

**SAM HAGAN LEISURE (UK) LTD
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2016**



SAM HAGAN LEISURE (UK) LTD
Directors' Report and Financial Statements
For The Year Ended 31 October 2016

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SAM HAGAN LEISURE (UK) LTD
Company Information
For The Year Ended 31 October 2016

Directors	Mr Sam Hagan Mrs Deborah Hagan
Company Number	02686607
Registered Office	Solway Holiday Village Skinburness Drive Silloth-on Solway Cumbria CA5 4QQ
Accountants	RWCA LTD 158 Upper Newtownards Road Belfast Co Antrim BT4 3EQ
Bankers	HSBC 5 Donegall Square South Belfast BT1 5JP

SAM HAGAN LEISURE (UK) LTD
Company No. 02686607
Directors' Report For The Year Ended 31 October 2016

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

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing the 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.

Statement of Disclosure of Information to Auditors

The directors of the company who held office at the date of approval of this annual report confirm that:

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

Review of Business

The company aims to maintain and grow its revenues, and utilising spare capacity by consistent re-investment of profits on our parks to continually upgrade and improve the customer experience.

We work in an industry which is affected by a number of major factors including weather, euro/sterling exchange rate, and availability of customer finance. The company has benefitted in recent years by the increasing trend for UK 'Staycations' and the trend for taking shorter holiday breaks on a more frequent basis. This is expected to continue as busier lifestyles dictate holiday durations. Unlike in previous years the recent strength of the euro may have some positive impact across the UK holiday industry. The company will benefit from recent developments in the banking and wider economy where more families feel able to finance the purchase of caravan holiday homes.

In 2016, the company maintained income levels across its major streams. As is our corporate ethos, profits were spent on the refurbishment of park facilities and with the replacement of a large portion of our caravan fleet. The company is looking forward to improved performance in 2017.

Financial Instrument Risk

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown.

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. The company makes use of money market facilities where funds are available.

Dividends

The directors recommended a final dividend of £0.05 per share.

Directors

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

Mr Sam Hagan
Mrs Deborah Hagan

SAM HAGAN LEISURE (UK) LTD
Directors' Report (continued)
For The Year Ended 31 October 2016

Auditors
RWCA Ltd were reappointed as auditors.
On behalf of the board

A handwritten signature in black ink, appearing to be 'Sam Hagan', written over a dashed line.

Mr Sam Hagan
29/06/2017

SAM HAGAN LEISURE (UK) LTD
Auditor's Report
For The Year Ended 31 October 2016

Independent Auditor's Report to the Members of SAM HAGAN LEISURE (UK) LTD

We have audited the financial statements of SAM HAGAN LEISURE (UK) LTD for the year ended 31 October 2016 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes of Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2—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 (APB's) Ethical Standards for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the director's report is consistent with the financial statements. The information given in the director's report includes the specific information presented in the operating and financial review that is cross referred from the Business Review section of the director's report.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This information comprises only the director's report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 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 October 2016 and of its profit/(loss) 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

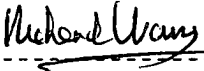
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

SAM HAGAN LEISURE (UK) LTD
Auditor's Report (continued)
For The Year Ended 31 October 2016

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



Richard Waring (Senior Statutory
Auditor)
for and on behalf of RWCA Ltd ,
Statutory Auditor
029/06/2017

SAM HAGAN LEISURE (UK) LTD
Profit and Loss Account
For The Year Ended 31 October 2016

	Notes	2016 £	2015 £
TURNOVER		4,285,172	4,333,518
Cost of sales		(1,292,021)	(1,250,424)
GROSS PROFIT		2,993,151	3,083,094
Administrative expenses		(2,816,625)	(2,784,760)
OPERATING PROFIT	2	176,526	298,334
Exceptional items		-	(76,000)
Profit on disposal of fixed assets		75,170	55,019
Interest payable and similar charges	5	(236,797)	(266,712)
PROFIT BEFORE TAXATION		14,899	10,641
Tax on profit	6	(16,000)	(1,971)
PROFIT/(LOSS) AFTER TAXATION BEING PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(1,101)	8,670

The notes on pages 12 to 16 form part of these financial statements.

SAM HAGAN LEISURE (UK) LTD
Balance Sheet
As at 31 October 2016

		2016		2015	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	7		9,136,907		9,235,243
			9,136,907		9,235,243
CURRENT ASSETS					
Stocks	8	1,008,805		962,888	
Debtors	9	1,179,945		1,578,803	
Cash at bank and in hand		42,696		76,836	
		2,231,446		2,618,527	
Creditors: Amounts Falling Due Within One Year	10	(2,951,617)		(3,152,212)	
NET CURRENT ASSETS (LIABILITIES)			(720,171)		(533,685)
TOTAL ASSETS LESS CURRENT LIABILITIES			8,416,736		8,701,558
Creditors: Amounts Falling Due After More Than One Year	11		(4,364,709)		(4,643,430)
NET ASSETS			4,052,027		4,058,128
CAPITAL AND RESERVES					
Called up share capital	12		100,000		100,000
Share premium account			200,000		200,000
Revaluation reserve			3,000,000		3,000,000
Profit and loss account			752,027		758,128
SHAREHOLDERS' FUNDS			4,052,027		4,058,128

On behalf of the board

Mr Sam Hagan
29/06/2017



SAM HAGAN LEISURE (UK) LTD
Balance Sheet (continued)
As at 31 October 2016

The notes on pages 12 to 16 form part of these financial statements.

SAM HAGAN LEISURE (UK) LTD
Statement of Changes in Equity
For The Year Ended 31 October 2016

	Share Capital	Share Premium	Revaluation reserve	Profit & Loss Account	Total
	£	£	£	£	£
As at 1 November 2014	100,000	200,000	3,000,000	749,458	4,049,458
Profit for the year and total comprehensive income	-	-	-	8,670	8,670
As at 31 October 2015 and 1 November 2015	100,000	200,000	3,000,000	758,128	4,058,128
Loss for the year and total comprehensive income	-	-	-	(1,101)	(1,101)
Dividends paid	-	-	-	(5,000)	(5,000)
As at 31 October 2016	100,000	200,000	3,000,000	752,027	4,052,027

Sam Hagan Leisure (UK) Ltd
Cash Flow Statement
For the Year Ended 31 October 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	251,696	277,353
Adjustments for;		
Depreciation of tangible fixed assets	244,066	214,110
Profit on disposal of tangible fixed assets	-75,170	-55,019
Interest paid	-236,797	-266,712
Taxation	-1,970	-2,168
(Increase)/decrease in stocks	-45,917	-388,906
Decrease/(increase) in trade & other debtors	398,858	-12,744
Increase/(decrease) in trade creditors	-216,724	526,460
Net cash from operating activities	<u>318,042</u>	<u>292,374</u>
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	119,370	55,019
Purchases of tangible fixed assets	-189,930	-198,726
Net cash from investing activities	<u>-70,560</u>	<u>-143,707</u>
Cash flows from financing activities		
Equity Dividends Paid	-5,000	0
Net cash used in financing activities	<u>-5,000</u>	<u>0</u>
Net increase in cash & cash equivalents	242,482	148,667
Cash & cash equivalents at beginning of year	-6,064,253	-6,212,920
Cash & cash equivalents at end of year	<u>-5,821,771</u>	<u>-6,064,253</u>

Sam Hagan Leisure (UK) Ltd
Cash Flow Statement
For the Year Ended 31 October 2016

	2016 £	2015 £
Components of cash & cash equivalents		
Cash	42,696	76,836
Overdraft	-1,199,758	-1,197,659
Bank Loans	-4,664,709	-4,943,430
	<u>-5,821,771</u>	<u>-6,064,253</u>

SAM HAGAN LEISURE (UK) LTD
Notes to the Accounts
For The Year Ended 31 October 2016

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3. Tangible Fixed Assets and Depreciation

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

Freehold	Straight line over 25 years
Plant & Machinery	25% straight line
Motor Vehicles	25% straight line
Hire Fleet	25% straight line

1.4. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. .

2. Operating Profit

The operating profit is stated after charging:

	2016	2015
	£	£
Directors' remuneration	37,817	37,632
Audit fees	4,750	7,535
Depreciation of tangible fixed assets	244,066	214,110
	<u>286,623</u>	<u>259,277</u>

3. Staff Costs

Staff costs, including directors' remuneration, were as follows:

	2016	2015
	£	£
Wages and salaries	965,141	885,236
Social security costs	65,642	69,582
Other pension costs	4,422	-
	<u>1,035,205</u>	<u>954,818</u>

SAM HAGAN LEISURE (UK) LTD
Notes to the Accounts (continued)
For The Year Ended 31 October 2016

4. Average number of employees

Average number of employees during the year, including directors, during the year was as follows:

	2016	2015
Office and administration	9	6
Sales, marketing and distribution	54	51
	<u>63</u>	<u>57</u>

5. Interest Payable

	2016	2015
	£	£
Bank loans and overdrafts	204,060	248,909
Finance charges payable under finance leases and hire purchase contracts	32,737	17,803
	<u>236,797</u>	<u>266,712</u>

6. Tax on Profit on Ordinary Activities

	Tax Rate		2016	2015
	2016	2015	£	£
UK Corporation Tax	20%	20%	16,000	1,971
Total Current Tax Charge			<u>16,000</u>	<u>1,971</u>
			2016	2015
			£	£
Profit on ordinary activities before tax			<u>14,899</u>	<u>10,641</u>
Breakdown of Tax Charge is:				
Tax on profit at 20% (UK standard rate)			2,780	1,971
Goodwill/depreciation not allowed for tax			33,779	-
minus the following:				
Capital allowances in excess of depreciation			20,559	-
Current tax charge for the period			<u>16,000</u>	<u>1,971</u>

SAM HAGAN LEISURE (UK) LTD
Notes to the Accounts (continued)
For The Year Ended 31 October 2016

7. Tangible Assets

	Land & Property				
	Freehold	Plant & Machinery	Motor Vehicles	Hire Fleet	Total
	£	£	£	£	£
Cost					
As at 1 November 2015	10,389,676	1,277,129	182,888	796,209	12,645,902
Additions	-	-	3,700	186,230	189,930
Disposals	-	-	-	(156,256)	(156,256)
As at 31 October 2016	<u>10,389,676</u>	<u>1,277,129</u>	<u>186,588</u>	<u>826,183</u>	<u>12,679,576</u>
Depreciation					
As at 1 November 2015	1,632,458	1,039,100	180,465	558,636	3,410,659
Provided during the period	77,028	92,196	972	73,870	244,066
Disposals	-	-	-	(112,056)	(112,056)
As at 31 October 2016	<u>1,709,486</u>	<u>1,131,296</u>	<u>181,437</u>	<u>520,450</u>	<u>3,542,669</u>
Net Book Value					
As at 31 October 2016	<u>8,680,190</u>	<u>145,833</u>	<u>5,151</u>	<u>305,733</u>	<u>9,136,907</u>
As at 1 November 2015	<u>8,757,218</u>	<u>238,029</u>	<u>2,423</u>	<u>237,573</u>	<u>9,235,243</u>

Included in Land & Buildings is £8,444,780 (2015: £8,444,780) of which land is not depreciated.

8. Stocks

	2016	2015
	£	£
Stock - materials and work in progress	974,233	928,316
Stock - materials	9,962	9,962
Stock - finished goods	16,270	16,270
Stock - work in progress	8,340	8,340
	<u>1,008,805</u>	<u>962,888</u>

9. Debtors

	2016	2015
	£	£
Due within one year		
Trade debtors	622,205	416,420
Prepayments and accrued income	246,838	312,544
Other debtors	232,856	248,813
Amounts owed by connected companies	78,046	601,026
	<u>1,179,945</u>	<u>1,578,803</u>

SAM HAGAN LEISURE (UK) LTD
Notes to the Accounts (continued)
For The Year Ended 31 October 2016

10. Creditors: Amounts Falling Due Within One Year

	2016	2015
	£	£
Trade creditors	1,282,351	1,318,506
Bank loans and overdrafts	1,499,758	1,497,659
Corporation tax	16,000	1,970
Other taxes and social security	94,138	114,647
Other creditors	35,811	23,045
Accruals and deferred income	23,559	196,385
	2,951,617	3,152,212

11. Creditors: Amounts Falling Due After More Than One Year

	2016	2015
	£	£
Bank loans	4,364,709	4,643,430

The Bank loans and overdraft are secured as follows;

Fixed and floating charge over all company assets present and future.

Legal mortgage over Solway Holiday Village, Silloth, Cumbria and Lido Residential Park, Cumbria.

Legal mortgage over 7.8 acre site adjacent to Solway Holiday Village, Cumbria.

Legal mortgage over Beacon Fell View Holiday Park, Preston.

12. Share Capital

	Value	Number	2016	2015
	£		£	£
Allotted, called up and fully paid				
Ordinary shares	1.000	75000	75,000	75,000
Ordinary A shares	1.000	24999	24,999	24,999
Ordinary B shares	1.000	1	1	1
		100000	100,000	100,000

13. Transactions With and Loans to Directors

Included within Debtors are the following loans to directors:

	As at 1 November 2015	Amounts advanced	Amounts repaid	As at 31 October 2016
	£	£	£	£
Mr Sam Hagan	153,813	149,290	153,813	149,290
Mrs Deborah Hagan	-	-	-	-

The above loan will be repaid in full prior to 31 July 2017.

Dividends paid to directors

SAM HAGAN LEISURE (UK) LTD
Notes to the Accounts (continued)
For The Year Ended 31 October 2016

	2016	2015
	£	£
Mr Sam Hagan	5,000	-

14. Dividends

	2016	2015
	£	£
On equity shares:		
Final dividend paid	5,000	-
	<u>5,000</u>	<u>-</u>

15. Related Party Transactions

Hagans Caravans

Sam Hagan & Mrs Margaret Hagan trading as a partnership

At the year end the company was owed £277,259 by Hagans Caravans.

Hagans Leisure Limited

Sam Hagan is a common director and controlling shareholder in both companies.

During the year there were transactions with Hagans Leisure with sales of £255,477, Purchases of £11,000 and a Management Charge of £119,100. At the year end the following balances were due, Trade Debtors £718,705, Trade Creditors £345,194, Inter-company Loan Creditor of £199,212

Sales and purchases between related parties are at normal market prices. Outstanding balances with entities are unsecured and interest free. During the year the company had not made any provision for doubtful debts owed by related parties.

16. Ultimate Controlling Party

The company's ultimate controlling party is by virtue of his ownership of 100% of the issued share capital in the company.

17. General Information

SAM HAGAN LEISURE (UK) LTD, Registered number 02686607, is a limited by shares company incorporated in England & Wales. The Registered Office is Solway Holiday Village, Skinburness Drive, Silloth-on Solway, Cumbria, CA5 4QQ.