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COMPANY REGISTRATION NUMBER 05132696

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THE CARAVAN COMPANY (PROPERTIES) LIMITED

FLAGDAWN LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2013

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FLAGDAWN LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

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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 Accountants & 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 2013

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

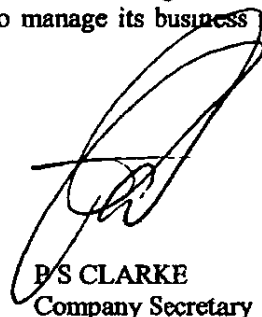
We consider that our key performance indicators are those that communicate the financial performance and strength of the group as a whole, these being turnover, profits before tax, net assets and cash generated from operating activities.

The results for the group show turnover for the year of £10,224,599 (2012 - £10,996,152), a decrease of 7% and net assets of £1,533,706 (2012 - £1,533,459) The group has generated profits before tax of £138,987 (2012 - £160,625).

The group has cash inflows from operating activities of £463,522 compared to cash inflows of £471,119 in 2012. Overall the group has cash inflows before financing of £134,048 compared to cash inflows £133,315 in 2012.

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

Signed by order of the directors



B/S CLARKE
Company Secretary

Approved by the directors on 17 April 2014

FLAGDAWN LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 OCTOBER 2013

The directors present their report and the financial statements of the group for the year ended 31 October 2013

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £125,247. Particulars of dividends paid are detailed in note 10 to the financial statements

FINANCIAL INSTRUMENTS

The company has trade debtors and creditors on normal terms. All of its transactions are in sterling. It has loans secured on freehold property and caravans but uses no other financial instruments and does not use financial instruments as part of its financial risk management. It is exposed to minimal credit risk as cash is usually received before caravans are despatched. The nature of its financial instruments means that it is not subject to price or liquidity risk

DIRECTORS

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

P S Clarke
A M J Scott

DIRECTORS' RESPONSIBILITIES

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 company and the group and of the profit or loss of the group for that year.

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 group will continue in business.

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

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.

FLAGDAWN LIMITED
DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 OCTOBER 2013

AUDITOR

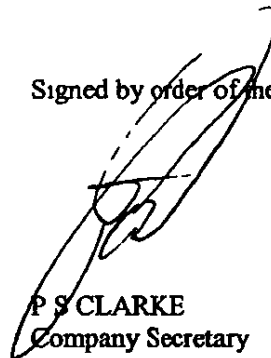
Streets Audit LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Each of the persons who is a director at the date of approval of this report confirm that.

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has 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 company's auditor is aware of that information

Registered office:
Dorchester Road
Wimborne
BH21 3HA

Signed by order of the directors



P S CLARKE
Company Secretary

Approved by the directors on 17 April 2014

FLAGDAWN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FLAGDAWN LIMITED

YEAR ENDED 31 OCTOBER 2013

We have audited the group and parent company financial statements ("the financial statements") of Flagdawn Limited for the year ended 31 October 2013 which comprise the Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet and Company Balance Sheet, Group Cash Flow 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)

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 set out on page 3, 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 annual 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 parent company's affairs as at 31 October 2013 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 SHAREHOLDERS OF FLAGDAWN LIMITED *(continued)*

YEAR ENDED 31 OCTOBER 2013

OPINION ON OTHER MATTER 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.

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 Accountants
& Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

9 May 2014

FLAGDAWN LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 OCTOBER 2013

	Note	2013 £	2012 £
GROUP TURNOVER	2	10,224,599	10,996,152
Cost of sales		<u>7,816,574</u>	<u>8,603,475</u>
GROSS PROFIT		2,408,025	2,392,677
Distribution costs		507,263	412,208
Administrative expenses		1,732,375	1,752,688
Other operating income	3	<u>(104,755)</u>	<u>(78,929)</u>
OPERATING PROFIT	4	273,142	306,710
Interest payable and similar charges	7	134,155	146,085
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>138,987</u>	<u>160,625</u>
Tax on profit on ordinary activities	8	13,740	48,961
PROFIT FOR THE FINANCIAL YEAR	9	<u>125,247</u>	<u>111,664</u>

All of the activities of the group are classed as continuing

The company has taken advantage of section 408 of the Companies Act 2006
not to publish its own Profit and Loss Account

The notes on pages 12 to 24 form part of these financial statements.

FLAGDAWN LIMITED
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31 OCTOBER 2013

	2013	2012
	£	£
Profit for the financial year attributable to the shareholders of the parent company	125,247	111,664
Unrealised profit on revaluation of certain fixed assets	<u>–</u>	<u>521,278</u>
Total gains and losses recognised since the last annual report	<u>125,247</u>	<u>632,942</u>

The notes on pages 12 to 24 form part of these financial statements.

FLAGDAWN LIMITED
GROUP BALANCE SHEET
31 OCTOBER 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Intangible assets	11	52,927	63,512
Tangible assets	12	2,506,048	2,518,912
		<u>2,558,975</u>	<u>2,582,424</u>
CURRENT ASSETS			
Stocks	14	2,054,091	1,440,993
Debtors	15	150,181	104,592
Cash at bank and in hand		452,868	230,492
		<u>2,657,140</u>	<u>1,776,077</u>
CREDITORS: Amounts falling due within one year	16	<u>2,380,200</u>	<u>1,967,785</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>276,940</u>	<u>(191,708)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,835,915</u>	<u>2,390,716</u>
CREDITORS: Amounts falling due after more than one year	17	1,289,557	845,389
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	12,652	11,868
		<u>1,533,706</u>	<u>1,533,459</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	500,100	500,100
Revaluation reserve	23	935,744	935,744
Profit and loss account	23	97,862	97,615
SHAREHOLDERS' FUNDS	24	<u>1,533,706</u>	<u>1,533,459</u>

These accounts were approved by the directors and authorised for issue on 17 April 2014, and are signed on their behalf by:


P S CLARKE
Director

The notes on pages 12 to 24 form part of these financial statements.

FLAGDAWN LIMITED

BALANCE SHEET

31 OCTOBER 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	12	817,067	817,450
Investments	13	500,200	500,200
		<u>1,317,267</u>	<u>1,317,650</u>
CURRENT ASSETS			
Debtors	15	275,998	258,482
CREDITORS: Amounts falling due within one year	16	<u>177,461</u>	<u>356,174</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>98,537</u>	<u>(97,692)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,415,804</u>	<u>1,219,958</u>
CREDITORS: Amounts falling due after more than one year	17	508,802	357,138
PROVISIONS FOR LIABILITIES			
Deferred taxation	19	989	194
		<u>906,013</u>	<u>862,626</u>
CAPITAL AND RESERVES			
Called-up equity share capital	22	500,100	500,100
Revaluation reserve	23	338,410	338,410
Profit and loss account	23	67,503	24,116
SHAREHOLDERS' FUNDS		<u>906,013</u>	<u>862,626</u>

These accounts were approved by the directors and authorised for issue on 17 April 2014, and are signed on their behalf by:


P S CLARKE
Director

Company Registration Number: 05132696

The notes on pages 12 to 24 form part of these financial statements.

FLAGDAWN LIMITED
GROUP CASH FLOW
YEAR ENDED 31 OCTOBER 2013

	Note	2013 £	2012 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	25	463,522	471,119
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	25	(134,155)	(146,085)
TAXATION	25	(49,918)	(22,398)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	25	(20,401)	(67,321)
EQUITY DIVIDENDS PAID		(125,000)	(102,000)
CASH INFLOW BEFORE FINANCING		134,048	133,315
FINANCING	25	452,247	(143,819)
INCREASE/(DECREASE) IN CASH	25	586,295	(10,504)

The notes on pages 12 to 24 form part of these financial statements.

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets

Basis of 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.

Turnover

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.

Amortisation

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

Fixed assets

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation

Depreciation 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:

Leasehold Property Improvements	- 10% reducing balance
Plant & Machinery	- 20% reducing balance
Fixtures & Fittings	- 20% reducing balance
Motor Vehicles	- 25% reducing balance

Stocks

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

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

1. ACCOUNTING POLICIES *(continued)*

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

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.

Deferred taxation

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, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group
 An analysis of turnover is given below:

	2013	2012
	£	£
United Kingdom	<u>10,224,599</u>	<u>10,996,152</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

3. OTHER OPERATING INCOME

	2013	2012
	£	£
Commission receivable	98,118	72,825
Other operating income	6,637	6,104
	<u>104,755</u>	<u>78,929</u>

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting).

	2013	2012
	£	£
Amortisation of intangible assets	10,585	10,585
Depreciation of owned fixed assets	51,782	85,385
Depreciation of assets held under hire purchase agreements	10,552	12,069
Profit on disposal of fixed assets	(9,069)	(7,269)
Auditor's remuneration - as auditor	8,000	9,700
Auditor's remuneration - for other services	24,538	15,750

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to

	2013	2012
	No	No
Number of employees	42	43
Number of directors	2	2
	<u>44</u>	<u>45</u>

The aggregate payroll costs of the above were.

	2013	2012
	£	£
Wages and salaries	975,338	983,130
Social security costs	90,359	101,047
	<u>1,065,697</u>	<u>1,084,177</u>

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2013	2012
	£	£
Remuneration receivable	<u>184,100</u>	<u>184,100</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Interest payable on bank borrowing	19,641	26,680
Finance charges	7,090	5,943
Other similar charges payable	107,424	113,462
	<u>134,155</u>	<u>146,085</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013	2012
	£	£
Current tax.		
In respect of the year		
UK Corporation tax based on the results for the year at 20% (2012 – 24.83%)	30,790	49,918
(Over)/under provision in prior year	(17,834)	-
Total current tax	<u>12,956</u>	<u>49,918</u>
Deferred tax.		
Origination and reversal of timing differences	784	(957)
Tax on profit on ordinary activities	<u>13,740</u>	<u>48,961</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2012 – 24.83%).

	2013	2012
	£	£
Profit on ordinary activities before taxation	<u>138,987</u>	<u>160,625</u>
Profit on ordinary activities by rate of tax	27,797	39,882
Expenses not deductible for tax purposes	8,734	10,632
Depreciation in excess of capital allowances	(5,741)	3,934
Marginal relief	-	(8,896)
Fixed asset differences	-	4,366
Over provision in the prior year	(17,834)	-
Total current tax (note 8(a))	<u>12,956</u>	<u>49,918</u>

9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £168,387 (2012 - £115,564).

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2013

10. DIVIDENDS

Equity dividends

	2013 £	2012 £
Paid		
Equity dividends on ordinary shares	<u>125,000</u>	<u>102,000</u>

11. INTANGIBLE FIXED ASSETS

Group

Goodwill
£

COST

At 1 November 2012 and 31 October 2013 105,852

AMORTISATION

At 1 November 2012 42,340

Charge for the year 10,585

At 31 October 2013 52,925

NET BOOK VALUE

At 31 October 2013 52,927

At 31 October 2012 63,512

12. TANGIBLE FIXED ASSETS

Group

	Freehold & Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST OR VALUATION					
At 1 November 2012	2,464,835	216,385	64,908	158,025	2,904,153
Additions	4,164	18,440	6,837	45,960	75,401
Disposals	—	—	—	(47,415)	(47,415)
At 31 October 2013	<u>2,468,999</u>	<u>234,825</u>	<u>71,745</u>	<u>156,570</u>	<u>2,932,139</u>
DEPRECIATION					
At 1 November 2012	97,066	160,584	44,107	83,484	385,241
Charge for the year	19,384	6,172	6,453	30,325	62,334
On disposals	—	—	—	(21,484)	(21,484)
At 31 October 2013	<u>116,450</u>	<u>166,756</u>	<u>50,560</u>	<u>92,325</u>	<u>426,091</u>
NET BOOK VALUE					
At 31 October 2013	<u>2,352,549</u>	<u>68,069</u>	<u>21,185</u>	<u>64,245</u>	<u>2,506,048</u>
At 31 October 2012	<u>2,367,769</u>	<u>55,801</u>	<u>20,801</u>	<u>74,541</u>	<u>2,518,912</u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2013

Land and buildings were revalued in September 2012 by Charles F. Jones & Sons LLP, a firm of Chartered Surveyors, on an open market existing use basis.

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 £1,533,255 (2012 - £1,529,091).

The group fixed assets includes non-depreciable freehold land of £814,000 (2012 - £814,000). The historical cost of freehold land is £475,590 (2012 - £475,590)

Hire purchase agreements

Included within the net book value of £2,506,048 is £34,695 (2012 - £62,996) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £10,552 (2012 - £12,069)

Company	Freehold Property £	Fixtures & Fittings £	Total £
COST OR VALUATION			
At 1 November 2012	814,000	8,973	822,973
Additions	—	2,158	2,158
At 31 October 2013	<u>814,000</u>	<u>11,131</u>	<u>825,131</u>
DEPRECIATION			
At 1 November 2012	—	5,523	5,523
Charge for the year	—	2,541	2,541
At 31 October 2013	<u>—</u>	<u>8,064</u>	<u>8,064</u>
NET BOOK VALUE			
At 31 October 2013	<u>814,000</u>	<u>3,067</u>	<u>817,067</u>
At 31 October 2012	<u>814,000</u>	<u>3,450</u>	<u>817,450</u>

The company fixed assets includes non-depreciable freehold land of £814,000 (2012 - £814,000). The historical cost of freehold land is £475,590 (2012 - £475,590).

13. INVESTMENTS

Company	Group companies £
COST	
At 1 November 2012 and 31 October 2013	<u>500,200</u>
NET BOOK VALUE	
At 31 October 2013 and 31 October 2012	<u>500,200</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

Subsidiary undertakings

	Company registration number	Proportion of shares held	Nature of business
Futuredrive Limited	02775881	100%	Retailing and servicing of caravans
The Caravan Company (Northampton) Limited	05147678	100%	Retailing and servicing of caravans
The Caravan Company (Properties) Limited	06846476	100%	Property rental
The Caravan Company (Reading) Limited	06846560	100%	Retailing and servicing of caravans
The Caravan Company (Wimborne) Limited	02888293	100%	Retailing and servicing of caravans

The above companies are all incorporated in England

Subsidiary audit exemptions

The above 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. At the year end Flagdawn Limited has guaranteed all outstanding liabilities of the subsidiaries in accordance with the Act.

14. STOCKS

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Goods for resale	<u>2,054,091</u>	<u>1,440,993</u>	<u>—</u>	<u>—</u>

15. DEBTORS

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	100,445	51,982	—	—
Amounts owed by group undertakings	—	—	248,676	227,923
VAT recoverable	—	—	13,512	12,298
Prepayments and accrued income	49,736	52,610	13,810	18,261
	<u>150,181</u>	<u>104,592</u>	<u>275,998</u>	<u>258,482</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	2,021,428	1,666,036	49,018	61,075
Trade creditors	113,976	100,908	15,506	17,108
Amounts owed to group undertakings	–	–	99,589	247,717
Hire purchase agreements	11,590	18,890	–	–
Other creditors including taxation and social security				
Corporation tax	12,936	49,898	1,831	10,000
Other taxation and social security	169,814	105,553	3,567	11,824
Other creditors	24,011	18,050	–	–
Accruals and deferred income	26,445	8,450	7,950	8,450
	<u>2,380,200</u>	<u>1,967,785</u>	<u>177,461</u>	<u>356,174</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company.

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	2,021,428	1,666,036	49,018	61,075
Hire purchase agreements	11,590	18,890	–	–
	<u>2,033,018</u>	<u>1,684,926</u>	<u>49,018</u>	<u>61,075</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 £1,289,360 (2012 - £605,428) which is secured on stock.

17. CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	1,272,033	816,184	508,802	357,138
Hire purchase agreements	17,524	29,205	–	–
	<u>1,289,557</u>	<u>845,389</u>	<u>508,802</u>	<u>357,138</u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2013

17. CREDITORS: Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	1,272,033	816,184	508,801	357,138
Hire purchase agreements	17,524	29,205	-	-
	<u>1,289,557</u>	<u>845,389</u>	<u>508,801</u>	<u>357,138</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.

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	-	475,791	-	161,943

During the year the group refinanced the bank loans in Flagdawn Limited and The Caravan Company (Properties) Limited. The repayment terms of the loans are as follows:

Loan 1. The loan together with the interest thereon is to be repaid by 20 quarterly instalments from April 2013. Interest is charged at a rate which is equivalent to 3% per annum above LIBOR.

Loan 2. The loan together with the interest thereon is to be repaid by 59 monthly instalments from February 2013. Interest is charged at a rate which is equivalent to 3% per annum above the bank's base rate.

18. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Amounts payable within 1 year	11,590	18,890	-	-
Amounts payable between 1 and 2 years	6,607	29,205	-	-
Amounts payable between 2 and 5 years	10,917	-	-	-
	<u>29,114</u>	<u>48,095</u>	<u>-</u>	<u>-</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

19. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Provision brought forward	11,868	12,825	194	12,825
Increase/(Decrease) in provision	784	(957)	795	(12,631)
Provision carried forward	<u>12,652</u>	<u>11,868</u>	<u>989</u>	<u>194</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2013		2012	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>12,652</u>	<u>-</u>	<u>11,868</u>	<u>-</u>

The company's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Company	2013		2012	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>989</u>	<u>-</u>	<u>194</u>	<u>-</u>

20. COMMITMENTS UNDER OPERATING LEASES

At 31 October 2013 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2013	2012
	£	£
Operating leases which expire:		
Within 1 year	42,000	-
Within 2 to 5 years	-	42,000
After more than 5 years	182,000	182,000
	<u>224,000</u>	<u>224,000</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

21. RELATED PARTY TRANSACTIONS

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

Rent and insurance, amounting to £49,721 (2012 - £51,704) 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.

The group paid rent of £52,000 (2012 - £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

22. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>500,100</u>	<u>500,100</u>	<u>500,100</u>	<u>500,100</u>

23. RESERVES

Group	Revaluation reserve	Profit and loss account
	£	£
Balance brought forward	935,744	97,615
Profit for the year	–	125,247
Equity dividends	–	(125,000)
Balance carried forward	<u>935,744</u>	<u>97,862</u>

Company	Revaluation reserve	Profit and loss account
	£	£
Balance brought forward	338,410	24,116
Profit for the year	–	168,387
Equity dividends	–	(125,000)
Balance carried forward	<u>338,410</u>	<u>67,503</u>

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£	£
Profit for the financial year	125,247	111,664
Other net recognised gains and losses	–	521,278
Equity dividends	(125,000)	(102,000)
Net addition to shareholders' funds	<u>247</u>	<u>530,942</u>
Opening shareholders' funds	<u>1,533,459</u>	<u>1,002,517</u>
Closing shareholders' funds	<u>1,533,706</u>	<u>1,533,459</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

25. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Operating profit	273,142	306,710
Amortisation	10,585	10,585
Depreciation	62,334	97,454
Profit on disposal of fixed assets	(9,069)	(7,269)
Decrease in stocks	70,834	48,868
(Increase)/decrease in debtors	(45,589)	26,783
Increase/(decrease) in creditors	101,285	(12,012)
Net cash inflow from operating activities	<u>463,522</u>	<u>471,119</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2013	2012
	£	£
Interest paid	(127,065)	(140,142)
Interest element of hire purchase	<u>(7,090)</u>	<u>(5,943)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(134,155)</u>	<u>(146,085)</u>

TAXATION

	2013	2012
	£	£
Taxation	<u>(49,918)</u>	<u>(22,398)</u>

CAPITAL EXPENDITURE

	2013	2012
	£	£
Payments to acquire tangible fixed assets	(55,401)	(87,720)
Receipts from sale of fixed assets	<u>35,000</u>	<u>20,399</u>
Net cash outflow from capital expenditure	<u>(20,401)</u>	<u>(67,321)</u>

FINANCING

	2013	2012
	£	£
Increase in/(repayment of) bank loans	491,228	(154,203)
Capital element of hire purchase	<u>(38,981)</u>	<u>10,384</u>
Net cash inflow/(outflow) from financing	<u>452,247</u>	<u>(143,819)</u>

FLAGDAWN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2013

25. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2013	2012
	£	£
Increase/(decrease) in cash in the period	586,295	(10,504)
Net cash (inflow) from/outflow from bank loans	(491,228)	154,203
Cash outflow in respect of hire purchase	38,981	(10,384)
Change in net debt resulting from cash flows	<u>134,048</u>	<u>133,315</u>
New finance leases	(20,000)	(55,665)
Movement in net debt in the period	<u>114,048</u>	<u>77,650</u>
Net debt at 1 November 2012	(2,299,823)	(2,377,473)
Net debt at 31 October 2013	<u>(2,869,707)</u>	<u>(2,299,823)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Nov 2012	Cash flows	Other changes	At 31 Oct 2013
	£	£	£	£
Net cash				
Cash in hand and at bank	230,492	222,376	-	452,868
Overdrafts	(1,024,309)	363,919	-	(660,390)
	<u>(793,817)</u>	<u>586,295</u>	<u>-</u>	<u>(207,522)</u>
Debt:				
Debt due within 1 year	(641,727)	(719,311)	-	(1,361,038)
Debt due after 1 year	(816,184)	(455,849)	-	(1,272,033)
Hire purchase agreements	(48,095)	38,981	(20,000)	(29,114)
	<u>(1,506,006)</u>	<u>(1,136,179)</u>	<u>(20,000)</u>	<u>(2,662,185)</u>
Net debt	<u>(2,299,823)</u>	<u>(549,884)</u>	<u>(20,000)</u>	<u>(2,869,707)</u>