Cotswold Outdoor Limited

Annual Report and Financial statements

For the year ended 31 December 2013

Company number 3382348

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Company information

Company registration number	3382348
Registered office	Unit 11 Kemble Business Park Crudwell Malmesbury Wiltshire SN16 9SH
Directors	J L Falkenburg
Company Secretary	F D Ball
Bankers	Lloyds TSB Bank City Office Pendeford Business Park Wobaston Road Wolverhampton WV9 5HA
Solicitors	Osborne Clarke Apex Plaza Forbury Road Reading Berkshire RG1 1AX
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Cornwall Court 19 Cornwall Street Birmingham B3 2DT

Strategic report

Review of the Business

The principal activity of the company during the year was the retailing of outdoor pursuits clothing and equipment through physical stores, on-line and via mail order/call centre.

Results and Performance

Key performance indicators

The company defined its key performance indicators as:

- like-for-like sales growth in each of its business channels;
- company turnover growth; and
- EBITDA growth (recurring earnings before interest, tax, depreciation and amortisation). This is after adjusting for non-cash and one off costs.

2013 saw continued progression from the solid 2012 results. Total sales grew to £111.4m an increase of £8.0m or 7.7%. All sales channels contributed positively to the growth. Like for Like store sales were +3.9% with on-line growth also significantly ahead. Two new stores were opened during the year. Operating profit landed at £6.6m, an increase of £2.6m or 64%, compared to 2012.

The prolonged cold weather in early 2013 helped to drive sales of insulated and cold weather products but growth was seen throughout the year. The implementation and continued development of our Omni-channel approach has continued to be attractive to customers with Click & Collect and Home Delivery sales increasing year on year.

EBITDA grew to £9.8m (vs £7.1m in 2012) a growth of 38%. This profit growth was primarily driven by sales but also helped by strong cost and margin management. All working capital requirements were funded internally throughout the year.

Future Developments

The focus on Best Range, Best Service and Best Value will continue to be at the centre of our plans. This focus will help us to continue to improve performance of our existing business. Investment remains focused on staff training, opening new stores in relevant catchment areas, store refurbishments and continuing to develop our on-line operations.

I would like to thank all our employees for their continued support, passion and knowledge.

On behalf of the Board

J L Falkenburg
Chief Executive

Report of the director

The director presents his annual report and the audited financial statements of the company for the year ended 31 December 2013.

Results and dividends
The profit for the financial year, after taxation, amounted to £3,975,000 (2012:£1,617,000). No dividends were paid in the year (2012:£ Nil) as detailed in note 8 to the financial statements.

Financial risk management objectives and policies
The company uses various financial instruments these include 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 is to raise finance to fund the company's operations.

The main risks arising from the company's financial instruments are currency risk, cash flow interest rate risk, credit risk and liquidity risk. No transactions of a speculative nature are undertaken. The director reviews and agrees policies for minimising each of these risks and they are summarised below.

Currency risk
The company has a low level of exposure to translation and transaction foreign exchange risk. Transactions with the parent company are denominated in sterling. Foreign exchange differences on retranslation of foreign currency assets and liabilities are taken to the profit and loss account of the company.

Cash flow interest rate risk
The company finances its operations through a mixture of retained profits and bank borrowings. The company exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities. The company does not use interest rate derivatives.

Credit risk
The company's financial assets include trade debtors. In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Liquidity risk
The company manages its financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by a combination of overdraft facilities and short term loans.

Director
The director who served the company during the year and up to the date of signing of the financial statements was:

J L Falkenburg

Director's responsibilities statement
The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

The director is 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. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The director is responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors
In so far as the director is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Disabled employees
The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement
During the year, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas. There is a performance related bonus scheme for management based on their performance as well as the overall performance of the company.

Environment
The company recognises its responsibilities towards the management of the impact of the business on the environment. Our customers' outdoor activities using the products we sell demand that we adopt a proactive stance to the sustainability of the environment for all outdoor users.

The Board continues to review all the major areas where positive action can be taken to reduce the impact of the company's activities on the environment. The review includes the actions required to achieve carbon neutrality and our plans for achieving that aim. Included in the review are energy, transport, waste and packaging. We aim to continue to make substantial progress over the course of the year.

Paper and other waste recycling is already undertaken at our stores and Head Office. Our staff are encouraged to participate in recycling and to provide ideas where the company could reduce any potential impacts on the environment.

Directors indemnities

As permitted by the Articles of Association, the Director has the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Group also purchased and maintained throughout the financial year Director's and Officers' liability insurance in respect of itself and the Company.

Future developments are discussed in the strategic report.

BY ORDER OF THE BOARD

F D Ball
Company secretary

Independent auditors' report to the members of Cotswold Outdoor Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Cotswold Outdoor Limited, comprise:

- the principal accounting policies;
- the profit and loss account for the year ended 31 December 2013;
- the balance sheet as at 31 December 2013; and
- the notes to the financial statements, which include other explanatory information.

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). In applying the financial reporting framework, the director has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 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.

In addition, we read all the financial and non-financial information in the Annual Report and Financial statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the director

As explained more fully in the Director's Responsibilities Statement set out on page 5, the director is 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Neil Philpott

Neil Philpott (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

12 September 2014.

Principal accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year are set out below.

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the European Commission and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts receivable for goods provided during the period, exclusive of value added tax. Sales transactions are recognised at the point in time that goods are provided to customers.

Goodwill

Purchased goodwill is amortised on a straight-line basis over its estimated useful economic life of 20 years.

Fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	over the period of the lease
Fixtures & Fittings	-	20 - 50% straight line
Motor vehicles	-	25% straight line
Computer equipment	-	33.3% straight line
Assets in course of construction	-	not depreciated

Stocks

Stocks are stated at the lower of weighted average cost and net realisable value. Provisions have been made for slow moving and obsolete stock.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. They are depreciated over the lower of their useful life and the term of the lease. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Cash Flow Statement

The company is a wholly owned subsidiary and the cash flows of the company are included in the consolidated cash flow statement of Lion Adventure B.V. Consequently the company is exempt under the terms of FRS 1 (revised 1996) from publishing a cash flow statement.

Retirement benefits

Defined contribution pension scheme

The company operates one stakeholder pension scheme for the benefit of the employees and two defined contribution pension schemes for the benefit of managers and directors. The assets of the schemes are administered by trustees in funds independent from those of the company.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Accrued income

Income received in advance is accrued and recognised in the period to which it relates in accordance with the matching principle.

Deferred income

Deferred income is recognised in the period to which it relates in accordance with the matching principle. In the case of operating leases, the income is recognised over the period to the first rent review.

Profit and loss account for the year ended 31 December 2013

	Note	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Turnover	1	111,356	103,382
Cost of sales		(59,434)	(56,553)
Gross profit		51,922	46,829
Administrative expenses	2	(7,988)	(7,425)
Distribution costs		(37,746)	(35,701)
Other operating income		454	346
Operating profit	3	6,642	4,049
Interest receivable and similar income		4	6
Interest payable and similar charges	6	(1,309)	(1,444)
Profit on ordinary activities before taxation		5,337	2,611
Tax on profit on ordinary activities	7	(1,362)	(994)
Profit for the financial year	20	3,975	1,617

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the financial year as set out above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the financial years stated above and their historical costs equivalents.

Balance sheet as at 31 December 2013

	Note	2013 £000	2012 £000
Fixed assets			
Intangible assets	9	401	517
Tangible assets	10	14,381	15,206
		14,782	15,723
Current assets			
Stocks	12	24,816	22,372
Debtors	13	9,153	7,036
Cash at bank and in hand		8,532	5,720
		42,501	35,128
Creditors: amounts falling due within one year	15	(33,138)	(28,814)
Net current assets		9,363	6,314
Total assets less current liabilities		24,145	22,037
Creditors: amounts falling due after more than one year	16	(10,952)	(12,819)
		13,193	9,218
Capital and reserves			
Called up share capital	19	3,626	3,626
Profit and loss account	20	9,567	5,592
Total shareholders' funds	21	13,193	9,218

These financial statements on pages 9 to 21 were approved by the board of directors and authorised for issue on ....9 SEPTEMBER 2014.......... and were signed on its behalf by:

....
J L Falkenburg
Director

Company number: 3382348

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.
An analysis of turnover is given below:

	Year ended 31 Dec 2013	Year ended 31 Dec 2012
	£000	£000
United Kingdom	110,275	102,876
Overseas	1,081	506
	111,356	103,382

2 Administrative expenses

	Year ended 31 Dec 2013	Year ended 31 Dec 2012
	£000	£000
Administrative expenses	7,988	7,425

3 Operating profit

Operating profit is stated after charging:

	Year ended 31 Dec 2013	Year ended 31 Dec 2012
	£000	£000
Amortisation of goodwill	116	115
Depreciation of owned tangible fixed assets	3,080	2,982
Loss on disposal of fixed assets	-	160
Auditors' remuneration:		
Audit fees	45	42
Taxation fees	27	38
Operating lease costs:		
Land and buildings	7,860	8,038

4 Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

By activity	Year ended 31 Dec 2013 Number	Year ended 31 Dec 2012 Number
Selling and distribution	1,269	1,216
Administration	103	102
	1,372	1,318

The aggregate payroll costs of the above were:

	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Wages and salaries	15,007	13,974
Social security costs	980	975
Other pension costs	149	131
	16,136	15,080

In respect of the defined contribution scheme, there was an outstanding contribution balance of £22,086 at 31 December 2013 (31 December 2012: £26,067).

5 Director Remuneration

Remuneration in respect of director was as follows:

	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Aggregate emoluments receivable	294	246
Value of company pension contributions to money purchase schemes	76	37
	370	283

Aggregate emoluments of highest paid director:

	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Aggregate emoluments (excluding pension contributions)	294	246
Value of company pension contributions to money purchase schemes	76	37
	370	283

5 Director Remuneration (continued)

During the year no director exercised options under a share option scheme (2012: nil).

The number of directors who accrued benefits under company pension schemes was as follows:

	Year ended 31 Dec 2013 Number	Year ended 31 Dec 2012 Number
Money purchase schemes	1	1

6 Interest payable and similar charges

	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Interest payable on bank borrowing	163	246
Foreign exchange differences	49	20
Interest payable to group undertakings	1,097	1,178
Other similar charges	-	-
	1,309	1,444

7 Tax on profit on ordinary activities

(a) Analysis of tax in the year

	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 23.25% (2012 – 24.5%)	1,590	1,095
Adjustments to tax in respect of previous years	(175)	(82)
Total current tax	1,415	1,013
Deferred tax:		
Origination and reversal of timing differences	(173)	(124)
Changes in tax rates	(52)	(37)
Adjustments to tax in respect of previous years	172	142
Tax on profit on ordinary activities	1,362	994

7 Tax on profit on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed for the year is higher (2012: higher) than the standard rate of corporation tax in the UK of 23.25% (2012:24.5%).

	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Profit on ordinary activities before taxation	**5,337**	**2,611**
Profit on ordinary activities multiplied by standard rate in the UK 23.25% (2012:24.5%)	1,241	640
Expenses not deductible for tax purposes	177	364
Income not taxable for tax purposes	-	(33)
Depreciation lower than /(in excess) of capital allowances for the year	166	127
Short term timing differences	6	(3)
Adjustments to tax in respect of previous years	(175)	(82)
Total current tax charge for the year (note 7(a))	1,415	1,013

A reduction in the mainstream rate of UK corporation tax to 23% took effect from 1st April 2013 which gives rise to an effective UK tax rate of 23.25% for the year. Further reductions to the main rate have been enacted to reduce the rate by 2% to 21% on 1 April 2014 and a further 1% to 20% on 1 April 2015. At the balance sheet date the timing differences have been measured at the rate at which they are expected to reverse.

8 Dividends

Dividends on shares classed as equity

	Year ended 31 Dec 2013 £000	Year ended 31 Dec 2012 £000
Paid during the year:		
Dividends on equity shares	-	-

No dividend was declared nor paid in the year. (2012: Nil)

9 Intangible fixed assets

	Goodwill
	£000
Cost	
At 1 January 2013 and 31 December 2013	5,347
Accumulated amortisation	
At 1 January 2013	4,830
Charge for the year	116
At 31 December 2013	4,946
Net book value	
At 31 December 2013	401
At 31 December 2012	517

10 Tangible fixed assets

	Leasehold improvements	Assets in the course of construction	Fixtures and fittings	Computer equipment	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2013	17,929	224	9,690	3,357	31,200
Additions	1,257	267	516	215	2,255
Transfers in/(out)	44	(158)	26	88	-
Disposals	-	-	-	-	-
At 31 December 2013	19,230	333	10,232	3,660	33,455
Accumulated depreciation					
At 1 January 2013	6,004	-	7,017	2,973	15,994
Charge for the year	1,675	-	1,151	254	3,080
Disposals	-	-	-	-	-
	7.679	-	8,168	3,227	19,074
Net book value					
At 31 December 2013	11,551	333	2,064	433	14,381
At 31 December 2012	11,925	224	2,673	384	15,206

The depreciation charged to the financial statements in the year in respect of assets held under hire purchase agreements amounted to £Nil (2012 - £Nil).

11 Investments

	Shares in group Undertakings £000
Cost	
At 1 January 2013 and 31 December 2013	-
Amounts written off	
At 1 January 2013 and 31 December 2013	-
Net book value	
At 31 December 2013	-
At 31 December 2012	-

At 31 December 2013 the company held more than 20% of the allotted share capital of the following undertakings:

	Country of registration	Class of share capital held	Proportion held	Nature of business	Capital and reserves £000	Profit for the year £000
Cotswold Camping Limited	England	Ordinary	100%	Dormant	–	–
AS Adventure (UK) Limited	England	Ordinary	100%	Dormant	(26)	–

12 Stocks

	2013 £000	2012 £000
Goods for resale	24,766	22,341
Non-trading stock	50	31
	24,816	22,372

13 Debtors

	2013 £000	2012 £000
Trade debtors	629	643
Amounts owed by group undertakings	5,576	3,597
Other debtors	260	200
Prepayments and accrued income	2,688	2,596
	9,153	7,036

14 Deferred taxation

The deferred tax included in the balance sheet is as follows:

	2013	2012
	£000	£000
Included in creditors	(351)	(403)

The movements in the deferred taxation account during the year was:

	2013	2012
	£000	£000
Balance brought forward	(403)	(423)
Profit and loss account movement arising during the year	224	162
Prior year adjustment	(172)	(142)
Tax rate change	-	-
Balance carried forward	(351)	(403)

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2013	2012
	£000	£000
Excess of taxation allowances over depreciation	(364)	(411)
Other	13	8
	(351)	(403)

15 Creditors: amounts falling due within one year

	2013	2012
	£000	£000
Bank and loans and overdrafts	1,867	2,253
Trade creditors	15,226	12,780
Amounts owed to group undertakings	3,562	2,254
Corporation tax	1,054	693
Deferred taxation (note 14)	351	403
Other taxation and social security	2,724	2,638
Other creditors	1,619	1,202
Accruals and deferred income	6,735	6,591
	33,138	28,814

Amounts due under finance leases and hire purchase agreements are secured on the assets to which they relate. The bank loans and overdrafts are unsecured.

16 Creditors: amounts falling due after more than one year

	2013	2012
	£000	£000
Bank loans and overdrafts	177	2,044
Amounts owed to group undertakings	10,775	10,775
	10,952	12,819

Amounts due on bank and other loans are repayable in one to six years and accrue interest between 2.25% and 3.5% over LIBOR. Amounts owed to group undertakings have no fixed date of repayment and accrue interest at 10.6%.

17 Related party transactions

The company has taken advantage of the exemption, allowed by FRS 8, 'Related Party Disclosures' not to disclose transactions and balances with related party undertakings which are wholly owned with the group.

18 Leasing commitments

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	2013 Land and buildings	2013 Other items	2012 Land and buildings	2012 Other items
	£000	£000	£000	£000
Operating leases which expire:				
Within 1 year	235	44	-	47
Within 2 to 5 years	2,107	231	2,068	207
After more than 5 years	6,140	-	6,435	-
	8,482	275	8,503	254

19 Called up share capital

Authorised share capital:

	2013	2012
	£000	£000
384,035,000 (2012: 384,035,000) Ordinary shares of £0.01 each	3,840	3,840

Allotted and fully paid:

	2013	2013	2012	2012
	Number	£000	Number	£000
Ordinary shares of £0.01 each	362,569,578	3,626	362,569,578	3,626

20 Profit and loss account

	£000
At 1 January 2013	5,592
Profit for the financial year	3,975
At 31 December 2013	9,567

21 Reconciliation of movements in shareholders' funds

	2013	2012
	£000	£000
Profit for the financial year	3,975	1,617
Net addition to shareholders' funds	3,975	1,617
Opening shareholders' funds	9,218	7,601
Closing shareholders' funds	13,193	9,218

22 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £88,402 (2012 - £177,728).

23 Contingent liabilities

The company is subject to an unlimited cross guarantee on the external bank funding of Lion Adventure B.V.

24 Ultimate parent company

The immediate parent undertaking is A.S. Adventure N.V.

The ultimate parent undertaking and controlling party is Lion Adventure Coöperatief U.A., a company incorporated in the Netherlands.

Lion Adventure Coöperatief U.A. is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2013. The consolidated financial statements of Lion Adventure Coöperatief U.A. available from Fred. Roeskesstraat 123, 1076 EE AMSTERDAM ZUID-OOST.

Lion Adventure B.V. is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Lion Adventure B.V. can be obtained from Fred. Roeskestraat 123, 1076 EE AMSTERDAM ZUID-OOST.