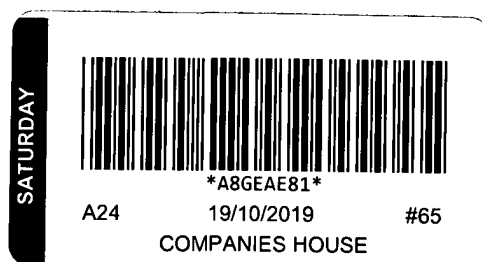


**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JANUARY 2019**  
**FOR**  
**VALE HOLIDAY PARKS LIMITED**



**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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**VALE HOLIDAY PARKS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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**DIRECTORS:** Mr T Scarrott  
Mrs J Scarrott  
Mr T H S Scarrott  
Mr J W Scarrott  
Mr C H Scarrott

**SECRETARY:** Mrs J Scarrott

**REGISTERED OFFICE:** Clarach Bay Holiday Village  
Clarach Bay  
Aberystwyth  
Ceredigion  
SY23 3DT

**REGISTERED NUMBER:** 04670394 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Mr Nimesh Pau F.C.C.A.

**AUDITORS:** R Pau & Co Limited  
Chartered Certified Accountants  
& Statutory Auditors  
12-16 Station Street East  
Coventry  
West Midlands  
CV6 5FJ

**BANKERS:** HSBC Bank Plc  
46 Fore Street  
Trowbridge  
Wiltshire  
BA14 8EL

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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The directors present their strategic report for the year ended 31st January 2019.

**REVIEW OF BUSINESS**

We aim to present a balanced and comprehensive review of the development and performance of our business during the period and its position at the period end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

As a Holiday Park proprietors and caravan dealers the company continues to operate caravan holiday parks with on-site facilities and to sell caravans. The company's activities are organised into the following five areas:

- o Site fees
- o Sale of caravans
- o Holiday packages
- o On-site facilities

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross margin and return on capital employed.

The turnover of the company by activity was as follows:

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b><u>£000</u></b>	<b><u>£000</u></b>
Site Fees	2,795	2,409
Sale of Caravans	4,222	3,610
Holiday Packages	749	625
On-site Facilities	<u>1,520</u>	<u>1,441</u>
	<b><u>9,286</u></b>	<b><u>8,085</u></b>

Most areas of the business have shown growth during the period and this has left the company in a good financial position at the end of the period, in line with our expectations.

Overall operating profit has increased to £1,948,517 (20.9%) from £1,176,053 (14.5%) and profit before tax has increased to £1,628,281 (2018 - £868,060). After taxation and dividends, £1,015,698 (2018 - £410,289) has been retained to be added to reserves.

Return on capital employed has decreased to 4.5% (2018 - 2.6%). Return on capital employed is calculated as profit after interest and tax divided by gross capital employed, which constitutes total assets.

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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**PRINCIPAL RISKS AND UNCERTAINTIES**

The company recognizes a variety of financial and market based risks, including exposure to fluctuating interest risks, changing economic conditions, technological and industry based risks, the competitive environment and regulatory changes. These, either singularly or collectively, may affect revenue, cost structure or the value of assets within the business, and are all difficult to quantify.

The main financial risks arising from the company's business are liquidity and cash flow risk and credit risk, and policies with respect to these risks are described below. There is no currency exposure as all material transactions and financial instruments are in Sterling.

**Liquidity and cash flow risk**

Liquidity and cash flow risk is in risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities and exposure to variability in cash flows. The company also manages liquidity and cash flow risk by utilising its cash flow resources.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

**Other risks**

**IT risk and cyber security**

The company has various IT systems and applications, the obsolescence or failure of which could impede trading. Failure to put in place adequate preventative measures, if attacked, could lead to data loss or the inability to use the IT systems for a prolonged period. The IT strategy is focused on ensuring the long-term stability of operating systems and data security, whilst keeping pace with the changing face of consumer IT expectations. We continue to strengthen IT security to mitigate the increasing risk of cyber security threats.

**People and succession**

Attracting and maintaining talented team members and investing in their training and development are essential to the efficiency and sustainability of the company. Succession planning is embedded across the company and is proactively managed.

**ON BEHALF OF THE BOARD:**



Mr T H S Scarrott - Director

8th October 2019

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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The directors present their report with the financial statements of the company for the year ended 31st January 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of holiday park proprietors and caravan dealers.

**DIVIDENDS**

The total distribution of dividends for the year ended 31st January 2019 will be £300,000 (31.01.18: £300,000).

**DIRECTORS**

The directors set out in the table below have held office during the whole of the period from 1st February 2018 to the date of this report.

The beneficial interests of the directors holding office at 31st January 2019 in the shares of the company, according to the register of directors' interests, were as follows:

	31.1.19	1.2.18
<b>Ordinary shares of £1 each</b>		
Mr T Scarrott	30	30
Mrs J Scarrott	25	25
Mr T H S Scarrott	15	15
Mr J W Scarrott	15	15
Mr C H Scarrott	15	15

These directors did not hold any non-beneficial interests in the shares of the company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ON BEHALF OF THE BOARD:**



Mr T H S Scarrott - Director

8th October 2019

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**VALE HOLIDAY PARKS LIMITED**

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**Opinion**

We have audited the financial statements of Vale Holiday Parks Limited (the 'company') for the year ended 31st January 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, 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 company's affairs as at 31st January 2019 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.

**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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**Opinions 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**VALE HOLIDAY PARKS LIMITED**

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

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

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

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

- adequate accounting records have not been kept, 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; 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 Statement of Directors' Responsibilities set out on page four, 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 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 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 company or to cease operations, or have no realistic alternative but to do so.

**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 a Report of the Auditors 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 financial statements.

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 Report of the Auditors.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Nimesh Pau F.C.C.A. (Senior Statutory Auditor)  
for and on behalf of R Pau & Co Limited  
Chartered Certified Accountants  
& Statutory Auditors  
12-16 Station Street East  
Coventry  
West Midlands  
CV6 5FJ

8th October 2019

*Nimesh Pau F.C.C.A.*  
*R Pau & Co Limited*  
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**VALE HOLIDAY PARKS LIMITED (REGISTERED NUMBER: 04670394)**

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

		2019		2018	
	Notes	£	£	£	£
<b>TURNOVER</b>			9,286,377		8,084,949
Cost of sales			5,309,129		4,879,141
<b>GROSS PROFIT</b>			3,977,248		3,205,808
Administrative expenses			2,028,731		2,029,755
<b>OPERATING PROFIT</b>	4		1,948,517		1,176,053
Income from fixed asset investments		26,338		26,338	
Interest receivable and similar income		46,167		46,779	
			72,505		73,117
			2,021,022		1,249,170
Interest payable and similar expenses	5		392,741		381,110
<b>PROFIT BEFORE TAXATION</b>			1,628,281		868,060
Tax on profit	6		312,583		157,771
<b>PROFIT FOR THE FINANCIAL YEAR</b>			1,315,698		710,289

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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	Notes	2019 £	2018 £
PROFIT FOR THE YEAR		1,315,698	710,289
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,315,698</u>	<u>710,289</u>

The notes form part of these financial statements

**BALANCE SHEET**  
**31ST JANUARY 2019**

	Notes	2019	2018
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	8	286,366	312,660
Tangible assets	9	24,868,528	24,782,971
Investments	10	362,441	362,441
		<u>25,517,335</u>	<u>25,458,072</u>
<b>CURRENT ASSETS</b>			
Stocks	11	2,090,024	1,588,247
Debtors	12	1,122,398	365,185
Cash at bank and in hand		612,821	262,934
		<u>3,825,243</u>	<u>2,216,366</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	5,738,065	4,930,916
<b>NET CURRENT LIABILITIES</b>		<u>(1,912,822)</u>	<u>(2,714,550)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		23,604,513	22,743,522
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	11,195,048	11,349,755
<b>NET ASSETS</b>		<u>12,409,465</u>	<u>11,393,767</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	100	100
Retained earnings		12,409,365	11,393,667
<b>SHAREHOLDERS' FUNDS</b>		<u>12,409,465</u>	<u>11,393,767</u>

The financial statements were approved and authorised for issue by the Board of Directors on 8th October 2019 and were signed on its behalf by:



Mr T H S Scarrott - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1st February 2017</b>	100	10,983,378	10,983,478
<b>Changes in equity</b>			
Dividends	-	(300,000)	(300,000)
Total comprehensive income	-	710,289	710,289
<b>Balance at 31st January 2018</b>	100	11,393,667	11,393,767
<b>Changes in equity</b>			
Dividends	-	(300,000)	(300,000)
Total comprehensive income	-	1,315,698	1,315,698
<b>Balance at 31st January 2019</b>	100	12,409,365	12,409,465

The notes form part of these financial statements

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,126,121	2,345,794
Interest paid		(356,650)	(357,454)
Interest element of hire purchase payments paid		(36,091)	(23,656)
Tax paid		(157,771)	(236,700)
Net cash from operating activities		<u>1,575,609</u>	<u>1,727,984</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		-	(1)
Purchase of tangible fixed assets		(481,700)	(1,777,202)
Sale of tangible fixed assets		1,600	5,829
Interest received		46,167	46,779
Dividends received		26,338	26,338
Net cash from investing activities		<u>(407,595)</u>	<u>(1,698,257)</u>
<b>Cash flows from financing activities</b>			
Hire purchase		-	(294,074)
Amount introduced by directors		19,923	-
Amount withdrawn by directors		-	(77,387)
Bank loan repayments		(538,050)	(1,015,001)
Bank loan advances		-	1,315,000
Equity dividends paid		(300,000)	(300,000)
Net cash from financing activities		<u>(818,127)</u>	<u>(371,462)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>349,887</u>	<u>(341,735)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	262,934	604,669
<b>Cash and cash equivalents at end of year</b>	2	<u>612,821</u>	<u>262,934</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£	£
Profit before taxation	1,628,281	868,060
Depreciation charges	430,494	475,368
(Profit)/loss on disposal of fixed assets	(248)	4,783
Finance costs	392,741	381,110
Finance income	(72,505)	(73,117)
	<u>2,378,763</u>	<u>1,656,204</u>
Increase in stocks	(501,777)	(81,725)
(Increase)/decrease in trade and other debtors	(757,213)	844,104
Increase/(decrease) in trade and other creditors	<u>1,006,348</u>	<u>(72,789)</u>
<b>Cash generated from operations</b>	<u><u>2,126,121</u></u>	<u><u>2,345,794</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31st January 2019**

	31/1/19	1/2/18
	£	£
Cash and cash equivalents	<u>612,821</u>	<u>262,934</u>

**Year ended 31st January 2018**

	31/1/18	1/2/17
	£	£
Cash and cash equivalents	<u>262,934</u>	<u>604,669</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**1. STATUTORY INFORMATION**

Vale Holiday Parks Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The nature of the company's operations and principal activities are included in the Report of the Directors.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Turnover**

Turnover represents the net invoiced value of caravan sales, site fees and other associated income, excluding value added tax.

Turnover from the sale of goods on site, the sale of caravans and site fees is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. For site shop sales and caravans this is usually on the date of dispatch of the goods.

For site fees, recognition occurs when the site is occupied. Fees received on booking in advance of the holiday are carried forward in creditors as deferred income.

The company operates in one principle activity being the operation of a UK based holiday centre. All operations were continuing. It includes £4.3m (2018: £5.0m) for the sale of services and £4.4m (2018: £3.7m) for the sale of goods.

**Goodwill**

Goodwill, being the amount paid in connection with the purchase of the following businesses:

	<b>£</b>
Kiosk (2006)	15,500
Fairground (2006)	21,000
Penlon Holiday Park Limited (2008)	39,375
Old Vicarage Holiday Park Limited (2008)	1
Cross Parks Holiday Park Limited (2008)	300,000
Liskey Hill Caravan Park (2009)	1
Parc Farm Caravan Park (2013)	150,000
Landshipping Caravan Park (2018)	1
	<b>£525,879</b>

Goodwill, being the amount paid in connection with the acquisition of the above is being written off evenly over its useful economic life of 20 years.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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**2. ACCOUNTING POLICIES - continued**

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life, or if held under a finance lease, over the lease term, whichever is shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on reducing balance method
Property improvements	- 10% on cost

**Investments in associates**

Investments in associate undertakings are recognised at cost less impairment.

**Stocks**

Stocks are valued at the lower of cost and net realizable value, after making due allowance for obsolete and slow moving items. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out method.

**Taxation**

Taxation 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 in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

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**2. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Employee benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**Judgements and key sources of estimation uncertainty**

Certain judgments are made in the process of applying the above accounting policies. None of these are considered to have a significant effect on the amounts recognised in the financial statements.

Certain estimates are also made concerning the future, however, it is considered that there are no key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**3. EMPLOYEES AND DIRECTORS**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

	Year Ended 31/1/19 £	Year Ended 31/1/18 £
Wages and salaries	1,664,424	1,603,319
Social security costs	117,772	115,168
Other pension costs	16,989	7,525
	<u>1,799,185</u>	<u>1,726,012</u>
 The average monthly number of employees during the year	 <u>97</u>	 <u>96</u>
 Directors' remuneration	 <u>46,800</u>	 <u>46,800</u>
 <b>4. OPERATING PROFIT</b>		
The operating profit is stated after charging/(crediting):		
	2019 £	2018 £
Depreciation - owned assets	386,429	367,557
Depreciation - assets on hire purchase contracts	17,771	81,517
(Profit)/loss on disposal of fixed assets	(248)	4,783
Goodwill amortisation	26,294	26,294
Auditors' remuneration	6,000	6,000
	<u></u>	<u></u>
 <b>5. INTEREST PAYABLE AND SIMILAR EXPENSES</b>		
	2019 £	2018 £
Bank loan interest	312,409	304,399
Loan arrangement fee	2,500	12,400
Bank charges	18,157	19,284
Credit card charges	23,584	21,371
Hire purchase	36,091	23,656
	<u>392,741</u>	<u>381,110</u>
 <b>6. TAXATION</b>		
<b>Analysis of the tax charge</b>		
The tax charge on the profit for the year was as follows:		
	2019 £	2018 £
Current tax:		
UK corporation tax	312,583	157,771
	<u>312,583</u>	<u>157,771</u>
Tax on profit	<u>312,583</u>	<u>157,771</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**6. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	1,628,281	868,060
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19.162%)	309,373	166,338
Effects of:		
Expenses not deductible for tax purposes	-	956
Income not taxable for tax purposes	(5,051)	(5,048)
Capital allowances in excess of depreciation	-	(4,475)
Depreciation in excess of capital allowances	8,261	-
Total tax charge	312,583	157,771

**7. DIVIDENDS**

	2019 £	2018 £
Interim dividends	300,000	300,000

**8. INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1st February 2018 and 31st January 2019	525,879
<b>AMORTISATION</b>	
At 1st February 2018	213,219
Amortisation for year	26,294
At 31st January 2019	239,513
<b>NET BOOK VALUE</b>	
At 31st January 2019	286,366
At 31st January 2018	312,660

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**9. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1st February 2018	24,232,049	673,314	1,582,915	525,184	27,013,462
Additions	330,957	-	124,243	35,909	491,109
Disposals	-	-	-	(7,867)	(7,867)
At 31st January 2019	24,563,006	673,314	1,707,158	553,226	27,496,704
<b>DEPRECIATION</b>					
At 1st February 2018	182,143	628,081	1,111,502	308,765	2,230,491
Charge for year	119,183	11,308	210,965	62,744	404,200
Eliminated on disposal	-	-	-	(6,515)	(6,515)
At 31st January 2019	301,326	639,389	1,322,467	364,994	2,628,176
<b>NET BOOK VALUE</b>					
At 31st January 2019	24,261,680	33,925	384,691	188,232	24,868,528
At 31st January 2018	24,049,906	45,233	471,413	216,419	24,782,971

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST</b>	
At 1st February 2018	268,583
Additions	9,409
Transfer to ownership	(93,776)
At 31st January 2019	184,216
<b>DEPRECIATION</b>	
At 1st February 2018	170,642
Charge for year	17,771
Transfer to ownership	(57,510)
At 31st January 2019	130,903
<b>NET BOOK VALUE</b>	
At 31st January 2019	53,313
At 31st January 2018	97,941

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**10. FIXED ASSET INVESTMENTS**

	Interest in associate £
<b>COST</b>	
At 1st February 2018 and 31st January 2019	362,441
<b>NET BOOK VALUE</b>	
At 31st January 2019	362,441
At 31st January 2018	362,441

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Associated company**

**Heatherdale Holidays (Clarach Bay) Limited**

Registered office:

Nature of business: Holiday park

	% holding
Class of shares:	
Ordinary	26.34

**11. STOCKS**

	2019 £	2018 £
Stock	2,079,591	1,581,679
Consumable stock	10,433	6,568
	<u>2,090,024</u>	<u>1,588,247</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	1,029,630	254,593
Amounts owing from associated companies	25,350	9,013
Prepayments and other debtors	67,418	101,579
	<u>1,122,398</u>	<u>365,185</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Bank loans and overdrafts (see note 15)	959,353	1,271,295
Hire purchase contracts (see note 16)	474,926	359,677
Trade creditors	797,968	450,734
Commercial card	7,814	2,554
Corporation taxation	312,583	157,771
PAYE and national insurance	22,085	19,335
Pension	2,172	825
Value added taxation	143,378	86,006
Site fees in advance	2,533,078	2,422,660
Holiday bookings in advance	341,403	87,619
Directors' current accounts	20,587	664
Accrued expenses	122,718	71,776
	<u>5,738,065</u>	<u>4,930,916</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019	2018
	£	£
Bank loans (see note 15)	10,751,083	10,977,191
Hire purchase contracts (see note 16)	443,965	372,564
	<u>11,195,048</u>	<u>11,349,755</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year or on demand:		
Bank loan	<u>959,353</u>	<u>1,271,295</u>
Amounts falling due between one and two years:		
Bank loan	<u>959,353</u>	<u>1,271,295</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>2,878,060</u>	<u>3,722,830</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Bank loans more 5 yrs	<u>6,913,670</u>	<u>5,983,066</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**16. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Net obligations repayable:		
Within one year	474,926	359,677
Between one and five years	443,965	372,564
	<u>918,891</u>	<u>732,241</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	2019 £	2018 £
Bank loans	11,710,436	12,248,486
Hire purchase	918,891	732,241
	<u>12,629,327</u>	<u>12,980,727</u>

The following securities are held by the bank:-

First legal charges over freehold property known as:

- Woodland Vale Caravan Park, Narbeth, SA67 8JE
- Cross Park Holiday Centre, Broadmoor, Kilgetty, SA68 0RS
- Glyteg Caravan Park, Cross Inn, Landysul, SA44 6LW
- Grondre Caravan Park, Clynderwen
- Penlon Caravan Park, Llandysul
- Liskey Hill Caravan Park, Perranport, TR6 0BD
- The Old Vicarage Holiday Park, Red Roses, Whitland, SA34 0PE
- Red Roses Filling Station, Whitland, SA34 0PE
- Village Holiday Park, Cross Inn, New Quay, SA44 6LW
- Llanarmon-Yn-Ial, Denbighshire, CH7 4QW

Composite company limited multilateral guarantee given by Vale Holiday Parks Limited, Cross Park Holiday Village Limited, Grondre Holiday Park Limited, The Village Holiday Park Limited, Penlon Holiday Park Limited, The Old Vicarage Holiday Park Limited, Woodland Vale Holiday Park Limited, New Horizons Holidays Limited.

Debenture including fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and fixed floating charge over all assets and undertaking both present and future.

Hire purchase liabilities are secured on the assets to which they relate.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

**18. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2019	2018
		£1	£	£
100	Ordinary		100	100
			<u>          </u>	<u>          </u>

**19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31st January 2019 and 31st January 2018:

	2019	2018
	£	£
<b>Mr T Scarrott and Mrs J Scarrott</b>		
Balance outstanding at start of year	(664)	(78,051)
Amounts advanced	292,977	406,287
Amounts repaid	(312,900)	(328,900)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(20,587)</u>	<u>(664)</u>

**20. RELATED PARTY DISCLOSURES**

The company is jointly owned by Mr T and Mrs J Scarrott.

The company owed Mr T and Mrs J Scarrott £20,587 (2018: £664) at the end of the year. This loan was unsecured, interest free and repayable on demand.

During the year, the directors loan accounts became overdrawn due to monies being in excess of the current account balance. The maximum outstanding by the directors was £218,994. This was fully repaid before the year end resulting in the above amount of £20,587 being payable to the directors.

During the year the following rents were paid by the directors to the company for occupying chalets held by the company:

	<b><u>2019</u></b>	<b><u>2018</u></b>
Mr T Scarrott	2,000	2,000
Mr T H S Scarrott	2,000	2,000
Mr J Scarrott	2,000	2,000
Mr C H Scarrott	2,000	2,000
	<u>          </u>	<u>          </u>
	<b><u>£8,000</u></b>	<b><u>£8,000</u></b>

During the year the company operated an interest free loan to an associated company. Advances to that company in the year amounted to £26,338 (2018: £26,338) and repayments were £10,000 (2018: £20,000). At the year end a balance of £25,350 (2018: £9,013) was owing from this company.

**TRADING AND PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

	2019		2018	
	£	£	£	£
<b>Turnover</b>				
Site fees	2,794,499		2,409,074	
Sale of caravans	4,222,453		3,610,147	
Club takings	699,646		690,044	
Kiosk and shop takings	63,087		57,688	
Holiday takings	748,901		624,981	
Sundry income	523,579		496,938	
Management charges	15,000		-	
Commission	162,773		163,379	
Caravan transport	56,439		32,698	
		9,286,377		8,084,949
<b>Cost of sales</b>				
Consumable goods	49,422		44,722	
Repairs and renewals	571,110		525,216	
Cost of caravan sales	2,269,812		2,059,562	
Gross wages and national insurance	1,782,196		1,670,833	
Wetstock and consumables	334,372		345,495	
Sub-contractors	142,957		89,885	
Artists and entertainment	116,203		112,695	
Hire of plant and equipment	14,760		8,130	
Pensions	16,989		7,525	
Depreciation of tangible fixed assets				
Plant and machinery	11,308		15,078	
		5,309,129		4,879,141
<b>GROSS PROFIT</b>		3,977,248		3,205,808
<b>Other income</b>				
Franked investment income	26,338		26,338	
Rents received	46,167		46,779	
		72,505		73,117
		4,049,753		3,278,925
<b>Expenditure</b>				
Insurance	44,718		38,820	
Rates and water	260,063		277,168	
Light and heat	464,340		419,873	
Rent	12,300		12,300	
Directors' salaries	46,800		46,800	
Directors' social security	789		854	
Telephone and postage	29,325		30,635	
Printing, stationery and advertising	231,404		243,416	
Motor and travel	184,954		144,194	
Computer support and maintenance	86,998		68,842	
Cleaning and waste	121,640		118,002	
Sundry expenses	32,471		30,581	
Accountancy	18,000		18,000	
Marketing and consultancy	-		30,197	
Carried forward	1,533,802	4,049,753	1,479,682	3,278,925

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**TRADING AND PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST JANUARY 2019**

	2019		2018	
	£	£	£	£
Brought forward	1,533,802	4,049,753	1,479,682	3,278,925
Subscriptions	16,814		15,490	
Legal and professional	53,177		63,510	
Auditors' remuneration	6,000		6,000	
Amortisation of intangible fixed assets				
Goodwill	26,294		26,294	
Depreciation of tangible fixed assets				
Freehold property	119,183		102,742	
Fixtures and fittings	210,965		221,607	
Motor vehicles	62,744		109,647	
Profit on disposal of fixed assets	(248)		4,783	
		2,028,731		2,029,755
		2,021,022		1,249,170
<b>Finance costs</b>				
Bank loan interest	312,409		304,399	
Loan arrangement fee	2,500		12,400	
Bank charges	18,157		19,284	
Credit card charges	23,584		21,371	
Hire purchase	36,091		23,656	
		392,741		381,110
<b>NET PROFIT</b>		<b>1,628,281</b>		<b>868,060</b>

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