Tiger Group Limited

(previously Caledonia Lion Limited)

Annual report and financial statements

Registered number 08474797

Year ended 31 December 2016

Contents

Directors and Advisers

Directors
A J Fawcett (appointment terminated 8 February 2017)
J A Sills
A N Clish
A B Loch
D E Johnson (appointment terminated 8 February 2017)
T R G Lewis (appointment terminated 8 February 2017)
A J Powell (appointment terminated 13 January 2017)

Registered Office
Glovers House
Glovers End
Bexhill-On-Sea
East Sussex
TN39 5ES

Solicitors to the Company
Macfarlanes LLP
20 Cursitor Street
London
EC4A 1LT

Independent Auditor
KPMG LLP, Statutory Auditor
1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

Directors' report

The directors present their directors' report and the audited financial statements for the year ended 31 December 2016 and comparison to year ended 31 December 2015.

On the 14 February 2017 the company changed its name from Caledonia Lion Limited to Tiger Group Limited and is referred to as Tiger Group Limited throughout these financial statements.

Principal activities

The principal activity of the group is the operation of holiday home parks.

Dividends

The directors proposed a special dividend 44.5p/share during 2015 totalling £28,341,473 which was unpaid at the 2015 year end. This was approved in March 2016 and paid on the 1 April 2016.

No other dividend payments were made during the year.

Directors

The directors who held office during the year were as follows:

A J Fawcett
J A Sills
A N Clish
A B Loch
D E Johnson
T R G Lewis
A J Powell

Directors' beneficial shareholdings as at 31 December 2016 were as follows:

Director	**Company**	**Class of share or loan note**	**Interest at end of the period**	**Interest at start of the period or date of appointment**
J A Sills	Tiger Group Ltd	B1 Ordinary Shares	2,572,425	2,572,425
		Deferred Shares	900,000	900,000
A N Clish	Tiger Group Ltd	B2 Ordinary Shares	1,190,937	1,190,937
		Deferred Shares	450,000	450,000
A B Loch	Tiger Group Ltd	B3 Ordinary Shares	1,190,937	1,190,937
		Deferred Shares	450,000	450,000
A J Fawcett	Tiger Group Ltd	Ordinary Shares	190,550	190,550
		B4 Ordinary Shares	190,550	190,550
		Deferred Shares	450,000	450,000

In addition to the above the following options were granted on the dates listed and remained in place at the end of the period (see note 20 for further details):

Director	Company	Date granted	Class of share or loan note	Number of options
J A Sills	Tiger Group Ltd	11 November 2013	A Ordinary Shares	2,572,425
A N Clish	Tiger Group Ltd	11 November 2013	A Ordinary Shares	1,190,937
A B Loch	Tiger Group Ltd	11 November 2013	A Ordinary Shares	1,190,937
A J Fawcett	Tiger Group Ltd	2 July 2014	A Ordinary Shares	190,550

Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report. The Company provided qualifying third party indemnity provisions to directors of associated companies during the financial year and at the date of this report.

Directors' report (continued)

Financial instruments

Information in respect of the Group's policies on financial risk management objectives including policies to manage credit risk, liquidity risk and foreign currency risk are given in note 23 to the financial statements.

Employees

The Group has a structured health and safety policy and provides the relevant financial and human resources to ensure the fulfilment of the policy. Adequate training is provided for those employees directly involved with the implementation of the policy. The directors continue to prioritise health and safety issues across all areas of the Group's activities.

The Group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

The Group's policy is to consult and discuss with employees at meetings, as required, matters likely to affect employees' interests.

Information on matters of concern to employees is provided to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the strategic report on pages 4-5.

Disclosure of information to the 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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

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.

By order of the Board

A B Loch
Director
Glovers House
Glovers End
Bexhill-On-Sea
East Sussex
TN39 5ES

31 March 2017

Strategic report

Business review

The Group currently runs 26 holiday parks that are located in coastal locations in the south of England with the majority of the parks being within a two hour drive time of London.

The major revenue streams of the business are derived from the sale of holiday homes, rental of pitches to holiday home owners and short term holiday lettings. Revenue is also derived from on-site bars and restaurants. The business is focused on improving revenue streams by improving the quality of the products offered to potential customers and by growing the business through an expansion strategy of new park acquisitions, land additions to current parks and redevelopment of current park facilities and layouts.

The purchase of a holiday home represents a reasonably long term commitment from our customers who are generally given a licence to occupy their selected holiday home pitch until their holiday home is twenty years old and as such, certain aspects of the revenue streams are fairly stable. The sale of holiday homes however can be influenced by economic factors and could also be impacted by adverse weather conditions, which may also influence the short term holiday lettings business.

During the year to 31 December 2016 the UK held a public referendum and voted in favour of leaving the European Union ("Brexit"). Brexit is expected to have far reaching consequences for the UK economy which are continually changing as the Brexit process progresses and through continuous adaptive planning the business is well prepared to address any challenges as they arise. In the immediate aftermath of the vote sterling severely weakened and stayed below historic levels right through to the end of the year. A weak pound is generally expected to benefit UK tourism as holiday makers opt for more 'staycations'. Regardless of the Brexit vote, the UK economy was relatively stable with continuing low interest rates and growth in residential property values.

Holiday home ownership for UK residents has shown steady increases in recent years and this trend continued during 2016, with sales volumes increasing after the Brexit vote. The holiday home market has seen a movement towards lodge units and larger higher specification caravans. Lodge sales have increased in 2016 with all parks now including lodges in their sales mix.

The holiday fleet has seen investment over the last year which has further improved the quality of units available for holiday lettings. This has driven a strong increase in repeat bookings and an improvement in online review feedback and ratings. A new website will be launched in 2017 which will further enhance the holiday booking experience.

Tarka Holiday Park was acquired during the year increasing the business market share and expanding the business footprint. Located in North Devon the park has benefitted from immediate investment and offers great future revenue potential.

After three years of ownership, and having witnessed continued growth throughout their tenure, the Ultimate Parent Company of the group, Caledonia Investments Plc, announced on 19 December 2016 that they had agreed to sell their majority shareholding in Tiger Group Limited to Intermediate Capital Group plc, subject to regulatory approval. Approval was granted in February 2017 and the transaction completed on 8 February 2017 as detailed in note 28.

Strategic report (continued)

PRINCIPAL RISKS AND UNCERTAINTIES

Business Risks
Key areas of risk facing the business relate to general economic conditions, credit and interest rates. The Company continues to monitor and reduce exposure as follows:

Economic Conditions
Management recognise that a sustained downturn in general economic conditions could adversely affect its customers' spending power. In order to mitigate against the impact of this, management regularly review key economic indicators and consider alternate options in relation to any areas that are identified as at risk of underperforming. Management are particularly aware of the economic uncertainty created by Brexit and are specifically monitoring the impact of this and assessing how best this can be managed as the impact of Brexit becomes more clear.

Credit Risk
Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. At the balance sheet date there were no significant areas of credit risk not covered.

Interest Rate Risk
The Company monitors closely all loans outstanding which currently incur interest at fixed and floating rates. At the moment the Company is comfortable with the interest rate, level of exposure and hedging instruments in place in respect of the majority of its debt.

FINANCIAL KEY PERFORMANCE INDICATORS
A summary of the Company's key financial performance indicators, measured for calendar years to 31 December are as follows:

- Turnover increased by 14.2%.
- Operating Profit before non-trading costs increased by 20.2%.
- Gross Margin (Gross Profit as a % of Turnover) increased 0.1% to 58.5%

Future Developments

Trading has continued to be strong since the start of the new financial year and the business is expected to grow both organically and through acquisitions over the coming years.

By order of the Board

A B Loch
Director
Glovers House
Glovers End
Bexhill-On-Sea
East Sussex
TN39 5ES

31 March 2017

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

The directors are responsible for preparing the Directors' Report and the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law they have elected to prepare both the group and the parent company financial statements in accordance with IFRSs as adopted by the EU 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 group and parent company and of their profit or loss for that period. In preparing each of the group and parent company 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 they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Tiger Group Limited

We have audited the financial statements of Tiger Group Limited for the year ended 31 December 2016 set out on pages 8 to 32. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2016 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the EU;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Julie Wheeldon

Julie Wheeldon (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

7 April 2017

Consolidated Statement of Comprehensive Income

for year ended 31 December 2016

	Note	Year ended 31 Dec 2016 £000	Restated Year ended 31 Dec 2015 £000
Revenue	5	131,546	115,220
Cost of sales		(54,625)	(47,951)
Gross profit		76,921	67,269
Administrative expenses before non-trading items	2	(45,675)	(41,326)
Non-trading items	6	(8,912)	(6,100)
Total administrative expenses		(54,587)	(47,426)
Other operating income		441	427
Operating profit		22,775	20,270
Finance income	7	75	50
Finance expense	7	(11,578)	(4,861)
Profit before tax		11,272	15,459
Taxation	8	(1,562)	(1,409)
Profit for the year		9,710	14,050
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Revaluation of property, plant and equipment	22	95,088	-
Deferred tax on revaluation	22	(11,797)	-
Other comprehensive income for the year, net of income tax		83,291	-
Total comprehensive income for the year attributable to equity holders of the parent company		93,001	14,050

All trade in the year and prior year were derived from continuing operations.

The Notes on pages 12 to 32 form part of the financial statements.

Consolidated and Parent Company Statements of Financial Position

at 31 December 2016

	Note	Group 31 Dec 16 £000	Group 31 Dec 15 £000	Company 31 Dec 16 £000	Company 31 Dec 15 £000
Assets					
Non-current assets					
Property, plant and equipment	9	340,791	227,891	-	-
Intangible assets	10	3,725	4,586	-	-
Investments in subsidiaries	11	-	-	170,109	170,109
Deferred tax assets	19	240	-	240	-
Total non-current assets		344,756	232,477	170,349	170,109
Current assets					
Inventories	13	13,790	13,508	-	-
Trade and other receivables	14	13,052	14,082	-	14,934
Cash and cash equivalents	15	13,368	36,861	2	-
Total current assets		40,210	64,451	2	14,934
Total assets		384,966	296,928	170,351	185,043
Equity and liabilities					
Current liabilities					
Trade and other payables	16	(51,582)	(46,797)	(22,825)	(256)
Borrowings	18	(5,000)	(5,000)	(5,000)	(5,000)
Obligations under finance leases	17	(156)	-	-	-
Current tax liability		(261)	(1,729)	-	-
Total current liabilities		(56,999)	(53,526)	(27,825)	(5,256)
Non-current liabilities					
Borrowings	18	(126,407)	(123,818)	(126,407)	(123,818)
Obligations under finance leases	17	(1,117)	-	-	-
Deferred tax	19	(28,897)	(17,658)	-	-
Total non-current liabilities		(156,421)	(141,476)	(126,407)	(123,818)
Total liabilities		(213,420)	(195,002)	(154,232)	(129,074)
Net assets		171,546	101,926	16,119	55,969
Equity attributable to equity holders of the parent					
Share capital	20	220	220	220	220
Share premium account	20	2	-	2	-
Revaluation reserve	22	83,291	-	-	-
Profit and loss reserve	22	81,862	100,493	9,726	54,536
Share option reserve	20	6,171	1,213	6,171	1,213
Total equity		171,546	101,926	16,119	55,969

These financial statements were approved by the board of directors on 31 March 2017 and were signed on its behalf by:

J A Sills
Director

The Notes on pages 12 to 32 form part of the financial statements.

Consolidated and Parent Company Statements of Changes in Equity

for year ended 31 December 2016

Group

	Share capital £000	Share premium account £000	Revaluation Reserve £000	Profit and loss reserve £000	Share option reserve £000	Total equity £000
At 1 January 2015	220	-	-	103,359	643	104,222
Total comprehensive income for the period						
Profit for the year	-	-	-	14,050	-	14,050
Total comprehensive income for the period	-	-	-	14,050	0	14,050
Transactions with owners, recorded directly in equity						
Dividends	-	-	-	(16,916)	-	(16,916)
Equity-settled share based payment transactions	-	-	-	-	570	570
Transactions with owners, recorded directly in equity	-	-	-	(16,916)	570	(16,346)
Balance at 31 December 2015	220	-	-	100,493	1,213	101,926
At 1 January 2016	**220**	**-**	**-**	**100,493**	**1,213**	**101,926**
Total comprehensive income for the period						
Profit for the year	-	-	-	**9,710**	-	**9,710**
Revaluation (net of tax)	-	-	**83,291**	-	-	**83,291**
Total comprehensive income for the period	**-**	**-**	**83,291**	**9,710**	**-**	**93,001**
Transactions with owners, recorded directly in equity						
Dividends	-	-	-	**(28,341)**	-	**(28,341)**
Share issue	-	**2**	-	-	-	**2**
Equity-settled share based payment transactions	-	-	-	-	**4,958**	**4,958**
Transactions with owners, recorded directly in equity	**-**	**2**	**-**	**(28,341)**	**4,958**	**(23,381)**
Balance at 31 December 2016	**220**	**2**	**83,291**	**81,862**	**6,171**	**171,546**

Company

	Share capital £000	Share premium account £000	Revaluation Reserve £000	Profit and loss reserve £000	Share option reserve £000	Total equity £000
At 1 January 2015	220	-	-	79,890	643	80,753
Total comprehensive income for the period						
Loss for the year	-	-	-	(8,438)	-	(8,438)
Total comprehensive income for the period	-	-	-	(8,438)	-	(8,438)
Transactions with owners, recorded directly in equity						
Dividends	-	-	-	(16,916)	-	(16,916)
Equity-settled share based payment transactions	-	-	-	-	570	570
Transactions with owners, recorded directly in equity	-	-	-	(16,916)	570	(16,346)
Balance at 31 December 2015	220	-	-	54,536	1,213	55,969
At 1 January 2016	**220**	**-**	**-**	**54,536**	**1,213**	**55,969**
Total comprehensive income for the period						
Loss for the year	-	-	-	**(16,469)**	-	**(16,469)**
Total comprehensive income for the period	**-**	**-**	**-**	**(16,469)**	**-**	**(16,469)**
Transactions with owners, recorded directly in equity						
Dividends	-	-	-	**(28,341)**	-	**(28,341)**
Share issue	-	**2**	-	-	-	**2**
Equity-settled share based payment transactions	-	-	-	-	**4,958**	**4,958**
Transactions with owners, recorded directly in equity	**-**	**2**	**-**	**(28,341)**	**4,958**	**(23,381)**
Balance at 31 December 2016	**220**	**2**	**-**	**9,726**	**6,171**	**16,119**

The Notes on pages 12 to 32 form part of the financial statements.

Consolidated and Parent Company Statements of Cash Flows
for year ended 31 December 2016

	Note	Group Year ended 31 Dec 2016	Group Year ended 31 Dec 2015 £000	Company Year ended 31 Dec 2016	Company Year ended 31 Dec 2015 £000
Cash generated from operations					
Profit / (loss) after income tax		9,710	14,050	(16,469)	(8,439)
Adjustments for:					
Depreciation, amortisation and negative goodwill	2,10,11	4,910	4,864	-	-
Asset disposals		(94)	288	-	-
Finance costs – net	7	11,503	4,811	11,529	4,858
Income tax	8	1,562	1,409	(242)	(1,998)
Share based payment	20	4,958	570	4,958	570
Changes in working capital (excluding the effects of acquisition)					
- Inventories		(270)	(1,001)	-	-
- Trade and other receivables		1,030	(3,305)	14,934	(10,439)
- Trade and other payables		4,723	9,617	22,512	(5,816)
Cash generated from / (used in) operations		38,032	31,303	37,222	(21,264)
Cash flows from operating activities					
Cash generated from / (used in) operations		38,032	31,303	37,222	(21,264)
Income tax paid		(3,826)	(5,154)	-	-
Net cash generated / (used in) operating activities		34,206	26,149	37,222	(21,264)
Cash flows from investing activities					
Acquisition of trade and assets	12	(2,900)	(7,500)	-	-
Proceeds from sales of plant, property and equipment	9	634	-	-	-
Purchases of property, plant and equipment	9	(17,448)	(15,243)	-	-
Purchases of software and related assets	10	(198)	(53)	-	-
Payment of finance lease liabilities		(95)		-	
Labour and development costs capitalised	9,10	(497)	(531)	-	
Net cash (used in) investing activities		(20,504)	(23,327)	-	-
Cash flows from financing activities					
Proceeds from issue of ordinary shares	20	2	-	2	-
Proceeds from bank borrowings	18	2,900	52,530	2,900	52,530
Repayments of bank borrowings	18	(5,000)	(7,280)	(5,000)	(7,280)
Net interest and bank fees paid		(6,756)	(7,024)	(6,781)	(7,070)
Dividends paid	21	(28,341)	(16,916)	(28,341)	(16,916)
Net cash (used in) / generated from financing activities		(37,195)	21,310	(37,220)	21,264
Net (decrease) / increase in cash and cash equivalents		(23,493)	24,132	2	-
Cash and cash equivalents at beginning of year		36,861	12,729	-	-
Cash and cash equivalents at end of year	15	13,368	36,861	2	-

The Notes on pages 12 to 32 form part of the financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

Tiger Group Ltd (the "Company") is a company incorporated, domiciled and registered in the UK. The registered number is 08474797 and the registered address is Glovers House, Glovers End, Bexhill-On-Sea, East Sussex, TN39 5ES.

The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The parent company financial statements present information about the Company as a separate entity and not about its group.

The group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

The following standards, amendments and interpretations have been adopted for the first time in these financial statements, none of which had an impact on the consolidated financial statements:

- Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortisation.
- Amendments to IAS 27 - Equity Method in Separate Financial Statements.
- Annual Improvements to IFRSs – 2012-2014 Cycle.
- Amendments to IFRS 10, IFRS 12 and IAS 28 - Investment entities: Applying the Consolidation Exception.
- Disclosure Initiative – Amendments to IAS 1.
- Annual Improvements to IFRSs – 2010-2012 Cycle.

Basis of preparation

Both the parent company and consolidated financial statements of Tiger Group Limited have been prepared in accordance with international accounting standards (EU-adopted International Financial Reporting Standards) and the Companies Act 2006 applicable to companies reporting under IFRS. On publishing the parent company financial statements here together with the group financial statements, the Company is taking advantage of the exemption in s230 of the Companies Act 2006 not to present its individual income statement and related notes that form a part of these approved financial statements.

The consolidated financial statements have been prepared under the historic cost convention, as modified by the revaluation of land and buildings, available for sale financial assets, and financial assets and liabilities (including derivative instruments) at fair value through the profit and loss account.

The preparation of financial statements in conformity with IFRSs requires certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are detailed in note 29.

Prior year restatement

The prior year revenue and cost of sales have been restated following management review resulting in a more appropriate presentation. This is an adjustment between revenue and cost of sales and has no impact on gross profit or any other profit areas. A restatement as detailed below has been made to correct this error:

	31 Dec 2015	Adjustment	31 Dec 2015 Restated
Revenue	119,178	(3,958)	115,220
Cost of sales	(51,909)	3,958	(47,951)
Gross profit	**67,269**	-	**67,269**

Notes *(continued)*

1 Accounting policies *(continued)*

Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Going Concern

Management have prepared cash flow forecasts and projections for the Group, taking account of reasonably possible changes in trading performance that show that the group should be able to operate within the level of its current facilities, with all covenant tests being met. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements. Information on the group's borrowings is given in note 18.

As detailed in note 28 the company was sold after the year end. As part of the transaction a full review of the company performance and future expected performance was carried out as part of the due diligence process. New banking facilities were obtained as part of the new deal structure. This review, new bank facility and the sale of the business itself further supports the directors' view that the business is a going concern.

Property, plant and equipment

Property, plant and equipment are stated at either fair value or cost less subsequent depreciation. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Freehold property	-	25 to 200 years
Leasehold property	-	Straight line over the period of the lease
Plant & machinery	-	10% straight line
Fixtures & fittings	-	10-25% straight line
Other fixed assets	-	10-25% straight line

Motor vehicles and caravan hire fleet are combined under other fixed assets and are respectively depreciated at 25% and 10%.

Freehold and long leasehold property comprises holiday home parks owned or leased and operated by the Group. The parks are held at market value, being the open market value for each park, separate to the business as a whole, determined periodically (triennially) by external valuers under the RICS Valuation Standards. The valuation approach considers a range of indications of value, including earnings multiples (on a park by park basis with an allocation of part of the central overheads), "per pitch" valuations and evidence from recent similar transactions. The valuation is undertaken by a qualified Chartered Surveyor.

A valuation was carried out by CBRE on the 25 November 2016. This was carried out in accordance with the here explained techniques and the change in the group's asset values has been accounted for in the year end 31 December 2016. No depreciation is provided on freehold land.

The cost of internal labour of those staff who work on capital projects is monitored and where appropriate as per IAS16 is capitalised and depreciated over the life of the asset constructed.

The useful economic life of property, plant and equipment is reviewed on an annual basis. The period of actual or economic benefit may vary from the estimated life and residual values.

Leases in which the Group 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 income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Plant & machinery - 14% straight line

Notes *(continued)*

1 Accounting policies *(continued)*

Intangible assets - goodwill

Goodwill represents the excess of cost of an acquisition over the fair value of the group's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill arising on consolidation represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets/net liabilities of the acquired subsidiary at the date of acquisition. If the cost of acquisition is less than the fair value of the Group's share of the net assets/net liabilities of the acquired entity (i.e. a discount on acquisition) then the difference is credited to the income statement in the period of acquisition. Goodwill is allocated to cash generating units for the purposes of impairment testing and is tested annually for impairment (refer to impairment of assets policy) and carried at cost less accumulated impairment losses. At the acquisition date of a subsidiary, goodwill acquired is recognised as an asset and is allocated to each of the cash-generating units expected to benefit from the business combination's synergies and to the lowest level at which management monitors the goodwill.

Intangible assets - software

Software assets are initially stated at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets – research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve a plan or design for the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Intangible assets - other

Other Intangible assets represents the identified values placed on those assets at the date of acquisition. Amortisation is provided so as to write off the cost of the customer relationships and brand over the expected economic lives of the asset in equal annual instalments as follows:

Brand	- 7 Years
Customer Lists	- 7 Years
Software	- 4 years

Business combinations

All business combinations are accounted for by applying the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred. Any contingent consideration payable is recognised at fair value at the acquisition date.

If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Notes *(continued)*

1 Accounting policies *(continued)*

Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Inventories

Inventories are stated at the lower of cost and net realisable value. Valuation uses the actual expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits. A revolving credit facility forms an integral part of the Group's cash management and is included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Borrowings

Bank borrowings are recognised at fair value, net of transaction costs incurred. Fees paid on the establishment of the loan, which was used to facilitate the acquisition, have been capitalised within the investment and are amortised under the effective interest rate method. Interest on the borrowing facility has been recognised under finance expense in the income statement.

Net financing costs

Net financing costs comprise bank interest payable and receivable which is recognised in profit or loss as it accrues, using the effective interest method.

Current and deferred taxation

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

Current tax is the expected tax payable on the taxable income 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. Deferred tax is classified as a non-current asset or liability dependent on its nature to the extent that it is not yet realised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

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

Notes *(continued)*

1 Accounting policies *(continued)*

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for products and/or services delivered in the normal course of business, excluding discounts, incentives and value added tax.

Revenue from the sale of holiday homes is recognised on the date the customer takes delivery of the home; rental income for pitches and holiday lets is recognised evenly over the rental period; other goods and services are recognised as delivered. Holiday homes and other goods are deemed to have been delivered to customers when the customer has access to the significant benefits inherent in the goods and exposure to the risks inherent in those benefits.

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Classification of financial instruments issued by the Company

Under IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Non-derivative financial instruments

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

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at cost less any impairment losses. No provision for bad debts is held at the year end as no debt is considered unrecoverable. More detail on ageing profile is contained within note 23.

Trade and other payables

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

Investments

Investments in subsidiaries are held in the company balance sheet at historic cost net of any impairment.

Other investments in debt and equity securities held by the Company are classified as being available-for-sale and are stated at fair value, with any resultant gain or loss being recognised directly in equity

Notes *(continued)*

1 Accounting policies *(continued)*

Non-trading items

Non-trading items are those items which comprise of one off costs that should be separately identified as they do not form part of the regular cyclical trade of the business and will not be repeated.

Employee benefits

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 income statement in the years during which services are rendered by employees.

Recent accounting developments

At the date of approval of these financial statements, the following standards, interpretations and amendments were issued but not yet mandatory and early adoption has not been applied. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- IFRS 9 Financial Instruments (effective date 1 January 2018).
- IFRS 15 Revenue from Contract with Customers (effective date 1 January 2018). *
- IFRS 16 Leases (effective date 1 January 2019). **
- Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses (effective date 1 January 2017).
- Amendments to IAS 7: Disclosure Initiative (effective date 1 January 2017).
- Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions (effective date 1 January 2018).
- Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (effective date 1 January 2018).

* IFRS 15 brings changes to revenue accounting for contracts with customers, primarily impacting revenue recognition and the timing/profile of revenue depending on recognition criteria. The standard is expected to impact the group's profit and loss account and balance sheet because revenue will be recognised over a different time period.

The Directors are currently assessing the expected impact of this standard for the Group. No value can currently be identified but the Directors do expect this standard to impact the business's revenue recognition criteria. However the current expectation is that the new standard will not materially affect the business or have a material impact on key performance ratios.

** IFRS 16 brings changes to lease accounting rules that will bring most leases on to the balance sheet from 2019. This will impact the Group as it holds operating leases (note 24). The change will see an increase in the Group's reported assets and liabilities as these will be included on the balance sheet. The Group will recognise a lease asset and lease liability at the lower for fair value and present value of minimum lease payments, which will increase both total assets and total liabilities of the Group. The change is expected to increase EBITDA as lease payments under operating leases are replaced with a depreciation and finance charge. The Group does not expect the change to materially impact key performance ratios.

Notes *(continued)*

2 Expenses and auditor's remuneration

Included in profit for the year are the following:

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Hire of property – operating leases	945	458
Depreciation and amortisation	4,910	4,864

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Auditor's remuneration		
Audit of these financial statements	13	13
Amounts receivable by the auditors and their associates in respect of:		
- Audit of financial statements of subsidiaries pursuant to legislation	78	72
- Audit related assurance services	-	12
- Taxation compliance services	3	24
- Taxation advisory services	3	94
- Corporate finance services	358	119

3 Staff numbers and costs

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

	Group Year ended 31 Dec 2016 No. of employees	Group Year ended 31 Dec 2015 No. of employees
Administration	123	111
Operational	782	716
Directors	4	4
	909	831

The aggregate payroll costs of these persons were as follows:

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Wages and salaries	23,175	23,934
Social security costs	2,800	3,314
Share options	4,958	-
Other pension costs	99	106
	31,032	27,354

Notes *(continued)*

4 Directors remuneration

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Remuneration	1,545	3,848
Amounts paid to third parties in respect of directors' services	320	320
	1,865	4,168

The highest paid director received remuneration of £595,809 in the year (2015: £1,784,000).

No retirement benefits are accruing to any Directors (2015: nil). The number of directors in respect of whose qualifying services shares were received or receivable under long term incentive schemes was nil (2015: nil).

5 Revenue by income stream

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 Restated £000
Sale of holiday homes	73,474	61,027
Rental income for pitches and holiday lets	45,506	42,043
Other income	12,566	12,150
	131,546	115,220

6 Non-trading items

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Bonus payments to shareholders	-	5,199
Share based payments	5,809	570
Acquisition and disposal expenses	-	331
Transaction fees	3,103	-
	8,912	6,100

As detailed in note 27 the Ultimate Parent Company during the year agreed to sell the group. Control did not pass to the new parent company until after the year end when regulatory approval was obtained.

The agreement to sell the group during the year was a triggering event for the exercise of share options. The expected life of the share options has been reduced accordingly resulting in a catch-up share option charge of £5,809,000 during the year.

Notes *(continued)*

7 Net finance costs

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Interest expense:		
- Bank borrowings	6,727	4,260
- Finance cost amortisation	4,851	601
Finance costs	**11,578**	**4,861**
Finance income		
Bank interest	(75)	(50)
Net finance costs	**11,503**	**4,811**

8 Income tax expense

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Current tax		
Current tax on profits for the year	2,558	3,653
Adjustment in respect of prior periods	(198)	36
Total current tax	**2,360**	**3,689**
Deferred tax		
Deferred tax on profits for the year	687	(2,280)
Adjustment in respect of prior periods	(1,485)	-
Total deferred tax	**(798)**	**(2,280)**
Total tax expense	**1,562**	**1,409**

The current tax charge for the year is lower (2015: lower) than the standard rate of corporation tax in the UK of 20%.

	Group Year ended 31 Dec 2016 £000	Group Year ended 31 Dec 2015 £000
Profit before tax	**11,272**	**15,459**
Tax calculated at 20% (2015: 20.25%)	2,254	3,130
Tax effects of:		
- Expenses not deductible for tax purposes	557	556
- Adjustments in respect of prior periods for current tax	(198)	(482)
- Adjustments in respect of prior periods for deferred tax	(1,485)	-
- Reduction in tax rate on deferred tax balances	(288)	(1,795)
- Fixed assets adjustment	722	-
Tax charge	**1,562**	**1,409**

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. A further reduction to the UK corporation tax rate was announced in the 2016 Budget to reduce the tax rate to 17% (to be effective from 1 April 2020). This will reduce the company's future current tax charge accordingly. The deferred tax liability at the balance sheet date has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

Notes *(continued)*

9 Property, plant and equipment – Group (Company - £nil)

	Freehold Property £000	Long Leasehold Property £000	Plant, Fixtures & Fittings £000	Other Assets £000	Total £000
Cost					
Balance at 1 January 2015	187,785	9,750	9,207	13,471	220,213
Additions	8,723	515	2,165	3,959	15,362
Acquisition of trade and assets	7,500	-	-	-	7,500
Disposals	-	-	-	(1,238)	(1,238)
Balance at 31 December 2015	**204,008**	**10,265**	**11,372**	**16,192**	**241,837**
Balance at 1 January 2016	204,008	10,265	11,372	16,192	241,837
Additions	11,655	271	4,241	3,081	19,248
Revaluation	90,811	2,417	-	-	93,228
Trade and assets acquisition	2,840	-	-	-	2,840
Disposals	-	-	-	(2,244)	(2,244)
Balance at 31 December 2016	**309,314**	**12,953**	**15,613**	**17,029**	**354,909**
Depreciation and Impairment					
Balance at 1 January 2015	376	250	4,565	5,857	11,048
Depreciation charge for the year	501	261	1,153	1,934	3,849
Disposals	-	-	-	(951)	(951)
Balance at 31 December 2015	**877**	**511**	**5,718**	**6,840**	**13,946**
Balance at 1 January 2016	877	511	5,718	6,840	13,946
Charge for the year	392	117	1,359	1,867	3,735
Revaluation	(1,266)	(594)	-	-	(1,860)
Disposals	-	-	-	(1,703)	(1,703)
Balance at 31 December 2016	**3**	**34**	**7,077**	**7,004**	**14,118**
Net book value at 1 January 2015	**187,409**	**9,500**	**4,642**	**7,614**	**209,165**
Net book value at 31 December 2015	**203,131**	**9,754**	**5,654**	**9,352**	**227,891**
Net book value at 31 December 2016	**309,311**	**12,919**	**8,536**	**10,025**	**340,791**

Additions in 2016 includes £48,226 for hire fleet caravans that transferred from stock in the year (2015: £1,449,000).

There were no contractual commitments at the balance sheet date.

Notes *(continued)*

10 Intangible assets – Group (Company - £nil)

	Software £000	Brand £000	Customer List £000	Total £000
Cost				
Balance at 1 January 2015	-	5,001	1,128	6,129
Additions	465	-	-	465
Balance at 31 December 2015	**465**	**5,001**	**1,128**	**6,594**
Balance at 1 January 2016	465	5,001	1,128	6,594
Additions	264	-	50	314
Balance at 31 December 2016	**729**	**5,001**	**1,178**	**6,908**
Amortisation and impairment				
Balance at 1 January 2015	-	810	183	993
Amortisation charge for the year	140	714	161	1,015
Balance at 31 December 2015	**140**	**1,524**	**344**	**2,008**
Balance at 1 January 2016	140	1,524	344	2,008
Amortisation charge for the year	300	714	161	1,175
Balance at 31 December 2016	**440**	**2,238**	**505**	**3,183**
Net book value at 1 January 2015	-	4,191	945	5,136
Net book value at 31 December 2015	**325**	**3,477**	**784**	**4,586**
Net book value at 31 December 2016	**289**	**2,763**	**673**	**3,725**

An impairment review was carried out in the year; no signs of impairment were identified during the review.

11 Investments in subsidiaries

	Company 31 Dec 2016 £000	Company 31 Dec 2015 £000
Shares in group undertakings		
As at the beginning and end of the year	**170,109**	**170,109**

Investments in group undertakings are recorded at cost, which is the fair value of the consideration paid.

The company holds the following direct and indirect investments, all of which are 100% interests in the ordinary share capital and all of which are registered in England and Wales:

Subsidiary undertakings	Principal activity	Direct/Indirect
Park Holidays UK Ltd	Holiday Park Operator	Indirect
CP Equityco Ltd	Holding Company	Direct
CP Aquisitionco Ltd	Holding Company	Indirect
The South Devon Holiday Parks Ltd	Non-trading	Indirect
Ladycroft Ltd	Non trading	Indirect
Golden Sands Ltd	Non-trading	Indirect
Crumpwood Ltd	Non trading	Indirect
Coghurst Hall Holiday Village Ltd	Dormant	Indirect
Harts Holiday Village Ltd	Dormant	Indirect
Marlie Farm Holiday Village Ltd	Dormant	Indirect
Cinque Ports Leisure Homes Ltd	Dormant	Indirect
Harts Holiday Camps Ltd	Dormant	Indirect
Evengain Ltd	Dormant	Indirect
WSG Operating Company Ltd	Dormant	Indirect
Park Holidays UK Finance Ltd	Dormant	Indirect

Notes *(continued)*

12 Acquisitions (group)

Tarka Holiday Park

On the 4th April 2016 the Group acquired all the trade and assets of Tarka Holiday Park for £2,900,000, satisfied in cash. The business runs a holiday park near Barnstaple in North Devon and was acquired to expand the portfolio of parks in the group. This park contributed a loss of £53,000 in the period from purchase to 31 December 2016 as the park underwent significant development during the peak season and only operated for a few months, out of season, towards the end of the year. If the park had traded un-encumbered for the year revenue would have been an estimated £950,000 and net profit would have been an estimated £160,000. Site fees for periods post completion, but paid by customers pre completion to the previous owner were paid over to the Group.

The following table summarises the consideration paid for the business and the fair value of the assets acquired and the liabilities assumed and at the acquisition date:

	£000
Consideration	
Cash on completion	2,900
Cash received post completion	(97)
Total consideration	**2,803**
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	2,840
Inventories	10
Site fee creditors	(97)
Customer lists acquired	50
Total identifiable net assets	**2,803**
Goodwill generated on acquisition	**-**

13 Inventories

	Group 31 Dec 2016 £000	Group 31 Dec 2015 £000	Company 31 Dec 2016 £000	Company 31 Dec 2015 £000
Finished goods	**13,790**	**13,508**	**-**	**-**

Included in inventories is £nil (2015: £nil) expected to be recovered in more than one year. Finished goods recognised as cost of sales in the year amounted to £29,689,233 (2015: £25,445,000). The write-down of inventories to net realisable value amounted to £92,120 (2015: £52,000). There were no reversals of write-downs in the year (2015: £nil).

14 Trade and other receivables

	Group 31 Dec 2016 £000	Group 31 Dec 2015 £000	Company 31 Dec 2016 £000	Company 31 Dec 2015 £000
Trade receivables (see note 23)	**9,727**	**10,295**	**-**	**-**
Prepayments	**2,702**	**2,124**	**-**	**-**
Amounts due from group undertakings	**-**	**-**	**-**	**12,935**
Corporation tax	**-**	**-**	**-**	**1,999**
Other receivables	**623**	**1,663**	**-**	**-**
	13,052	**14,082**	**-**	**14,934**

All trade and other receivables were denominated in Pounds Sterling as at 31 December 2016. The amount due from group undertakings is a trading balance, and as such no interest is charged or chargeable.

Notes *(continued)*

15 Cash and cash equivalents

	Group 31 Dec 2016 £000	Group 31 Dec 2015 £000	Company 31 Dec 2016 £000	Company 31 Dec 2015 £000
Cash at bank and in hand	13,368	36,861	2	-

All cash and cash equivalents is denominated in Pounds Sterling as at 31 December 2016 and 31 December 2015.

16 Trade and other payables

	Group 31 Dec 2016 £000	Group 31 Dec 2015 £000	Company 31 Dec 2016 £000	Company 31 Dec 2015 £000
Trade payables	11,554	9,228	-	-
Social security and other taxes	2,279	4,385	-	-
Amounts due to group undertakings	-	-	20,757	-
Other liabilities	28,832	26,684	-	-
Accrued expenses	8,917	6,500	2,068	256
	51,582	46,797	22,825	256

All trade and other payables were denominated in Pounds Sterling as at 31 December 2016 and 31 December 2015.

17 Obligations under finance leases

The finance leases are held with Macquarie Equipment Finance (UK) Ltd and are in relation to biomass boilers installed during the year.

	Group 31 Dec 2016 £000	Group 31 Dec 2015 £000	Company 31 Dec 2016 £000	Company 31 Dec 2015 £000
Current liabilities				
Obligations under finance leases	156	-	-	-
Non-current liabilities				
Obligations under finance leases	1,117	-	-	-
	1,273	-	-	-

Finance lease liabilities are payable as follows (shown for the Group only as nil for the Company in both years):

	Minimum lease payments 31 Dec 2016 £000	Interest 31 Dec 2016 £000	Principal 31 Dec 2016 £000	Minimum lease payments 31 Dec 2015 £000	Interest 31 Dec 2015 £000	Principal 31 Dec 2015 £000
Less than one year	249	(93)	156	-	-	-
Between one and five years	994	(238)	756	-	-	-
More than five years	401	(40)	361	-	-	-
	1,644	(371)	1,273	-	-	-

Notes *(continued)*

18 Borrowings

	Group 31 Dec 2016 £000	Group 31 Dec 2015 £000	Company 31 Dec 2016 £000	Company 31 Dec 2015 £000
Non-current				
Bank borrowings	**126,407**	**123,818**	**126,407**	**123,818**
Current				
Bank borrowings	**5,000**	**5,000**	**5000**	**5,000**
Total borrowings	**131,407**	**128,818**	**131,407**	**128,818**

Analysis of group debt:

Debt can be analysed as falling due:				
- In one year or less, or on demand	**5,000**	**5,000**	**5,000**	**5,000**
- Between one and two years	**6,000**	**5,000**	**6,000**	**5,000**
- Between two and five years	**120,800**	**19,000**	**120,800**	**19,000**
- In five years or more	**-**	**104,900**	**-**	**104,900**
	131,800	**133,900**	**131,800**	**133,900**
- Less finance issue costs	**(6,516)**	**(6,355)**	**(6,516)**	**(6,355)**
- *Amortisation of finance issue costs*	**6,123**	**1,273**	**6,123**	**1,273**
	131,407	**128,818**	**131,407**	**128,818**

Bank borrowings

The bank facilities are held with The Royal Bank of Scotland (lead arranger), Lloyds Bank plc, HSBC Bank plc, Barclays Bank plc and Santander UK plc and are secured by fixed and floating charges over the assets of the group. The facilities were renegotiated in December 2015.

The facilities are made up of a six year, £133.9m term loan repayable by interim six-monthly repayments, followed by a lump sum of £100.9m, as well as a £5m revolving credit facility and a six year £27.9m term loan facility for acquisition / capital expenditure repayable by instalments between June 2019 and December 2021.

The interest rate on the term loans is 3.75% above Libor, and 3.25% above Libor on the revolving facility. In addition there were two interest rate swaps of £30m each at 1.135% and 1.15% less 3 month Libor to hedge against interest rate rises which expired at the year end, and two interest rate caps of £14.86m each, capped at 1.9%. Post year end the principal on the two caps increased to £43.18m each. The fair value of these swaps and caps is negligible.

As at the period end the balances outstanding were £131.8m (2015: £133.9m) on the £133.9m term loan and £nil (2015: £nil) on the revolving credit facility. There was one draw down in the year on the £27.9m term loan facility for the acquisition of Tarka Holiday Park for £2.9m (2015: nil) which was all outstanding at the end of the year.

In addition to the above, Lombard North Central plc, who supply caravans to the group, hold a fixed and floating charge over the assets of the company in respect of monies due to them from time to time, ranking below the banks. At the period end £2,062,434 (2015: £1,484,720) was owed to Lombard.

Notes *(continued)*

19 Deferred taxation – Group

Deferred tax attributable to:	**Assets**		**Liabilities**		**Net**	
	31 Dec 2016 £000	**31 Dec 2015 £000**	**31 Dec 2016 £000**	**31 Dec 2015 £000**	**31 Dec 2016 £000**	**31 Dec 2015 £000**
Freehold and leasehold property	-	-	**28,264**	**16,862**	**28,264**	**16,862**
Intangible assets	-	-	**633**	**796**	**633**	**796**
Share options	**(240)**	-	-	-	**(240)**	-
Total deferred tax	**(240)**	-	**28,897**	**17,658**	**28,657**	**17,658**

	1 Jan 2016 £000	**Recognised in P&L £000**	**Recognised in OCI £000**	**31 Dec 2016 £000**
Freehold and leasehold property	**16,862**	**(395)**	**11,797**	**28,264**
Intangible assets	**796**	**(163)**	-	**633**
Share options	-	**(240)**		**(240)**
Total deferred tax	**17,658**	**(798)**	**11,797**	**28,657**

	1 Jan 2015 £000	**Recognised in P&L £000**	**Recognised in OCI £000**	**31 Dec 2015 £000**
Freehold and leasehold property	**18,911**	**(2,049)**	-	**16,862**
Intangible assets	**1,027**	**(231)**	-	**796**
Total deferred tax	**19,938**	**(2,280)**	-	**16,658**

Management has reviewed the calculation of deferred tax on qualifying properties and amended their position on indexation allowance, for which an adjustment has now been included.

Deferred taxation – Company

Deferred tax assets are attributable to:	**Assets and Net**	
	31 Dec 2016 £000	**31 Dec 2015 £000**
Share options	**(240)**	-
Total deferred tax assets	**(240)**	-

	1 Jan 2016 £000	**Recognised in P&L £000**	**Recognised in OCI £000**	**31 Dec 2016 £000**
Share options	-	**(240)**	-	**(240)**
Total deferred tax assets	-	**(240)**	-	**(240)**

	1 Jan 2015 £000	**Recognised in P&L £000**	**Recognised in OCI £000**	**31 Dec 2015 £000**
Share options	-	-	-	-
Total deferred tax assets	-	-	-	-

There were no deferred tax liabilities arising in the Company.

Notes *(continued)*

20 Share capital and reserves

Group and company – 31 December 2015	Number of shares 000s	Share Capital £000	Share premium account £000	Share options reserve £000
At beginning of year	100,000	220	-	643
Share based payments	-	-	-	570
At 31 December 2015	**100,000**	**220**	**-**	**1,213**

Group and company – 31 December 2016	Number of shares 000s	Share Capital £000	Share premium account £000	Share options reserve £000
At beginning of year	100,000	220	-	1,213
Share issue	150	-	2	-
Equity-settled share based payment transactions	-	-	-	4,958
At 31 December 2016	**100,150**	**220**	**2**	**6,171**

Share class	Number of shares	Nominal value	Aggregate nominal	Price per share	Aggregate price
A Ordinary (85% of voting rights)	88,605,750	£0.002	£177,212	£0.99389	£88,064,369
B1 Ordinary (5% of voting rights)	2,572,425	£0.005	£12,862	£0.01111	£28,580
B2 Ordinary (5% of voting rights)	1,190,937	£0.01	£11,909	£0.01111	£13,231
B3 Ordinary (5% of voting rights)	1,190,937	£0.01	£11,909	£0.01111	£13,231
B4 Ordinary (non-voting)	1,714,951	£0.001	£1,715	£0.01111	£19,053
C Deferred (non-voting)	4,725,000	£0.001	£4,725	£0.01111	£52,495
D Deferred (non-voting)	150,000	£0.001	£150	£0.0111	£1,665
At 31 December 2016	**100,150,000**		**£220,482**		**£88,192,624**

All classes of shares rank equally for distribution purposes after initial vesting periods. All B shares vest 50% two years after issue, and 50% one year later. Deferred shares vest two years after issue.

The company issued 150,000 D Deferred shares during the year; the company made no other share issues during the year.

The Directors and Senior Management team who are all holders of B shares have each paid for the option to acquire A ordinary shares in the event of a disposal of the business. There is a negligible further exercise premium on each option. The total number of A ordinary shares exercisable is 6,669,250 (31 December 2015: 6,669,250). As detailed in note 6 the shares owned by Directors and Senior Management were agreed to be exercised in the following year. Therefore the expected life of the share options has been reduced from 7 years to 4 years, resulting in a catch-up share option charge of £5,809,000 during the year. The fair value of the shares at exercise was 92.52p per share.

21 Dividends

A special dividend totalling £28,341,473 was paid on the 1 April 2016 having been proposed by the board in December 2015 and approved in March 216. No other dividends were approved or paid during the year.

In the prior year the directors approved ordinary dividends of £2,187,500 and £2,250,000 which were paid in January 2015 and August 2015 respectively. In addition a special dividend was approved and paid in December 2015 of £12,478,719.

Notes *(continued)*

22 Reserves

Group	Revaluation reserve £000	Profit and loss reserve £000	Total £000
Brought Forward	-	100,493	100,493
Profit for the year	-	9,710	9,710
Revaluation	95,088	-	95,088
Deferred tax on revaluation	(11,797)	-	(11,797)
Dividend paid in year	-	(28,341)	(28,341)
At year end	**83,291**	**81,862**	**161,153**

Company	Revaluation reserve £000	Profit and loss reserve £000	Total £000
At the start of the year	-	54,536	54,536
(Loss) for the year	-	(16,469)	(16,469)
Dividend paid in year	-	(28,341)	(28,341)
At year end	-	**9,726**	**9,726**

Where property, plant and equipment is revalued, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

23 Financial Instruments

The fair value of all financial assets and liabilities by class shown in the balance sheet, together with their carrying amounts, are detailed below. There has been no transfers within the hierarchy during the year (2015: nil).

The company holds no Level 1 or 3 assets.

Financial Assets	Level	Carrying Amount 31 Dec 2016	Fair Value 31 Dec 2016	Carrying Amount 31 Dec 2015	Fair Value 31 Dec 2015
Available for sales assets					
Total Non-Current Assets	Level 2	**340,791**	**340,791**	227,891	227,891
Loans and receivables					
Trade debtors		**9,727**	**9,727**	10,295	10,295
Cash and cash equivalents		**13,368**	**13,368**	36,861	36,861
Total financial assets		**363,886**	**363,886**	275,047	275,047
Financial Liabilities					
Financial liabilities measured at amortised cost					
Trade creditors		**(11,554)**	**(11,554)**	(9,228)	(9,228)
Borrowings		**(131,407)**	**(131,407)**	(128,818)	(128,818)
Total financial liabilities		**(142,961)**	**(142,961)**	(138,046)	(138,046)
Total net financial instruments		**220,925**	**220,925**	137,001	137,001

Notes *(continued)*

23 Financial Instruments *(continued)*

Level 2 Assets

Level 2 assets are comprised of Non-Current Assets held by the group.

Full valuations are carried out by external experts triennially (last review November 2016) with management reviews carried out in non-review years/periods.

The technique used by the valuers is a Market Value valuation which is a price between a willing buyer and willing seller at arm's length. The valuation looks at a multitude of factors including financial performance, park capital value, future expected revenues, park licences and all other matters of significance for valuing a Holiday Park. Management review this valuation against internal benchmarks and factors they deem necessary to value the park at a Market rate. The carrying value is adjusted to fair value based on this review.

In non-valuation years management review the carrying value and fair value of the parks. To assess fair value management review the last reported fair value as per the external valuers and perform an internal valuation. This valuation will take advice from the external valuers in assessing any significant changes in market conditions that they should be aware of, but do not engage a full valuation report. This advice is combined with park performance over the last year and management review the same factors that the valuer uses (as noted above) to assess fair value.

A valuation was carried out as described above in November 2016 by external valuers. Management performed an assessment from the time of valuation to the yearend and did not assess the carrying amount to be materially different than the fair value of the assets.

The best use and high use value of assets are equal in the year (2015: equal).

Financial Risk Management

The use of financial instruments is managed under policies and procedures approved by the Board. These are designed to reduce the financial risks faced by the Group and Company, which primarily relate to credit, interest rate and liquidity risks, which arise in the normal course of the Company's and Group's business.

Credit risk

Credit risk is managed on a Group basis and arises from cash and cash equivalents, financial instruments and trade receivables. The Group provides credit to customers in the normal course of business. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The carrying amount of trade receivables represents the maximum credit exposure for the group. All material trade receivable balances relate to sales transactions with the Group's client base. At the balance sheet date, there were no significant concentrations of credit risk, with total trade receivables of £9,727,000.

The trade receivables as at 31 December are aged as follows:

	31 Dec 2016 £'000	31 Dec 2015 £'000
Not due	9,404	9,889
Not more than three months past due	104	121
More than three months but not more than six months past due	219	285
Trade receivables (see note 14)	**9,727**	**10,295**

Notes *(continued)*

23 Financial Instruments *(continued)*

Interest and liquidity risk

The Group holds a financing facility with The Royal Bank of Scotland and others (see note 18) and its interest and liquidity risks are associated with the maturity of its loans against cash inflows from around the Group. As at 31 December 2016, the group owed £131.8m under the facility. The repayment profile for this debt, and interest rates are set out in note 18.

To minimise any exposure to interest risk, the Group has entered into various interest hedges in relation to the borrowings it has from its bankers (see note 18 for further details).

Foreign currency risk

The Group does not operate internationally and is therefore not exposed to foreign currency risk.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders, benefits to stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

We regularly review and maintain or adjust the capital structure as appropriate in order to achieve these objectives and this is consistent with the management of capital for previous periods.

The Group has banking facilities available (see note 18) that contain certain external capital requirements ('covenants') that are considered normal for these types of arrangements. As discussed above, we remain comfortably within all such covenants.

Identification of the total funding requirement is achieved via a detailed cash flow forecast which is reviewed and updated on a monthly basis.

Fair values

There is no significant difference between the carrying amounts shown in the balance sheet and the fair values of the Group and Company's financial instruments. For current trade and other receivables/payables with a remaining life of less than one year, the amortised cost is deemed to reflect the fair value.

24 Operating lease commitments

Non-cancellable operating lease rentals are payable over the life of the lease. Payments over the life of each lease categorise as follows:

	Group 31 Dec 2016 £000	Group 31 Dec 2015 £000
Less than one year	900	895
Later than one year and no later than five years	3,479	3,359
After more than five years	17,405	18,248
	21,784	22,502

25 Contingencies

Certain of the holiday homes sold to customers of the Group are in part funded by third party finance companies. In the event of a default by a customer, the company may be required to re-purchase a holiday home from the third party finance company at a price based on an agreed formula. In due course the holiday homes re-purchased under these arrangements are resold in the normal course of business. There have not been any material negative impacts from these re-purchases or subsequent sales in this or recent years.

Notes *(continued)*

26 Related parties

Group

Directors of the Group control 15% per cent of the voting shares of the parent company, Tiger Group Limited.

The aggregate payroll costs of these persons are disclosed in note 4 and their share options shown in the Directors' report on page 2.

Company

The Company holds inter-company balances with one of its subsidiary undertakings (Park Holidays UK Ltd), as detailed in notes 14 and 16. The Company made various payments and accepted various receipts on behalf of the Company as follows:

	Year ended 31 Dec 2016 £'000	Year ended 31 Dec 2015 £'000
Balance brought forward	**12,936**	**(4,036)**
Payroll costs, Directors fees and emoluments paid by Park Holidays UK Ltd	(1,865)	(7,169)
Bank loan advance – Park acquisitions	2,900	7,500
Bank loan advance – Dividend financing	-	45,030
Less Dividends paid	(28,341)	(16,916)
Bank loan capital and interest payments paid by Park Holidays UK Ltd	(10,823)	(14,136)
Overfunding on initial loan paid to Park Holidays UK Ltd	-	502
Admin costs paid by Park Holidays UK Ltd	-	(6)
Group relief transferred to Park Holidays UK Ltd	1,998	-
Management charge to Park Holidays UK Ltd	2,052	2,167
Bank and funding charges paid by Park Holidays UK	(1,034)	-
Exceptional costs paid by Park Holidays UK	(2,141)	-
Total owed (to)/from Park Holidays UK Ltd as at year end	**(24,318)**	**12,936**

Of the £45m bank loan advance for dividend financing, as described in note 21, £16.9m was paid in 2015 and the balance of £28.3m in 2016.

27 Ultimate parent company and ultimate controlling party

The ultimate parent company and ultimate controlling party is Caledonia Investments PLC, incorporated in England and Wales.

The largest and smallest group in which results of the company are consolidated is that headed by Caledonia Investments PLC, incorporated in England and Wales and whose registered office is 2nd Floor, Stratton House, 5 Stratton Street, London, England, W1J 8LA. No other group financial statements include the results of the Company.

The consolidated accounts of this company are available to the public and may be obtained from 2nd Floor, Stratton House, 5 Stratton Street, London, England, W1J 8LA. No other group accounts include the results of the company. One payment was made to Caledonia Investments PLC during the year for £500,000 (2015:£nil); no amounts were outstanding at the end of the year.

28 Subsequent events

The Ultimate Parent Company of the group, Caledonia Investments Plc, announced on 19 December 2016 that they had agreed to sell their majority shareholding in Tiger Group Limited to Intermediate Capital Group, subject to regulatory approval. Approval was granted in February 2017 and the transaction completed on 8 February 2017.

Notes *(continued)*

29 Accounting estimates and judgements

The preparation of financial statements in conformity with adopted IFRS's requires management to make judgements, estimates and assumptions that affect the application of policies and reported annual amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Group believes the principal accounting estimates, assumptions and uncertainties employed in the preparation of these financial statements are:

•Inventory valuation (note 13)
Inventories are stated at the lower of cost and net realisable value with provision being made for obsolete and slow moving items. Management have based their judgements on the classification of inventory and the item's demand.

•Freehold and Leasehold Land and Buildings
Freehold and Leasehold Land and Buildings are held at a re-valued amount. Revaluations are carried out triennially by an external valuation specialist. The review is carried out to industry required standards looking at all aspects that make up the park including on site drivers (park quality, location, infrastructure) and financial performance. Management make use of the report prepared by the property valuation company in revaluing company assets.

•Deferred tax
Deferred tax is recognised by the group when a difference between the group's assets and/or liabilities accounting value differs to the asset/liabilities tax base. The majority of the deferred tax liability in the financial statements arises from the differences on Freehold and Leasehold Land and Buildings. Management uses professional advice to ascertain the potential tax liability on any future sale of these properties.

•Share options
The expected future cost of the options is recognised in the group's accounts and spread over the expected life of the options. Management have used their judgement to estimate that expected life.

•Capitalisation of labour costs
Certain staff will spend a percentage of their time working on capital projects. Management use their judgement to allocate the cost of internal labour between capital and expense.