

**MICHAEL JORDAN CARAVANS LIMITED**

**UNAUDITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2016**



Chartered Accountants and  
Chartered Tax Advisers  
Statutory Auditors

WEDNESDAY



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**MICHAEL JORDAN CARAVANS LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

Mr M K Jordan  
Mr S Barnett-Higgins

**COMPANY SECRETARY**

Mr M K Jordan

**REGISTERED NUMBER**

01192589

**REGISTERED OFFICE**

Station Approach  
Gomshall  
Surrey  
GU5 9NX

**ACCOUNTANTS**

Wellden Turnbull Ltd  
Chartered Accountants  
Munro House  
Portsmouth Road  
Cobham  
Surrey  
KT11 1PP

# **MICHAEL JORDAN CARAVANS LIMITED**

## **CONTENTS**

	<b>Page</b>
<b>Directors' report</b>	<b>1</b>
<b>Accountants' report</b>	<b>2</b>
<b>Statement of income and retained earnings</b>	<b>3</b>
<b>Balance sheet</b>	<b>4</b>
<b>Notes to the financial statements</b>	<b>5 - 9</b>

**MICHAEL JORDAN CARAVANS LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report and the financial statements for the year ended 31 December 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the sale of caravans, motorhomes and related accessories.

**RESULTS**

The profit for the year, after taxation, amounted to £430,238 (2015 - £234,505).

**DIRECTORS**

The directors who served during the year were:

Mr M K Jordan  
Mr S Barnett-Higgins

This report was approved by the board on

*11th April 2017*

and signed on its behalf.

*M Jordan*  
Mr M K Jordan  
Director

**MICHAEL JORDAN CARAVANS LIMITED**

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF  
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MICHAEL JORDAN CARAVANS LIMITED  
FOR THE YEAR ENDED 31 DECEMBER 2016**

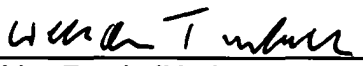
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Michael Jordan Caravans Limited for the year ended 31 December 2016 which comprise the statement of income and retained earnings, the balance sheet and the related notes from the company accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/regulations](http://icaew.com/regulations).

This report is made solely to the board of directors of Michael Jordan Caravans Limited, as a body, in accordance with the terms of our engagement as detailed at [wtca.co.uk/company-terms-conditions](http://wtca.co.uk/company-terms-conditions). Our work has been undertaken solely to prepare for your approval the financial statements of Michael Jordan Caravans Limited and state those matters that we have agreed to state to them in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Michael Jordan Caravans Limited and its board of directors, as a body, for our work or for this report.

It is your duty to ensure that Michael Jordan Caravans Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and profit. You consider that Michael Jordan Caravans Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Michael Jordan Caravans Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

  
**Wellden Turnbull Ltd**  
Chartered Accountants  
Munro House  
Portsmouth Road  
Cobham  
Surrey  
KT11 1PP

Date: 28/4/17

**MICHAEL JORDAN CARAVANS LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2015 £
Turnover	10,278,751	8,427,614
Cost of sales	(9,273,104)	(7,490,356)
<b>GROSS PROFIT</b>	<u>1,005,647</u>	<u>937,258</u>
Administrative expenses	(512,888)	(693,425)
Other operating income	49,714	58,593
<b>OPERATING PROFIT</b>	<u>542,473</u>	<u>302,426</u>
Interest receivable and similar income	4,438	2,804
Interest payable and expenses	(3,575)	(5,221)
<b>PROFIT BEFORE TAX</b>	<u>543,336</u>	<u>300,009</u>
Tax on profit	(113,098)	(65,504)
<b>PROFIT AFTER TAX</b>	<u><u>430,238</u></u>	<u><u>234,505</u></u>
Retained earnings at the beginning of the year	4,778,020	4,576,887
	<u>4,778,020</u>	<u>4,576,887</u>
Profit for the year	430,238	234,505
Dividends declared and paid	(33,931)	(33,372)
<b>RETAINED EARNINGS AT THE END OF THE YEAR</b>	<u><u>5,174,327</u></u>	<u><u>4,778,020</u></u>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of income and retained earnings.

**MICHAEL JORDAN CARAVANS LIMITED**  
**REGISTERED NUMBER: 01192589**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

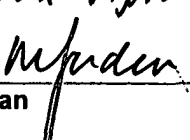
		2016 £	2016 £	2015 £	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	4		992,359		989,079
			<u>992,359</u>		<u>989,079</u>
<b>CURRENT ASSETS</b>					
Stocks		4,120,321		3,743,998	
Debtors: amounts falling due within one year	5	116,912		327,895	
Cash at bank and in hand		2,552,904		2,483,354	
		<u>6,790,137</u>		<u>6,555,247</u>	
Creditors: amounts falling due within one year	6	(2,548,169)		(2,706,306)	
<b>NET CURRENT ASSETS</b>			4,241,968		3,848,941
<b>NET ASSETS</b>			<u><u>5,234,327</u></u>		<u><u>4,838,020</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		30,000		30,000
Capital redemption reserve			30,000		30,000
Profit and loss account			5,174,327		4,778,020
			<u><u>5,234,327</u></u>		<u><u>4,838,020</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

17th April 2017  
  
**Mr M K Jordan**  
 Director

## **MICHAEL JORDAN CARAVANS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. GENERAL INFORMATION**

Michael Jordan Limited is a private company, limited by shares and incorporated in England and Wales. The address of the registered office and the registered number is given on the company information page of these financial statements.

#### **2. ACCOUNTING POLICIES**

##### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The following principal accounting policies have been applied:

##### **2.2 REVENUE**

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.



## **MICHAEL JORDAN CARAVANS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

## **2. ACCOUNTING POLICIES (CONTINUED)**

### **2.3 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Land and Buildings	-	2% straight line
Plant and machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income and retained earnings.

### **2.4 OPERATING LEASES: THE COMPANY AS LESSEE**

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

### **2.5 STOCKS**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

### **2.6 FINANCIAL INSTRUMENTS**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

For financial assets measured at cost less impairment, the impairment loss is measured as the

## **MICHAEL JORDAN CARAVANS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.6 FINANCIAL INSTRUMENTS (CONTINUED)**

difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

##### **2.7 DEBTORS**

Short term debtors are measured at transaction price, less any impairment.

##### **2.8 CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.9 CREDITORS**

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.10 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

##### **2.11 TAXATION**

Tax is recognised in the statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### **2.12 INTEREST INCOME**

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

# MICHAEL JORDAN CARAVANS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 2. ACCOUNTING POLICIES (CONTINUED)

#### 2.13 PENSIONS

##### DEFINED CONTRIBUTION PENSION PLAN

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

### 3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 24 (2015 - 25).

### 4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>COST OR VALUATION</b>						
At 1 January 2016	1,300,262	22,913	49,635	78,794	105,450	1,557,054
Additions	-	-	39,998	-	-	39,998
Disposals	-	-	(33,325)	-	-	(33,325)
At 31 December 2016	1,300,262	22,913	56,308	78,794	105,450	1,563,727
<b>DEPRECIATION</b>						
At 1 January 2016	320,047	22,825	42,233	77,632	105,237	567,974
Charge for the period on owned assets	20,747	88	9,448	290	213	30,786
Disposals	-	-	(27,394)	-	-	(27,394)
At 31 December 2016	340,794	22,913	24,287	77,922	105,450	571,366
<b>NET BOOK VALUE</b>						
At 31 December 2016	959,468	-	32,021	872	-	992,361
At 31 December 2015	980,215	88	7,402	1,161	213	989,079

Included in land and buildings is freehold land at cost of £393,238 (2015 - £393,238).

# MICHAEL JORDAN CARAVANS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 5. DEBTORS

	2016 £	2015 £
<b>Due within one year</b>		
Trade debtors	6,380	4,006
Other debtors	97,070	270,957
Prepayments and accrued income	13,463	52,930
	<u>116,913</u>	<u>327,893</u>

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	2,323,406	2,521,836
Corporation tax	113,098	65,504
Taxation and social security	3,355	10,240
Other creditors	43,040	41,441
Accruals & deferred income	65,270	67,285
	<u>2,548,169</u>	<u>2,706,306</u>

Of the year end trade creditor balance, £2,281,988 (2015 - £2,435,673) is secured by a fixed and floating charge over the assets of the company, including a legal charge over the freehold land and building.

### 7. SHARE CAPITAL

	2016 £	2015 £
<b>SHARES CLASSIFIED AS EQUITY</b>		
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

### 8. RELATED PARTY TRANSACTIONS

Dividends of £33,931 (2015 - £33,372) were paid to a director in the year.