

LAKE DISTRICT HOLDINGS LIMITED  
FINANCIAL STATEMENTS  
31 JANUARY 2023

**LAKE DISTRICT HOLDINGS LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	Mr P R W Hensman OBE Mrs G A Townsend Lady J D Boyd Mrs C M Seel (resigned 31 December 2022) Mr E J Clarkson Webb Mrs V J Russell Mrs A P Wix Mrs L C B Langton Mr T L W Raynsford Mr R E W Hensman Mrs C Bourne (appointed 21 April 2023) Mrs A Boyd (appointed 21 April 2023)
<b>Company secretary</b>	Mrs J Litten  02160419
<b>Registered office</b>	Maudlands Maude Street Kendal Cumbria LA9 4QD
<b>Independent auditors</b>	Armstrong Watson Audit Limited Chartered Accountants and Statutory Auditors Fairview House Victoria Place Carlisle Cumbria CA1 1HP
<b>Bankers</b>	Barclays Bank PLC Barclays House Murley Moss Business Village Oxenholme Road Kendal Cumbria LA97RL
<b>Registered number</b>	02160419

**LAKE DISTRICT HOLDINGS LIMITED**

**CONTENTS**

	Page
<b>Group Strategic Report</b>	1 - 3
<b>Directors' Report</b>	4 - 5
<b>Independent Auditors' Report</b>	6 - 9
<b>Consolidated Statement of Comprehensive Income</b>	10
<b>Consolidated Statement of Financial Position</b>	11 - 12
<b>Company Statement of Financial Position</b>	13
<b>Consolidated Statement of Changes in Equity</b>	14 - 15
<b>Company Statement of Changes in Equity</b>	16
<b>Consolidated Statement of Cash Flows</b>	17
<b>Consolidated Analysis of Net Debt</b>	18
<b>Notes to the Financial Statements</b>	19 - 40

## LAKE DISTRICT HOLDINGS LIMITED

### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2023

#### Business review

#### Objectives

To be an influential family owned player in the Cumbrian tourism industry, contributing positively to the economy, community and environment of the region.

#### Strategy

The objectives will be delivered by:

- Creating special, individual places in outstanding natural surroundings.
- Delivering consistently high quality experiences and memories for our visitors.
- Developing our workforce so that they are well-trained, motivated and capable employees.
- Acting sustainably and responsibly by putting environmental, community and health and safety considerations at the centre of everything we do.

#### Principal risks and uncertainties

The group is principally involved in the provision of visitor attractions and public transport, retail outlets and accommodation for visitors and others in the Lake District and Cumbria. As such, the principal risks it faces are:

- Events which deter or prevent holidaymakers travelling and using facilities which the group has to offer: such events would include health alarms and pandemics, terrorism and natural disasters, particularly storms and flooding. The group seeks to mitigate the impact of such events both by building in resilience and through insurance.
- The economic climate: holiday spending is discretionary and, at a time when people's budgets are under pressure, spending on holidays can be one of the first things to be cut. Exchange rates also have an effect with more people holidaying in the UK when Sterling is weak.
- Interest rates: the group has invested heavily in recent years with much of the funding provided by bank borrowing. As a result, interest is now a significant cost. The group mitigates the risk of adverse interest rates through the use of financial instruments.
- The weather: the number of visitors is particularly dependent on good weather, especially in the main summer season between mid-July and the end of August when a substantial part of the income is earned. The group continues to weatherproof its facilities to enable visitors to enjoy themselves whatever the weather.
- Health and Safety: there are health and safety risks associated with the group's business. The group seeks to minimise the likelihood and potential effect of an accident by the implementation of rigorous health and safety policies. It also recognises that sometimes accidents are outside its control and protects itself from any claims that might consequently result by carrying third-party insurance cover.

#### Performance during the year ended 31 January 2023

Performance was strong across the business, with all areas open to visitors for the full year without Government lock-downs or social distancing restrictions for the first time since 2019. As a result, turnover was up 10% on prior year at £18.1m (PY: £16.4m). Other Operating Income returned to a normal level of £0.1m as all Covid related support and grants ended in the prior year (PY: £1.5m).

Following the high level of caravan sales in 2021 across our holiday parks we began the year with limited pitch availability. In addition, we have seen fewer owners leaving the parks, reducing the opportunities for new sales. Conversely, we also saw demand begin to slow as we approached the 2022 season. As a result, we achieved lower numbers of caravan sales than planned; however, the limited availability has enabled us to maintain margins in spite of the increased cost of sales. A focus of 2022 was to increase the number of pitches available on our parks and we were successful in our planning application to add 8 new lodge and caravan pitches at Waterfoot, our park on Ullswater. Work began on these in October and the pitches became available for sale shortly after the year end.

## LAKE DISTRICT HOLDINGS LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

Demand for our self-catering accommodation remained strong and we maintained a similar booking pattern to 2021. We invested in our self-catering offering during the year with a new glamping offering of 'S-pods' and through the successful planning application to renovate unused space in the Mansion House at Waterfoot into apartments. This work also began in October and the apartments will be available to book in the Summer.

It was a positive year for both the Ravenglass & Eskdale Railway and Ullswater 'Steamers' with both attractions able to operate a full year of services, including Easter, for the first time since 2019. Passenger numbers at both attractions increased from 2021 but continued to lag behind pre Covid levels. Adverse weather in the autumn impacted visitor numbers and caused a higher number of cancelled sailing days than normal at the Ullswater 'Steamers'.

The demand for "experiences" remained strong at the attractions and was enhanced at the Railway with the introduction of the Directors Saloon "Ruth" in July. This created much interest from both new customers and the existing customer base.

Retail sales have been steady throughout the year and again benefitted from the lack of COVID restrictions; however, many of the physical shops continue to be adversely impacted by the lack of international visitors. In March we opened our new flagship shop in Keswick, with a larger size over two floors allowing us to include a wider range of products and offer a small café. Our online offering, The Veg Patch, has also seen strong growth as a result of focused marketing activity. Supply chain pressures have continued to impact our ability to procure stock and we have seen significant increases in product costs.

Throughout the year, rental property income remained stable with high occupancy rates bringing a secure cash stream into the business.

#### **Health & Safety**

Health and safety is always a major focus across the group. Health and safety regimes have continued to evolve during the year to ensure that both staff and customers remain safe.

The group continued to place increased emphasis on the reduction of our carbon footprint. This is a key area of discussion for new investments but also for improvements that can be made to existing areas of the business with an amount set aside in our budget for these projects. Progress to date includes replacing fossil fuel cars and vehicles with electric vehicles, the introduction of technology to better control heating in our holiday properties and modernising heating systems in our older residential properties. The dependence on single use materials necessary during Covid regardless of the product's environmental credentials, was also reduced, with the re-introduction of reusable cups and plates.

## LAKE DISTRICT HOLDINGS LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

#### Financial key performance indicators

The directors monitor the performance of the group through turnover, profitability and cash flow. The pandemic continued to reduce the meaningfulness of comparison of turnover and profitability with previous years but performance against forecasts and cash flow was monitored carefully.

The strong trading outlined above resulted in an excellent financial performance for the year. The return to a full year of trading drove an increase in turnover of 10% to £18.1m (PY: £16.5m) and gross margin was increased to 66.0% (PY: 63.2%) as a result of the increase in fares at the attractions and continued strong margins on caravan and lodge sales. Operating profit of £2.6m is down on prior year (PY: £3.7m) due to the absence of Covid related grants as well as increasing costs, particularly electricity, employee wages and fuel. Group profitability is shown on page 11 of this report. The cash balance at the year end was £0.8m (PY: £1.4m) with the reduction due to capital investment, particularly pitch development and improving facilities across our caravan and holiday parks.

#### Going Concern and Outlook

At this early stage of 2023 trading has been in line with our expectations, with many of the trends seen in 2022 continuing. The domestic holiday market remains strong but booking patterns are moving back to the shorter lead times seen pre-pandemic. We continue to be impacted by limited international visitors and pressures on disposable incomes have intensified further. Our strong cash position going into the year and our forecasted trading over the next 12 months gives us confidence in our ability to continue to operate as a going concern. We are looking forward to seeing the returns from investments in 2022 and continuing the development of our businesses.

#### Staff

Our people are key to consistently delivering high quality experiences and memories for our visitors and they continue to show great commitment and enthusiasm in providing this. They have responded well to another year of change as we've assessed which practices introduced during Covid provide value to the customer and should be kept, such as the online booking systems at the attractions, and where we should transition back to pre-pandemic ways of working, such as in person greetings for holiday guests. Our people are core to our future success which is why we continue to invest in their training and development. On behalf of the Board, I would like to thank each and every one of them for their valued contribution.

This report was approved by the board and signed on its behalf.

.....  
**Mr P R W Hensman OBE**  
**Director**

Date: 24 July 2023

## LAKE DISTRICT HOLDINGS LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2023

The directors present their report and the financial statements for the year ended 31 January 2023.

#### Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that 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 to 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.

#### Principal activity

The principal activity of the company is the provision of visitor attractions and public transport, retail outlets and accommodation for visitors and others in the Lake District and Cumbria.

#### Results and dividends

The profit for the year, after taxation, amounted to £1,682,878 (2022 - £2,219,563).

During the year the company paid dividends of £390,000 (2022 - £140,000).

#### Directors

The directors who served during the year were:

Mr P R W Hensman OBE  
Mrs G A Townsend  
Lady J D Boyd  
Mrs C M Seel (resigned 31 December 2022)  
Mr E J Clarkson Webb  
Mrs V J Russell  
Mrs A P Wix  
Mrs L C B Langton  
Mr T L W Raynsford  
Mr R E W Hensman

**LAKE DISTRICT HOLDINGS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2023**

**Disclosure 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 the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information

**Post balance sheet events**

There have been no significant events affecting the Group since the year end.

**Auditors**

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....  
**Mr P R W Hensman OBE**

Director

Date: 24 July 2023



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAKE DISTRICT HOLDINGS LIMITED**

**Opinion**

We have audited the financial statements of Lake District Holdings Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 January 2023, which comprise the Group Statement of Comprehensive Income, the Group and company Statements of Financial Position, the Group Statement of Cash Flows, the Group and company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 January 2023 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAKE DISTRICT HOLDINGS LIMITED (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAKE DISTRICT HOLDINGS LIMITED (CONTINUED)

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, such as the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- reviewing the key areas of the financial statements most susceptible to fraud whilst tailoring our audit plans.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates, such as the investment property valuations were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions; and

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAKE DISTRICT HOLDINGS LIMITED (CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisors;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the company's directors, 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 directors 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 directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Gray (Senior Statutory Auditor)  
for and on behalf of  
**Armstrong Watson Audit Limited**  
Chartered Accountants and Statutory Auditors  
Carlisle

24 July 2023

LAKE DISTRICT HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JANUARY 2023

	Note	2023 £	2022 £
Turnover	4	18,072,241	16,473,326
Cost of sales		(6,149,620)	(6,056,599)
<b>Gross profit</b>		<b>11,922,621</b>	<b>10,416,727</b>
Administrative expenses		(9,911,510)	(8,740,925)
Other operating income	5	70,381	1,566,328
Fair value movements		508,742	410,155
<b>Operating profit</b>	6	<b>2,590,234</b>	<b>3,652,285</b>
Interest receivable and similar income	10	12,409	656
Interest payable and similar expenses	11	(480,337)	(496,924)
<b>Profit before taxation</b>		<b>2,122,306</b>	<b>3,156,017</b>
Tax on profit	12	(439,428)	(936,454)
<b>Profit for the financial year</b>		<b>1,682,878</b>	<b>2,219,563</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent company		1,682,878	2,219,563
		<b>1,682,878</b>	<b>2,219,563</b>

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

The notes on pages 19 to 40 form part of these financial statements.

**LAKE DISTRICT HOLDINGS LIMITED**  
**REGISTERED NUMBER: 02160419**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	14	37,558	78,713
Tangible assets	15	21,462,751	21,390,837
Investments	16	4,181	4,181
Investment property	17	28,775,845	28,677,940
		<u>50,280,335</u>	<u>50,151,671</u>
<b>Current assets</b>			
Stocks	18	2,202,662	1,572,829
Debtors: amounts falling due within one year	19	1,722,050	971,181
Cash at bank and in hand	20	781,659	1,414,222
		<u>4,706,371</u>	<u>3,958,232</u>
Creditors: amounts falling due within one year	21	(5,059,169)	(4,588,304)
<b>Net current liabilities</b>		<u>(352,798)</u>	<u>(630,072)</u>
<b>Total assets less current liabilities</b>		<u>49,927,537</u>	<u>49,521,599</u>
Creditors: amounts falling due after more than one year	22	(11,189,380)	(12,145,274)
<b>Provisions for liabilities</b>			
Deferred taxation	25	(4,443,505)	(4,418,473)
		<u>(4,443,505)</u>	<u>(4,418,473)</u>
<b>Net assets</b>		<u><u>34,294,652</u></u>	<u><u>32,957,852</u></u>

**LAKE DISTRICT HOLDINGS LIMITED**  
**REGISTERED NUMBER: 02160419**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 JANUARY 2023**

	Note	2023 £	2022 £
<b>Capital and reserves</b>			
Called up share capital	26	10,000	10,000
Share premium account	27	211,455	211,455
Revaluation reserve	27	13,535,421	14,044,163
Other reserves	27	135,465	135,465
Profit and loss account	27	20,402,283	18,556,741
<b>Equity attributable to owners of the parent company</b>		<b>34,294,624</b>	<b>32,957,824</b>
Non-controlling interests		28	28
		<b><u>34,294,652</u></b>	<b><u>32,957,852</u></b>

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

.....  
**Mr P R W Hensman OBE**  
Director

.....  
**Mr T L W Raynsford**  
Director

Date: 24 July 2023

The notes on pages 19 to 40 form part of these financial statements.

**LAKE DISTRICT HOLDINGS LIMITED**  
**REGISTERED NUMBER: 02160419**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	16	43,238	43,238
		<u>43,238</u>	<u>43,238</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	19	6,804,188	5,835,137
Debtors: amounts falling due within one year	19	-	6,270
Cash at bank and in hand	20	69,494	35,437
		<u>6,873,682</u>	<u>5,876,844</u>
Creditors: amounts falling due within one year	21	(445,969)	(299,648)
<b>Net current assets</b>		<u>6,427,713</u>	<u>5,577,196</u>
<b>Total assets less current liabilities</b>		<u>6,470,951</u>	<u>5,620,434</u>
<b>Net assets</b>		<u><u>6,470,951</u></u>	<u><u>5,620,434</u></u>
<b>Capital and reserves</b>			
Called up share capital	26	10,000	10,000
Share premium account	27	211,455	211,455
Profit and loss account brought forward		5,398,979	4,515,283
Profit for the year		1,240,517	1,023,696
Other changes in the profit and loss account		<u>(390,000)</u>	<u>(140,000)</u>
Profit and loss account carried forward		<u>6,249,496</u>	<u>5,398,979</u>
		<u><u>6,470,951</u></u>	<u><u>5,620,434</u></u>

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

.....  
**Mr P R W Hensman OBE**  
Director

.....  
**Mr T L W Raynsford**  
Director

Date: 24 July 2023

The notes on pages 19 to 40 form part of these financial statements.



LAKE DISTRICT HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2023

	Called up share capital £	Share premium account £	Fair value reserve - investment property £	Other reserves £	Profit and loss account £	Equity attributable to owners of parent company £	Controlling interests £	Total equity £
<b>At 1 February 2021</b>	10,000	211,455	14,438,105	135,465	16,083,236	30,878,261	28	30,878,289
<b>Comprehensive income for the year</b>	-	-	-	-	2,219,563	2,219,563	-	2,219,563
Profit for the year								
Surplus on revaluation of freehold property net of deferred tax	-	-	(393,942)	-	393,942	-	-	-
<b>Total comprehensive income for the year</b>	-	-	(393,942)	-	2,613,505	2,219,563	-	2,219,563
<b>Contributions by and distributions to owners</b>								
Dividends: Equity capital	-	-	-	-	(140,000)	(140,000)	-	(140,000)
<b>Total transactions with owners</b>	-	-	-	-	(140,000)	(140,000)	-	(140,000)
<b>At 1 February 2022</b>	10,000	211,455	14,044,163	135,465	18,556,741	32,957,824	28	32,957,852
<b>Comprehensive income for the year</b>	-	-	-	-	1,682,878	1,682,878	-	1,682,878
Profit for the year								
Transfer for revaluation of investment property net of deferred tax	-	-	(508,742)	-	508,742	-	-	-
Transfer for revaluation of investment property	-	-	-	-	43,922	43,922	-	43,922
<b>Total comprehensive income for the year</b>	-	-	(508,742)	-	2,235,542	1,726,800	-	1,726,800

LAKE DISTRICT HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2023

Contributions by and  
distributions to owners

	-	-	-	-	(390,000)	(390,000)	-	(390,000)
Dividends: Equity capital					)	)		)
<b>Total transactions with owners</b>	-	-	-	-	(390,000)	(390,000)	-	(390,000)
					)	)		)
<b>At 31 January 2023</b>	<u>10,000</u>	<u>211,455</u>	<u>13,535,421</u>	<u>135,465</u>	<u>20,402,283</u>	<u>34,294,624</u>	<u>28</u>	<u>34,294,652</u>

The notes on pages 19 to 40 form part of these financial statements.

LAKE DISTRICT HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2023

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 1 February 2021</b>	<b>10,000</b>	<b>211,455</b>	<b>4,515,283</b>	<b>4,736,738</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,023,696	1,023,696
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(140,000)	(140,000)
<b>Total transactions with owners</b>	-	-	(140,000)	(140,000)
<b>At 1 February 2022</b>	<b>10,000</b>	<b>211,455</b>	<b>5,398,979</b>	<b>5,620,434</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,240,517	1,240,517
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(390,000)	(390,000)
<b>Total transactions with owners</b>	-	-	(390,000)	(390,000)
<b>At 31 January 2023</b>	<b>10,000</b>	<b>211,455</b>	<b>6,249,496</b>	<b>6,470,951</b>

The notes on pages 19 to 40 form part of these financial statements.

LAKE DISTRICT HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JANUARY 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,682,878	2,219,563
<b>Adjustments for:</b>		
Amortisation of intangible assets	41,155	41,154
Depreciation of tangible assets	787,399	724,242
(Profit)/Loss on disposal of tangible assets	(138,761)	(9,726)
Government grants	-	(208,970)
Interest paid	480,337	496,926
Interest received	(12,409)	(656)
Taxation charge	439,428	936,454
(Increase)/decrease in stocks	(629,833)	82,848
(Increase)/decrease in debtors	(750,869)	446,206
Increase in creditors	632,351	738,504
Net fair value (gains) recognised in P&L	(508,742)	(410,155)
Corporation tax (paid)	(378,739)	(215,711)
<b>Net cash generated from operating activities</b>	<b>1,644,195</b>	<b>4,840,679</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,100,394)	(766,889)
Sale of tangible fixed assets	242,592	49,567
Purchase of investment properties	(89,163)	(63,312)
Sale of investment properties	500,000	-
Government grants received	-	208,970
Interest received	12,409	656
<b>Net cash from investing activities</b>	<b>(434,556)</b>	<b>(571,008)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(971,865)	(822,855)
Dividends paid	(390,000)	(140,000)
Interest paid	(480,337)	(496,924)
<b>Net cash used in financing activities</b>	<b>(1,842,202)</b>	<b>(1,459,779)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(632,563)</b>	<b>2,809,892</b>
Cash and cash equivalents at beginning of year	1,414,222	(1,395,670)
<b>Cash and cash equivalents at the end of year</b>	<b>781,659</b>	<b>1,414,222</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	781,659	1,414,222
	<b>781,659</b>	<b>1,414,222</b>

The notes on pages 19 to 40 form part of these financial statements.

LAKE DISTRICT HOLDINGS LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 JANUARY 2023

	At 1 February 2022 £	Cash flows £	At 31 January 2023 £
Cash at bank and in hand	1,414,222	(632,563)	781,659
Debt due after 1 year	(12,027,679)	952,392	(11,075,287)
Debt due within 1 year	(986,367)	19,472	(966,895)
	<u>(11,599,824)</u>	<u>339,301</u>	<u>(11,260,523)</u>

The notes on pages 19 to 40 form part of these financial statements.

## LAKE DISTRICT HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

#### 1. General information

Lake District Holdings Limited ('the company') is a limited company incorporated in the United Kingdom. The address of its registered office and principal place of business is Maudlands, Maude Street, Kendal, Cumbria, LA9 4QD.

The principal activity of the group is the provision of visitor attractions and public transport, retail outlets and accommodation for visitors and others in the Lake District and Cumbria.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

##### 2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 31 January 2015.

##### 2.3 Going concern

At the balance sheet date, the Group had net assets of £34,294k, net current liabilities of £352k after making a profit for the year of £1,682k. The Group has therefore improved on its overall financial position after the unusual years caused by the pandemic.

Included in current liabilities is £1,570k deferred site fee income, which is not a creditor requiring to be settled via cash. The net current liability position of £352k does not therefore reflect a deficit position in terms of working capital.

The directors continue to monitor the Group's financial performance and cashflow forecasts closely. Demand for staycations and caravans remain high, and the directors deem there to be sufficient cash resources to meet liabilities as they fall due in the upcoming 12 months from signing the accounts. They therefore deem the going concern basis appropriate.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

**2. Accounting policies (continued)**

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group 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 Group 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 Group 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.

**2.5 Operating leases: the Group as lessor**

Rental income from operating leases is credited to profit or loss on a straight-line basis over the lease term.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight-line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

**2.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

**2. Accounting policies (continued)**

**2.7 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

**2.8 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.9 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.10 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.11 Pensions**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting date in the countries where the company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.13 Intangible assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10	years
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.14 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.

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, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% on cost or valuation
Plant and machinery	- between 10% and 25% on cost
Motor vehicles	- 25% on cost
Caravan site services	- 5% on cost
Passenger craft	- between 2% and 5% on cost
Equipment and boats	- between 20% and 25% on cost

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 profit or loss.

2.15 Investment property

Investment property is carried at fair value; the decision to revalue is determined by the directors annually and any valuation is carried out by the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in the Statement of Comprehensive Income. The directors also engage RICS qualified valuers for professional valuations for some of the investment property where fair value is harder to ascertain.

Deferred tax is provided on these gains at the rate expected to apply when the property is sold.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.17 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

**2. Accounting policies (continued)**

**2.18 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.19 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

**2.20 Creditors**

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

**2.21 Financial instruments**

The Group only enters into basic financial instrument 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Consolidated Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.22 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.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements require management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgments and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total fixed assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies note 2.14.

(b) Revaluation of investment property

Under FRS102, investment property must be accounted for at its fair value in the financial statements. The directors review the revaluation each the year, which requires their judgement to apply reasonable assumptions when calculating the true and fair value of each investment property. The directors deemed using a yield percentage of annual rental income an appropriate measure to calculate the fair value of each investment property to the group. They also use professional surveyors to help assess the fair value of the investment property portfolio.

**LAKE DISTRICT HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023**

**4. Turnover**

An analysis of turnover by class of business is as follows:

	<b>2023</b>	2022
	<b>£</b>	£
Ownership and operation of caravan parks and other property	<b>12,202,456</b>	11,925,816
Passenger craft on Lake Ullswater	<b>1,736,321</b>	1,367,579
Specialised retail outlets	<b>1,879,834</b>	1,474,357
Narrow gauge passenger railway	<b>2,253,629</b>	1,705,575
	<b><u>18,072,240</u></b>	<u>16,473,327</u>

All turnover arose within the United Kingdom.

**5. Other operating income**

	<b>2023</b>	2022
	<b>£</b>	£
Other operating income	<b>11,724</b>	15,033
Net rents receivable	<b>58,657</b>	58,005
Covid-19 support grants	-	352,896
Job retention scheme income	-	208,970
Other government grants	-	54,924
Heritage Lottery grant	-	876,500
	<b><u>70,381</u></b>	<u>1,566,328</u>

**6. Operating profit**

The operating profit is stated after charging:

	<b>2023</b>	2022
	<b>£</b>	£
Depreciation of tangible fixed assets	<b>787,399</b>	724,242
Fair value movements on investment property	<b>(508,742)</b>	(410,155)
Other operating lease rentals	<b>188,979</b>	136,820
Amortisation of intangible assets, including goodwill	<b><u>41,154</u></b>	<u>41,154</u>

**LAKE DISTRICT HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023**

**7. Auditors' remuneration**

During the year, the Group obtained the following services from the company's auditors:

	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Fees payable to the company's auditors for the audit of the consolidated and parent company's financial statements	<b>33,455</b>	30,880

**8. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	<b>4,582,096</b>	4,134,955	<b>1,077,027</b>	858,830
Social security costs	<b>353,758</b>	299,231	<b>96,112</b>	67,086
Pension scheme costs	<b>177,154</b>	154,765	<b>45,447</b>	34,011
	<b><u>5,113,008</u></b>	<b><u>4,588,951</u></b>	<b><u>1,218,586</u></b>	<b><u>959,927</u></b>

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

	<b>Group</b>	Group	<b>Company</b>	Company
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
Management	<b>14</b>	14	9	9
Administration	<b>15</b>	15	7	7
Operations	<b>173</b>	172	15	15
	<b><u>202</u></b>	<b><u>201</u></b>	<b><u>31</u></b>	<b><u>31</u></b>

**9. Directors' remuneration**

	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Directors' emoluments	<b>195,437</b>	221,203
	<b><u>195,437</u></b>	<b><u>221,203</u></b>

The highest paid director received remuneration of £50,583 (2022 - £39,290).

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

10. Interest receivable

	2023 £	2022 £
Other interest receivable	12,409	656
	<u>12,409</u>	<u>656</u>

11. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	479,681	495,763
Other loan interest payable	656	831
Other interest payable	-	330
	<u>480,337</u>	<u>496,924</u>

12. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	387,332	511,236
Adjustments in respect of previous periods	(17,068)	(15,359)
	<u>370,264</u>	<u>495,877</u>
<b>Total current tax</b>	<u>370,264</u>	<u>495,877</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	67,722	125,729
Movement on revaluation surplus	1,442	314,848
	<u>69,164</u>	<u>440,577</u>
<b>Total deferred tax</b>	<u>69,164</u>	<u>440,577</u>
<b>Taxation on profit on ordinary activities</b>	<u>439,428</u>	<u>936,454</u>

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>2,122,305</u>	<u>2,219,563</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	403,238	599,643
<b>Effects of:</b>		
Expenses not deductible for tax purposes	13,776	4,431
Capital allowances for year in excess of depreciation	(53,548)	(24,555)
Intangible asset amortisation not allowed	-	1,164
Short term timing difference leading to an increase (decrease) in taxation	(26,076)	-
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	(57,043)	(6,877)
Chargeable gains	107,079	-
Fair value adjustment	-	(77,929)
Movement in deferred tax	52,002	440,577
<b>Total tax charge for the year</b>	<u>439,428</u>	<u>936,454</u>

Factors that may affect future tax charges

In May 2021 the UK Parliament substantively enacted an increase in the rate of Corporation tax to 25% which will apply from 1 April 2023.

13. Dividends

	2023 £	2022 £
Ordinary dividends	390,000	140,000
	<u>390,000</u>	<u>140,000</u>



LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

14. Intangible assets

Group and Company

	Goodwill £
<b>Cost</b>	
At 1 February 2022	827,611
At 31 January 2023	<u>827,611</u>
<b>Amortisation</b>	
At 1 February 2022	748,898
Charge for the year on owned assets	<u>41,156</u>
At 31 January 2023	<u>790,054</u>
<b>Net book value</b>	
At 31 January 2023	<u><u>37,557</u></u>
<b>At 31 January 2022</b>	<u><u>78,713</u></u>

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

15. Tangible fixed assets

Group

	Freehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 February 2022	18,419,352	9,742,963	422,475	28,584,790
Additions	338,870	761,524	-	1,100,394
Disposals	(48,535)	(923,320)	(49,555)	(1,021,410)
Transfers between classes	(137,250)	-	-	(137,250)
At 31 January 2023	18,572,437	9,581,167	372,920	28,526,524
<b>Depreciation</b>				
At 1 February 2022	1,302,503	5,506,843	384,607	7,193,953
Charge for the year on owned assets	214,679	560,441	12,279	787,399
Disposals	-	(871,448)	(46,131)	(917,579)
At 31 January 2023	1,517,182	5,195,836	350,755	7,063,773
<b>Net book value</b>				
At 31 January 2023	17,055,255	4,385,331	22,165	21,462,751
<b>At 31 January 2022</b>	17,116,849	4,236,120	37,868	21,390,837

The carrying value of freehold land which is not subject to depreciation is £9,329,929 (2022 - £9,329,929).

Disposals in the current year include a write off following a physical verification exercise. All assets removed had a nil net book value and a combined cost and accumulated depreciation of £779k.

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

15. Tangible fixed assets (continued)

Company

	Plant and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 1 February 2022	46,051	26,506	72,557
Disposals	-	(18,590)	(18,590)
At 31 January 2023	46,051	7,916	53,967
<b>Depreciation</b>			
At 1 February 2022	46,051	26,506	72,557
Disposals	-	(18,590)	(18,590)
At 31 January 2023	46,051	7,916	53,967
<b>Net book value</b>			
At 31 January 2023	-	-	-
At 31 January 2022	-	-	-

16. Fixed asset investments

Group

	Investments in subsidiary companies £	Listed investments £	Unlisted investments £	Total £
<b>Cost or valuation</b>				
At 1 February 2022	(101)	242	4,040	4,181
At 31 January 2023	(101)	242	4,040	4,181

**LAKE DISTRICT HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023**

**Company**

	Investments in subsidiary companies £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 February 2022	39,198	4,040	43,238
At 31 January 2023	39,198	4,040	43,238

**Listed investments**

The aggregate market value of listed investments is £498 (2022 - £498) which differs from the carrying value in the financial statements.

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Lake District Estates Company Limited		100
Ullswater Navigation and Transit Company Limited	Ordinary	99.87
The Ravenglass and Eskdale Railway Company Limited	Ordinary	100

All subsidiary undertakings are incorporated in the United Kingdom and share the same registered office as Lake District Holdings Limited.

The aggregate of the share capital and reserves as at 31 January 2023 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	Profit/(Loss) £
Lake District Estates Company Limited	24,747,353
Ullswater Navigation and Transit Company Limited	22,000
The Ravenglass and Eskdale Railway Company Limited	2,637,765

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

17. Investment property

Group

	Freehold investment property £
<b>Valuation</b>	
At 1 February 2022	28,677,940
Additions at cost	89,163
Disposals	(500,000)
Surplus on revaluation	508,742
<b>At 31 January 2023</b>	<b>28,775,845</b>

The 2023 valuations were made by Savills and the Directors, on an open market value for existing use basis.

The Directors believe the fair value to be appropriate at 31 January 2023.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2023 £	2022 £
Historic cost	11,020,054	10,246,010
Accumulated depreciation and impairments	(1,004,953)	(803,979)
	<b>10,015,101</b>	<b>9,442,031</b>

The 2023 valuations were made by Savills and the Directors, on an open market value for existing use basis.

18. Stocks

	Group 2023 £	Group 2022 £
Finished goods and goods for resale	2,202,662	1,572,829
	<b>2,202,662</b>	<b>1,572,829</b>

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

19. Debtors

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Company 2023 £</b>	<i>Company 2022 £</i>
Amounts owed by group undertakings	-	-	<b>6,804,188</b>	5,835,137
	<u>-</u>	<u>-</u>	<u><b>6,804,188</b></u>	<u>5,835,137</u>

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Company 2023 £</b>	<i>Company 2022 £</i>
Trade debtors	<b>1,147,788</b>	502,628	-	-
Other debtors	<b>7,499</b>	15,000	-	-
Prepayments and accrued income	<b>566,763</b>	453,553	-	-
Deferred taxation	-	-	-	6,270
	<u><b>1,722,050</b></u>	<u>971,181</u>	<u>-</u>	<u>6,270</u>

20. Cash and cash equivalents

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Company 2023 £</b>	<i>Company 2022 £</i>
Cash at bank and in hand	<b>781,659</b>	1,414,222	<b>69,494</b>	35,437
	<u><b>781,659</b></u>	<u>1,414,222</u>	<u><b>69,494</b></u>	<u>35,437</u>

21. Creditors: Amounts falling due within one year

	<b>Group 2023 £</b>	<i>Group 2022 £</i>	<b>Company 2023 £</b>	<i>Company 2022 £</i>
Bank loans	<b>956,895</b>	976,367	-	-
Other loans	<b>10,000</b>	10,000	-	-
Trade creditors	<b>873,443</b>	624,925	-	-
Corporation tax	<b>215,263</b>	333,550	<b>549</b>	19,257
Other taxation and social security	<b>317,714</b>	170,975	<b>288,511</b>	137,234
Other creditors	<b>1,892</b>	1,500	-	-
Accruals and deferred income	<b>2,683,962</b>	2,470,987	<b>156,909</b>	143,157
	<u><b>5,059,169</b></u>	<u>4,588,304</u>	<u><b>445,969</b></u>	<u>299,648</u>

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

22. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £
Other loans	46,700	56,700
Bank loans	11,028,587	11,970,979
Other creditors	114,093	117,595
	<u>11,189,380</u>	<u>12,145,274</u>

The bank loans included above are secured by a legal charge over specific land and buildings held by the group.

The group has two unsecured loans. One of £26,700 is repayable on the winding up of a subsidiary company, or in the event of a binding contract being entered into by a subsidiary company for the sale of its physical assets. The second loan of £100,000 is repayable in ten equal installments over 10 years with the first repayment having been made on 31 October 2015. It bears interest at 1% over base rate. A repayment holiday was offered in the prior year and accepted. The total amount outstanding on this loan at the year end date is £30,000 (2022 - £40,000) of which £10,000 is due within one year as normal repayment terms resume.

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

23. Loans

Analysis of the maturity of loans is given below:

	Group 2023 £	Group 2022 £
<b>Amounts falling due within one year</b>		
Bank loans	956,895	976,367
Other loans	10,000	10,000
	<u>966,895</u>	<u>986,367</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	942,176	956,894
Other loans	46,700	56,700
	<u>988,876</u>	<u>1,013,594</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	2,751,553	3,086,610
	<u>2,751,553</u>	<u>3,086,610</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	7,334,858	7,927,475
	<u>7,334,858</u>	<u>7,927,475</u>
	<u>12,042,182</u>	<u>13,014,046</u>

The parent company has no borrowings or debt obligations at the year end date.



LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

24. Financial instruments

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	781,900	1,418,262	73,534	35,437
Financial assets that are debt instruments measured at amortised cost	1,155,288	517,630	6,804,189	4,835,137
	<u>1,937,188</u>	<u>1,935,892</u>	<u>6,877,723</u>	<u>4,870,574</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u>(15,715,571)</u>	<u>(16,229,054)</u>	<u>-</u>	<u>-</u>

Financial assets measured at fair value through profit or loss comprise bank and cash.

Financial assets that are debt instruments measured at amortised cost comprise intercompany balances and other debtors.

Financial liabilities measured at amortised cost comprise intercompany balances, other creditors and accruals and deferred income.

25. Deferred taxation

Group

	2023 £	2022 £
At beginning of year	(4,418,474)	(3,982,987)
Charged to profit or loss	(25,031)	(435,487)
<b>At end of year</b>	<u>(4,443,505)</u>	<u>(4,418,474)</u>

LAKE DISTRICT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023

25. Deferred taxation (continued)

Company

			2023 £	2022 £
At beginning of year			6,270	6,270
Charged to profit or loss			(6,270)	-
<b>At end of year</b>			<b>-</b>	<b>6,270</b>
	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Accelerated capital allowances	(1,120,025)	(938,315)	-	6,270
Revaluation of investment property	(3,323,480)	(3,480,159)	-	-
	<u>(4,443,505)</u>	<u>(4,418,474)</u>	<u>-</u>	<u>6,270</u>

26. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
200,000 (2022 - 200,000) Ordinary shares of £0.05 each	<u>10,000</u>	<u>10,000</u>

The Company has one class of ordinary shares which carry equal voting rights but no right to fixed income.

27. Reserves

Share premium account

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Other reserves

This reserve represents amounts arising on consolidation of the group.

Land and buildings revaluation reserve

This reserve represents the cumulative revaluation gains and losses on revaluation of land and buildings held as tangible assets.

Profit and loss account

This reserve represents cumulative profits and losses.

**LAKE DISTRICT HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2023**

**28. Contingent liabilities**

An unlimited guarantee has been given by the group companies in respect of the group's borrowings with Barclays Bank Plc.

**29. Capital commitments**

At 31 January 2023 the Group and company had capital commitments as follows:

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Contracted for but not provided in these financial statements	<b>204,000</b>	-
	<b><u>204,000</u></b>	<u>-</u>

**30. Pension commitments**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £117,154 (2022 - £150,381). Contributions totaling £Nil (2022 - £Nil) were payable to the fund at the reporting date.

**31. Commitments under operating leases**

At 31 January 2023 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2023 £</b>	<i>Group 2022 £</i>
Not later than 1 year	<b>116,086</b>	73,318
Later than 1 year and not later than 5 years	<b>269,878</b>	194,793
Later than 5 years	<b>209,641</b>	244,811
	<b><u>595,605</u></b>	<u>512,922</u>

A total of £188,979 was recognised as an operating lease expense in the period (2022 - £136,820).

**32. Related party transactions**

The company have taken advantage of the exemptions included in FRS102 section 33 'Related Party Disclosures' not to disclose transactions entered into between wholly owned group members.

Key management personnel remuneration in the period amounted to £409,093 (2022 - £341,988).

**33. Controlling party**

In the opinion of the directors, there is no ultimate controlling party.



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.