
ROCKLEY SANDS (ESTATES) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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ROCKLEY SANDS (ESTATES) LIMITED

COMPANY INFORMATION

Directors	J E Bentall J P Dunford D F King
Company secretary	D F King
Registered number	00560129
Registered office	1 Park Lane Hemel Hempstead Hertfordshire HP2 4YL
Independent auditors	Ernst & Young LLP 1 More London Place London SE1 2AF
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Solicitors	<i>Slaughter and May</i> One Bunhill Row London EC1Y 8YY

ROCKLEY SANDS (ESTATES) LIMITED

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ROCKLEY SANDS (ESTATES) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their strategic report for the year ended 31 December 2016.

Principal activity and review of the business

The company trades as a caravan park operator and caravan vendor.

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

	2016 £000	2015 £000	Change %
Turnover	26,636	24,727	7.7
Profit on ordinary activities before taxation	6,019	5,896	2.1
Profit after tax	5,075	4,766	6.5
Shareholders' funds	5,121	5,346	(4.2)

Turnover was 7.7% higher than the previous year mainly because of an increase in site fees, caravan sales and holiday sales. Profit on ordinary activities before taxation increased from £5,896,000 to £6,019,000 during the year mainly because of the increase in turnover, improved margins and reduced administrative expenses.

Shareholders' funds decreased by 4.2% because of the profit realised for the year of £5,075,000 less dividends paid of £5,300,000.

In the future, the directors expect the business to grow.

Principal risks and uncertainties

The company recognises a variety of financial and market based risks, including exposure to fluctuating interest risks, changing economic conditions, technological and industry based risks, the competitive environment and regulatory changes. These, either singularly or collectively, may affect revenue, cost structure or the value of assets within the business, and are all difficult to quantify.

The main financial risks arising from the company's business are liquidity and cash flow risk and credit risk, and policies with respect to these risks are described below. There is no currency exposure as all material transactions and financial instruments are in sterling.

- **Liquidity and cash flow risk**

Liquidity and cash flow risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities and exposure to variability in cash flows. The company aims to mitigate liquidity and cash flow risk by managing its cash generation. The company also manages liquidity and cash flow risk by utilising its cash resources.

- **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

ROCKLEY SANDS (ESTATES) LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

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



D F King
Secretary

Date: 27 APRIL 2017

ROCKLEY SANDS (ESTATES) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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.

Directors

The directors who served during the year were:

J E Bentall
J P Dunford
D F King

Dividends

The company paid a dividend of £5,300,000 in the year (2015-£3,302,000).

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 the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the 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.

ROCKLEY SANDS (ESTATES) LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

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



D F King
Secretary

Date: 27 APRIL 2017

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ROCKLEY SANDS (ESTATES) LIMITED

We have audited the financial statements of Rockley Sands (Estates) Limited for the year ended 31 December 2016, set out on pages 7 to 18. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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 members 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 on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the 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 Strategic Report and the Directors' 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 December 2016 and of its results 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ROCKLEY SANDS (ESTATES)
LIMITED (CONTINUED)**

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Directors' 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.

Ernst + Young L.L.P.

Cameron Cartmell (Senior Statutory Auditor)

for and on behalf of
Ernst & Young LLP

1 More London Place
London
SE1 2AF

Date: 27/4/17

ROCKLEY SANDS (ESTATES) LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £000	2015 £000
Turnover	2	26,636	24,727
Cost of sales		(10,236)	(9,193)
Gross profit		16,400	15,534
Administrative expenses		(10,381)	(9,638)
Operating profit	3	6,019	5,896
Tax on profit	5	(944)	(1,130)
Profit for the year		5,075	4,766

There were no recognised gains and losses for 2016 or 2015 other than those included in the income statement.

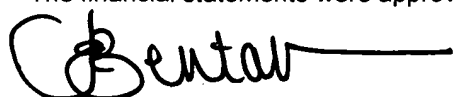
The notes on pages 10 to 18 form part of these financial statements.

ROCKLEY SANDS (ESTATES) LIMITED
REGISTERED NUMBER:00560129

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £000	2015 £000
Fixed assets			
Tangible assets	6	23,109	23,043
		<u>23,109</u>	<u>23,043</u>
Current assets			
Stocks		356	635
Debtors: amounts falling due within one year	7	2,302	2,608
Cash at bank and in hand		2	4
		<u>2,660</u>	<u>3,247</u>
Creditors: amounts falling due within one year	8	(13,036)	(13,330)
Net current liabilities		<u>(10,376)</u>	<u>(10,083)</u>
Total assets less current liabilities		<u>12,733</u>	<u>12,960</u>
Provisions for liabilities			
Deferred tax	9	(1,209)	(1,218)
		<u>(1,209)</u>	<u>(1,218)</u>
Accruals and deferred income		(6,403)	(6,396)
Net assets		<u>5,121</u>	<u>5,346</u>
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account		5,121	5,346
Shareholders' funds		<u>5,121</u>	<u>5,346</u>

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



J E Bentall
Director

Date: 27 APRIL 2017

The notes on pages 10 to 18 form part of these financial statements.

ROCKLEY SANDS (ESTATES) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Profit and loss account	Total equity
	£000	£000
At 1 January 2016	5,346	5,346
Profit for the year	5,075	5,075
Dividends	(5,300)	(5,300)
At 31 December 2016	5,121	5,121

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Profit and loss account	Total equity
	£000	£000
At 1 January 2015	3,882	3,882
Profit for the year	4,766	4,766
Dividends	(3,302)	(3,302)
At 31 December 2015	5,346	5,346

The notes on pages 10 to 18 form part of these financial statements.

ROCKLEY SANDS (ESTATES) LIMITED

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

1. Accounting policies

1.1 Basis of preparation of financial statements

Rockley Sands (Estates) Limited is a limited company incorporated in England. The registered office is 1 Park Lane, Hemel Hempstead, Hertfordshire, HP2 4YL.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company accounting policies.

The following principal accounting policies have been applied:

1.2 Going concern

The financial statements are prepared under the going concern basis. The directors believe this is appropriate as the company's ultimate parent undertaking, Bourne Leisure Holdings Limited, has given an undertaking to provide such support as is necessary in the foreseeable future to enable the company to meet its liabilities as they fall due.

1.3 Cash flow statement

The company has taken advantage of the exemption conferred by FRS 102 from presenting a cash flow statement as it is a wholly owned subsidiary of a UK parent undertaking.

1.4 Related party transactions

The company has taken advantage of the exemption allowed by FRS 102 and has not disclosed any related party transactions with entities of the group.

1.5 Deferred income

Income invoiced or cash received for site fees, holidays and other goods and services relating to future periods is included within deferred income.

1.6 Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of VAT.

1.7 Leasing commitments

Rentals paid under operating leases are charged to income on a straight-line basis over the term of the lease.

ROCKLEY SANDS (ESTATES) LIMITED

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

1. Accounting policies (continued)

1.8 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	–	Between 20 years and 50 years
Long life plant and machinery	–	10 years
Vehicles	–	4 years
Plant and equipment	–	6 years
Computer equipment	–	3 years

No depreciation is provided on freehold land.

Caravans for hire are depreciated by equal annual amounts to their estimated value at the date on which they are due for replacement.

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

1.9 Stocks

Stocks of caravans and other goods for resale are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs on disposal.

1.10 Deferred taxation

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability / (asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised; and
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

ROCKLEY SANDS (ESTATES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. Accounting policies (continued)

1.11 Pensions

Pension contributions are made to defined contribution schemes for certain directors and employees. These contributions are charged to the profit and loss account as they are incurred.

2. Turnover

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, net of discounts, rebates and value added tax.

Revenue comprises:

Holiday sales

Revenue received for holiday sales is initially deferred and subsequently recognised when the holiday commences.

Caravan sales and owner services

Sales of caravans are recognised when risks and rewards have been transferred to the purchaser.

Owner services include site fees which are paid annually. The fees are deferred and released across the period to which they relate.

3. Operating profit

The operating profit is stated after charging:

	2016	2015
	£000	£000
Depreciation of tangible fixed assets	1,216	1,000
Auditor's remuneration	4	4
	=====	=====

The directors of the company were also directors of other undertakings within the Bourne Leisure Holdings Limited group. The directors' remuneration for the year is disclosed in the accounts of Bourne Leisure Holdings Limited. The directors do not believe it is practicable to apportion this amount between their qualifying services as directors of the company and their qualifying services as directors of other undertakings within the Bourne Leisure Holdings Limited group.

ROCKLEY SANDS (ESTATES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Staff Costs

	2016	2015
	£000	£000
Wages and salaries	3,590	3,346
Social security costs	267	246
Other pension costs	26	23
	<u>3,883</u>	<u>3,615</u>

The average monthly number of employees, excluding the directors, during the year was as follows:

	2016	2015
	No.	No.
Average number of employees	<u>216</u>	<u>215</u>

5. Taxation

	2016	2015
	£000	£000
Corporation tax		
Current tax on profits for the year	1,232	1,196
Adjustments in respect of previous periods	(279)	-
Deferred tax		
Origination and reversal of timing differences	(9)	(66)
Taxation on profit on ordinary activities	<u>944</u>	<u>1,130</u>

ROCKLEY SANDS (ESTATES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2015 – 20.25%). The differences are reconciled below:

	2016	2015
	%	%
UK corporation tax rate	20.0	20.3
Permanent differences – disallowed expenses	1.1	-
(Accelerated) / decelerated capital allowances	(0.2)	0.3
Rollover relief on disposal of fixed assets	(0.4)	(0.3)
Others	(4.6)	-
Deferred tax	(0.1)	(1.1)
Effective tax rate	<u>15.8</u>	<u>19.2</u>

Factors that may affect future tax charges

The corporation tax rate is due to reduce to 19% from 1 April 2017. The Finance Bill reduced the main rate of corporation tax to 17% from 1 April 2020.

ROCKLEY SANDS (ESTATES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. Tangible fixed assets

	Long-term leasehold property £000	Caravans, plant and equipment £000	Total £000
Cost or valuation			
At 1 January 2016	24,022	3,790	27,812
Additions	609	855	1,464
Disposals	(1,023)	(616)	(1,639)
	<hr/>	<hr/>	<hr/>
At 31 December 2016	23,608	4,029	27,637
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2016	2,948	1,821	4,769
Charge for the period on owned assets	696	520	1,216
Disposals	(1,023)	(434)	(1,457)
	<hr/>	<hr/>	<hr/>
At 31 December 2016	2,621	1,907	4,528
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2016	<hr/> <hr/> 20,987	<hr/> <hr/> 2,122	<hr/> <hr/> 23,109
At 31 December 2015	<hr/> <hr/> 21,074	<hr/> <hr/> 1,969	<hr/> <hr/> 23,043

ROCKLEY SANDS (ESTATES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. Debtors

	2016	2015
	£000	£000
Trade debtors	2,162	2,439
Other debtors and prepayments	140	169
	<u>2,302</u>	<u>2,608</u>

8. Creditors: Amounts falling due within one year

	2016	2015
	£000	£000
Amounts owed to group undertakings	11,789	11,436
Corporation tax	593	908
Other creditors	212	556
Accruals	442	430
	<u>13,036</u>	<u>13,330</u>

9. Deferred taxation

	2016	2015
	£000	£000
At beginning of year	1,218	1,284
Charged/(credited) to profit or loss	(9)	(66)
At end of year	<u>1,209</u>	<u>1,218</u>

ROCKLEY SANDS (ESTATES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. Deferred taxation (continued)

The deferred tax provided at 17% (2015 - 18%) is made up as follows:

	2016 £000	2015 £000
Accelerated capital allowances	1,151	1,146
Rollover and holdover gains	58	72
	<u>1,209</u>	<u>1,218</u>

The Summer Budget 2015 included legislation to reduce the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020. The Finance Bill 2016 reduced the main rate of corporation tax to 17% from 1 April 2020. As this change was substantively enacted at the balance sheet date, deferred tax is recognised at 17% as at 31 December 2016.

10. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
50 Ordinary 'A' Shares shares of £1 each	50	50
50 Ordinary 'B' Shares shares of £1 each	50	50
	<u>100</u>	<u>100</u>

The 'A' and 'B' shares rank pari passu with each other and carry equal rights to dividends, voting power and amounts receivable on winding up of the company.

11. Capital commitments

	2016 £000	2015 £000
Amounts contracted but not incurred at year end	<u>92</u>	<u>374</u>

ROCKLEY SANDS (ESTATES) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

12. Pension commitments

The group operates a defined contribution pension scheme for certain directors and employees and in addition has made available to all employees a stakeholder defined contributions scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

13. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Bourne Leisure Group Limited, a company incorporated in Great Britain.

The company's ultimate parent undertaking and controlling party is Bourne Leisure Holdings Limited, a company registered in England and Wales.

Copies of the group financial statements, which include this company, are available from 1 Park Lane, Hemel Hempstead, Hertfordshire, HP2 4YL.