The Explorer Group Limited

Directors' report and financial statements

Registered number 2433663

31 December 2013

Contents

Strategic Report

The directors present their Strategic Report for the 16 month period ended 31 December 2013.

Principal activities

The principal activity of the company is the manufacture of touring caravans, motorhomes and related products.

Business review and results

The results for the company show a pre-tax loss of £0.2m (*year ended 31 August 2012: loss of £2.1m*) for the period and turnover of £58.7m (*year ended 31 August 2012: £36.6m*).

During the 16 months to 31 December 2013 the company has undertaken two seasons of product launches. Interest in the company's new construction method and products has enabled recruitment of new dealers and expansion into new export territories. Consequently the business has steadily increased production rates to support increased customer demand. The company is well placed to trade competitively in a market which remains uncertain overall.

Principal risks and uncertainties

The Explorer Group Limited's increase in market share masks a total market which continues to be weak. Credit to consumers and dealers is improving but remains a restriction particularly to dealers looking to grow and support a larger stock base.

The company continues its strategy of investing significantly in product innovation and capital equipment in order that its production processes and portfolio remain competitive.

Key performance indicators

The company uses a number of financial and non financial Key Performance Indicators (KPI's) to monitor the performance of the business.

These KPI's address the essential operational areas and parameters such as product quality, and are reported at all levels of the business.

The financial KPI's are:

	16 month period ended 31 December 2013	Year ended 31 August 2012
Turnover	**£58.7m**	£36.6m
Gross margin	**7%**	2%
Net assets	**£4.4m**	£4.6m

Strategic Report *(continued)*

Future developments

The company remains remain focused on its strategy of continual product development and innovation in order to maintain competitiveness across all product ranges.

The company's most recent products have been well received by dealers and retail customers resulting in strong sales and substantial forward orders. The company has responded to the improved customer demand while continuing to operate within its working capital facilities. Therefore the directors remain confident that the company is well placed to manage its opportunities and business risks successfully.

Signed on behalf of the Board

RG Quine
Director

Explorer House
Delves Lane
Consett
Co Durham
DH8 7PE

30 May 2014

Directors' report

The directors present their directors' report and the audited financial statements for the 16 month period ended 31 December 2013.

Dividends

The directors do not recommend the payment of a dividend *(year ended 31 August 2012: £nil).*

Directors and directors' interests

The directors who held office during and subsequent to the period were as follows:

NL Constantine	(resigned 1 October 2013)
NKG Prescot	
RG Quine	
G Robson	
DJ Styles	
DL Akers-Douglas	
MB Henderson	(appointed 25 March 2013)

Employees

Meetings with employees are held to inform them of developments in the business.

It is the company's policy to give full and fair consideration to applications for employment from disabled persons, to give them equal opportunities to other employees and to comply with all relevant legislation. The company would also explore every opportunity to continue the employment of any employee who became disabled.

Disclosure of information to auditor

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

Auditor

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

RG Quine
Director

Explorer House
Delves Lane
Consett
Co Durham
DH8 7PE

30 May 2014

Statement of directors' responsibilities in respect of the Strategic Report and the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

KPMG LLP
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Independent auditor's report to the members of The Explorer Group Limited

We have audited the financial statements of The Explorer Group Limited for the 16 month period ended 31 December 2013 set out on pages 7 to 22. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 4, 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 company's affairs as at 31 December 2013 and of its loss for the 16 month period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of The Explorer Group Limited *(continued)*

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Paul Moran (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

30 May 2014

Profit and loss account
for the 16 month period ended 31 December 2013

	Note	16 month period ended 31 December 2013 £	Year ended 31 August 2012 £
Turnover	*1,2*	**58,701,880**	36,574,679
Cost of sales		**(54,528,610)**	(35,743,333)
Gross profit		**4,173,270**	831,346
Administrative expenses		**(4,316,734)**	(2,931,017)
Operating loss		**(143,464)**	(2,099,671)
Profit on disposal of fixed assets		**-**	1,250
Other interest receivable and similar income	*6*	**388**	10
Interest payable and similar charges	*7*	**(80,303)**	(17,180)
Loss on ordinary activities before taxation	*2-7*	**(223,379)**	(2,115,591)
Tax on loss on ordinary activities	*8*	**5,761**	566,741
Loss for the financial period/year	*18*	**(217,618)**	(1,548,850)

The company had no recognised gains or losses other than the result for the period.

The results of the company arose entirely from continuing operations.

Balance sheet
at 31 December 2013

	Note	31 December 2013 £	£	31 August 2012 £	£
Fixed assets					
Intangible assets	*9*		**-**		-
Tangible assets	*10*		**6,776,242**		6,368,128
Investments	*11*		**12,103**		12,103
			6,788,345		6,380,231
Current assets					
Stocks	*12*	**3,619,737**		2,942,115	
Debtors	*13*	**6,348,835**		4,095,260	
Cash at bank and in hand		**7,504**		1,158	
		9,976,076		7,038,533	
Creditors: amounts falling due within one year	*14*	**(9,679,077)**		(6,438,678)	
Net current assets			**296,999**		599,855
Total assets less current liabilities			**7,085,344**		6,980,086
Creditors: amounts falling due after more than one year	*15*		**(356,207)**		(44,696)
Provisions for liabilities	*16*		**(2,323,232)**		(2,311,867)
Net assets			**4,405,905**		4,623,523
Capital and reserves					
Called up share capital	*17*		**249,572**		249,572
Share premium account	*18*		**300,433**		300,433
Capital redemption reserve	*18*		**3,039,580**		3,039,580
Profit and loss account	*18*		**816,320**		1,033,938
Shareholders' funds			**4,405,905**		4,623,523

These financial statements were approved by the board of directors on 30 May 2014 and were signed on its behalf by:

RG Quine
Director

Registered number: 2433663

Reconciliation of movements in shareholders' funds
for the 16 month period ended 31 December 2013

	16 month period ended 31 December 2013 £	Year ended 31 August 2012 £
Loss for the financial period/year	**(217,618)**	(1,548,850)
Dividends on shares classified in shareholders' funds	-	-
Net reduction in shareholders' funds	**(217,618)**	(1,548,850)
Opening shareholders' funds	**4,623,523**	6,172,373
Closing shareholders' funds	**4,405,905**	4,623,523

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company has recorded a loss before tax of £0.2m in the 16 month period ended 31 December 2013. The company has net assets of £4.4m at 31 December 2013. Taking account of reasonably possible changes in trading performance, projections show that the company is expected to have a sufficient level of financial resources available through its own banking facilities. The directors therefore believe that the company is well placed to manage its business risks and opportunities successfully despite continuing weakness in retail sales. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to prepare the financial statements on a going concern basis.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

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

As the company is a wholly owned subsidiary of Constantine Group plc, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group. The consolidated financial statements of Constantine Group plc, within which this company is included, can be obtained from Companies House.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Fixed assets and depreciation

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	50 years
Plant and machinery	-	3 to 7 years
Motor vehicles	-	4 years

No depreciation is provided on freehold land.

Notes *(continued)*

1 Accounting policies *(continued)*

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Post retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Stocks

Stocks are stated at the lower of cost and net realisable value. For work in progress and finished goods manufactured by the company, cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19.

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) 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.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Provisions

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

Notes *(continued)*

1 Accounting policies *(continued)*

Turnover

Turnover is measured at the fair value of consideration received or receivable on the sale of caravans, motorhomes and retail parts and is recognised when the risk and rewards have been transferred to third party customers, net of discounts and VAT where applicable.

For deliveries deferred, revenues are recognised when the customer takes title to the goods provided it is probable that delivery will be made, the goods are identified and ready for delivery and usual payment terms apply.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Geographical analysis of turnover

The geographical analysis of the company's turnover, which is wholly attributable to the manufacture of touring caravans, motorhomes and related transactions, is as follows:

	16 month period ended 31 December 2013 £	Year ended 31 August 2012 £
United Kingdom	**54,966,615**	35,363,926
Rest of Europe	**953,508**	952,258
Rest of World	**2,781,757**	258,495
	58,701,880	36,574,679

3 Notes to the profit and loss account

	16 month period ended 31 December 2013 £	Year ended 31 August 2012 £
Loss on ordinary activities before taxation is stated:		
After charging/(crediting):		
Auditors' remuneration:		
Audit of these financial statements	**26,460**	25,950
Depreciation and other amounts written off fixed assets:		
Owned	**1,036,444**	858,883
Leased	**53,485**	2,688
Hire of plant and machinery – rentals payable under operating leases	**94,371**	68,894
Foreign exchange losses/(gains)	**54,056**	(79,138)
Amortisation of government grants	**9,900**	(7,425)

Notes *(continued)*

4 Remuneration of directors

	16 month period ended 31 December 2013	Year ended 31 August 2012
	£	£
Directors' emoluments:		
Remuneration as executives	**534,525**	434,217
Company contributions to money purchase pension schemes	**46,627**	36,255
	581,152	470,472

The emoluments of the highest paid director were £195,926 *(year ended 31 August 2012: £167,004)* and company pension contributions of £18,070 (*year ended 31 August 2012: £13,485*) were made to a money purchase scheme on his behalf.

Retirement benefits are accruing to 4 directors *(2012: 4)* under a money purchase scheme.

5 Staff numbers and costs

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

	Number of employees	
	16 month period ended 31 December 2013	Year ended 31 August 2012
Production	**252**	254
Administration	**33**	33
	285	287

Notes *(continued)*

5 Staff numbers and costs *(continued)*

The aggregate payroll costs of these persons were as follows:

	16 month period ended 31 December 2013	Year ended 31 August 2012
	£	£
Wages and salaries	**8,753,387**	6,068,728
Social security costs	**630,598**	428,572
Other pension costs (note 20)	**193,731**	138,666
	9,577,716	6,635,966

6 Other interest receivable and similar income

	16 month period ended 31 December 2013	Year ended 31 August 2012
	£	£
Bank interest	**388**	10

7 Interest payable and similar charges

	16 month period ended 31 December 2013	Year ended 31 August 2012
	£	£
On bank loans and overdrafts	**22,698**	17,180
On amounts due to parent undertaking	**55,721**	-
Finance charges payable in respect of finance leases and hire purchase contracts	**1,884**	-
	80,303	17,180

Notes *(continued)*

8 Taxation

Analysis of credit in period

	16 month period ended 31 December 2013 £	£	Year ended 31 August 2012 £	£
UK corporation tax				
Current tax on income for the period	**33,850**		(144,240)	
Adjustments in respect of prior periods	**(2,364)**		1,819	
Group relief adjustments in respect of prior periods	**(251)**		(2,896)	
Group relief payable/(receivable) in respect of current period	**-**		(375,902)	
Total current tax		**31,235**		(521,219)
Deferred tax (see note 13)				
Reversal of timing differences	**(47,165)**		(53,120)	
Adjustments in respect of prior years	**(6,748)**		1,526	
Change in tax rate	**16,917**		6,072	
		(36,996)		(45,522)
Tax on loss on ordinary activities		**(5,761)**		(566,741)

Notes *(continued)*

8 Taxation *(continued)*

The current tax charge/(credit) for the period is higher *(2012: lower)* than the standard rate of corporation tax in the UK 23.44 %, *(2012: 25.17%)*. The differences are explained below:

	16 month period ended 31 December 2013	Year ended 31 August 2012
	£	£
Current tax reconciliation		
Loss on ordinary activities before tax	**(223,379)**	(2,115,591)
Current tax at 23.44% *(2012: 25.17%)*	**(52,360)**	(532,283)
Effects of:		
Expenses not deductible for tax purposes	**32,102**	41,972
Short term timing differences	**2,064**	64
Capital allowances for period less than depreciation	**59,155**	48,711
Research and development tax credits	**-**	(64,017)
Adjustments in respect of prior periods	**(2,615)**	(1,077)
Income not taxable	**-**	(1,868)
Losses carried back at higher rate of tax	**-**	(12,721)
Utilisation of tax losses	**(7,111)**	-
Total current tax charge (see above)	**31,235**	(521,219)

Factors that may affect future, current and total tax charges

A reduction in the UK corporation tax rate from 24% to 23% became effective from 1 April 2013 and further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2013 has been calculated based on the rates substantively enacted at the balance sheet date.

Notes *(continued)*

9 Intangible fixed assets

	Goodwill
	£
Cost	
At beginning and end of period	261,570
Amortisation	
At beginning and end of period	261,570
Net book value	
At 31 December 2013	**-**
At 31 August 2012	-

Intangible fixed assets at 31 December 2013 relate to goodwill on acquisition of the name and certain assets of Buccaneer Caravans in August 1999.

10 Tangible fixed assets

	Freehold land and buildings	Plant, machinery and office equipment	Motor vehicles	Assets in the course of construction	Total
	£	£	£	£	£
Cost					
At beginning of period	5,421,734	9,041,018	254,810	-	14,717,562
Additions	48,124	1,195,361	-	254,558	1,498,043
At end of period	5,469,858	10,236,379	254,810	254,558	16,215,605
Depreciation					
At beginning of period	927,540	7,203,734	218,160	-	8,349,434
Charge for period	129,353	937,810	22,766	-	1,089,929
At end of period	1,056,893	8,141,544	240,926	-	9,439,363
Net book value					
At 31 December 2013	**4,412,965**	**2,094,835**	**13,884**	**254,558**	**6,776,242**
At 31 August 2012	4,494,194	1,837,284	36,650	-	6,368,128

Included in the net book value of plant and machinery, office equipment is £715,867 *(31 August 2012: £77,973)* in respect of assets held under finance leases. Depreciation for the period on these assets was £53,485 *(year ended 31 August 2012: £2,688)*.

The gross book value of freehold land and buildings includes £585,000 *(31 August 2012: £585,000)* in respect of freehold land which is not depreciated.

Notes *(continued)*

11 Fixed asset investments

	Shares in group undertakings
	£
Cost	
At beginning and end of period	1,637,892
Provisions	
At beginning and end of period	1,625,790
Net book value	
At 31 December 2013	**12,103**
At 31 August 2012	12,103

At 31 December 2013 the company owned all of the issued share capital of the following companies, each of which is dormant, incorporated in Great Britain and registered in England and Wales.

Subsidiary undertakings
Elddis Caravans (Consett) Limited
Autohomes Limited
Compass Caravans Limited

12 Stock

	31 December 2013	31 August 2012
	£	£
Raw materials and consumables	**2,052,962**	1,299,300
Work in progress	**827,926**	450,280
Finished goods	**738,849**	1,192,535
	3,619,737	2,942,115

13 Debtors

	31 December 2013	31 August 2012
	£	£
Trade debtors	**5,699,640**	3,090,251
Prepayments and accrued income	**488,999**	360,743
Deferred tax	**159,945**	122,949
Group relief receivable	**251**	375,902
Corporation tax receivable	**-**	145,415
	6,348,835	4,095,260

Notes *(continued)*

13 Debtors *(continued)*

	Deferred taxation £
At beginning of period	122,949
Credit for the period (note 8)	36,996
At end of period	159,945

The elements of deferred taxation are as follows:

	31 December 2013 £	31 August 2012 £
Difference between accumulated depreciation and amortisation and capital allowances	**154,878**	110,379
Other timing differences	**5,067**	12,570
Deferred tax asset	**159,945**	122,949

14 Creditors: amounts falling due within one year

	31 December 2013 £	31 August 2012 £
Bank overdraft	**383,610**	718,129
Trade creditors	**7,040,912**	3,912,279
Amounts owed to group companies	**172,761**	112,100
Accruals and deferred income	**1,671,278**	1,546,825
Corporation tax	**32,821**	-
Other taxes and social security	**181,924**	124,926
Group relief payable	**-**	-
Obligations under finance leases and hire purchase contracts (note 15)	**195,771**	24,419
	9,679,077	6,438,678

The overdraft is secured by a legal charge over the land and a debenture over the entire assets of the company.

Notes *(continued)*

15 Creditors: amounts falling due after more than one year

	31 December 2013 £	31 August 2012 £
Obligations under finance lease and hire purchase contracts	**356,207**	44,696

The maturity of obligations under finance lease and hire purchase contracts is as follows:

	31 December 2013 £	31 August 2012 £
Within one year	**195,771**	24,419
In the second to fifth year	**356,207**	44,696
	551,978	69,115

The obligation under finance leases and hire purchase contracts are secured on the assets to which they relate.

16 Provisions for liabilities

	Warranty provision £
At beginning of period	2,311,867
Utilised during period	(1,171,592)
Charge to the profit and loss for the period	1,182,958
At end of period	2,323,232

The provision represents estimated future costs in respect of warranty obligations arising from caravan and motor home sales. The warranty period is up to ten years.

Previously the effect of discounting the warranty provision was considered not material and therefore the provision was not discounted. The warranty period has recently been extended to 10 years which increases the impact of discounting. Accordingly the provision has been discounted the first time at 31 December 2013. This discount will start to unwind in subsequent accounting periods.

17 Called up share capital

	31 December 2013 £	31 August 2012 £
Authorised		
Ordinary shares of £1 each	**783,333**	783,333
Allotted, called up and fully paid		
Ordinary shares of £1 each	**249,572**	249,572

Notes *(continued)*

18 Share premium and reserves

	Share premium account £	Capital redemption reserve £	Profit and loss account £
At beginning of period	300,433	3,039,580	1,033,938
Loss for period	-	-	(217,618)
At end of period	**300,433**	**3,039,580**	**816,320**

The cumulative amount of goodwill written off to the company profit and loss account is £4,126,349 *(31 August 2012: £4,126,349)*.

19 Commitments

a) Capital commitments at the end of the financial period for which no provision has been made, are as follows:

	31 December 2013 £	31 August 2012 £
Contracted	**1,590,813**	383,700

b) Annual commitments under non-cancellable operating leases are as follows:

	31 December 2013 Plant and machinery £	31 August 2012 Plant and machinery £
Operating leases which expire:		
Within one year	**58,706**	16,065
In the second to fifth years inclusive	**74,509**	33,002
	133,215	49,067

Notes *(continued)*

20 Pension scheme

The company makes payments into a defined contribution pension scheme. The pension cost charge for the period in respect of the scheme represents contributions payable by the group to the scheme and amounted to £193,731 *(year ended 31 August 2012: £138,666)*.

Contributions amounting to £18,126 *(31 August 2012: £16,527)* were payable to the scheme and are included in creditors.

21 Ultimate parent company and parent undertaking of larger group

The company is a subsidiary undertaking of Constantine Group plc, a company incorporated in Great Britain. Constantine Group plc is the company's ultimate controlling party.

The only group in which the results of the company are consolidated is that headed by Constantine Group plc. The consolidated accounts of this company are available to the public and may be obtained from Companies House.