated from operations		421,468	669,793
Interest paid		(53,971)	(99,195)
Tax paid		(18,340)	(14,379)
Net cash from operating activities		<u>349,157</u>	<u>556,219</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible assets		(138,807)	(98,182)
Proceeds from sale of tangible assets		475,041	22,521
Net cash from/(used in) investing activities		<u>336,234</u>	<u>(75,661)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		(779,064)	(30,174)
Payments of finance lease liabilities		10,268	(1,366)
Dividends paid		(130,000)	(100,000)
Net cash used in financing activities		<u>(898,796)</u>	<u>(131,540)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<u>(213,405)</u>	349,018
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		14,694	(334,324)
CASH AND CASH EQUIVALENTS AT END OF YEAR	18	<u>(198,711)</u>	<u>14,694</u>

The notes on pages 13 to 27 form part of these financial statements.

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Dorchester Road, Wimborne, BH21 3HA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 November 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 31.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over ten years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The directors make estimates and assumptions about the future. These estimates and assumptions impact recognised assets and liabilities, as well as revenue and expenses and other disclosures. These estimates are based on historical experience and on various assumptions considered reasonable under the prevailing conditions. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within each financial year include:

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the company's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The recoverability of trade debtors and associated provisioning is considered on a regular basis. When calculating the debtor provision, the directors consider the age of the debts and the financial position of its customers.

Revenue recognition

The turnover shown in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profits for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Amortisation

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

Goodwill - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

3. Accounting policies *(continued)*

Depreciation

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

Leasehold Property	- 6 - 50% Reducing balance
Improvements	
Plant & Machinery	- 10 - 25% Reducing balance
Fixtures & Fittings	- 8 - 25% Reducing balance
Motor Vehicles	- 20 - 33% Reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

FLAGDAWN LIMITED .

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts *(continued)*

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

4. Turnover

Turnover arises from:

	2016	2015
	£	£
Sale of goods	<u>11,958,011</u>	<u>11,194,712</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

5. Other operating income

	2016	2015
	£	£
Commission receivable	115,909	108,258
Other operating income	<u>546</u>	<u>3,969</u>
	<u>116,455</u>	<u>112,227</u>

6. Operating profit

Operating profit or loss is stated after charging:

	2016	2015
	£	£
Amortisation of intangible assets	10,585	10,585
Depreciation of tangible assets	76,868	68,494
Loss on disposal of tangible assets	2,797	31,034
Impairment of trade debtors	–	262
Operating lease rentals	<u>130,000</u>	<u>110,000</u>

7. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2016	2015
	No.	No.
Administrative staff	39	39
Management staff	<u>2</u>	<u>2</u>
	<u>41</u>	<u>41</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016	2015
	£	£
Wages and salaries	979,554	917,576
Social security costs	100,288	86,444
Other pension costs	<u>4,082</u>	<u>1,250</u>
	<u>1,083,924</u>	<u>1,005,270</u>

FLAGDAWN LIMITED.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

8. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	<u>213,531</u>	<u>212,091</u>

Remuneration of the highest paid director in respect of qualifying services:

	2016	2015
	£	£
Aggregate remuneration	<u>92,000</u>	<u>92,015</u>

9. Interest payable and similar charges

	2016	2015
	£	£
Interest on banks loans and overdrafts	3,906	17,196
Interest on obligations under finance leases and hire purchase contracts	3,598	3,381
Other interest payable and similar charges	<u>46,467</u>	<u>78,618</u>
	<u>53,971</u>	<u>99,195</u>

10. Tax on profit on ordinary activities

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	45,057	17,539
Adjustments in respect of prior periods	(523)	117
Total current tax	<u>44,534</u>	<u>17,656</u>
Deferred tax:		
Origination and reversal of timing differences	(3,376)	2,714
Tax on profit on ordinary activities	<u>41,158</u>	<u>20,370</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

10. Tax on profit on ordinary activities *(continued)*

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016	2015
	£	£
Profit on ordinary activities before taxation	192,044	48,866
Profit on ordinary activities by rate of tax	38,409	9,773
Effect of expenses not deductible for tax purposes	3,272	10,480
Adjustments in respect of prior periods	(523)	117
Tax on profit on ordinary activities	41,158	20,370

11. Profit for the year of the parent company

The profit for the financial year of the parent company was £139,615 (2015: £125,151).

12. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016	2015
	£	£
Equity dividends on ordinary shares	130,000	100,000

13. Intangible assets

Group	Goodwill
	£
Cost	
At 1 Nov 2015 and 31 Oct 2016	105,852
Amortisation	
At 1 November 2015	74,095
Charge for the year	10,585
At 31 October 2016	84,680
Carrying amount	
At 31 October 2016	21,172
At 31 October 2015	31,757

The company has no intangible assets.

FLAGDAWN LIMITED.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

14. Tangible assets

Group	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 November 2015	2,478,173	301,416	(10,729)	164,543	2,933,403
Additions	33,162	69,447	1,198	35,000	138,807
Disposals	(477,838)	(21,413)	–	(8,000)	(507,251)
Revaluations	(299,500)	–	–	–	(299,500)
At 31 October 2016	1,733,997	349,450	(9,531)	191,543	2,265,459
Depreciation					
At 1 November 2015	149,193	200,517	(18,774)	74,336	405,272
Charge for the year	15,729	37,772	2,481	20,886	76,868
Disposals	–	(21,413)	–	(8,000)	(29,413)
At 31 October 2016	164,922	216,876	(16,293)	87,222	452,727
Carrying amount					
At 31 October 2016	1,569,075	132,574	6,762	104,321	1,812,732
At 31 October 2015	2,328,980	100,899	8,045	90,207	2,528,131
Company			Land and buildings £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 November 2015			824,500	15,157	839,657
Additions			–	1,198	1,198
Disposals			(461,000)	–	(461,000)
Revaluations			(299,500)	–	(299,500)
At 31 October 2016			64,000	16,355	80,355
Depreciation					
At 1 November 2015			–	11,223	11,223
Charge for the year			–	2,481	2,481
At 31 October 2016			–	13,704	13,704
Carrying amount					
At 31 October 2016			64,000	2,651	66,651
At 31 October 2015			824,500	3,934	828,434

The company fixed assets includes non-depreciable freehold land of £nil (2015 - £814,000). The historical cost of freehold land is £nil (2015 - £486,090).

Tangible assets held at valuation

If the land and buildings had not been included at valuation, they would have been included under the historical cost convention. The historical cost of the land and buildings is £1,047,165 (2015 - £1,533,255).

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

15. Investments

The group has no investments.

Company	Shares in group undertakings £
Cost	
At 1 Nov 2015 and 31 Oct 2016	<u>500,200</u>
Impairment	
At 1 Nov 2015 and 31 Oct 2016	<u>120,000</u>
Carrying amount	
At 1 Nov 2015 and 31 Oct 2016	<u>380,200</u>

Futuredrive Limited's activities were discontinued during the prior year.

Subsidiary audit exemptions

All subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of accounts under section 479A of the Companies Act 2006.

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Country of incorporation	Class of share	Percentage of shares held
Subsidiary undertakings			
Futuredrive Limited - Dormant	England	Ordinary	100
The Caravan Company (Northampton) Limited - Retailing and servicing of caravans	England	Ordinary	100
The Caravan Company (Reading) Limited - Retailing and servicing of caravans	England	Ordinary	100
The Caravan Company (Wimborne) Limited - Retailing and servicing of caravans	England	Ordinary	100
The Caravan Company Properties Limited - Property rental	England	Ordinary	100

16. Stocks

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Raw materials and consumables	<u>1,531,927</u>	<u>2,184,653</u>	<u>-</u>	<u>-</u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

17. Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	55,623	60,677	–	–
Amounts owed by group undertakings	–	–	367,537	336,537
Prepayments and accrued income	308,481	51,768	13,620	13,773
Directors loan account	25,000	12,500	25,000	25,000
Other debtors	–	6,651	10,087	13,972
	<u>389,104</u>	<u>131,596</u>	<u>416,244</u>	<u>389,282</u>

Amounts owed from group undertakings are unsecured, interest free have no fixed date of repayment and are repayable on demand.

18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2016	2015
	£	£
Cash at bank and in hand	364,477	347,839
Bank overdrafts	(563,188)	(333,145)
	<u>(198,711)</u>	<u>14,694</u>

19. Creditors: amounts falling due within one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	1,738,771	1,812,336	19,879	65,572
Trade creditors	198,242	170,065	18,770	25,800
Amounts owed to group undertakings	–	–	198,302	228,167
Accruals and deferred income	84,683	8,213	68,000	(2,500)
Corporation tax	45,057	18,863	5,504	1,403
Social security and other taxes	137,348	62,182	9,440	10,125
Obligations under finance leases and hire purchase contracts	27,500	19,110	–	–
Other creditors	27,055	516,883	–	–
	<u>2,258,656</u>	<u>2,607,652</u>	<u>319,895</u>	<u>328,567</u>

The bank loans and overdrafts are secured over the group's freehold land and buildings.

The hire purchases are secured over the related assets.

Included in bank loans and overdrafts is a loan of £1,129,504 (2015 - £1,036,424), included within other creditors are loans of £Nil (2015 - £515,683) which are secured on stock.

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 OCTOBER 2016

20. Creditors: amounts falling due after more than one year

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts	623,262	1,098,718	–	427,737
Obligations under finance leases and hire purchase contracts	27,035	25,157	–	–
	<u>650,297</u>	<u>1,123,875</u>	<u>–</u>	<u>427,737</u>

The bank loans and overdrafts are secured over the group's freehold land and buildings.

The hire purchases are secured over the related assets.

Included within creditors: amounts falling due after more than one year is an amount of £438,946 (2015: £722,470) for the group and £Nil (2015: £235,805) for the company in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

21. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	27,500	19,110	–	–
Later than 1 year and not later than 5 years	27,035	25,157	–	–
	<u>54,535</u>	<u>44,267</u>	<u>–</u>	<u>–</u>

22. Provisions

Group	Deferred tax (note 23) £
At 1 November 2015	26,505
Additions	(3,376)
At 31 October 2016	<u>23,129</u>
Company	Deferred tax (note 23) £
At 1 November 2015	2,822
Additions	(8,527)
At 31 October 2016	<u>(5,705)</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

23. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Included in provisions (note 22)	<u>23,129</u>	<u>26,505</u>	<u>(5,705)</u>	<u>2,822</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Accelerated capital allowances	<u>23,129</u>	<u>26,505</u>	<u>(5,705)</u>	<u>2,822</u>

24. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £4,082 (2015: £1,250).

25. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group	
	2016	2015
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>364,104</u>	<u>119,096</u>

Financial liabilities measured at amortised cost

	Group	
	2016	2015
	£	£
Financial liabilities measured at amortised cost	<u>2,779,213</u>	<u>3,704,451</u>

26. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>500,100</u>	<u>500,100</u>	<u>500,100</u>	<u>500,100</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

27. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Profit and loss account - This reserve records retained earnings and accumulated losses.

28. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Not later than 1 year	3,480	3,480	-	-
Later than 5 years	-	182,000	-	-
	<u>3,480</u>	<u>178,520</u>	<u>-</u>	<u>-</u>

29. Directors' advances, credits and guarantees

A M J Scott introduced £107,872 into the company to purchase stock in the year ending 31 October 2015. This was repaid during the year and the balance remaining owed to him by the group at the year end amounts to £nil (2015 - £87,213) and was included in other creditors. The balance outstanding at 31 October 2016 owed from A M J Scott is £12,500 (2015 - £12,500).

The balance outstanding at 31 October 2016 owed from P S Clarke is £12,500 (2015 - £12,500).

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
YEAR ENDED 31 OCTOBER 2016

30. Related party transactions

Company

The company was under the control of P S Clarke and A M J Scott throughout the current and previous year.

Dividends paid in the year were paid equally to P S Clarke and A M J Scott given their equal share holding.

Rent and insurance, amounting to £nil (2015 - £46,022) was paid to Masterflag Limited, a company of which A M J Scott's parents are directors. No amounts were outstanding at the year end.

During the year ending 31 October 2015, A M J Scott, a director of the company, made a loan to the company of £107,872 for the purchase of stock. At the year end £nil (2015 - £99,713) was outstanding. The balance was included within other creditors.

During the year ending 31 October 2015, W Clarke, wife of director P S Clarke and sister of A M J Scott made a loan to the company of £107,872 for the purchase of stock. At the year end £nil (2015 - £99,712) was outstanding. The balance was included within other creditors.

The group paid rent of £58,000 (2015 - £52,000) to a pension scheme of which P S Clarke and A M J Scott are trustees. No amounts were outstanding at the year end.

During the year, land held in the Flagdawn Limited, upon which the Finedon premises are based, was purchased for £480,000 and transferred to the Director's SIPP pension fund.

The only key management personnel are considered to be the directors. See note 8 for details of their remuneration.

31. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The group and the company transitioned to FRS 102 on 1 November 2014.

No transitional adjustments were required in equity or profit or loss for the year.