

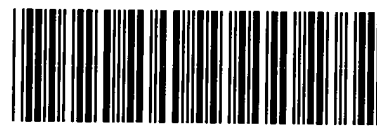
Registration number: 05223956

Lowdham Leisureworld Ltd

Annual Report and Financial Statements

for the Year Ended 31 January 2016

RWB CA Limited
Statutory Auditors
Northgate House
North Gate
New Basford
Nottingham
NG7 7BQ



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Lowdham Leisureworld Ltd

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Lowdham Leisureworld Ltd

Company Information

Directors	Mr W R Crafts Mrs J A Crafts Mrs E L Sharpe
Company secretary	Mrs E L Sharpe Mrs J A Crafts
Registered office	Lowdham Leisure Lowdham Road Gunthorpe Nottingham NG14 7ES
Bankers	National Westminster Bank plc Nottingham City Branch 148-149 Victoria Centre Nottingham NG1 3QT
Auditors	RWB CA Limited Statutory Auditors Northgate House North Gate New Basford Nottingham NG7 7BQ

Lowdham Leisureworld Ltd

Strategic Report for the Year Ended 31 January 2016

The Directors present their strategic report for the year ended 31 January 2016.

Principal activity

The principal activity of the company is the retail of caravans and motorhomes and their accessories.

Fair review of the business

There has been an increase in turnover within the current year, with gross profit margin remaining similar. There has been an increase in administrative expenses in the year.

The directors are satisfied with the current position. The company still finds itself in a strong position with regard to its net current assets, which the directors consider to be one of the primary key performance indicators of the business.

Whilst there is uncertainty following Brexit there has been no discernable drop in footfall to the company's premises or sales on a year on year basis. Indeed Brexit may increase 'staycation' holidays which could be positive.

The Company's key financial and other performance indicators during the year were as follows:

	Unit	2016	2015
Turnover	£	38,396,469	32,190,306
Gross profit margin	%	14	15
Net profit	£	1,058,247	567,914
Net current assets	£	1,789,922	1,455,188

Principal risks and uncertainties

The principal risk of the business is related to the seasonal nature of the industry and the impact that an economic downturn may have on the demand for luxury items such as caravans and motorhomes. The directors are confident that safeguards are in place to prevent any serious impact that these risks may cause to the business.

Currency fluctuations has always been potentially volatile and Brexit has seen the £ fall against other major currencies.

Approved by the Board on 19 September 2016 and signed on its behalf by:



Mr W R Crafts
Director

Lowdham Leisureworld Ltd

Directors' Report for the Year Ended 31 January 2016

The Directors present their report and the financial statements for the year ended 31 January 2016.

Directors of the Company

The directors who held office during the year were as follows:

Mr W R Crafts

Mrs J A Crafts

Mrs E L Sharpe

Financial instruments

Objectives and policies

The company's principal financial instruments comprise bank overdrafts, cash and short-term deposits. The main purpose of these financial instruments is to manage the company's funding and liquidity requirements. The company has other financial assets and liabilities such as trade debtors and trade creditors, which arise directly from its operations.

The principal financial risks to which the company is exposed are those of liquidity, interest rate, and credit. Each of these is managed in accordance with board-approved policies. These policies are set out below the price risk, credit risk, liquidity risk and cash flow risk heading.

The company makes use of hedging or derivative financial instruments as described below.

Price risk, credit risk, liquidity risk and cash flow risk

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

There is a foreign exchange risk in relation to the fluctuation in currency values relating to the acquisition of stock from outside the United Kingdom. The directors have sought to address these factors with a view to obtaining, where practical, contractual cover for purchase liability settlement exposure by means of foreign currency forward contracts.

Future developments

The directors expect a similar performance for the year ending 31 January 2017.

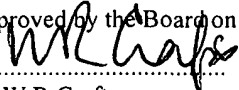
Lowdham Leisureworld Ltd

Directors' Report for the Year Ended 31 January 2016

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 19 September 2016 and signed on its behalf by:



.....
Mr W R Crafts
Director

Lowdham Leisureworld Ltd

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual 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 of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions 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.

Lowdham Leisureworld Ltd

Independent Auditor's Report

We have audited the financial statements of Lowdham Leisureworld Ltd for the year ended 31 January 2016, set out on pages 8 to 26. 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 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 Statement of Directors' Responsibilities (set out on page 5), 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 (APB's) Ethical Standards for Auditors to the financial statements.

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 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 the financial statements

In our opinion the financial statements:

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

Opinion on other 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.

Lowdham Leisureworld Ltd

Independent Auditor's Report

Matters on which we are required to report by exception

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

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



Neil Coupland FCA (Senior Statutory Auditor)
For and on behalf of RWB CA Limited, Statutory Auditor

Northgate House
North Gate
New Basford
Nottingham
NG7 7BQ

19 September 2016

Lowdham Leisureworld Ltd

Statement of Income and Retained Earnings for the Year Ended 31 January 2016

	Note	2016 £	2015 £
Turnover	3	38,396,469	32,190,306
Cost of sales		<u>(33,024,406)</u>	<u>(27,438,116)</u>
Gross profit		5,372,063	4,752,190
Administrative expenses		(4,547,635)	(4,278,706)
Other operating income	4	<u>97,274</u>	<u>95,700</u>
Operating profit	6	<u>921,702</u>	<u>569,184</u>
Other interest receivable and similar income	7	136,850	50
Interest payable and similar charges	8	<u>(305)</u>	<u>(1,320)</u>
		<u>136,545</u>	<u>(1,270)</u>
Profit on ordinary activities before taxation		1,058,247	567,914
Tax on profit on ordinary activities	12	<u>(187,526)</u>	<u>(121,315)</u>
Profit for the financial year and total comprehensive income		870,721	446,599
Retained earnings brought forward		<u>304,709</u>	<u>(141,890)</u>
Retained earnings carried forward		<u><u>1,175,430</u></u>	<u><u>304,709</u></u>

The notes on pages 11 to 26 form an integral part of these financial statements.

Lowdham Leisureworld Ltd

(Registration number: 05223956)
Balance Sheet as at 31 January 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	13	401,838	448,223
Investments	14	<u>19,700</u>	<u>19,700</u>
		<u>421,538</u>	<u>467,923</u>
Current assets			
Stocks	16	9,751,857	9,212,455
Debtors	17	191,722	539,396
Other financial assets	15	136,808	-
Cash at bank and in hand		<u>604,338</u>	<u>507,081</u>
		10,684,725	10,258,932
Creditors: Amounts falling due within one year	19	<u>(8,894,803)</u>	<u>(8,803,744)</u>
Net current assets		<u>1,789,922</u>	<u>1,455,188</u>
Total assets less current liabilities		2,211,460	1,923,111
Creditors: Amounts falling due after more than one year	19	(19,700)	(598,048)
Provisions for liabilities	20	<u>(16,328)</u>	<u>(20,352)</u>
Net assets		<u>2,175,432</u>	<u>1,304,711</u>
Capital and reserves			
Called up share capital	22	1,000,002	1,000,002
Profit and loss account	23	<u>1,175,430</u>	<u>304,709</u>
Shareholders' funds		<u>2,175,432</u>	<u>1,304,711</u>

Approved and authorised by the Board on 19 September 2016 and signed on its behalf by:



.....
 Mr W R Crafts
 Director

Lowdham Leisureworld Ltd

Statement of Cash Flows for the Year Ended 31 January 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		870,721	446,599
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	94,836	83,524
Loss on disposal of tangible assets	5	3,331	5,201
Finance income	7	(136,850)	(50)
Finance costs	8	305	1,320
Income tax expense	12	187,526	121,315
		<u>1,019,869</u>	<u>657,909</u>
Working capital adjustments			
Increase in stocks	16	(539,402)	(1,280,327)
Decrease in trade debtors	17	347,674	179,106
(Decrease)/increase in trade creditors	19	(579,223)	987,360
Cash generated from operations		248,918	544,048
Income taxes paid	12	(97,544)	(112,767)
Net cash flow from operating activities		<u>151,374</u>	<u>431,281</u>
Cash flows from investing activities			
Interest received	7	42	50
Acquisitions of tangible assets		(68,283)	(295,044)
Proceeds from sale of tangible assets		16,501	39,811
Net cash flows from investing activities		<u>(51,740)</u>	<u>(255,183)</u>
Cash flows from financing activities			
Interest paid	8	(305)	(1,320)
Repayment of other borrowing		(83)	(996)
Payments to finance lease creditors		(1,989)	(15,678)
Net cash flows from financing activities		<u>(2,377)</u>	<u>(17,994)</u>
Net increase in cash and cash equivalents		97,257	158,104
Cash and cash equivalents at 1 February		<u>507,081</u>	<u>348,977</u>
Cash and cash equivalents at 31 January		<u><u>604,338</u></u>	<u><u>507,081</u></u>

The notes on pages 11 to 26 form an integral part of these financial statements.

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

1 General information

Lowdham Leisureworld Limited is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principle place of business is disclosed on page 1.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Transition to FRS 102

The company adopted FRS 102 in the current year and an explanation of how transition to FRS 102 has affected the reported financial position and performance is given in note 29.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

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

Changes in accounting estimate

The transition to FRS 102 has not resulted in any changes to accounting policies.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company did not make any significant judgements (apart from those involving estimations which are detailed in the notes below) that have a significant effect on the amounts recognised in the financial statements.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold land and buildings	5% straight line
Motor vehicles	20% -25% reducing balance
Furniture, fittings and equipment	20% straight line/ 25% reducing balance
Plant and machinery	33.33% straight line/ 25% reducing balance

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

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 balance sheet 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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Recognition and measurement

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

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 are largely independent of the cash inflows from other assets or groups of assets.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016	2015
	£	£
Sale of goods	38,025,450	31,897,940
Commissions received	296,019	217,366
Other revenue	75,000	75,000
	<u>38,396,469</u>	<u>32,190,306</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2016	2015
	£	£
Rent receivable	88,151	82,929
Miscellaneous other operating income	9,123	12,771
	<u>97,274</u>	<u>95,700</u>

5 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2016	2015
	£	£
Gain (loss) on disposal of property, plant and equipment	<u>(3,331)</u>	<u>(5,201)</u>

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

6 Operating profit

Arrived at after charging/(crediting)

	2016	2015
	£	£
Depreciation expense	94,836	83,523
Foreign exchange gains	(142,547)	(25,883)
Operating lease expense - property	35,000	35,000
Operating lease expense - plant and machinery	51,866	51,845
Loss on disposal of property, plant and equipment	3,331	5,201
	3,331	5,201

7 Other interest receivable and similar income

	2016	2015
	£	£
Interest income on bank deposits	42	50
Net gain on derivative	136,808	-
	136,850	50

8 Interest payable and similar charges

	2016	2015
	£	£
Interest on obligations under finance leases and hire purchase contracts	305	1,320
	305	1,320

9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016	2015
	£	£
Wages and salaries	3,176,602	2,832,234
Social security costs	277,415	258,655
Pension costs, defined contribution scheme	24,752	16,570
	3,478,769	3,107,459

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016	2015
	No.	No.
Workshop and parts	64	65
Administrative	41	32
Sales	25	25
Management	6	6
	136	128

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

10 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	<u>25,311</u>	<u>20,288</u>

11 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	<u>7,300</u>	<u>7,300</u>
Other fees to auditors		
Taxation compliance services	2,000	2,000
All other non-audit services	<u>6,668</u>	<u>2,374</u>
	<u>8,668</u>	<u>4,374</u>

12 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	191,550	97,544
UK corporation tax adjustment to prior periods	-	(505)
	<u>191,550</u>	<u>97,039</u>
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(4,024)</u>	<u>24,276</u>
Tax expense in the income statement	<u>187,526</u>	<u>121,315</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2015 - lower than the standard rate of corporation tax in the UK) of 20.16% (2015 - 21.12%).

The differences are reconciled below:

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

	2016 £	2015 £
Profit before tax	<u>1,058,247</u>	<u>567,914</u>
Corporation tax at standard rate	213,360	119,926
Effect of revenues exempt from taxation	(27,583)	-
Effect of expense not deductible in determining taxable profit (tax loss)	770	235
Deferred tax expense (credit) relating to changes in tax rates or laws	(4,024)	24,276
Tax increase (decrease) from effect of capital allowances and depreciation	4,331	(23,715)
Tax increase (decrease) from effect of indexation allowance on capital gains	672	1,098
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>-</u>	<u>(505)</u>
Total tax charge	<u>187,526</u>	<u>121,315</u>
Deferred tax		
Deferred tax assets and liabilities		
2016		Liability £
Difference between accumulated depreciation and amortisation and capital allowances		<u>16,328</u>
2015		Liability £
Difference between accumulated depreciation and amortisation and capital allowances		<u>20,352</u>

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

13 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Plant and equipment £	Total £
Cost or valuation					
At 1 February 2015	137,894	267,045	153,151	100,035	658,125
Additions	17,863	37,096	6,558	6,766	68,283
Disposals	-	(638)	(24,627)	-	(25,265)
At 31 January 2016	<u>155,757</u>	<u>303,503</u>	<u>135,082</u>	<u>106,801</u>	<u>701,143</u>
Depreciation					
At 1 February 2015	8,283	101,888	42,038	57,693	209,902
Charge for the year	7,711	48,731	25,603	12,791	94,836
Eliminated on disposal	-	(570)	(4,863)	-	(5,433)
At 31 January 2016	<u>15,994</u>	<u>150,049</u>	<u>62,778</u>	<u>70,484</u>	<u>299,305</u>
Carrying amount					
At 31 January 2016	<u>139,763</u>	<u>153,454</u>	<u>72,304</u>	<u>36,317</u>	<u>401,838</u>
At 31 January 2015	<u>129,611</u>	<u>165,157</u>	<u>111,113</u>	<u>42,342</u>	<u>448,223</u>

Included within the net book value of land and buildings above is £139,763 (2015 - £129,611) in respect of short leasehold land and buildings.

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016 £	2015 £
Motor vehicles	-	9,447

14 Investments in subsidiaries, joint ventures and associates

	2016 £	2015 £
Investments in subsidiaries	19,700	19,700
Subsidiaries		£
Cost or valuation		
At 1 February 2015		364,881
Provision		
At 1 February 2015		345,181
Carrying amount		
At 31 January 2016		19,700
At 31 January 2015		19,700

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
Colin's Caravans of Berkshire Limited	England	Class A	100%	100%

The principal activity of Colin's Caravans of Berkshire Limited is dormant.

The profit for the financial period of Colin's Caravans of Berkshire Limited was £- and the aggregate amount of capital and reserves at the end of the period was £19,700.

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

15 Other financial assets (current and non-current)

	2016 £	2015 £
Current financial assets		
Derivatives used for hedging	136,808	-

The company makes use of foreign currency forward contracts to hedge against the movements in currency rates. As required under FRS 102 the value of this hedging derivative has been included in the financial statements. There were no such contracts in place at the prior year end.

16 Stocks

	2016 £	2015 £
Finished goods and goods for resale	9,751,857	9,212,455

17 Debtors

	2016 £	2015 £
Trade debtors	44,608	247,343
Other debtors	2,347	119,279
Prepayments	144,767	172,774
Total current trade and other debtors	191,722	539,396

18 Cash and cash equivalents

	2016 £	2015 £
Cash on hand	650	650
Cash at bank	603,688	506,431
	604,338	507,081

19 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	24	555,542	122,072
Trade creditors		6,943,994	7,232,146
Social security and other taxes		90,667	52,335
Other payables		650,244	978,808
Accrued expenses		462,806	320,839
Income tax liability	12	191,550	97,544
		8,894,803	8,803,744

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

	Note	2016 £	2015 £
Due after one year			
Loans and borrowings	24	-	578,348
Other non-current financial liabilities		19,700	19,700
		19,700	598,048

The trade creditors include an amount of £6,759,884 (2015 - £6,859,692) of which £3,266,625 (2015 - £4,005,398) is secured by way of an unscheduled debenture, incorporating a fixed and floating charge over all current and future assets of the company. £2,461,901 (£2,309,304) is secured by two separate unlimited personal guarantees by Mr W R Crafts and Mrs J A Crafts and also a cross company guarantee with Lowdham Outdoor Leisure Limited. £1,031,357 (2015 - £544,991) is secured by way of an unlimited cross company guarantee with Lowdham Outdoor Leisure Limited.

All bank borrowings are secured by way of a debenture dated 5th October 2004, incorporating a fixed and floating charge over all current and future assets of the company.

The obligations under hire purchase contracts are secured against all assets held under the respective agreements.

20 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 February 2015	20,352	20,352
Increase (decrease) in existing provisions	(4,024)	(4,024)
At 31 January 2016	16,328	16,328

21 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £24,752 (2015 - £16,570).

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

22 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000,002</u>	<u>1,000,002</u>	<u>1,000,002</u>	<u>1,000,002</u>

23 Reserves

Profit and loss account

This reserve records retained earnings and accumulated losses.

24 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Other borrowings	-	<u>578,348</u>
	<u>2016 £</u>	<u>2015 £</u>
Current loans and borrowings		
Finance lease liabilities	-	1,989
Other borrowings	<u>555,542</u>	<u>120,083</u>
	<u>555,542</u>	<u>122,072</u>

Other borrowings

Included in the loans and borrowings are the following amounts due after more than five years:

	2016 £	2015 £
After more than five years not by instalments	-	500,000

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

25 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	-	1,989

Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	3,176	5,587
Later than one year and not later than five years	124,008	135,689
	<u>127,184</u>	<u>141,276</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £86,866 (2015 - £86,844).

26 Related party transactions

Key management personnel

Directors' Loan Accounts & Guarantees
Elite Retirement Account

Summary of transactions with key management

Mr W R Crafts and Mrs J A Crafts operate a single joint directors' loan account which remained in credit throughout the period and therefore no interest has been charged.

At the year end £555,542 (2015 - £120,000) is payable in under one year, £nil (2015 - £78,348) is payable between 2 and 5 years and £nil (2015 - £500,000) payable in over 5 years.

The company operates premises in Bingham owned by the Elite Retirement pension fund which provides retirement benefits for all of the Directors and a key manager.

Both Mr W R Crafts and Mrs J A Crafts have directors' loan accounts with the company, they have also signed personal deeds of guarantee and indemnity in relation to the company debts.

Summary of transactions with subsidiaries

Colin's Caravans of Berkshire Limited

The company is dormant and therefore no transactions have occurred between the companies during the year.

A 100% owned subsidiary of Lowdham Leisureworld Limited.

Summary of transactions with other related parties

Lowdham Outdoor Leisure Limited

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

Income and receivables from related parties

	Other related parties
	£
2016	
Sale of goods	854,259
Recharges	<u>322,582</u>
	<u>1,176,841</u>
Amounts receivable from related party	<u>(4,059)</u>
2015	
Sale of goods	970,244
Recharges	<u>325,540</u>
	<u>1,295,784</u>
Amounts receivable from related party	<u>(70,436)</u>

Expenditure with and payables to related parties

	Subsidiary	Key management	Other related parties
	£	£	£
2016			
Purchase of goods	-	-	1,920,609
Recharges	-	-	45,129
Rent	-	35,000	-
	<u>-</u>	<u>35,000</u>	<u>1,965,738</u>
Amounts payable to related party	<u>19,700</u>	<u>555,542</u>	<u>(2,624)</u>
2015			
Purchase of goods	-	-	1,439,560
Recharges	-	-	67,630
Rent	-	35,000	-
	<u>-</u>	<u>35,000</u>	<u>1,507,190</u>
Amounts payable to related party	<u>19,700</u>	<u>698,348</u>	<u>9,407</u>

Lowdham Leisureworld Ltd

Notes to the Financial Statements for the Year Ended 31 January 2016

27 Financial instruments

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

	2016 £	2015 £
Financial assets measured at fair value through profit or loss	<u>788,102</u>	<u>873,703</u>
	<u>788,102</u>	<u>873,703</u>
Financial liabilities measured at fair value through profit or loss	<u>(8,453,996)</u>	<u>(9,080,953)</u>
	<u>(8,453,996)</u>	<u>(9,080,953)</u>

28 Controlling Party

The company is controlled by the directors who own 100% of the called up share capital.

29 Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 February 2014. No transitional adjustments were required in equity or profit or loss for the year.

30 Limitation liability agreement

On 31st March 2016 the members approved the resolution for the Company to enter into a Limitation Liability Agreement with its Auditors. This agreement is limited to the period of one year from the date of approval by the members. A summary of the principal terms is that the agreement limits the amount of any liability owed to the Company by the Auditor in respect of negligence, default, breach of duty or trust, occurring in the course of the audit of these accounts of which the Auditor may be guilty. The agreement will not limit the amount of the Auditor liability for fraud or regulations. The maximum amount of the Auditor's Liability to the company shall not exceed £1,000,000. In accordance with section 537 of the Companies Act 2006 this agreement does not limit the Auditor's liability to less than that which would be fair and reasonable as so determined in accordance with that section. The Auditor in this case refers to RWB CA Limited and its directors, employees, consultants and any other person for whom RWB CA Limited is vicariously liable.