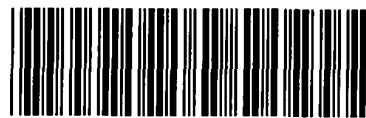


Company Registration No. 09003642 (England and Wales)

**ANCASTA TOPCO LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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# ANCASTA TOPCO LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr N G Griffith Mr A G Overton Mrs K L Stewart	(Appointed 20 October 2017)
<b>Secretary</b>	Ms H L Broadbent	
<b>Company number</b>	09003642	
<b>Registered office</b>	Port Hamble Satchell Lane Hamble Southampton Hampshire SO31 4QD	
<b>Auditor</b>	Moore Stephens (South) LLP City Gates 2-4 Southgate Chichester West Sussex PO19 8DJ	
<b>Business address</b>	Port Hamble Satchell Lane Hamble Southampton Hampshire SO31 4QD	
<b>Bankers</b>	Lloyds Bank Southampton 63 London Road Southampton Hants SO15 2US	

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# **ANCASTA TOPCO LIMITED**

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# ANCASTA TOPCO LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 AUGUST 2017

The directors present the strategic report for the year ended 31 August 2017.

#### Fair review of the business

Group turnover increased by 20% to £29m compared to the previous year. Ancasta International Boat Sales turnover increased by 23% compared to the previous year and reported a profit before tax of £526k with growth coming from both its new boat and brokerage activities. During the year, the company responded to customer feedback by making further investment in aftersales service. This included appointing a full time Customer Care Manager and increasing the number of in-house technicians.

Hamble Yacht Services Refit & Repair results showed a significant improvement on the previous year, posting an operating loss of £237k. Gross profit margin improved by 2% while operating costs were reduced by 15%.

During the year Ancasta Group Ltd repaid £120k of the loans made by shareholders in 2015.

#### Key performance indicators

	Year ended 31 August 2017	Year ended 31 August 2016	Year ended 31 August 2015
Gross Profit	15.78%	16.58%	23.96%
Liquidity Ratio	1.11	1.11	1.19
Return on shareholders' funds	48.13%	-39.15%	-30.58%

#### Financial risk management objectives and policies

The group uses various financial instruments including loans, cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments to raise finance for the group's operations.

The existence of these financial instruments exposes the group to a number of financial risks which are described in more detail below.

The group is exposed to currency risk as it buys and sells goods in foreign currencies, predominantly the Euro. In order to manage currency risk, where appropriate the group enters into forward currency contracts. The company does not utilise any other type of hedging instruments.

Liquidity risk is closely monitored with the aim of maintaining an adequate cash cushion to meet its day to day cash flows.

The principal credit risk arises from its trade debtors. In order to manage credit risk the group agrees advance or stage payments wherever possible. Where credit is granted, credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

# **ANCASTA TOPCO LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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### **Future developments**

The aim of the group is to widen its product offering to provide a complete service to its customers throughout the entirety of their boating life and adapt to their changing requirements.

To this end, Ancasta has entered into a partnership with a world-leading charter company to enable its customers to access the growing shared ownership sector. It has secured dealership rights for the new McConaghy multihull range as well as Prestige in the Balearics, and is in the process of setting up an Ancasta Service Centre in Palma, Mallorca.

In addition, the company is seeking to expand its franchise network internationally. There is now a well-established Ancasta Race Boats presence in New Zealand, and negotiations are underway for outlets elsewhere.

In Hamble Yacht Services Refit & Repair, management focus is on improving productivity and controlling costs while at the same time maintaining the high level of craftsmanship that has earned the company an enviable reputation. The results for 2018 are forecast to show further improvement on that achieved in 2017.

On behalf of the board



Mr N G Griffith

Director

16-3-18

# ANCASTA TOPCO LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2017**

The directors present their annual report and financial statements for the year ended 31 August 2017.

### Principal activities

The principal activity of the group is the distribution of new yachts, yacht brokerage, and related activities. The group also owns the yacht repair and refit company: Hamble Yacht Services Refit and Repair Ltd ("HYSRR") which includes the rigging business of Advanced Rigging and Hydraulics.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr N G Griffith  
Mr A G Overton  
Mrs K L Stewart

(Appointed 20 October 2017)

### Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

### Auditor

Moore Stephens (South) LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

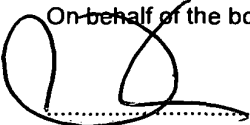
### Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial risk management.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Mr N G Griffith

Director

Date: 16-3-2018.

# **ANCASTA TOPCO LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2017**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

# ANCASTA TOPCO LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ANCASTA TOPCO LIMITED

---

#### Opinion

We have audited the financial statements of Ancasta Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2017 which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group Statement Of Financial Position, the Company Statement Of Financial Position, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 August 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# ANCASTA TOPCO LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ANCASTA TOPCO LIMITED

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

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

### **Matters on which we are required to report by exception**

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

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.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

# **ANCASTA TOPCO LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ANCASTA TOPCO LIMITED**

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**Louise Hastings (Senior Statutory Auditor)  
for and on behalf of Moore Stephens (South) LLP**

21/03/18

**Chartered Accountants  
Statutory Auditor**

City Gates  
2-4 Southgate  
Chichester  
West Sussex  
PO19 8DJ

# ANCASTA TOPCO LIMITED

## GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	2016 £
Revenue	2	29,315,636	24,135,681
Cost of sales		(24,688,613)	(20,133,962)
<b>Gross profit</b>		<b>4,627,023</b>	<b>4,001,719</b>
Distribution costs		(349,373)	(348,998)
Administrative expenses		(4,036,914)	(4,155,383)
Other operating income		28,326	46,645
Profit on disposal of subsidiary	3	-	168,764
<b>Operating profit/(loss)</b>	<b>4</b>	<b>269,062</b>	<b>(287,253)</b>
Investment income	8	27,412	66,979
Finance costs	9	(27,411)	(42,630)
Other gains and losses		-	(5,733)
<b>Profit/(loss) before taxation</b>		<b>269,063</b>	<b>(268,637)</b>
Tax on profit/(loss)	10	(55,296)	(8,331)
<b>Profit/(loss) for the financial year</b>	<b>26</b>	<b>213,767</b>	<b>(276,968)</b>

Profit/(loss) for the financial year is all attributable to the owners of the parent company

The Income Statement has been prepared on the basis that all operations are continuing operations.

# ANCASTA TOPCO LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2017

---

	2017 £	2016 £
Profit/(loss) for the year	213,767	(276,968)
Other comprehensive income		
Currency translation differences	-	(3,023)
Total comprehensive income for the year	<u>213,767</u>	<u>(279,991)</u>

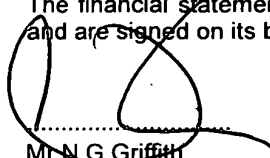
Total comprehensive income for the year is all attributable to the owners of the parent company.

# ANCASTA TOPCO LIMITED

## GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Property, plant and equipment	12		175,853		170,085
<b>Current assets</b>					
Inventories	16	3,608,657		3,509,196	
Trade and other receivables	17	2,493,194		1,864,078	
Cash and cash equivalents		1,220,454		1,080,450	
		7,322,305		6,453,724	
<b>Current liabilities</b>	19	(6,595,781)		(5,813,307)	
<b>Net current assets</b>			726,524		640,417
<b>Total assets less current liabilities</b>			902,377		810,502
<b>Non-current liabilities</b>	20		(243,150)		(363,750)
<b>Provisions for liabilities</b>	22		(1,326)		(2,618)
<b>Net assets</b>			657,901		444,134
<b>Equity</b>					
Called up share capital	24		1,150,000		1,150,000
Other reserves	25		(1,149,998)		(1,149,998)
Retained earnings	26		657,899		444,132
<b>Total equity</b>			657,901		444,134

The financial statements were approved by the board of directors and authorised for issue on 16-3-18  
and are signed on its behalf by:

  
Mr N G Griffith  
Director

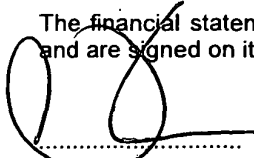
# ANCASTA TOPCO LIMITED

## COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Investments	13		1,150,000		1,150,000
<b>Current assets</b>					
<b>Current liabilities</b>	19	(101)		(101)	
<b>Net current liabilities</b>			(101)		(101)
<b>Total assets less current liabilities</b>			<u>1,149,899</u>		<u>1,149,899</u>
<b>Equity</b>					
Called up share capital	24		1,150,000		1,150,000
Retained earnings	26		(101)		(101)
<b>Total equity</b>			<u>1,149,899</u>		<u>1,149,899</u>

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's profit for the year was £0 (2016 - £63 loss).

The financial statements were approved by the board of directors and authorised for issue on 16-3-18 and are signed on its behalf by:

  
Mr N G Griffith  
Director

Company Registration No. 09003642

# ANCASTA TOPCO LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2017

	Share capital £	Other reserves £	Retained earnings £	Total £
<b>Balance at 1 September 2015</b>	1,150,000	(1,149,998)	724,123	724,125
<b>Year ended 31 August 2016:</b>				
Loss for the year	-	-	(276,968)	(276,968)
Other comprehensive income:				
Currency translation differences	-	-	(3,023)	(3,023)
Total comprehensive income for the year	-	-	(279,991)	(279,991)
<b>Balance at 31 August 2016</b>	1,150,000	(1,149,998)	444,132	444,134
<b>Year ended 31 August 2017:</b>				
Profit and total comprehensive income for the year	-	-	213,767	213,767
<b>Balance at 31 August 2017</b>	1,150,000	(1,149,998)	657,899	657,901

# ANCASTA TOPCO LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2017

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	Share capital £	Retained earnings £	Total £
Balance at 1 September 2015	1,150,000	(38)	1,149,962
Year ended 31 August 2016:			
Loss and total comprehensive income for the year	-	(63)	(63)
Balance at 31 August 2016	1,150,000	(101)	1,149,899
Year ended 31 August 2017:			
Profit and total comprehensive income for the year	-	-	-
Balance at 31 August 2017	1,150,000	(101)	1,149,899

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# ANCASTA TOPCO LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	32		418,886		(1,407,505)
Interest paid			(27,411)		(42,630)
Income taxes paid			(1,434)		(7,010)
<b>Net cash inflow/(outflow) from operating activities</b>			<b>390,041</b>		<b>(1,457,145)</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment		(43,076)		(105,210)	
Proceeds on disposal of property, plant and equipment		251		-	
Proceeds on disposal of subsidiaries net of cash disposed of		-		55,019	
Proceeds from other investments and loans		-		40,000	
Interest received		186		369	
<b>Net cash used in investing activities</b>			<b>(42,639)</b>		<b>(9,822)</b>
<b>Financing activities</b>					
Repayment of borrowings		(207,398)		1,478,161	
<b>Net cash (used in)/generated from financing activities</b>			<b>(207,398)</b>		<b>1,478,161</b>
<b>Net increase in cash and cash equivalents</b>			<b>140,004</b>		<b>11,194</b>
Cash and cash equivalents at beginning of year			1,080,450		1,069,256
<b>Cash and cash equivalents at end of year</b>			<b>1,220,454</b>		<b>1,080,450</b>

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

#### Company information

Ancasta Topco Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Port Hamble, Satchell Lane, Hamble, Southampton, Hampshire, SO31 4QD.

The group consists of Ancasta Topco Limited and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The consolidated financial statements incorporate those of Ancasta Topco Limited and all of its subsidiaries. A subsidiary is an entity controlled by the group, where control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. All financial statements are made up to 31 August 2017. Where necessary, adjustments are made to the financial statements of the subsidiaries to align the accounting policies across fellow members of the group.

All intra-group transactions, balances, and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of new boats is recognised when the boat is ready for delivery and full payment has been received from the customer.

Revenue from the provision of services is recognised at the point where the company has fulfilled its contractual obligations, the amount of revenue and costs incurred and future costs can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the entity.

Revenue arising from brokerage commission is recognised at the point where the sale of the boat becomes unconditional.

#### 1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the period of the relevant lease on a straight line basis
Plant and equipment	Over 3 - 20 years
Fixtures and fittings	Over 3 - 10 years
Computer equipment	Over 3 - 4 years
Motor vehicles	Over 3 - 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

#### 1.5 Non-current investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

#### 1.6 Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 1 Accounting policies

(Continued)

#### 1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell after making due allowance for obsolete and slow moving items. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Work in progress is stated at cost including direct material and labour costs, unless there is a foreseeable loss, then a provision is made.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

#### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### **1.10 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### **1.11 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 1 Accounting policies

(Continued)

#### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 2 Revenue

An analysis of the group's revenue is as follows:

	2017 £	2016 £
<b>Revenue analysed by class of business</b>		
Sale of goods	25,470,214	20,636,738
Rendering of services	3,811,306	3,273,881
Commissions	34,116	225,062
	<u>29,315,636</u>	<u>24,135,681</u>

	2017 £	2016 £
<b>Other significant revenue</b>		
Interest income	27,412	66,979
	<u>27,412</u>	<u>66,979</u>

	2017 £	2016 £
<b>Revenue analysed by geographical market</b>		
UK	16,800,019	19,308,713
Overseas	12,515,617	4,826,968
	<u>29,315,636</u>	<u>24,135,681</u>

### 3 Exceptional costs/(income)

	2017 £	2016 £
Profit on disposal of subsidiary	-	(168,764)
	<u>-</u>	<u>(168,764)</u>

### 4 Operating profit/(loss)

	2017 £	2016 £
Operating profit/(loss) for the year is stated after charging:		
Exchange losses	56,279	290,902
Depreciation of owned property, plant and equipment	37,184	57,947
Loss on disposal of property, plant and equipment	448	430
Operating lease charges	391,009	387,984
	<u>584,920</u>	<u>737,263</u>

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 5 Auditor's remuneration

	2017	2016
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	14,750	14,445

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
Sales and marketing	27	27	-	-
Aftersales and administration	20	22	-	-
Boat repairs	28	33	-	-
	75	82	-	-

Their aggregate remuneration comprised:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Wages and salaries	2,815,783	2,693,890	-	-
Social security costs	297,533	288,894	-	-
Pension costs	154,985	151,818	-	-
	3,268,301	3,134,602	-	-

### 7 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	245,087	242,793

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2017 £	2016 £
Remuneration for qualifying services	142,743	134,329



# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

<b>8 Investment income</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	186	369
<b>Other income from investments</b>		
Gains on financial instruments measured at fair value through profit or loss	27,226	66,610
<b>Total income</b>	<b>27,412</b>	<b>66,979</b>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	186	369
Interest on financial assets measured at fair value through profit or loss	27,226	66,610
<b>9 Finance costs</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	5,534	15,846
Other interest on financial liabilities	21,877	26,784
	<b>27,411</b>	<b>42,630</b>
<b>10 Taxation</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	48,300	-
Foreign current tax on profits for the current period	1,434	7,010
<b>Total current tax</b>	<b>49,734</b>	<b>7,010</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	5,562	1,321
<b>Total tax charge for the year</b>	<b>55,296</b>	<b>8,331</b>

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit/(loss) before taxation	269,063	(268,637)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	53,813	(53,727)
Tax effect of expenses that are not deductible in determining taxable profit	(1,766)	1,852
Gains not taxable	-	(33,753)
Unutilised tax losses carried forward	-	92,904
Adjustments in respect of prior years	-	(9)
Effect of change in corporation tax rate	(1,044)	-
Depreciation on assets not qualifying for tax allowances	-	1,314
Capital allowances and depreciation add back	(3,136)	-
Other tax adjustments	7,429	(250)
Taxation charge for the year	55,296	8,331

The group has estimated tax losses of £502,420 (2016: £502,420) available for carry forward against future trading profits in the subsidiaries where the losses originated from.

### 11 Intangible fixed assets

Group	Goodwill £
<b>Cost</b>	
At 1 September 2016 and 31 August 2017	2,234,418
<b>Amortisation and impairment</b>	
At 1 September 2016 and 31 August 2017	2,234,418
<b>Carrying amount</b>	
At 31 August 2017	-
At 31 August 2016	-

The company had no intangible fixed assets at 31 August 2017 or 31 August 2016.

# **ANCASTA TOPCO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2017**

### **12 Property, plant and equipment**

Group	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 September 2016	339,276	95,692	205,803	673,611	35,788	1,350,170
Additions	-	13,878	1,203	27,995	-	43,076
Disposals	-	-	(4,507)	(14,510)	(17,009)	(36,026)
Exchange adjustments	-	-	-	1,745	-	1,745
At 31 August 2017	339,276	109,570	202,499	688,841	18,779	1,358,965
<b>Depreciation and impairment</b>						
At 1 September 2016	232,931	70,750	178,744	662,042	35,618	1,180,085
Depreciation charged in the year	8,427	5,571	10,676	12,341	169	37,184
Eliminated in respect of disposals	-	-	(4,377)	(13,941)	(17,009)	(35,327)
Exchange adjustments	-	-	-	1,170	-	1,170
At 31 August 2017	241,358	76,321	185,043	661,612	18,778	1,183,112
<b>Carrying amount</b>						
At 31 August 2017	97,918	33,249	17,456	27,229	1	175,853
At 31 August 2016	106,345	24,942	27,059	11,569	170	170,085

The company had no property, plant and equipment at 31 August 2017 or 31 August 2016.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 13 Fixed asset investments

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Investments in subsidiaries	14	-	-	1,150,000	1,150,000

### Movements in non-current investments Company

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 September 2016 and 31 August 2017	1,150,000
<b>Carrying amount</b>	
At 31 August 2017	1,150,000
At 31 August 2016	1,150,000

### 14 Subsidiaries

Details of the company's subsidiaries at 31 August 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Ancasta Group Limited	England and Wales	Holding company	Ordinary	100.00	
Ancasta International Boat Sales Limited	England and Wales	Boat sales and brokerage	Ordinary		100.00
Ancasta Port Napoleon SARL	France	Boat brokerage services	Ordinary		100.00
Aqualinus Limited	England and Wales	Dormant	Ordinary		100.00
Hamble Yacht Services Refit and Repair Limited	England and Wales	Boat repairs and storage	Ordinary		100.00

The investments in subsidiaries are all stated at cost.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 15 Financial instruments

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	1,564,705	1,078,828	-	-
Instruments measured at fair value through profit or loss	27,226	66,610	-	-
	<u>1,591,931</u>	<u>1,145,438</u>	<u>-</u>	<u>-</u>
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	6,651,486	4,992,167	101	101
	<u>6,651,486</u>	<u>4,992,167</u>	<u>101</u>	<u>101</u>

### 16 Inventories

	Group 2017 £	2016 £	Company 2017 £	2016 £
Raw materials and consumables	141,578	113,655	-	-
Work in progress	98,583	39,712	-	-
Finished goods and goods for resale	3,368,496	3,355,829	-	-
	<u>3,608,657</u>	<u>3,509,196</u>	<u>-</u>	<u>-</u>

### 17 Trade and other receivables

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Amounts falling due within one year:</b>				
Trade receivables	457,838	446,226	-	-
Derivative financial instruments	27,226	66,610	-	-
Other receivables	985,098	477,892	-	-
Prepayments and accrued income	890,138	806,679	-	-
	<u>2,360,300</u>	<u>1,797,407</u>	<u>-</u>	<u>-</u>
Deferred tax asset (note 22)	11,125	17,979	-	-
	<u>2,371,425</u>	<u>1,815,386</u>	<u>-</u>	<u>-</u>
<b>Amounts falling due after more than one year:</b>				
Other receivables	121,769	48,692	-	-
	<u>121,769</u>	<u>48,692</u>	<u>-</u>	<u>-</u>
<b>Total debtors</b>	<u>2,493,194</u>	<u>1,864,078</u>	<u>-</u>	<u>-</u>

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 18 Derivatives

The company enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency receivables. As at 31 August 2017, the outstanding contracts all mature within 3 months of the year end. The company is committed to buy €450,000 (2016: €950,000) at a fixed sterling amount.

The foreign currency forward contracts have been fair valued using observable forward exchange rates and interest rates corresponding to maturity of the contract.

### 19 Current liabilities

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Stock finance	21	3,124,553	3,211,351	-	-
Payments received on account		1,427,455	414,654	-	-
Trade payables		963,450	921,768	-	-
Amounts due to group undertakings		-	-	101	101
Corporation tax payable		48,300	-	-	-
Other taxation and social security		139,145	622,673	-	-
Other payables		302,535	72,835	-	-
Accruals and deferred income		590,343	570,026	-	-
		<u>6,595,781</u>	<u>5,813,307</u>	<u>101</u>	<u>101</u>

### 20 Non-current liabilities

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Other borrowings	21	<u>243,150</u>	<u>363,750</u>	<u>-</u>	<u>-</u>

### 21 Borrowings

		Group 2017 £	2016 £	Company 2017 £	2016 £
Loans from related parties		243,150	363,750	-	-
Other loans		<u>3,124,553</u>	<u>3,211,351</u>	<u>-</u>	<u>-</u>
		<u>3,367,703</u>	<u>3,575,101</u>	<u>-</u>	<u>-</u>
Payable within one year		3,124,553	3,211,351	-	-
Payable after one year		<u>243,150</u>	<u>363,750</u>	<u>-</u>	<u>-</u>

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 21 Borrowings

(Continued)

The stock finance liability is paid once the associated stock has been sold and is secured by a charge over the boats held in inventories.

The loans from related parties are loans from the shareholders in Ancasta Top Co Limited. The loans carry an interest charge of 3.5% over base rate and are repayable by January 2020.

### 22 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £	Assets 2017 £	Assets 2016 £
<b>Group</b>				
Accelerated/decelerated (asset) capital allowances	1,326	2,618	384	3,805
Retirement benefit obligations	-	-	447	3,338
Other timing differences	-	-	10,294	10,836
	<u>1,326</u>	<u>2,618</u>	<u>11,125</u>	<u>17,979</u>

The company has no deferred tax assets or liabilities.

	Group 2017 £	Company 2017 £
<b>Movements in the year:</b>		
Liability/(asset) at 1 September 2016	(15,361)	-
Charge to profit or loss	5,221	-
Liability/(asset) at 31 August 2017	<u>(10,140)</u>	<u>-</u>

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 23 Retirement benefit schemes

	2017	2016
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	154,985	151,818

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. The company contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the company with respect to the scheme is to make the specified contributions.

Contributions totalling £2,496 (2016: £17,225) were outstanding at the year end.

### 24 Share capital

	Group and company	
	2017	2016
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,150,000 Ordinary shares of £1 each	1,150,000	1,150,000

The company has one class of share capital, one share equals one vote, each having rights to dividends.

### 25 Other reserves

The merger reserve was created after the group reconstruction following the use of merger accounting:

### 26 Retained earnings

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
At the beginning of the year	444,132	724,123	(101)	(38)
Profit/(loss) for the year	213,767	(276,968)	-	(63)
Currency translation differences	-	(3,023)	-	-
At the end of the year	657,899	444,132	(101)	(101)

### 27 Disposals

During the comparative year, the group disposed of its 100% holding in Ancasta Palma SL. Included in these financial statements are profits of £3,119 arising from the company's interests in Ancasta Palma SL up to the date of its disposal.



# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 28 Financial commitments, guarantees and contingent liabilities

The group has a contingent liability in respect of bank borrowings of the group. Liability at the balance sheet date was £nil (2016: £nil). The bank borrowings are secured by a fixed and floating charge over the assets of the group.

During the comparative year the group had a health and safety incident which could result in litigation against one of the groups' subsidiary companies. It is not known whether there will be any litigation and if it were to be successful, whether any fine or compensation may be due. Due to the uncertainty of the outcome, no provision has been made in these financial statements.

### 29 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2017 £	2016 £	Company 2017 £	2016 £
Within one year	245,126	252,989	-	-
Between two and five years	653,518	678,507	-	-
In over five years	942,780	1,060,140	-	-
	<u>1,841,424</u>	<u>1,991,636</u>	<u>-</u>	<u>-</u>

### 30 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	<u>439,225</u>	<u>500,207</u>

#### Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Sales and expenses recharged	
	2017 £	2016 £
Group		
Other related parties	<u>43,623</u>	<u>20,455</u>

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

### 30 Related party transactions

(Continued)

	Rent and purchases		Interest paid	
	2017	2016	2017	2016
	£	£	£	£
<b>Group</b>				
Key management personnel	-	-	6,236	6,292
Other related parties	395,163	493,536	6,236	6,292
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The transactions above were completed at market value under normal trading conditions.

Included in rent and purchases above is £17,000 (2016: £17,000) in relation to purchases made to a LLP of which N Griffith is a member. The remaining other related party transactions for sales and purchases disclosed above are in connection with companies over which N Griffith (director of Ancasta Topco Limited) has significant influence.

The interest paid represents amounts paid to the shareholders of Ancasta Topco Limited in relation to loans made to the group. See note 20 for further details.

The following amounts were outstanding at the reporting end date:

Amounts owed to related parties		2017	2016
		£	£
<b>Group</b>			
Key management personnel		81,375	181,875
Other related parties		228,764	239,420
		<u>          </u>	<u>          </u>
<b>Company</b>			
Entities over which the company has control, joint control or significant influence		101	101
		<u>          </u>	<u>          </u>

All amounts due stated above are unsecured and will be settled in cash.

The key management personnel balance and £161,775 (2016: 181,875) of the other related party balance relates to loans received from the shareholders of Ancasta Topco Limited. See note 20 for further details.

£66,989 (2016: £57,545) of the amounts owed to other related parties are in connection with companies over which N Griffith (director of Ancasta Topco Limited) has significant influence.

The following amounts were outstanding at the reporting end date:

Amounts owed by related parties		2016
		Balance
		£
<b>Group</b>		
Other related parties		487
		<u>          </u>

All amounts due stated above are unsecured and will be settled in cash.

# ANCASTA TOPCO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

### 30 Related party transactions

(Continued)

The amount due from other related parties are in connection with companies over which N Griffith (director of Ancasta Topco Limited) has significant influence.

### 31 Controlling party

The ultimate controlling party of Ancasta Topco Limited is N Griffith.

### 32 Cash generated from group operations

	2017 £	2016 £
Profit/(loss) for the year after tax	213,767	(276,968)
Adjustments for:		
Taxation charged	55,296	8,331
Finance costs	27,411	42,630
Investment income	(186)	(369)
Loss on disposal of property, plant and equipment	448	430
Gain on disposal of business	-	(168,764)
Fair value gains and losses on foreign exchange contracts and investment properties	39,384	(66,610)
Depreciation and impairment of property, plant and equipment	37,184	57,947
Movements in working capital:		
(Increase) in inventories	(99,461)	(814,807)
(Increase)/decrease in trade and other receivables	(675,789)	193,364
Increase/(decrease) in trade and other payables	820,832	(382,689)
<b>Cash generated from/(absorbed by) operations</b>	<b>418,886</b>	<b>(1,407,505)</b>