Dorcaster plc
(“Dorcaster” or “the Company”)

Unaudited interim financial statements for the period ended 30th November, 2016

Interim Management Statement

I am pleased to present the interim financial statements of Dorcaster plc for the period since incorporation on 17th May 2016 to 30th November 2016.

Strategy

Dorcaster was formed on 17th May 2016 for the purpose of acquiring and managing businesses in the leisure and consumer sector. Your Board has been active in that period in reviewing possible acquisitions and in conducting intense due diligence on one particular potential acquisition. However, it did not prove possible to complete on this opportunity.

As announced on 18th November 2016, your Board signed an exclusivity agreement with Escape Hunt Group Limited and a further announcement will be made in due course.

Results

As a result of forming the company and raising £10m in total and being admitted to AIM, Dorcaster incurred expenditure of £644,000 in this respect. A further £1,072,000 was incurred in due diligence costs on examining a possible acquisition in the leisure sector which as commented above, did not come to fruition and in maintaining the listing of Dorcaster on AIM.

Richard Rose
Non-executive Chairman

20th February 2017

Responsibility report

We confirm to the best of our knowledge that the unaudited interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting” as adopted by the European Union.

Neither the Company nor the directors accept any liability to any person in relation to the half year financial report except to the extent that such liability could arise under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with section 90A and schedule 10A of the Financial Services and Markets Act 2000.

Details on the Company’s Board of Directors can be found on the Company website at www.dorcasterplc.com

By order of the Board

Richard Rose
Non-executive Chairman

20th February 2017

Interim Condensed Statement of Profit and Loss and Other Comprehensive Income

	Note	**Period ended 30 November 2016 (unaudited) £**
Administrative and transaction expenses		(1,072,529)
Loss before tax		(1,072,529)
Taxation	*8*	-
Loss for the period		(1,072,529)
Other comprehensive income		-
Total comprehensive income		**(1,072,529)**
Attributable to:		
Ordinary equity holders		(1,072,529)
Earnings per share		
Basic and diluted loss per share attributable to ordinary equity holders (pence per share)	*7*	(13.41)

The notes on pages 6 to 12 form an integral part of these financial statements for the interim period to 30th November 2016.

The Company's activities related to continuing activities.

Interim Condensed Statement of Financial Position

	Note	**30 November 2016 (unaudited) £**
Current assets		
Trade and other receivables	*9*	73,082
Cash and cash equivalents	*10*	8,886,287
Total current assets		8,959,369
Total assets		8,959,369
Current liabilities		
Accrued expenses	*11*	(90,000)
Trade and other payables	*11*	(875,943)
Total current liabilities		(965,943)
Total liabilities		(965,943)
Net assets		7,993,426
Share capital	*12*	125,000
Share premium		8,940,955
Retained earnings		(1,072,529)
Total equity		7,993,426

The notes on pages 6 to 12 form an integral part of these financial statements.

Company number 10184316

The financial statements were approved by the Board of Directors on 20 February 2017 and were signed on its behalf by:

Richard Rose, Chairman

Hubert van den Bergh, Director

Interim Condensed Statement of Changes in Equity

	Share capital £	Share premium £	Retained earnings £	Total equity £
Loss for the year	-	-	(1,072,529)	(1,072,529)
Issue of shares	125,000	9,585,000	-	9,710,000
Share issue costs	-	(644,045)	-	
Balance as at 30th November 2016 (unaudited)	125,000	8,940,955	(1,072,529)	7,993,428

The notes on pages 6 to 12 form an integral part of these financial statements

Interim Condensed Cash Flow Statement

	Note	**Period ended 30th November 2016 (unaudited) £**
Cash flows from operating activities		
Loss for the year		(1,072,529)
		(1,072,529)
(Increase) in trade and other receivables		(73,082)
Increase in trade and other payables		965,943
Net change in working capital		892,861
Net cash from operating activities		(179,668)
Cash flows from financing activities		
Proceeds from the issue of share capital		9,710,000
Share issue costs		(644,045)
Net cash from financing activities		9,065,955
Net increase in cash and cash equivalents		8,886,287
Cash and cash equivalents at start of the year		-
Cash and cash equivalents at end of the year	*10*	8,886,287

The notes on pages 6 to 12 form an integral part of these financial statements

Notes
(forming part of the financial statements)

1 Generation information

Dorcaster plc (the "Company") is a company incorporated and domiciled in the UK. The Company was incorporated on 17th May 2016.

The Company's principal activity is seeking investments in the leisure and consumer sector in the UK.

2 Accounting policies

Basis of preparation

The first set of statutory accounts for the company are expected to be drawn up for the period from incorporation to 31st May, 2017, in accordance with Adopted IFRS effective at that date, and will contain an unreserved statement of compliance with Adopted IFRS.

These interim condensed financial statements are for the period ended 30 November 2016. They have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements.

These condensed interim financial statements ('the interim financial statements') have been prepared in accordance with the accounting policies set out below which are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU) and are effective at 31st May 2017 or are expected to be adopted and effective at 31st May 2017.

These financial statements have been prepared under the historical cost convention. The accounting policies have been applied consistently throughout the Company for the purposes of preparation of these condensed interim financial statements. A summary of the principal accounting policies of the Company are set out below.

The functional currency of the Company is GBP. The financial statements are presented in GBP and all values are rounded to the nearest £1, except otherwise indicated.

Going concern

The Company meets its day-to-day working capital requirements through cash generated from the capital it has raised on AIM. It has £8.9m in cash at bank which is sufficient for its present needs. The Company is likely to need to raise additional funds for planned acquisitions of controlling stakes in quoted and unquoted businesses in the leisure sector, and this will likely be obtained through further transactions through the market.

Taking its cash position into account, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and for a period of not less than 12 months from the date of signing the accounts. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- 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
- 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.

Notes *(continued)*

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and receipts in transit.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

New standards and interpretations not yet applied.

The following relevant new standards have been issued by the IASB (International Accounting Standards Board) but have not been applied by the Company in these financial statements as they are not yet effective and are not yet adopted by the EU. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

- IFRS 9 Financial Instruments – Classification and Measurement – Issued on 24th July 2014 effective for annual reporting periods beginning on or after 1st January 2018.
- IFRS 16 Leases – effective for annual accounting reporting periods beginning on or after 1st January 2019.

The Company plans to voluntarily early adopt IFRS 15 Revenue from Contract with Customers in its first set of annual financial statements for the year ended 31st May 2017. The early adoption of IFRS 15 has had no effect on these interim condensed financial statements.

3 Segmental reporting

The Board reviews the Company's performance and balance sheet position for its operations and receives financial information for the Company as a whole. For that reason, the Board considers there to be one operating segment and the numbers presented in these financial statements represent the results of that segment.

Dorcaster plc has no activities at present other than reviewing possible investment opportunities.

Notes *(continued)*

4 Expenses and auditor's remuneration

	Period ended 30 November 2016 (unaudited)
	£
Expenses by nature	
Legal and professional fees incurred in company formation and fund raising	644,045
Legal and professional fees in reviewing possible acquisitions	1,072,529

5 Staff numbers and costs

The Company has no employees apart from the Directors.

6 Directors' remuneration

The Directors did not receive remuneration during the period.

7 Earnings per share

	Period ended 30th November 2016 (unaudited)
Loss for the period (£)	(1,072,529)
Weighted average number of shares	8,000,000
Basic and diluted loss per share (pence)	(13.41)

The diluted loss per share is identical to the basic loss per share.

8 Tax assets and liabilities

There is no current or deferred tax payable or receivable by the Company.

Notes *(continued)*

9 Trade and other receivables

	30th November 2016 (unaudited) £
Current	
Other debtors – VAT recoverable	73,082
	73,082

All receivables are current. There is no material difference between the book value and the fair value of the other receivables.

Related party details are provided in note 17.

10 Cash and cash equivalents

	30th November 2016 (unaudited) £
Cash and cash equivalents per balance sheet	8,886,287
Cash and cash equivalents per cash flow statement	8,886,287

11 Other payables and accruals

	30th November 2016 (unaudited) £
Current	
Other accruals – Legal and professional fees	90,000
Other payables – Legal and professional fees	875,943
	965,943

Notes *(continued)*

12 Capital and reserves

Share capital

	30th November 2016 Number of shares
On issue at beginning of period	-
Issued for cash	10,000,000
	-
On issue at end of period	10,000,000

	30th November 2016 (unaudited) £
Allotted, called up and fully paid	
1.25p Ordinary shares	125,000
Shares classified in shareholders' funds	125,000

On 25 May, the Company issued 4,000,000 ordinary shares of 1.25p per share at par. During July, a further 6,000,000 ordinary shares of 1.25p per share were issued at a premium of £9,585,000.

Retained earnings

Movements are shown in the Statement of Changes in Equity.

Dividends

No dividends were declared and paid in the period.

Notes *(continued)*

13 Financial instruments

Fair values of financial instruments
Fair value hierarchy

Financial instruments carried at fair value should be measured with reference to the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments carried at fair value have been measured using a Level 2 valuation method.

The fair value (which is equal to carrying value) of financial assets and liabilities are as follows:

	30th November 2016 (unaudited) £
Cash and cash equivalents	8,886,287
Other debtors	73,082
Total financial assets	8,959,369
Other payables	(965,943)
Total financial liabilities	(965,943)

Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to optimise returns to its shareholders. The directors regularly monitor the level of capital in the Company to ensure this can be achieved.

Credit risk

Credit risk is not considered a significant risk for the Company given the nature of the business activities.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's funding strategy includes detailed cash flow forecasting and monitoring the maturity of financial liabilities to avoid the risk of a shortage of funds.

Notes *(continued)*

13 Financial instruments *(continued)*

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income.

Foreign currency risk

Foreign currency exposure is not significant to the Company as the majority of the Company's assets are in the United Kingdom.

14 Commitments

Capital commitments

At the period end the Company had no outstanding capital commitments in respect of capital expenditure contracted but not provided for in the financial statements.

15 Contingencies

There are no contingent expenses which have not been reflected in the financial statements.

16 Post period end events

Since the period end, the Company has continued to evaluate an acquisition opportunity and incurred legal and other advisory fees.

17 Related parties

Transactions with key management personnel

The Company entered into the following transactions during the interim financial period:

As part of the formation of the Company, 4,000,000 shares were purchased by three directors for a total of £50,000, being the par value of the share capital.

Peel Hunt LLP (a shareholder and nominated adviser and broker) performed services for the Company in relation to the IPO and ongoing professional fees for a sum of £477,271.

18 Ultimate parent company

Due to the nature of the shareholdings, there is not deemed to be one ultimate controlling party.