

**SAM HAGAN LEISURE (UK) LTD
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**



SAM HAGAN LEISURE (UK) LTD
Directors' Report and Financial Statements
For The Year Ended 31 October 2017

Contents

	Page
Company Information	1
Directors' Report	2—3
Auditor's Report	4—5
Profit and Loss Account	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow	9 - 10
Notes to the Financial Statements	12—17

SAM HAGAN LEISURE (UK) LTD
Company Information
For The Year Ended 31 October 2017

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

SAM HAGAN LEISURE (UK) LTD
Company No. 02686607
Directors' Report For The Year Ended 31 October 2017

The directors present their report and the financial statements for the year ended 31 October 2017.

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). 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 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 utilise 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 rates, and availability of customer finance. The company has benefitted in recent years by the increasing trends for UK 'Staycations' and the taking of shorter holiday breaks more frequently. This is expected to continue as busier lifestyles dictate holiday durations. As with last year the strength of the euro may have some positive impact across the UK holiday sector. The company hopes to continue to benefit from recent developments in the banking and wider economy where more families feel able to finance the purchase of caravan holiday homes.

In 2017 the company increased income levels across its major streams. As is our corporate ethos, profits were reinvested on the refurbishment of park facilities and the replacement of a large portion on the caravan fleet. The company is looking forward to improved performance in 2018.

Financial Instrument Risk

Due to the nature of the financial instruments used by the company there is no exposure to price risk.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding the flexibility through the use of overdrafts at floating rates of interest. The company makes use of money market facilities where funds are available.

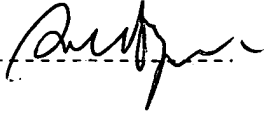
Directors

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 2017



Mr Sam Hagan
23/07/2018

SAM HAGAN LEISURE (UK) LTD
Auditor's Report
For The Year Ended 31 October 2017

Opinion

We have audited the financial statements of SAM HAGAN LEISURE (UK) LTD for the year ended 31 October 2017 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes of Equity and the related notes, including a summary of significant accounting policies. 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 the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters that 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2017 and of its profit/(loss) for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Practice ;and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK , including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on Which We Are Required to Report by Exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

Responsibilities of Directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Richard Waring (Senior Statutory
Auditor)
for and on behalf of RWCA Ltd ,
Statutory Auditor
23/07/2018

SAM HAGAN LEISURE (UK) LTD
Profit and Loss Account
For The Year Ended 31 October 2017

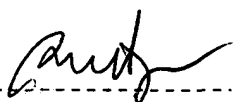
	Notes	2017 £	2016 £
TURNOVER		4,839,073	4,285,172
Cost of sales		(1,652,757)	(1,292,021)
GROSS PROFIT		3,186,316	2,993,151
Administrative expenses		(2,979,954)	(2,816,625)
OPERATING PROFIT		206,362	176,526
Profit on disposal of fixed assets		71,361	75,170
Interest payable and similar charges		(209,589)	(236,797)
PROFIT BEFORE TAXATION		68,134	14,899
Tax on Profit	3	(10,095)	(16,000)
PROFIT/(LOSS) AFTER TAXATION BEING PROFIT/(LOSS) FOR THE FINANCIAL YEAR		58,039	(1,101)

The notes on pages 10 to 15 form part of these financial statements.

SAM HAGAN LEISURE (UK) LTD
Balance Sheet
As at 31 October 2017

		2017		2016	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	4		9,197,745		9,136,907
			9,197,745		9,136,907
CURRENT ASSETS					
Stocks	5	927,281		1,008,805	
Debtors	6	1,267,123		1,179,945	
Cash at bank and in hand		51,917		42,696	
		2,246,321		2,231,446	
Creditors: Amounts Falling Due Within One Year	7	(3,265,584)		(2,951,617)	
NET CURRENT ASSETS (LIABILITIES)			(1,019,263)		(720,171)
TOTAL ASSETS LESS CURRENT LIABILITIES			8,178,482		8,416,736
Creditors: Amounts Falling Due After More Than One Year	8		(4,068,416)		(4,364,709)
NET ASSETS			4,110,066		4,052,027
CAPITAL AND RESERVES					
Called up share capital	9		100,000		100,000
Share premium account			200,000		200,000
Revaluation reserve	11		3,000,000		3,000,000
Profit and Loss Account			810,066		752,027
SHAREHOLDERS' FUNDS			4,110,066		4,052,027

On behalf of the board


Mr Sam Hagan
23/07/2018

SAM HAGAN LEISURE (UK) LTD
Statement of Changes in Equity
For The Year Ended 31 October 2017

	Share Capital	Share Premium	Revaluation reserve	Profit and Loss Account	Total
	£	£	£	£	£
As at 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 and 1 November 2016	100,000	200,000	3,000,000	752,027	4,052,027
Profit for the year and total comprehensive income	-	-	-	58,039	58,039
As at 31 October 2017	100,000	200,000	3,000,000	810,066	4,110,066

Sam Hagan Leisure (UK) Ltd
Cash Flow Statement
For the Year Ended 31 October 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	277,723	251,696
Adjustments for;		
Depreciation of tangible fixed assets	247,944	244,066
Profit on disposal of tangible fixed assets	-71,361	-75,170
Interest paid	-209,589	-236,797
Taxation	-19,713	-1,970
(Increase)/decrease in stocks	81,524	-45,917
Decrease/(increase) in trade & other debtors	-87,178	398,858
Increase/(decrease) in trade creditors	461,479	-216,724
Net cash from operating activities	<u>680,829</u>	<u>318,042</u>
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	72,165	119,370
Purchases of tangible fixed assets	-309,586	-189,930
Net cash from investing activities	<u>-237,421</u>	<u>-70,560</u>
Cash flows from financing activities		
Equity Dividends Paid	<u>0</u>	<u>-5,000</u>
Net cash used in financing activities	<u>0</u>	<u>-5,000</u>
Net increase in cash & cash equivalents	443,408	242,482
Cash & cash equivalents at beginning of year	-5,821,771	-6,064,253
Cash & cash equivalents at end of year	<u>-5,378,363</u>	<u>-5,821,771</u>

Sam Hagan Leisure (UK) Ltd
Cash Flow Statement
For the Year Ended 31 October 2017

	2017 £	2016 £
Components of cash & cash equivalents		
Cash	51,917	42,696
Overdraft	-1,061,864	-1,199,758
Bank Loans	-4,368,416	-4,664,709
	<u><u>-5,378,363</u></u>	<u><u>-5,821,771</u></u>

SAM HAGAN LEISURE (UK) LTD
Balance Sheet (continued)
As at 31 October 2017

The notes on pages 12 to 17 form part of these financial statements.

SAM HAGAN LEISURE (UK) LTD
Notes to the Financial Statements
For The Year Ended 31 October 2017

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 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. 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	Striaight 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. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

SAM HAGAN LEISURE (UK) LTD
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2017

1.5. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2. Average Number of Employees

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

	2017	2016
Office and administration	8	9
Sales, marketing and distribution	53	54
	<u>61</u>	<u>63</u>

SAM HAGAN LEISURE (UK) LTD
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2017

3. Tax on Profit

	Tax Rate		2017	2016
	2017	2016	£	£
UK Corporation Tax	19.0	20.0	6,382	16,000
Prior period adjustment			3,713	-
Total Current Tax Charge			10,095	16,000
Total tax charge for the period			10,095	16,000
			2017	2016
			£	£
Profit before tax			68,134	14,899

Breakdown of Tax Charge is:

Tax on profit at 0% (UK standard rate)	13,286	2,780
Goodwill/depreciation not allowed for tax	34,434	33,779
Tax losses utilised	(867)	-
Capital allowances	(40,471)	(20,559)
Prior period adjustment	3,713	-
Total tax charge for the period	10,095	16,000

4. Tangible Assets

	Land & Property	Plant & Machinery	Motor Vehicles	Hire Fleet	Total
	Freehold				
	£	£	£	£	£
Cost					
As at 1 November 2016	10,389,676	1,277,129	186,588	826,183	12,679,576
Additions	-	1,658	27,000	280,928	309,586
Disposals	-	-	-	(122,225)	(122,225)
As at 31 October 2017	10,389,676	1,278,787	213,588	984,886	12,866,937
Depreciation					
As at 1 November 2016	1,709,486	1,131,296	181,437	520,450	3,542,669
Provided during the period	73,320	65,580	732	108,312	247,944
Disposals	-	-	-	(121,421)	(121,421)
As at 31 October 2017	1,782,806	1,196,876	182,169	507,341	3,669,192
Net Book Value					
As at 31 October 2017	8,606,870	81,911	31,419	477,545	9,197,745
As at 1 November 2016	8,680,190	145,833	5,151	305,733	9,136,907

SAM HAGAN LEISURE (UK) LTD
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2017

5. Stocks

	2017	2016
	£	£
Stock - materials and work in progress	908,979	974,233
Stock - materials	9,962	9,962
Stock - finished goods	-	16,270
Stock - work in progress	8,340	8,340
	<u>927,281</u>	<u>1,008,805</u>

6. Debtors

	2017	2016
	£	£
Due within one year		
Trade debtors	852,075	622,205
Prepayments and accrued income	181,921	246,838
Other debtors	233,127	232,856
Amounts owed by connected companies	-	78,046
	<u>1,267,123</u>	<u>1,179,945</u>

7. Creditors: Amounts Falling Due Within One Year

	2017	2016
	£	£
Trade creditors	1,420,171	1,282,351
Bank loans and overdrafts	1,361,864	1,499,758
Corporation tax	6,382	16,000
Other taxes and social security	82,801	94,138
Other creditors	26,000	35,811
Accruals and deferred income	97,947	23,559
Amounts owed to associates	270,419	-
	<u>3,265,584</u>	<u>2,951,617</u>

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

	2017	2016
	£	£
Bank loans	<u>4,068,416</u>	<u>4,364,709</u>

SAM HAGAN LEISURE (UK) LTD
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2017

The bank loans and overdraft are secured as follows;
 Fixed and floating charge over all the 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.

			2017 £	2016 £
9. Share Capital				
Allotted, Called up and fully paid			100,000	100,000
	Value	Number	2017 £	2016 £
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

10. Directors Advances, Credits and Guarantees

Included within Debtors are the following loans to directors:

	As at 1 November 2016 £	Amounts advanced £	Amounts repaid £	Amounts written off £	As at 31 October 2017 £
Mr Sam Hagan	149,290	147,491	149,290	-	147,491

The above loan is unsecured, interest free and repayable on demand.

11. Reserves

	Revaluation Reserve £
As at 1 November 2016	3,000,000
As at 31 October 2017	3,000,000

SAM HAGAN LEISURE (UK) LTD
Notes to the Financial Statements (continued)
For The Year Ended 31 October 2017

12. Related Party Transactions
Hagans Caravans

Sam Hagan and Mrs Margaret Hagan (dec'd) trading as a partnership

At the year end the company was owed £278,601 by Hagans Caravans

Hagans Leisure Limited

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

During the year there were Sales to Hagans Leisure of £160,807, Purchases of £34,176 and a Management Charge of £119,100. At the year end the following balances were due, Trade Debtors £1,011,214, Trade Creditors of £379,369 and an Inter-Company Loan Creditor of £549,020.

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

13. General Information

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