

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2016**

**LEE DAVEY CARAVANS
LIMITED**



MENZIES
BRIGHTER THINKING

LEE DAVEY CARAVANS LIMITED

COMPANY INFORMATION

Directors	R.F. Tolhurst A.M. Burgess
Company secretary	A.M. Burgess
Registered number	00482349
Registered office	Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Bankers	Barclays Bank plc 4th Floor Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX

LEE DAVEY CARAVANS LIMITED

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LEE DAVEY CARAVANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2016

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

Principal activities

The principal activity of the company during the year were those of dealers in caravans and the selling of related parts and accessories.

Directors

The directors who served during the year were:

R.F. Tolhurst
A.M. Burgess

Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors' responsibilities statement

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

LEE DAVEY CARAVANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2016

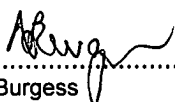
Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the board and signed on its behalf.


.....
A.M. Burgess
Company secretary

Date: 10/08/17

Ashcombe House
5 The Crescent
Leatherhead
Surrey
KT22 8DY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEE DAVEY CARAVANS LIMITED

We have audited the financial statements of Lee Davey Caravans Limited for the year ended 31 August 2016, set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 Auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 August 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEE DAVEY
CARAVANS LIMITED

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Menzies LLP

Peter Earle FCA (Senior Statutory Auditor)
for and on behalf of
Menzies LLP
Chartered Accountants & Statutory Auditor
Ashcombe House
5 The Crescent
Leatherhead
Surrey
KT22 8DY
Date: 16th May 2017

LEE DAVEY CARAVANS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Turnover	1	5,817,751	5,351,392
Cost of sales		(5,320,863)	(4,909,977)
Gross profit		496,888	441,415
Administrative expenses		(273,088)	(266,554)
Other operating income	2	68,398	50,632
Operating profit	3	292,198	225,493
Interest payable and similar charges		(45)	167
Profit on ordinary activities before taxation		292,153	225,660
Tax on profit on ordinary activities		(58,641)	(46,245)
Profit for the financial year	13	233,512	179,415

The notes on pages 8 to 14 form part of these financial statements.

LEE DAVEY CARAVANS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 AUGUST 2016

	2016 £	2015 £
Profit for the financial year	233,512	179,415
Unrealised surplus on revaluation of tangible fixed assets	<u>75,000</u>	<u>-</u>
Total recognised gains and losses relating to the year	<u>308,512</u>	<u>179,415</u>

The notes on pages 8 to 14 form part of these financial statements.

LEE DAVEY CARAVANS LIMITED

REGISTERED NUMBER: 00482349

BALANCE SHEET AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	5		915,537		846,014
Current assets					
Stocks	6	683,335		667,866	
Debtors	7	96,881		96,068	
Cash at bank and in hand		79,829		36,405	
		<u>860,045</u>		<u>800,339</u>	
Creditors: amounts falling due within one year	9	<u>(559,588)</u>		<u>(569,871)</u>	
Net current assets			<u>300,457</u>		<u>230,468</u>
Total assets less current liabilities			<u>1,215,994</u>		<u>1,076,482</u>
Capital and reserves					
Called up share capital	12		10,000		10,000
Revaluation reserve	13		762,517		687,517
Profit and loss account	13		443,477		378,965
Shareholders' funds	14		<u>1,215,994</u>		<u>1,076,482</u>

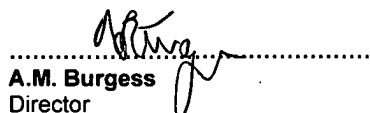
The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

16.5.17


R.F. Tolhurst
Director

16.5.17


A.M. Burgess
Director

The notes on pages 8 to 14 form part of these financial statements.

LEE DAVEY CARAVANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of Freehold land and building and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

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

Motor vehicles	-	25% on reducing balance
Fixtures and fittings	-	10% on cost
Computer equipment	-	25% on cost

Freehold land and buildings are depreciated at 2% on carrying value less residual value, however, there has been no charge during the year as the directors believe the residual value is not materially different to the net book value as at 31 August 2016.

1.4 Stocks

Stocks 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.

1.5 Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

LEE DAVEY CARAVANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

1. Accounting Policies (continued)

1.6 Deferred taxation

Deferred tax is recognised in respect of all 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:

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

Deferred tax 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.

1.7 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.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Other operating income

	2016 £	2015 £
Commissions receivable	68,398	50,632

LEE DAVEY CARAVANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

3. Operating profit

The operating profit is stated after charging/(crediting):

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the company	6,653	9,647
Auditors' fees	7,500	7,500
Pension costs	4,037	689
Profit on disposal of fixed assets	-	(821)
	<u>169,000</u>	<u>71,500</u>

During the year, no director received any emoluments (2015 - £NIL).

4. Dividends

	2016 £	2015 £
Dividends paid on equity capital	<u>169,000</u>	<u>71,500</u>

5. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2015	820,000	44,809	35,850	43,042	18,315	962,016
Additions	-	-	-	621	555	1,176
Revaluation surplus/(deficit)	75,000	-	-	-	-	75,000
At 31 August 2016	<u>895,000</u>	<u>44,809</u>	<u>35,850</u>	<u>43,663</u>	<u>18,870</u>	<u>1,038,192</u>
Depreciation						
At 1 September 2015	-	40,342	16,333	41,307	18,020	116,002
Charge for the year	-	891	4,879	505	378	6,653
At 31 August 2016	<u>-</u>	<u>41,233</u>	<u>21,212</u>	<u>41,812</u>	<u>18,398</u>	<u>122,655</u>
Net book value						
At 31 August 2016	<u>895,000</u>	<u>3,576</u>	<u>14,638</u>	<u>1,851</u>	<u>472</u>	<u>915,537</u>
At 31 August 2015	<u>820,000</u>	<u>4,467</u>	<u>19,517</u>	<u>1,735</u>	<u>295</u>	<u>846,014</u>

LEE DAVEY CARAVANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

5. Tangible fixed assets (continued)

Freehold land and buildings were valued on an existing use value basis on 31 August 2016 by qualified external valuers, Lambert Smith Hampton. Should the company's properties be sold at their estimated market value, no tax liability would arise. Accordingly no provision has been made for the potential tax liability. The directors have no present intention of disposing of these properties in the foreseeable future.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follow:

	2016 £	2015 £
Historical cost	138,059	138,059
Depreciation:		
At 1 Sep 2015	57,171	54,410
Charge for year	2,761	2,761
At 31 Aug 2016	59,932	57,171
Net historical cost value:		
At 31 Aug 2016	78,127	80,888
At 1 Sep 2015	80,888	83,649

6. Stocks

	2016 £	2015 £
Finished goods and goods for resale	683,335	667,866

7. Debtors

	2016 £	2015 £
Trade debtors	62,904	50,676
Other debtors	33,334	44,811
Deferred tax asset (see note 8)	643	581
	96,881	96,068

LEE DAVEY CARAVANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

8. Deferred tax asset

	2016 £	2015 £
At beginning of year	581	55
Other movement (P&L)	62	526
At end of year	<u>643</u>	<u>581</u>

The deferred tax asset is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	<u>643</u>	<u>581</u>

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	376,930	447,167
Amounts owed to group undertakings	490	157
Corporation tax	58,860	46,928
Other taxation and social security (see below)	99,094	61,960
Other creditors	24,214	13,659
	<u>559,588</u>	<u>569,871</u>

Other taxation and social security

	2016 £	2015 £
PAYE/Ni control	11,206	9,503
VAT control	87,888	52,457
	<u>99,094</u>	<u>61,960</u>

10. Contingencies

A contingent liability exists at the balance sheet date in respect of unlimited cross guarantees given to the company's immediate parent, Freightflow International Limited, in order to secure banking facilities.

LEE DAVEY CARAVANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

11. Related party transactions

During the year there were transactions with a company in which R.F. Tolhurst, a majority shareholder of Freightflow International Limited, and his sister D.J. Abrehart, have controlling interests, and for which both R.F. Tolhurst and D.J. Abrehart are directors. The company involved is Lenham Storage Company Limited.

Total purchases in the period from Lenham Storage Company Limited amounted to £14,386 (2015: £14,188). Included within trade creditors is a balance of £2,633 (2015: £2,632) owed to Lenham Storage Company Limited. Included within trade debtors is a balance of £104 (2015: £538) owed from Lenham Storage Company Limited.

Included within other debtors is a balance of £nil owed from Lenham Storage Company Limited (2015: £10,000 owed to Lenham Storage Company Limited).

Dividends were paid to Freightflow International Limited to the sum of £169,000 (2015: £71,500) during the year.

Included within other creditors is a balance of £490 (2015: £165) owed to Freightflow International Limited.

All of the above transactions were undertaken on an arm's length basis.

12. Share capital

	2016 £	2015 £
Authorised, allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

13. Reserves

	Revaluation reserve £	Profit and loss account £
At 1 September 2015	687,517	378,965
Profit for the financial year		233,512
Dividends: Equity capital		(169,000)
Surplus on revaluation of other fixed assets	75,000	
	<u>762,517</u>	<u>443,477</u>
At 31 August 2016		

14. Reconciliation of movement in shareholders' funds

	2016 £	2015 £
Opening shareholders' funds	1,076,482	968,567
Profit for the financial year	233,512	179,415
Dividends (Note 4)	(169,000)	(71,500)
Other recognised gains and losses during the year	75,000	-
	<u>1,215,994</u>	<u>1,076,482</u>
Closing shareholders' funds		

LEE DAVEY CARAVANS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2016

15. Ultimate controlling party

The ultimate controlling party is considered to be R.F. Tolhurst by virtue of his 100% ownership of Freightflow International Limited, the holding company of Lee Davey Caravans Limited.