



Accountants &
business advisers

Company No 05132696

FLAGDAWN LIMITED

Annual Report

Period ended 31 October 2009



Client No 1070287

Registrar's Copy

PKF (UK) LLP
Accountants and business advisers
Pannell House
159 Charles Street
Leicester
LE1 1LD

FLAGDAWN LIMITED

COMPANY INFORMATION

Directors	A M J Scott P S Clarke
Company secretary	P S Clarke
Company number	05132696
Registered office	Pannell House 159 Charles Street Leicester LE1 1LD
Auditors	PKF (UK) LLP Pannell House 159 Charles Street Leicester LE1 1LD

FLAGDAWN LIMITED

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FLAGDAWN LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2009

The directors present their report and the financial statements for the year ended 31 October 2009

Principal activities

The principal activity of the company continues to that of holding investments and of the subsidiaries, that of retailing and servicing of caravans

Business review

On 30 October 2008 the company acquired the shares of The Caravan Company (Wimborne) Limited, The Caravan Company (Northampton) Limited and Futuredrive Limited. These companies are all involved in the retailing and servicing of caravans.

During the year, the company acquired the entire share capital of the newly incorporated companies, The Caravan Company (Reading) Limited and The Caravan Company (Properties) Limited.

The Caravan Company (Reading) Limited commenced trading selling caravans and The Caravan Company (Properties) Limited acquired freehold land which is used by the fellow subsidiary in its trade.

The group have generated profits before tax of £518,185 and have net assets of £925,718. The group faces no major risks other than the general market risks which are found by all entities operating in this field.

Results

The profit for the year, after taxation, amounted to £364,662 (2008 - £15,156).

Directors

The directors who served during the year were

A M J Scott
P S Clarke

Future developments

The directors plan to continue to trade profitably and to take advantage of opportunities as and when they arise.

Financial instruments

The company has trade debtors and trade creditors on normal terms. All of its transactions are in sterling. It has loans secured on freehold property and caravans but uses no other financial instruments and does not use financial instruments as part of its financial risk management. It is not exposed to any credit risk as cash is received before caravans are despatched. The nature of its financial instruments means that it is not subject to price or liquidity risk.

FLAGDAWN LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2009**

Provision of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information

This report was approved by the board on 7 June 2010 and signed on its behalf


P S Clarke
Secretary

FLAGDAWN LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law 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 company and the group 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 judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group 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 the group 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 company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FLAGDAWN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FLAGDAWN LIMITED

We have audited the group financial statements of Flagdawn Limited for the year ended 31 October 2009 which comprise the group profit and loss account, the group and parent company balance sheets, the group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 auditors' 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 auditors

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. Our responsibility is to audit 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

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 October 2009 and of the group's profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

FLAGDAWN LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FLAGDAWN LIMITED

Matters on which we are required to report by exception

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

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

PKF (UK) LLP

Stephen King
Senior statutory auditor
Leicester

for and on behalf of PKF (UK) LLP, Statutory auditors

11 June 2010

FLAGDAWN LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	Note	2009 £	2008 £
TURNOVER	1,2	10,531,346	45,000
Cost of sales		(7,995,797)	-
GROSS PROFIT		2,535,549	45,000
Selling and distribution costs		(390,687)	-
Administrative expenses		(1,615,375)	15,666
Other operating income	3	54,516	-
OPERATING PROFIT	4	584,003	60,666
Interest payable	7	(65,818)	(41,582)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		518,185	19,084
Tax on profit on ordinary activities	8	(153,523)	(3,928)
PROFIT FOR THE FINANCIAL YEAR	19	364,662	15,156

All amounts relate to continuing operations

The notes on pages 11 to 25 form part of these financial statements

FLAGDAWN LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2009**

	2009 £	2008 £
PROFIT FOR THE FINANCIAL YEAR	364,662	15,156
Unrealised surplus on revaluation of tangible fixed assets	267,921	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	632,583	15,156

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2009**

	2009 £	2008 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	518,185	19,084
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	518,185	19,084
HISTORICAL PROFIT FOR THE YEAR AFTER TAXATION	364,662	15,156

The notes on pages 11 to 25 form part of these financial statements

FLAGDAWN LIMITED
REGISTERED NUMBER 05132696

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Intangible fixed assets	9		95,267		105,852
Tangible fixed assets	10		1,762,954		303,630
Investment property	11		-		382,079
			<u>1,858,221</u>		<u>791,561</u>
CURRENT ASSETS					
Stocks	13	1,300,406		1,525,196	
Debtors	14	140,268		212,633	
Cash at bank and in hand		129,071		10,017	
		<u>1,569,745</u>		<u>1,747,846</u>	
CREDITORS amounts falling due within one year	15	(1,512,529)		(1,596,413)	
NET CURRENT ASSETS			<u>57,216</u>		<u>151,433</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,915,437</u>		<u>942,994</u>
CREDITORS amounts falling due after more than one year	16		(975,105)		(405,796)
PROVISIONS FOR LIABILITIES					
Deferred tax	17		(14,614)		(4,063)
NET ASSETS			<u>925,718</u>		<u>533,135</u>
CAPITAL AND RESERVES					
Called up share capital	18		500,100		500,100
Revaluation reserve	19		267,921		-
Profit and loss account	19		157,697		33,035
SHAREHOLDERS' FUNDS	20		<u>925,718</u>		<u>533,135</u>

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

7 June 2010.

A M J Scott
Director

P S Clarke
Director

The notes on pages 11 to 25 form part of these financial statements

FLAGDAWN LIMITED
REGISTERED NUMBER. 05132696

COMPANY BALANCE SHEET
AS AT 31 OCTOBER 2009

	Note	£	2009 £	£	2008 £
FIXED ASSETS					
Tangible fixed assets	10		679,511		17,922
Investment property	11		-		382,079
Fixed asset investments	12		500,200		500,000
			<u>1,179,711</u>		<u>900,001</u>
CURRENT ASSETS					
Debtors	14	268,234		-	
Cash at bank		4,342		1,336	
		<u>272,576</u>		<u>1,336</u>	
CREDITORS amounts falling due within one year	15	(208,614)		(44,355)	
NET CURRENT ASSETS/(LIABILITIES)			63,962		(43,019)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,243,673</u>		<u>856,982</u>
CREDITORS amounts falling due after more than one year	16		(427,090)		(323,847)
NET ASSETS			<u>816,583</u>		<u>533,135</u>
CAPITAL AND RESERVES					
Called up share capital	18		500,100		500,100
Revaluation reserve	19		267,921		-
Profit and loss account	19		48,562		33,035
SHAREHOLDERS' FUNDS	20		<u>816,583</u>		<u>533,135</u>

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

7 June 2010.

A M J Scott
 Director

P S Clarke
 Director

The notes on pages 11 to 25 form part of these financial statements

FLAGDAWN LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	Note	2009 £	2008 £
Net cash flow from operating activities	22	983,919	40,048
Returns on investments and servicing of finance	23	(65,818)	(25,887)
Taxation	23	(41,409)	(443)
Capital expenditure and financial investment	23	(826,883)	-
Acquisitions and disposals	23	-	(1,281,835)
Equity dividends paid		(240,000)	-
CASH OUTFLOW BEFORE FINANCING		(190,191)	(1,268,117)
Financing	23	509,325	-
INCREASE/(DECREASE) IN CASH IN THE YEAR		319,134	(1,268,117)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 OCTOBER 2009**

	2009 £	2008 £
Increase/(Decrease) in cash in the year	319,134	(1,268,117)
Cash inflow from increase in debt and lease financing	(509,325)	-
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	(190,191)	(1,268,117)
Other non-cash changes	(61,999)	-
MOVEMENT IN NET DEBT IN THE YEAR	(252,190)	(1,268,117)
Net debt at 1 November 2008	(1,689,527)	(421,410)
NET DEBT AT 31 OCTOBER 2009	(1,941,717)	(1,689,527)

The notes on pages 11 to 25 form part of these financial statements

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2009

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land & buildings and in accordance with applicable accounting standards

1.2 Basis of consolidation

The financial statements consolidate the accounts of Flagdawn Limited and all of its subsidiary undertakings ('subsidiaries')

The results of subsidiaries acquired during the year are included from the effective date of acquisition

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life of ten years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property improvements	-	10%	straight line
Plant & machinery	-	20%	reducing balance
Motor vehicles	-	25%	reducing balance
Fixtures & fittings	-	20%	reducing balance
Office equipment	-	20%	reducing balance

Freehold land is not depreciated

1.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

1.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2009

1. ACCOUNTING POLICIES (continued)

1.8 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and the group.

1.9 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1 10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1 11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2 TURNOVER

The whole of the turnover is attributable to principal activities of the group.

All turnover arose within the United Kingdom.

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

3 OTHER OPERATING INCOME

	2009 £	2008 £
Miscellaneous Income	30,195	-
Rental Income	22,936	-
Sundry income	1,385	-
	<u>54,516</u>	<u>-</u>

4 OPERATING PROFIT

The operating profit is stated after charging

	2009 £	2008 £
Amortisation - intangible fixed assets	10,585	-
Depreciation of tangible fixed assets		
- owned by the group	47,818	-
- held under finance leases	10,628	-
Operating lease rentals - property	<u>168,500</u>	<u>-</u>

Auditors fees for the group were £11,300

5 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2009 £	2008 £
Wages and salaries	920,693	-
Social security costs	93,434	-
	<u>1,014,127</u>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows

	2009 No	2008 No
Sales and administrative	<u>39</u>	<u>2</u>

6 DIRECTORS' REMUNERATION

	2009 £	2008 £
Emoluments	<u>187,756</u>	<u>-</u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

7 INTEREST PAYABLE

	2009 £	2008 £
On bank loans and overdrafts	38,184	16,217
On other loans	23,307	15,696
On finance leases and hire purchase contracts	4,327	9,669
	<u>65,818</u>	<u>41,582</u>

8 TAXATION

	2009 £	2008 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	140,008	3,928
Adjustments in respect of prior periods	2,964	-
Total current tax	<u>142,972</u>	<u>3,928</u>
Deferred tax (see note 17)		
Origination and reversal of timing differences	10,551	-
Tax on profit on ordinary activities	<u>153,523</u>	<u>3,928</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2008 - lower than) the standard rate of corporation tax in the UK (28%) The differences are explained below

	2009 £	2008 £
Profit on ordinary activities before tax	<u>518,185</u>	<u>19,084</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 21%)	145,092	4,008
Effects of		
Expenses not deductible for tax purposes	6,864	(80)
Capital allowances for year in excess of depreciation	(3,769)	-
Adjustments to tax charge in respect of prior periods	2,964	-
Marginal relief	(7,743)	-
Difference in rates	(436)	-
Current tax charge for the year (see note above)	<u>142,972</u>	<u>3,928</u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

9 INTANGIBLE FIXED ASSETS

	Goodwill £
Group	
Cost	
At 1 November 2008 and 31 October 2009	105,852
Amortisation	
Charge for the year	10,585
At 31 October 2009	10,585
Net book value	
At 31 October 2009	95,267
At 31 October 2008	105,852

10 TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Group					
Cost or valuation					
At 1 November 2008	255,106	121,024	83,437	98,272	557,839
Additions	735,218	20,940	122,046	24,708	902,912
Disposals	-	(21,490)	(51,162)	(74,697)	(147,349)
Transfer from investment property	382,079	-	-	-	382,079
Revaluation	267,921	-	-	-	267,921
At 31 October 2009	1,640,324	120,474	154,321	48,283	1,963,402
Depreciation					
At 1 November 2008	89,063	64,270	35,663	65,213	254,209
Charge for the year	16,937	11,232	24,854	5,423	58,446
On disposals	-	(17,090)	(38,213)	(56,904)	(112,207)
At 31 October 2009	106,000	58,412	22,304	13,732	200,448
Net book value					
At 31 October 2009	1,534,324	62,062	132,017	34,551	1,762,954
At 31 October 2008	166,043	56,754	47,774	33,059	303,630

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

10 TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

Group	2009 £	2008 £
Plant and machinery	-	31,055
Motor vehicles	81,942	33,594
	<u>81,942</u>	<u>64,649</u>

Included in land and buildings is freehold land at cost of £1,079,745 (2008 £Nil) that is not depreciated

Cost or valuation at 31 October 2009 is as follows

Group	Land and buildings £
At cost	1,372,403
At valuation 2009	<u>267,921</u>
	<u>1,640,324</u>

The freehold land and buildings was revalued in February 2009 by an independent firm of Chartered Surveyors on an open market existing use basis

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

Group	2009 £	2008 £
Cost	1,372,403	-
Accumulated depreciation	-	-
Net book value	<u>1,372,403</u>	<u>-</u>

FLAGDAWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

10 TANGIBLE FIXED ASSETS (Continued)

	Freehold land £
Company	
Cost or valuation	
At 1 November 2008	17,922
Additions	11,589
Transfer from Investment property	382,079
Revaluation surplus/(deficit)	267,921
	<hr/>
At 31 October 2009	679,511
	<hr/>
Depreciation	
At 1 November 2008 and 31 October 2009	-
	<hr/>
Net book value	
At 31 October 2009	679,511
	<hr/>
At 31 October 2008	17,922
	<hr/>

Cost or valuation at 31 October 2009 is as follows

	Freehold land £
Company	
At cost	411,590
At valuation	
2009	267,921
	<hr/>
	679,511
	<hr/>

The freehold land and buildings was revalued in February 2009 by an independent firm of Chartered Surveyors on an open market existing use basis

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2009 £	2008 £
Company		
Cost	411,590	-
Accumulated depreciation	-	-
	<hr/>	<hr/>
Net book value	411,590	-
	<hr/>	<hr/>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

11 INVESTMENT PROPERTY

	Freehold land £
Group	
Cost	
At 1 November 2008	382,079
Transfer to tangible fixed assets	(382,079)
	<hr/>
At 31 October 2009	-
	<hr/>
Company	
Cost	
At 1 November 2008	382,079
Transfer to tangible fixed assets	(382,079)
	<hr/>
At 31 October 2009	-
	<hr/>

12 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Company	
Cost	
At 1 November 2008	500,000
Additions	200
	<hr/>
At 31 October 2009	500,200
	<hr/>

Details of the principal subsidiaries can be found under note 28

13. STOCKS

	Group		Company	
	2009	2008	2009	2008
	£	£	£	£
Finished goods and goods for resale	1,300,406	1,525,196	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

14 DEBTORS

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	64,740	75,044	-	-
Amounts owed by group undertakings	-	-	267,923	-
Deferred tax asset	-	-	-	-
Other debtors	75,528	137,589	311	-
	<u>140,268</u>	<u>212,633</u>	<u>268,234</u>	<u>-</u>

15. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Bank loans and overdrafts	1,069,267	1,269,347	40,736	40,428
Net obligations under finance leases and hire purchase contracts	26,416	24,401	-	-
Trade creditors	133,259	210,758	-	-
Amounts owed to group undertakings	-	-	159,251	-
Corporation tax	140,305	38,742	4,128	3,927
Social security and other taxes	106,552	37,583	-	-
Other creditors	36,730	15,582	4,499	-
	<u>1,512,529</u>	<u>1,596,413</u>	<u>208,614</u>	<u>44,355</u>

The bank loans and overdrafts are secured over the group's freehold land and buildings

16. CREDITORS
Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Bank loans	924,527	385,445	427,090	323,847
Net obligations under finance leases and hire purchase contracts	50,578	20,351	-	-
	<u>975,105</u>	<u>405,796</u>	<u>427,090</u>	<u>323,847</u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

16 CREDITORS:
Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Repayable by instalments	266,739	162,135	265,719	162,135

The bank loans and overdrafts are secured over part of the freehold land and buildings and by fixed and floating charges over the group's assets

There are two loans which are repayable over more than 5 years. The terms of repayment are as follows

Loan 1

The loan together with the interest thereon is to be repaid by 179 monthly instalments from June 2006. Interest is charged at a rate which is equivalent to 1.65% per annum above the bank's base rate.

Loan 2

The loan together with the interest thereon is to be repaid by 179 monthly instalments from April 2009. Interest is charged at a rate which is equivalent to 2.95% per annum above the bank's base rate.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Between one and five years	50,578	20,351	-	-

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

17. DEFERRED TAXATION

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
At beginning of year	4,063	4,063	-	-
Charge for the year	10,551	-	-	-
At end of year	<u>14,614</u>	<u>4,063</u>	<u>-</u>	<u>-</u>

The provision for deferred taxation is made up as follows

	<u>Group</u>		<u>Company</u>	
	2009	2008	2009	2008
	£	£	£	£
Accelerated capital allowances	<u>14,614</u>	<u>4,063</u>	<u>-</u>	<u>-</u>

18. SHARE CAPITAL

	2009	2008
	£	£
Authorised		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
500,100 Ordinary shares of £1 each	<u>500,100</u>	<u>500,100</u>

19. RESERVES

	Revaluation reserve £	Profit and loss account £
Group		
At 1 November 2008		33,035
Profit for the year		364,662
Dividends Equity capital		(240,000)
Surplus on revaluation of freehold property	267,921	
At 31 October 2009	<u>267,921</u>	<u>157,697</u>
Company		
At 1 November 2008		33,035
Profit for the year		255,527
Dividends Equity capital		(240,000)
Surplus on revaluation of freehold property	267,921	
At 31 October 2009	<u>267,921</u>	<u>48,562</u>

FLAGDAWN LIMITED

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20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Group		
Opening shareholders' funds	533,135	167,979
Profit for the year	364,662	15,156
Dividends (Note 21)	(240,000)	(150,000)
Shares issued during the year	-	500,000
Other recognised gains and losses during the year	267,921	-
	<u>925,718</u>	<u>533,135</u>
Closing shareholders' funds	<u>925,718</u>	<u>533,135</u>
	2009	2008
	£	£
Company		
Opening shareholders' funds	533,135	17,980
Profit for the year	255,527	15,155
Dividends (Note 21)	(240,000)	-
Shares issued during the year	-	500,000
Other recognised gains and losses during the year	267,921	-
	<u>816,583</u>	<u>533,135</u>
Closing shareholders' funds	<u>816,583</u>	<u>533,135</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the year dealt with in the accounts of the company was £255,527 (2008 - £15,155)

21. DIVIDENDS

	2009	2008
	£	£
Dividends paid on equity capital	<u>240,000</u>	<u>150,000</u>

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2009	2008
	£	£
Operating profit	584,003	44,970
Amortisation of intangible fixed assets	10,585	-
Depreciation of tangible fixed assets	58,446	-
Loss on disposal of tangible fixed assets	21,112	-
Decrease in stocks	224,790	-
Decrease in debtors	72,365	-
Increase/(decrease) in creditors	12,618	(4,922)
	<u>983,919</u>	<u>40,048</u>
Net cash inflow from operations	<u>983,919</u>	<u>40,048</u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2009 £	2008 £
Returns on investments and servicing of finance		
Interest paid	(65,818)	(25,887)
	<u></u>	<u></u>
	2009 £	2008 £
Taxation		
Corporation tax repaid/(paid)	(41,409)	(443)
	<u></u>	<u></u>
	2009 £	2008 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(840,913)	-
Sale of tangible fixed assets	14,030	-
	<u></u>	<u></u>
Net cash outflow from capital expenditure	(826,883)	-
	<u></u>	<u></u>
	2009 £	2008 £
Acquisitions and disposals		
Cash acquired on aquisition	-	(1,281,835)
	<u></u>	<u></u>
	2009 £	2008 £
Financing		
New secured loans	622,500	-
Repayment of loans	(83,418)	-
Repayment of finance leases	(29,757)	-
	<u></u>	<u></u>
Net cash inflow from financing	509,325	-
	<u></u>	<u></u>

FLAGDAWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2009

24 ANALYSIS OF CHANGES IN NET DEBT

	1 November 2008 £	Cash flow £	Other non-cash changes £	31 October 2009 £
Cash at bank and in hand	10,017	119,054	-	129,071
Bank overdraft	(1,269,347)	200,080	-	(1,069,267)
	<u>(1,259,330)</u>	<u>319,134</u>	<u>-</u>	<u>(940,196)</u>
Debt:				
Debts due within one year	(24,401)	59,984	(61,999)	(26,416)
Debts falling due after more than one year	(405,796)	(569,309)	-	(975,105)
	<u>(1,689,527)</u>	<u>(190,191)</u>	<u>(61,999)</u>	<u>(1,941,717)</u>
Net debt				

25. CONTINGENT LIABILITIES

The company has guaranteed the bank borrowings of Futuredrive Limited, The Caravan Company (Wimborne) Limited, The Caravan Company (Northampton) Limited, The Caravan Company (Reading) Limited and The Caravan Company (Properties) Limited. At 31 October 2009 the potential liability amounted to £1,125,188.

26. OPERATING LEASE COMMITMENTS

At 31 October 2009 the Group had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2009 £	2008 £	2009 £	Other 2008 £
Group				
Expiry date:				
Between 2 and 5 years	52,000	52,000	-	-
After more than 5 years	149,000	84,000	-	-
	<u>201,000</u>	<u>136,000</u>	<u>-</u>	<u>-</u>

27. RELATED PARTY TRANSACTIONS

The directors, P S Clarke and A M Scott, have introduced fixed assets amounting to **£14,000** and this amount has been credited to their current accounts.

At 31 October 2009 the amounts due to A M J Scott & P S Clarke on their current accounts with the group were **£7,046** (2008 £46) & **£7,000** (2008 £Nil) respectively.

P S Clarke and A M Scott have each personally guaranteed bank borrowings of the group up to a maximum amount of **£170,000** (2008 £100,000).

Rent and insurance, amounting to **£48,393** (2008 £38,000) was payable to Masterflag Limited, a company, of which A M J Scott's parents are directors.

The group also paid rent of **£52,000** (2008 £44,083) to a pension scheme of which A M J Scott and P Clarke, directors, are trustees.

FLAGDAWN LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2009**

28 PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
The Caravan Company (Wimborne) Limited	England	100%	retailing and servicing of caravans
The Caravan Company (Northampton) Limited	England	100%	retailing and servicing of caravans
Futuredrive Limited	England	100%	retailing and servicing of caravans
The Caravan Company (Reading) Limited	England	100%	retailing and servicing of caravans
The Caravan Company (Properties) Limited	England	100%	letting of property to group companies