

BROOM BOATS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2015

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COMPANIES HOUSE

BROOM BOATS LIMITED

COMPANY INFORMATION

DIRECTORS

M Garner (resigned 31 May 2016)
M R Scott
M M Harvey
B P H Simpson (appointed 1 October 2015, resigned 21 May 2016)

COMPANY SECRETARY

M M Harvey

REGISTERED NUMBER

01147080

REGISTERED OFFICE

The Yacht Station
Riverside
Brundall
Norwich
NR13 5PX

INDEPENDENT AUDITORS

Price Bailey LLP
Chartered Accountants & Statutory Auditors
20 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

BROOM BOATS LIMITED

CONTENTS

	Page
Strategic Report	1
Directors' Report	2
Independent Auditors' Report	3 - 4
Profit and Loss Account	5
Note of Historical Cost Profits and Losses	6
Balance Sheet	7
Notes to the Financial Statements	8 - 19

BROOM BOATS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015

INTRODUCTION

The principal activities of the company during the year continued to be in the area of boat building, boat servicing and repairs and the operation of a marina.

BUSINESS REVIEW

We believe that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being gross profit, profit before tax and net assets.

Gross profit has decreased from £1,121,164 in 2014 to £1,103,642 in 2015. Loss before tax has increased to £1,515,432 in 2015 compared to £1,031,942 in 2014. Net liabilities have increased to £1,648,013 in 2015 compared to a net liability £167,879 in 2014.

The directors have stated that they are disappointed with the results disclosed in the financial statements however they have made key strategic changes to the business which has created significant improvements with the company breaking even since the year end.

PRINCIPAL RISKS AND UNCERTAINTIES

As a traditional boat builder, the Company is trying to compete against new brands that are effectively bulk manufacturers first, and boat builders second. These firms are typically able to operate at lower margins and so have strained the margin and enhanced competition for customer acquisition in the new boat sector. However with the focus of the Company being moved towards the enhanced overall knowledge and support we can offer as part of our after sales package, we are seeing more customers coming back to us for our suite of maintenance, restoration and enhancement products and new model launches are creating interest and orders for the coming years.

This report was approved by the board on

21.12.16

and signed on its behalf.



M M Harvey
Director

BROOM BOATS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015

The directors present their report and the audited financial statements for the year ended 30 November 2015.

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 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.

DIRECTORS

The directors who served during the year were:

M Garner (resigned 31 May 2016)

M R Scott

M M Harvey

B P H Simpson (appointed 1 October 2015, resigned 21 May 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.

AUDITORS

The auditors, Price Bailey LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

21.12.16

and signed on its behalf.



M M Harvey
Director

BROOM BOATS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BROOM BOATS LIMITED

We have audited the financial statements of Broom Boats Limited for the year ended 30 November 2015, set out on pages 5 to 19. 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 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, 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

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 30 November 2015 and of its 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BROOM BOATS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BROOM BOATS 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.

Aaron Widdows FCCA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

20 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

Date: **22/12/16**

BROOM BOATS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2015

	Note	2015 £	2014 £
TURNOVER	1,2	4,256,075	4,658,088
Cost of sales		(3,152,433)	(3,536,925)
GROSS PROFIT		1,103,642	1,121,163
Administrative expenses		(2,192,543)	(2,043,132)
Other operating income	3	62,104	51,604
OPERATING LOSS	4	(1,026,797)	(870,365)
EXCEPTIONAL ITEMS			
Other exceptional items	9	(285,890)	-
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST		(1,312,687)	(870,365)
Interest receivable and similar income	7	2,376	-
Interest payable and similar charges	8	(205,121)	(161,577)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,515,432)	(1,031,942)
Tax on loss on ordinary activities	10	35,298	44,328
LOSS FOR THE FINANCIAL YEAR		(1,480,134)	(987,614)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss Account.

The notes on pages 8 to 19 form part of these financial statements.

BROOM BOATS LIMITED

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 NOVEMBER 2015**

	2015 £	2014 £
REPORTED LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	(1,515,432)	(1,031,942)
Realisation of valuation gains of previous periods	(14,604)	(14,604)
HISTORICAL COST LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(1,530,036)</u>	<u>(1,046,546)</u>
HISTORICAL LOSS FOR THE YEAR AFTER TAXATION	<u>(1,494,738)</u>	<u>(1,002,218)</u>

The notes on pages 8 to 19 form part of these financial statements.

BROOM BOATS LIMITED
REGISTERED NUMBER: 01147080

BALANCE SHEET
AS AT 30 NOVEMBER 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Intangible assets	11		226,177		555,719
Tangible assets	12		3,531,814		3,461,231
Investments	13		-		1,000
			<u>3,757,991</u>		<u>4,017,950</u>
CURRENT ASSETS					
Stocks	14	444,818		407,832	
Debtors	15	1,733,919		1,321,136	
Cash in hand		2,237		2,776	
		<u>2,180,974</u>		<u>1,731,744</u>	
CREDITORS: amounts falling due within one year	16	(6,493,465)		(4,726,974)	
NET CURRENT LIABILITIES			<u>(4,312,491)</u>		<u>(2,995,230)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(554,500)</u>		<u>1,022,720</u>
CREDITORS: amounts falling due after more than one year	17		(1,093,513)		(1,190,599)
NET LIABILITIES			<u><u>(1,648,013)</u></u>		<u><u>(167,879)</u></u>
CAPITAL AND RESERVES					
Called up share capital	19		58,210		58,210
Share premium account	20		445,376		445,376
Revaluation reserve	20		1,905,034		1,890,430
Profit and loss account	20		(4,056,633)		(2,561,895)
SHAREHOLDERS' DEFICIT	21		<u><u>(1,648,013)</u></u>		<u><u>(167,879)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21.12.16.


M M Harvey
 Director

The notes on pages 8 to 19 form part of these financial statements.

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

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 property and in accordance with applicable accounting standards.

1.2 Going concern

The company incurred a net loss of £1,480,134 during the year ended 30 November 2015 and at that date the Company's net current liabilities of £4,312,491 and net liabilities of £1,648,013. The company meets its day to day working capital requirements through a combination of formal bank borrowings and support from its parent undertakings. The bank facilities of £1,745,743 are secured over the assets of the company. Included in the bank facility is an overdraft facility of £400,000 which is due for renewal early 2017. There are no indications the overdraft facility will be withdrawn. The parent undertakings have confirmed their loans of £4,853,655 will not be withdrawn in the foreseeable future unless funds permit.

In forming their decision on going concern the directors have considered a period of no less than 12 months from the date of approval of these financial statements. The results for the year ended 30 November 2016 show a significant improvement with the forecasts for the ensuing years moving into profitability. Based on financial projections and the continued availability of sufficient levels of finance, the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Turnover

Turnover is the total amount, excluding value added tax, receivable by the company in the ordinary course of business for goods supplied and for services provided as principal. In respect of long term contracts and contracts for on-going services, turnover represents work done in the year, including estimates of amounts not invoiced and is recognised by reference to the stage of completion.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated economic life.

New model development costs are capitalised and amortised over the expected life of the new model.

Trademarks are capitalised and depreciated over their expected useful lives.

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Plant & machinery	-	10%-25% reducing balance
Motor vehicles	-	25% straight line
Improvements to freehold property	-	10% reducing balance

Moulds, included in plant and machinery, are written off over their useful economic lives. The useful economic lives are assessed annually by the directors.

1.7 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and Loss Account.

1.8 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.9 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.10 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

1.11 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.

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.12 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Profit and Loss Account.

1.13 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.14 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

The whole of the turnover is attributable to boat building, boat servicing and repairs and the operation of a marina.

No turnover arose outside of the United Kingdom during the year (2014 - £509,928).

3. OTHER OPERATING INCOME

	2015 £	2014 £
Net rents receivable	62,104	51,604

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

4. OPERATING LOSS

The operating loss is stated after charging:

	2015 £	2014 £
Amortisation - goodwill	12,000	6,000
Depreciation of tangible fixed assets:		
- owned by the company	93,062	78,699
- held under finance leases	2,580	7,740
Auditors' remuneration	17,500	16,393
Amortisation of development costs	47,453	69,483
Impairment of development costs	285,890	2,035
	<u> </u>	<u> </u>

5. STAFF COSTS

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

	2015 £	2014 £
Wages and salaries including social security costs	1,915,445	2,066,608
Social security costs	14,189	-
Other pension costs	1,203	-
	<u> </u>	<u> </u>
	1,930,837	2,066,608
	<u> </u>	<u> </u>

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

	2015 No.	2014 No.
Boat building and repairing	69	66
Selling, distribution and administration	13	13
	<u> </u>	<u> </u>
	82	79
	<u> </u>	<u> </u>

6. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	120,350	75,833
	<u> </u>	<u> </u>

During the year retirement benefits were accruing to 3 directors (2014 - 2) in respect of defined benefit pension schemes.

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

7. INTEREST RECEIVABLE

	2015 £	2014 £
Interest receivable from group companies	2,376	-
	<u>2,376</u>	<u>-</u>

8. INTEREST PAYABLE

	2015 £	2014 £
On bank loans and overdrafts	58,856	59,015
On finance leases and hire purchase contracts	545	1,608
On loans from group undertakings	145,720	100,954
	<u>205,121</u>	<u>161,577</u>

9. EXCEPTIONAL ITEMS

	2015 £	2014 £
Impairment of development costs	285,890	-
	<u>285,890</u>	<u>-</u>

10. TAXATION

	2015 £	2014 £
Adjustments in respect of prior periods	(35,298)	(44,328)
Tax on loss on ordinary activities	<u>(35,298)</u>	<u>(44,328)</u>

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

10. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - lower than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	(1,515,432)	(1,031,942)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	(303,086)	(202,604)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	68,128	15,096
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	356	449
Capital allowances for year in excess of depreciation	(824)	(8,740)
Adjustments to tax charge in respect of prior periods	(35,298)	(44,328)
Unrelieved tax losses carried forward	235,426	195,799
Current tax credit for the year (see note above)	(35,298)	(44,328)

Factors that may affect future tax charges

At 30 November 2015, the company had tax losses of £4,046,046 available for offset against future taxable profits. A further deferred tax asset of £748,687 has not been recognised in the financial statements.

11. INTANGIBLE FIXED ASSETS

	Development costs £	Trademarks £	Goodwill £	Total £
Cost				
At 1 December 2014	661,827	5,550	30,000	697,377
Additions	15,801	-	-	15,801
At 30 November 2015	677,628	5,550	30,000	713,178
Amortisation				
At 1 December 2014	123,658	-	18,000	141,658
Charge for the year	47,453	-	12,000	59,453
Impairment charge	285,890	-	-	285,890
At 30 November 2015	457,001	-	30,000	487,001
Net book value				
At 30 November 2015	220,627	5,550	-	226,177
At 30 November 2014	538,169	5,550	12,000	555,719

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

12. TANGIBLE FIXED ASSETS

	Freehold property £	Improv'ts to freehold property £	Other fixed assets £	Total £
Cost or valuation				
At 1 December 2014	3,000,000	86,499	2,814,152	5,900,651
Additions	33,787	-	138,877	172,664
Disposals	-	-	(39,874)	(39,874)
At 30 November 2015	<u>3,033,787</u>	<u>86,499</u>	<u>2,913,155</u>	<u>6,033,441</u>
Depreciation				
At 1 December 2014	75,000	20,880	2,343,540	2,439,420
Charge for the year	15,000	7,604	73,038	95,642
On disposals	-	-	(33,435)	(33,435)
At 30 November 2015	<u>90,000</u>	<u>28,484</u>	<u>2,383,143</u>	<u>2,501,627</u>
Net book value				
At 30 November 2015	<u>2,943,787</u>	<u>58,015</u>	<u>530,012</u>	<u>3,531,814</u>
At 30 November 2014	<u>2,925,000</u>	<u>65,619</u>	<u>470,612</u>	<u>3,461,231</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Motor vehicles	<u>-</u>	<u>9,238</u>

Included in freehold property is freehold land and moorings at a valuation of £2,250,000 (original cost £4,700) which is not depreciated.

Cost or valuation at 30 November 2015 is as follows:

	Land and buildings £
At cost	1,518,666
At valuation:	
December 2009 on existing use basis	<u>1,515,121</u>
	<u>3,033,787</u>

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

12. TANGIBLE FIXED ASSETS (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2015 £	2014 £
Cost	1,518,666	1,484,879
Accumulated depreciation	(479,913)	(450,309)
Net book value	<u>1,038,753</u>	<u>1,034,570</u>

13. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 December 2014	1,000
Disposals	(1,000)
At 30 November 2015	-
Net book value	
At 30 November 2015	-
At 30 November 2014	<u>1,000</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Aquafibre International Limited	Ordinary shares	100%

14. STOCKS

	2015 £	2014 £
Raw materials	314,192	330,614
Work in progress	130,626	77,218
	<u>444,818</u>	<u>407,832</u>

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

15. DEBTORS

	2015 £	2014 £
Trade debtors	216,652	74,111
Amounts owed by group undertakings	696,980	366,427
Other debtors	135,439	142,255
Amounts recoverable on long term contracts	606,233	694,015
Tax recoverable	78,615	44,328
	<u>1,733,919</u>	<u>1,321,136</u>

16. CREDITORS:

Amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	652,230	448,462
Payments received on account net of amounts recoverable on long term contracts	138,048	85,715
Net obligations under finance leases and hire purchase contracts	-	2,592
Trade creditors	297,115	248,987
Amounts owed to group undertakings	4,853,655	3,654,737
Other taxation and social security	55,831	47,937
Other creditors	26,561	31,946
Accruals and deferred income	470,025	206,598
	<u>6,493,465</u>	<u>4,726,974</u>

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

17. CREDITORS:

Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	1,093,513	1,179,941
Net obligations under finance leases and hire purchase contracts	-	10,658
	<u>1,093,513</u>	<u>1,190,599</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	<u>710,237</u>	<u>809,303</u>

The loan is repayable within 15 years from the date of the first draw down. This took place in December 2011, therefore the loan is repayable by November 2026. Interest is charged on the loan at 3.79% above the banks sterling base rate.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015 £	2014 £
Between one and five years	<u>-</u>	<u>10,658</u>

Creditors of £6,422,053 (2014: £5,023,648) have been secured against the assets of the company. There is a group cross guarantee in place for the bank loans.

18. DEFERRED TAXATION

	2015 £	2014 £
At beginning and end of year	<u>-</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated Capital allowances	30,557	30,557
Tax Losses carried forward	(30,557)	(30,557)
	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

19. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
58,210 Ordinary shares of £1 each	58,210	58,210

20. RESERVES

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 December 2014	445,376	1,890,430	(2,561,895)
Loss for the financial year			(1,480,134)
Transfer between Revaluation reserve and P/L account		14,604	(14,604)
At 30 November 2015	445,376	1,905,034	(4,056,633)

21. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2015 £	2014 £
Opening shareholders' (deficit)/funds	(167,879)	819,735
Loss for the financial year	(1,480,134)	(987,614)
Closing shareholders' deficit	(1,648,013)	(167,879)

BROOM BOATS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

22. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £6,306 (2012 - £7,266). Contributions totalling £Nil (2012 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

23. OPERATING LEASE COMMITMENTS

At 30 November 2015 the company had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	2,061	2,748
Between 2 and 5 years	-	2,061
	<u>2,061</u>	<u>2,061</u>

24. DIRECTORS' PERSONAL GUARANTEES

M R Scott has provided a personal guarantee of up to £300,000 over the company's bank borrowings.

25. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption from the requirement to disclose transactions with wholly owned group companies.

26. CONTROLLING PARTY

The parent company is Broom Marine Group Limited, a company which is incorporated and registered in England and Wales.

The ultimate parent company is Brundall Investments Limited, a company which is incorporated and registered in England and Wales.

The results of the company are consolidated within Brundall Investments Limited. A copy of these financial statements can be obtained from Companies House where they are filed.

The ultimate controlling party is considered to be M R Scott by virtue of his shareholding in the ultimate parent company.