

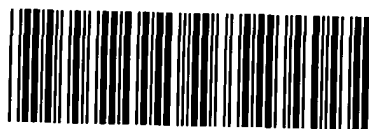
Cornish Cottage Holidays Limited

Strategic report, Directors' report and financial statements

Registered number 04717186

For the period ended 30 September 2017

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Strategic report

The Directors present their strategic report for the period ended 30 September 2017. The Company has previously prepared its financial statements to the year ended 30 November. The Company has shortened its accounting period due to the acquisition of the Company by Go-Sykes Limited on 26 January 2017 to align with the Group year-end. Therefore, the comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

Cornish Cottage Holidays Ltd continue to deliver a holiday letting agency service in the UK. It provides multi-channel marketing, to reach millions of customers on and offline.

Business review

Fair review of the business

During the period the Company transitioned from old UK GAAP to FRS 101 Reduced Disclosure Framework.

The profit and loss account is set out on page 7, showing an operating profit for the period ended 30 September 2017 of £707,552 (2016 (unaudited): £699,179). The Directors are satisfied with trading performance and will continue to develop the existing activities of the Company.

On 26 January 2017, 100% of the ordinary share capital of Cornish Cottage Holidays was acquired by Go-Sykes Limited, a 100% subsidiary of Sykes Cottages Holdings Limited.

Principal risks and uncertainties

The Company operates in a competitive market with regards to price and stock acquisition. The Company maintains a competitive pricing policy and has strong relationships with property owners in order to minimise such risks.

The Company's activities expose it to a number of financial risks including credit risk, interest rate risk, cash flow risk and price risk.

Price risk, interest rate risk and cash flow risk

Price risk

The prices of the Company's products are predominantly agreed at the start of each season.

Credit risk

The Company has a large number of small customers, but the Directors believe that credit risk is mitigated by the fact that customers are required to pay before the holiday is taken.


Interest rate risk

Interest is credited on the company's cash balances at variable rates. Given that there is limited exposure to debt and the level of interest rates are so low, the directors do not consider it necessary to mitigate the interest rate risk.

Cash flow risk

The Directors consider that the main risk concerning cash flow relates to unexpected reductions in demand. The company maintains a flexible cost structure that the directors believe would mitigate this risk.

Approved by the Board on 21/1/18 and signed on its behalf by:


M S Graham
Director

One, St Peter's Square
Manchester
M2 3DE

Directors' report

The Directors present their report and the financial statements for the period ended 30 September 2017.

Proposed dividend

The Company paid no dividends in the period (2016: £184,000).
No final dividend for the year is proposed.

Directors

The Directors who held office during the period were as follows:

G Donoghue (appointed 26 January 2017)
M S Graham (appointed 26 January 2017)
A E Pickin (resigned 26 January 2017)
N R Pickin (resigned 26 January 2017)

Political contributions

The Company made no political donations or incurred any political expenditure during the period.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

KPMG LLP were appointed as auditor in the period. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 21/5/18 and signed on its behalf by:



M S Graham
Director

One, St Peter's Square
Manchester
M2 3DE

Statement of Directors' responsibilities in respect of the strategic report, Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 St. Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of Cornish Cottage Holidays Limited

Opinion

We have audited the financial statements of Cornish Cottage Holidays Limited ("the Company") for the period ended 30 September 2017 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2017 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and Directors' report

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Cornish Cottage Holidays Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

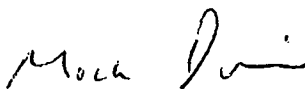
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 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.



Mick Davies (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St. Peter's Square
Manchester
M2 3DE

Date: 21/3/18

Profit and loss account and other comprehensive income
for the period ended 30 September 2017

	Note	For the period 1 December 2016 to 30 September 2017 £	Unaudited For the year ended 30 November 2016 £
Turnover	2	2,407,035	2,108,854
Cost of sales		(365,173)	(190,490)
Gross profit		2,041,862	1,918,364
Administrative expenses		(1,316,758)	(1,239,603)
Exceptional costs	3	(17,552)	-
Operating profit		707,552	678,761
Other interest receivable and similar income	6	53	491
Interest payable and similar charges	7	(5,050)	(11,952)
Profit on ordinary activities before taxation		702,555	667,300
Tax on profit on ordinary activities	8	(180,456)	(92,526)
Profit for the financial period		522,099	574,774

Turnover and operating profit derive wholly from continuing operations.

The financial statements include the notes on pages 10 to 22.

Balance sheet
at 30 September 2017

	Note	As at 30 September 2017	Unaudited As at 30 November 2016
		£	£
Fixed assets			
Tangible assets	9	45,667	408,140
Investments	10	5,001	5,000
		<hr/>	<hr/>
		50,668	413,140
Current assets			
Stocks		-	500
Debtors	11	1,468,280	256,085
Cash and cash equivalents		725,096	687,433
		<hr/>	<hr/>
		2,193,376	944,018
Creditors: amounts falling due within one year	12	(1,349,212)	(689,540)
		<hr/>	<hr/>
Net current assets		844,164	254,478
		<hr/>	<hr/>
Total assets less current liabilities		894,832	667,618
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	13	-	(285,420)
Provisions for liabilities		-	(9,465)
		<hr/>	<hr/>
Net assets		894,832	372,733
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	15	45,000	45,000
Profit and loss account		849,832	327,733
		<hr/>	<hr/>
Total shareholders' funds		894,832	372,733
		<hr/>	<hr/>

The financial statements include the notes on pages 10 to 22.

These financial statements were approved by the board of directors on 21/3/18 and were signed on its behalf by:

Michael S Graham

M. S. Graham
Director

Company registered number: 04717186

Statement of changes in equity
for the period ended 30 September 2017

	Called up share capital £	Profit and loss account £	Shareholder's funds £
Opening retained earnings 1 December 2015 (note 17)	45,000	(63,041)	(18,041)
Total comprehensive income for the year			
Profit for the year	-	574,774	574,774
Dividends paid in the year	-	(184,000)	(184,000)
Balance at 30 November 2016	45,000	327,733	372,733
Opening retained earnings 1 December 2016	45,000	327,733	372,733
Total comprehensive income for the period			
Profit for the period	-	522,099	522,099
Balance at 30 September 2017	45,000	849,832	894,832

The financial statements include the notes on pages 10 to 22.

Notes

(forming part of the financial statements)

1 Accounting policies

Cornish Cottage Holidays Limited (the "Company") is a private Company incorporated, domiciled and registered in England. The registered number is 04717186 and the registered address is One St Peter's Square, Manchester, M2 3DE.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position, financial performance and cash flows of the Company is provided in note 8.

The Company's ultimate parent undertaking, Sykes Cottages Holdings Ltd includes the Company in its consolidated financial statements. The consolidated financial statements of Sykes Cottages Holdings Ltd are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from One, St Peter's Square, Manchester M2 3DE.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash flow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Sykes Cottages Holdings Ltd include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The Directors believe there to be no significant judgements in the application of the accounting policies which would have a significant effect on the financial statements and no significant estimated with a significant risk of material adjustment in the next year.

Notes (continued)

1 Accounting policies (continued)

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The directors have considered the future trading prospects of the business together with the level of its cash resources, taking into account reasonable sensitivities, and consider the going concern assumption to be appropriate. The financial statements have been prepared on a going concern basis for this reason.

1.3 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Where land and buildings are held under leases the accounting treatment of the land is considered separately from that of the buildings. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

- freehold land and buildings - 2% straight line
- leasehold land and buildings - 20% straight line
- computer equipment - 25% per annum on cost
- fixtures and fittings - 25% per annum on cost
- motor vehicles - 25% per annum on cost

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Notes (continued)

1 Accounting policies (continued)

1.4 Tangible fixed assets (continued)

Depreciation policy was changed during the period. In previous periods, depreciation was charged to the profit and loss account as follows:

- Freehold land and buildings 2% straight line
- Leasehold land and buildings 20% straight line
- Computer equipment 25% reducing balance
- Fixtures, fittings & equipment 15% reducing balance
- Motor vehicles 25% reducing balance or over the term of the lease

1.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.6 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.7 Turnover

Turnover represents amounts chargeable, net of the value added tax, in respect of the sales of good and services to customers. This is when the risks and rewards relating to the transaction are transferred.

Income is recognised at the point of booking confirmation along with receipt of payment. This is when risks and rewards relating to the transaction are transferred.

1.8 Expenses

Operating lease payments

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in the profit and loss account as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.9 Exceptional costs

The company's income statement separately identifies exceptional items. Such items are those that are in the directors' judgement are one-off in nature and need to be disclosed separately by virtue of their size or incidence. In determining whether an item should be disclosed as an exceptional item, the directors consider quantitative as well as qualitative factors such as frequency, predictability of occurrence and significance. This is consistent with the way the financial performance is managed by management and reported to the board. Disclosing exceptional items separately provides additional understanding of the performance of the company.

Notes (continued)

1 Accounting policies (continued)

1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

2 Turnover

	Period ended 30 September 2017 £	Unaudited Year ended 30 November 2016 £
Rendering of services	2,407,035	2,108,854

All turnover was generated in the United Kingdom.

3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	Period ended 30 September 2017 £	Unaudited Year ended 30 November 2016 £
Operating leases - other assets	22,869	24,733
Depreciation of owned assets (see note 9)	50,197	79,827
Loss on disposal of owned assets (see note 9)	18,025	-
Exceptional costs	17,552	-

Exceptional costs for 2017 comprise of £17,552 (2016 (unaudited): £nil) redundancy costs.

Exceptional costs are those which arise from events falling outside of the ordinary activities of the company.

Notes (continued)

3 Expenses and auditor's remuneration (continued)

Auditor's remuneration:

	Period ended 30 September 2017 £	Unaudited Year ended 30 November 2016 £
Audit of these financial statements	12,733	-
Other taxation services	4,175	-
	<u>12,733</u>	<u>-</u>

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Sykes Cottages Holdings Limited.

4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the period, analysed by category, was as follows:

	Period ended 30 September 2017 number of employees	Unaudited Year ended 30 November 2016 number of employees
Administration and support	24	28

The aggregate payroll costs of these persons were as follows:

	Period ended 30 September 2017 £	Unaudited Year ended 30 November 2016 £
Wages and salaries	552,979	623,437
Contributions to defined contribution plans	3,325	-
	<u>556,304</u>	<u>623,437</u>

Notes (continued)

5 Directors' remuneration

	Period ended 30 September 2017 £	Unaudited Year ended 30 November 2016 £
Directors' remuneration	<u>2,889</u>	<u>18,229</u>

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid director was £1,445 (2016 (unaudited): £9,730).

6 Other interest receivable and similar income

	Period ended 30 September 2017 £	Unaudited Year ended 30 November 2016 £
Bank interest receivable	<u>53</u>	<u>491</u>

7 Interest payable and similar charges

	Period ended 30 September 2017 £	Unaudited Year ended 30 November 2016 £
Total interest expenses on financial liabilities measured at amortised cost	<u>5,050</u>	<u>11,952</u>

Interest payable and similar charges includes interest payable and similar on bank loans and overdrafts of £1,873 (2016 (unaudited): £6,253).

Notes (continued)

8 Taxation

Recognised in the profit and loss account

	2017 £	£	2016 £	£
<i>UK corporation tax</i>				
Current tax on income for the period	192,954		99,469	
Total current tax		192,954		99,469
<i>Deferred tax</i>				
Origination and reversal of temporary differences	(11,078)		(6,943)	
Reduction in tax rate	(1,420)		-	
Total deferred tax		(12,498)		(6,943)
Tax on profit on ordinary activities		180,456		92,526

Reconciliation of effective tax rate

	2017 £000	2016 £000
Profit for the year	522,099	-
Total tax expense	180,456	92,526
Profit excluding taxation	702,555	440,212
Tax using the UK corporation tax rate of 19.4 % (2016: 20%)	136,282	92,526
Reduction in tax rate on deferred tax balances	143	-
Non-deductible expenses	46,579	-
Fixed asset differences	(2,548)	-
Total tax expense	180,456	92,526

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2016. Further reductions to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2016. An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2017. This will reduce the future current tax charge accordingly.

Notes (continued)

9 Tangible fixed assets

	Leasehold Buildings	Freehold Buildings	Computer equipment	Fixtures & Fittings	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
Balance at 1 December 2015 (unaudited)	18,000	303,029	146,580	35,667	113,916	617,192
Additions	-	-	2,035	5,826	22,438	30,299
Disposals	(18,000)	-	(21,184)	(854)	(3,000)	43,038
Balance at 30 November 2016 (unaudited)	-	303,029	127,431	40,639	133,354	604,453
Balance at 1 December 2016	-	303,029	127,431	40,640	133,353	604,454
Additions	-	-	11,726	1,076	-	12,802
Disposals	-	(303,029)	(64,805)	(25,301)	(46,500)	(439,636)
Balance at 30 September 2017	-	-	74,352	16,415	86,853	177,620
Depreciation						
Balance at 1 December 2015 (unaudited)	18,000	10,101	85,024	10,966	53,407	177,498
Depreciation in the period	-	6,061	14,791	4,008	31,663	56,523
Disposals - restated	(18,000)	-	(17,691)	(281)	(1,735)	(37,707)
Balance at 30 November 2016 (unaudited)	-	16,162	82,124	14,693	83,335	196,314
Balance at 1 December 2016	-	16,162	82,124	14,693	83,335	196,314
Depreciation in the period	-	929	25,712	5,750	17,718	50,104
Disposals	-	(17,091)	(47,701)	(7,258)	(42,420)	114,470
Balance at 30 September 2017	-	-	60,135	13,185	58,633	131,948
Net book value						
At 1 December 2015 (unaudited)	-	292,928	61,556	24,701	60,508	439,694
At 30 November 2016 (unaudited)	-	286,867	45,307	25,947	50,019	408,140
At 30 September 2017	-	-	14,217	3,230	28,220	45,667

Notes (continued)

10 Fixed asset investments

	Shares in group undertakings £	Other investments other than loans £	Total £
<i>Cost and net book value</i>			
At 1 December 2016	-	5,000	5,000
Additions	1	-	1
	<hr/>	<hr/>	<hr/>
At 30 September 2017	1	5,000	5,001
	<hr/>	<hr/>	<hr/>

The Company has the following investments in subsidiaries:

	Country of Incorporation	Class of shares held	Ownership	
			2017	2016
Complete Cottage Holidays Ltd	UK	Ordinary	100%	100%
Devonshire Cottage Holidays Ltd	UK	Ordinary	100%	100%
Dorset Cottage Holidays Ltd	UK	Ordinary	100%	100%
Holiday Cottage Housekeeping Ltd	UK	Ordinary	100%	100%
Holiday Cottage Experts Ltd	UK	Ordinary	100%	100%

11 Debtors

	As at 30 September 2017 £	Unaudited As at 30 November 2016 £
Trade debtors	8,398	22,601
Amounts owed by group undertakings	1,227,437	-
Other debtors	9,000	19,355
Prepayments and accrued income	223,445	214,129
	<hr/>	<hr/>
	1,468,280	256,085
	<hr/>	<hr/>

Notes (continued)

12 Creditors: amounts falling due within one year

	As at 30 September 2017	Unaudited As at 30 November 2016
	£	£
Bank loans and overdrafts	-	10,737
Net obligations under hire purchase contracts	18,616	44,977
Trade creditors	807,529	478,655
Taxation and social security	319,117	110,797
Other creditors	7,603	41,772
Accruals and deferred income	34,701	19,732
Corporation tax	161,646	71,203
	<u>1,349,212</u>	<u>777,873</u>

13 Creditors: amounts falling due in more than one year

	As at 30 September 2017	Unaudited As at 30 November 2016
	£	£
Bank loans and overdrafts	-	195,974
Net obligations under hire purchase contracts	-	89,444
	<u>-</u>	<u>285,418</u>

13 Employee benefits

Defined contribution plan

The Company operates a defined contribution pension plan. The total expense relating to these plans in the current period was £3,829 (2016 (unaudited): £4,569).

14 Called up share capital

Share capital

	As at 30 September 2017	Unaudited As at 30 November 2016
	£	£
<i>Allotted, called up and fully paid</i>		
45,000 ordinary shares of £1 each	<u>45,000</u>	<u>45,000</u>

All shares are classified in shareholders' funds.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes (continued)

15 Related parties

Included within debtors is £1,227,437 (2016: £nil) being the amount owed by Sykes Cottages Limited a member of the group.

16 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Sykes Cottages Holding Limited which is the ultimate parent company incorporated in United Kingdom. The ultimate controlling party is Living Bridge LLP.

The largest group in which the results of the Company are consolidated is that headed by Sykes Cottages Holding Limited, incorporated in the United Kingdom. The smallest group in which they are consolidated is that headed by Sykes Cottages Holding Limited incorporated in UK. No other group financial statements include the results of the Company. The consolidated financial statements of these groups may be obtained from One, St Peter's Square, Manchester, United Kingdom, M2 3DE.

17 Explanation of transition to FRS 101 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the period ended 30 September 2017, the comparative information presented in these financial statements for the year ended 30 November 2016 and in the preparation of an opening FRS 101 balance sheet at 1 December 2015 (the Company's date of transition).

Reconciliations provided shall, to the extent practicable, distinguish the correction of errors from changes in accounting policies.

Notes (continued)

17 Explanation of transition to FRS 101 from old UK GAAP (continued)

Reconciliation of equity

	As at 1 Dec 2015			As at 30 Nov 2016		
	UK GAAP £	Effect of transition to FRS 101 £	FRS 101 £	UK GAAP £	Effect of transition to FRS 101 £	FRS 101 £
Fixed assets						
Intangible fixed assets	153,333	(153,333)	-	143,333	(143,333)	-
Tangible fixed assets	470,554	(30,860)	439,694	503,683	(95,543)	408,140
Investments	5,000	-	5,000	5,000	-	5,000
	<u>628,887</u>	<u>(184,193)</u>	<u>444,694</u>	<u>652,016</u>	<u>(238,876)</u>	<u>413,140</u>
Current assets						
Stock	500	-	500	500	-	500
Debtors	48,168	-	48,168	41,956	214,129	256,085
Cash at bank and in hand	143,175	-	143,175	687,433	-	687,433
	<u>191,843</u>	<u>-</u>	<u>191,843</u>	<u>729,889</u>	<u>214,129</u>	<u>944,018</u>
Creditors: amounts due within one year	(415,729)	19,594	(396,135)	(777,873)	88,333	(689,540)
Net current assets	<u>(223,886)</u>	<u>19,594</u>	<u>(204,292)</u>	<u>(47,984)</u>	<u>302,462</u>	<u>254,478</u>
Total assets less current liabilities	<u>405,001</u>	<u>(164,599)</u>	<u>240,402</u>	<u>604,032</u>	<u>63,586</u>	<u>667,618</u>
Creditors: amounts due after one year	(243,129)	1,094	(242,035)	(285,420)	-	(285,420)
Provisions for liabilities	(16,408)	-	(16,408)	(9,465)	-	(9,465)
	<u>145,464</u>	<u>(163,505)</u>	<u>(18,041)</u>	<u>309,147</u>	<u>63,586</u>	<u>372,733</u>
Net assets	<u>145,464</u>	<u>(163,505)</u>	<u>(18,041)</u>	<u>309,147</u>	<u>63,586</u>	<u>372,733</u>
Capital and reserves						
Called up share capital	45,000	-	45,000	45,000	-	45,000
Profit and loss account	100,464	(163,505)	(63,041)	264,147	63,586	327,733
	<u>145,464</u>	<u>(163,505)</u>	<u>(18,041)</u>	<u>309,147</u>	<u>63,586</u>	<u>372,733</u>
Shareholders' funds	<u>145,464</u>	<u>(163,505)</u>	<u>(18,041)</u>	<u>309,147</u>	<u>63,586</u>	<u>372,733</u>

Notes (continued)

17 Explanation of transition to FRS 101 from old UK GAAP (continued)

		Year ended 30 November 2016	
	UK GAAP	Effect of transition to FRS 101	FRS 101
	£	£	£
Turnover	1,894,653	214,201	2,108,854
Cost of sales	(190,490)	-	(190,490)
Gross profit	1,704,163	214,201	1,918,364
Administrative expenses	(1,252,490)	12,887	(1,239,603)
Operating profit	451,673	227,088	678,761
Other interest receivable and similar income	491	-	491
Other interest payable and similar charges	(11,952)	-	(11,952)
Profit on ordinary activities before taxation	440,212	227,088	667,300
Tax on profit on ordinary activities	(92,526)	-	(92,526)
Profit for the financial year	347,686	227,088	574,774

The financial statements have been restated to incorporate the impact of writing off previously capitalised internally generated goodwill, the restatement of several vehicle operating leases that had previously been treated as finance leases, and the change in income recognition to align to group policy.

Upon the acquisition of the Company by Go-Sykes Ltd, the Company has aligned its policies with the rest of the Group. The Company now recognises all booking turnover on confirmation of booking as it is at this point that the Company's obligation is fulfilled. The Company has historically recognised the booking fee and 33% of the commission on confirmation of the booking and the balance of the commission after departure.

Overall, these changes have resulted in net assets being reduced by £163,505 as at 1 December 2015 and the profit for the year ended 30 November 2016 increased by £227,088, of which £10,000 is with respect to goodwill amortisation, £2,887 is with respect to the restatement of the vehicles, and £214,201 is an increase in turnover.

18 Control

On 26 January 2017, 100% of the ordinary share capital of Cornish Cottage Holidays was acquired by Go-Sykes Ltd which is a 100% owned subsidiary of Sykes Cottages Holdings Limited.

The ultimate controlling party is Living Bridge LLP who own the majority shares in Sykes Cottages Holdings Limited.

The largest group in which the results of the Company are consolidated is that headed by Sykes Cottages Holdings Limited. No other group financial statements include the results of the Company. The consolidated financial statement of the group are available to the public and may be obtained from One, St Peter's Square, Manchester, United Kingdom, M2 3DE.