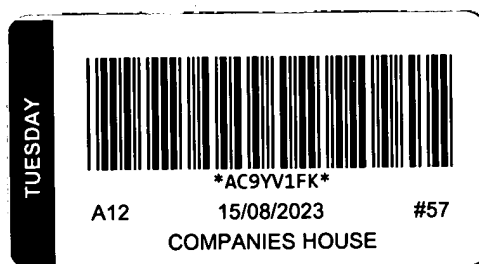


Company Registration No. 08434041 (England and Wales)

BARMOUTH BAY HOLIDAY PARK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



BARMOUTH BAY HOLIDAY PARK LIMITED

COMPANY INFORMATION

Directors C Castledine
G Lashley

Company number 08434041

Registered office The Maylands Building
200 Maylands Avenue
Hemel Hempstead
HP2 7TG

Auditor BDO LLP
55 Baker Street
London
W1U 7EU

Solicitors Willkie Farr & Gallagher (UK) LLP
1 Ropemaker Street
London
EC2Y 9AW

BARMOUTH BAY HOLIDAY PARK LIMITED

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BARMOUTH BAY HOLIDAY PARK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Objectives and strategy

The principal activity of Barmouth Bay Holiday Park Limited (the "Company") is the operation of a holiday park in the United Kingdom to provide an excellent quality experience for holidaymakers and holiday homeowners whilst maximising returns for shareholders.

Key to the achievement of this are the attainment and retention of a motivated and well-trained workforce managed by several key individuals in senior roles to provide a high quality of customer service. The objectives are further supported by a strong brand and marketing message, competitive pricing strategies and continual investment in the park's infrastructure

Business review

The Company recorded turnover of £5.6m (2020: £3.4m) in the year, generating an operating profit of £0.4m (2020: £0.3m loss) and profit before taxation of £0.2m (2020: £0.5m loss). The prior year results were significantly impacted by COVID-19. The profit in the year resulted in an increase in net assets from £1.5m to £1.7m.

The Company's operations are seasonal with a close down period during the winter months. Remuneration incentives for key individuals are targeted at minimising the costs during the close down period and maximising revenues during the open season. Management attempts to achieve maximum occupancy from holidaymakers during the operating season, whilst retaining average prices at an acceptable level. Booking occupancy and average price are therefore closely monitored key performance indicators, and pricing and marketing strategies are altered accordingly.

The Company also sells static holiday homes to private individuals who pay a licence fee to retain the holiday home on a pitch at the park. Sales volumes, average margins and total owner numbers are monitored in order to maximise revenues from this source, with sales staff incentivised accordingly.

COVID-19 continued to have a significant impact on the business in the year. Since the initial impact in 2020, through lockdowns and restrictions, the Company has invested on a people-first basis to ensure our teams and customers are protected. The national lockdown in place at the start of the year ended in April 2021 and the park opened shortly after, with appropriate protections. The Company has provided flexibility to customers with the introduction of our Booking Guarantee and Booking Reassurance schemes providing additional flexibility.

The Company was able to operate for the main season and recovered its operations to a pre-COVID level.

However there continued to be some significant cost pressures, including increased staffing levels, utility costs and additional investment in operations necessarily incurred to secure the health and safety requirements of customers and employees against COVID-19 risks via extended operational procedures and the acquisition of Personal Protective Equipment.

The Company's net asset position increased from £1.5m to £1.7m as a result of the profit in the year, with the increase leading to an increased intercompany receivable due to the group using a central treasury policy.

Future developments and subsequent events

The Company is continuing to invest in the park's infrastructure, letting fleet and central facilities in order to secure the long-term profitability of the park. During the year, the Company invested £119k (2020: £210k) in capital expenditure.

There are no subsequent events which require disclosure.

BARMOUTH BAY HOLIDAY PARK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Going concern

The company's financial position and cash flows are intrinsically linked to the wider Away Resorts Group, with a central treasury function and external debt and loan notes held by Artemis Bidco Limited, a fellow group company. Due to this, the Company has received confirmation through a deed of support of ongoing financial support from Artemis Bidco Limited.

The Group maintains a strong relationship with its shareholders and lenders. Following the acquisition of the Group by CVC Capital Partners in October 2021 the existing debt was refinanced with new debt not due for repayment until 2028, together with further facilities which remain undrawn and available to management if required. Bank debt is subject to quarterly covenant testing.

The directors have prepared forecasts for the periods until 30 September 2024 on a base case and downside scenario, which current trading continues to be monitored against. This reflects the experience in the 2022 season and also factors in current economic headwinds. On both forecasts, the Group does not require any further funding and will meet its covenant requirements throughout the period.

Based on the above, the directors are confident that the business will continue as a going concern and is well placed to continue to grow operations and invest in the park estate.

BARMOUTH BAY HOLIDAY PARK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Principal Risks and Uncertainties

Competition

The Company operates in a competitive environment with other holiday parks in similar geographic locations. The actions and performance of competitors can have an impact on the Company's ability to meet its expectations and objectives. Competitors' pricing policies and strategies are kept under review and these influence the Company's strategies accordingly.

Global pandemics

As demonstrated during the national lockdown in 2020, the business would be significantly affected by a global pandemic. Investments have been made in the provision of updated operational manuals and acquisition of safeguarding equipment in order to provide protection to our employees and customer base.

Quality of customer service

The Company's reputation is heavily dependent on the quality of the customer service provided. The Company invests in significant training programmes to ensure that staff members adhere to our service policies. Service levels are monitored by direct customer feedback via questionnaires, and indirectly via social media.

Availability of financing partners

The Company introduces customers to financing partners in order to fund the purchase of holiday homes at the Company's park. Should these financing partners exit the market or substantially reduce their exposure there would be a detrimental impact on the Company's ability to maintain sales volume. The Company has few options in mitigating this risk, however the financing partners have been in the sector for a considerable period of time and the directors consider it unlikely that they will exit from the sector in the near future.

Information systems

The Company's activities are dependent on the performance of a variety of software packages and the stability of the platforms on which they are hosted. The Company has utilised off site hosting and has partnered with specialist IT support companies to provide comprehensive support on a continuous basis.

Retention of key personnel

The retention of various key personnel is a significant factor in the Company's ability to meet its growth expectations and compete effectively due to their relevant skills and experience. The Company's employment policies, remuneration and benefits packages are regularly reviewed and are designed to be competitive with other companies.

Variability of weather conditions

The Company provides UK holidays in both caravan and lodge accommodation, and also in touring fields for holidaymakers to bring their own caravan or tent. As a result, the prevailing weather conditions can have an impact on the demand for the Company's product. The group mitigates this uncertainty by promoting all weather activities and managing prices in response to demand.

Political and economic risks

The Company's trading policies align with sector best practice and it is an approved operator under the NCC. As a result, any tightening of the legislative environment should not adversely affect how the business operates. The Company is also impacted by UK direct and indirect tax changes, together with inflation and government actions to manage or mitigate this. The Company manages this risk wherever possible through active management and engagement with stakeholders, reforecasting and monitoring for changes in the wider environment.

BARMOUTH BAY HOLIDAY PARK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The Company does not use financial derivatives, nor do its activities expose it to significant commodity price risk.

Credit risk

The Company's principal financial assets are bank balances, trade and intercompany receivables. The credit risk on liquid funds because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

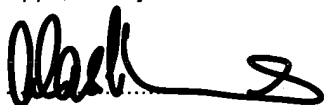
Interest rate risk

The Company's activities expose it primarily to the financial risks of changes in interest rates. The Company uses interest rate swap contracts where necessary to hedge these exposures, although none were in place during the financial year.

Liquidity risk

In order to maintain liquidity to ensure sufficient funds are available for ongoing operations and future developments, the Company uses a mixture of long-term and short-term debt finance.

Approved by the Board of Directors and signed on behalf of the board



C Castledine
Director

Date: 10 August 2023

BARMOUTH BAY HOLIDAY PARK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of a holiday park operator.

Results and dividends

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C Castledine

G Lashley

N Ryder (resigned 19 June 2023)

Directors indemnity insurance is held for all directors by the Parent Company.

Employee engagement

The Company recognises that the contribution made by its employees is crucial to its success. Substantial investment is therefore made in the training, development and motivation of staff, with particular attention to ensuring customer satisfaction and the achievement of high standards of service. The Company endorses the application of equal opportunities policies to provide fair and equitable conditions for all employees regardless of sex, family status, religion, creed, colour, ethnic origin, age, disability or sexual orientation. Where employees become disabled in the course of their employment, they will continue to be employed, wherever practicable, in the same job, or if this is not practicable every effort will be made to find an alternative job and provide appropriate training.

Post reporting date events

There have been no material subsequent events which require disclosure.

Auditor

A resolution to re-appoint BDO LLP, the Company's auditor, will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.

Energy and carbon report

Protect the planet. This is one of our core values and a key focus of our teams throughout the business. Our parks seek to act responsibly and operate sustainably, through team and customer engagement together with best practice and partnering with local communities. We have an active project to replace vehicles with electric or hybrid alternatives, and responsible sourcing for our park materials, food and fuel sources. For more information see awayresorts.co.uk/about/giving-back.

The Company does not meet the requirements for further disclosure, however management continue to expand their monitoring and analysis, and will seek to increase disclosure in future periods.

Matters covered in the strategic report

Disclosure of the Company's business review, future developments, going concern and financial risk management objectives and policies are included in the strategic report.

BARMOUTH BAY HOLIDAY PARK LIMITED

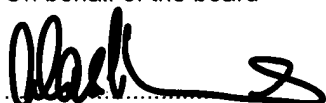
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

A handwritten signature in black ink, appearing to read 'C Castledine', with a stylized flourish at the end.

C Castledine
Director

Date: 10 August 2023

BARMOUTH BAY HOLIDAY PARK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

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

BARMOUTH BAY HOLIDAY PARK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BARMOUTH BAY HOLIDAY PARK LIMITED

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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.

We have audited the financial statements of Barmouth Bay Holiday Park Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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 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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual report and financial statements, other than the financial statements and our auditor's report 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.

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.

BARMOUTH BAY HOLIDAY PARK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BARMOUTH BAY HOLIDAY PARK LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 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.

Auditor's 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 auditor's 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 financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management from across the Company to understand where they considered there was a susceptibility to fraud.
- Our audit planning identified fraud risks in relation to management override and revenue recognition. We considered the processes and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors those processes and controls.

BARMOUTH BAY HOLIDAY PARK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BARMOUTH BAY HOLIDAY PARK LIMITED

- We designed our audit procedures to detect irregularities, including fraud. Our procedures included journal entry testing, with a focus on large or unusual transactions based on our knowledge of the business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Gareth M Jones

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Gareth M Jones (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, UK

12 August 2023

Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BARMOUTH BAY HOLIDAY PARK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	3	5,578,074	3,440,913
Cost of sales		(2,703,809)	(1,520,864)
Gross profit		2,874,265	1,920,049
Administrative expenses		(2,523,067)	(2,312,141)
Other operating income	3	19,337	49,298
Operating profit/(loss)	4	370,535	(342,794)
Interest payable and similar expenses	7	(129,692)	(128,049)
Profit/(loss) before taxation		240,843	(470,843)
Tax on profit/(loss)	8	1,821	-
Profit/(loss) for the financial year		242,664	(470,843)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 24 form part of these financial statements.

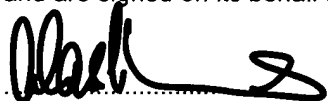
BARMOUTH BAY HOLIDAY PARK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		4,192,518		4,245,082
Current assets					
Stocks	10	295,533		537,226	
Debtors	11	3,446,235		2,507,585	
Cash at bank and in hand		3,100		3,101	
		<u>3,744,868</u>		<u>3,047,912</u>	
Creditors: amounts falling due within one year	12	<u>(1,731,081)</u>		<u>(1,319,691)</u>	
Net current assets			2,013,787		1,728,221
Total assets less current liabilities			6,206,305		5,973,303
Creditors: amounts falling due after more than one year	13		<u>(4,472,505)</u>		<u>(4,482,167)</u>
Net assets			<u>1,733,800</u>		<u>1,491,136</u>
Capital and reserves					
Called up share capital	15		2		2
Profit and loss reserves			<u>1,733,798</u>		<u>1,491,134</u>
Total equity			<u>1,733,800</u>		<u>1,491,136</u>

The financial statements were approved by the board of directors and authorised for issue on 10 August 2023 and are signed on its behalf by:



C Castledine
Director

Company Registration No. 08434041

The notes on pages 14 to 24 form part of these financial statements.

BARMOUTH BAY HOLIDAY PARK LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2020	2	1,961,977	1,961,979
Year ended 31 December 2020:			
Loss and total comprehensive expense for the year	-	(470,843)	(470,843)
Balance at 31 December 2020	2	1,491,134	1,491,136
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	242,664	242,664
Balance at 31 December 2021	2	1,733,798	1,733,800

The notes on pages 14 to 24 form part of these financial statements.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR

THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Barmouth Bay Holiday Park Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Maylands Building, 200 Maylands Avenue, Hemel Hempstead, HP2 7TG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Archer Topco Limited. These consolidated financial statements are available from its registered office.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.2 Going concern

The directors prepare the financial statements on a going concern basis unless it is inappropriate to presume the company will continue in business.

The company's financial position and cash flows are intrinsically linked to the wider Away Resorts Group, with a central treasury function and external debt and loan notes held by Artemis Bidco Limited, a fellow group company. Due to this, the Company has received confirmation through a deed of support, of ongoing financial support from Artemis Bidco Limited.

The Group maintains a strong relationship with its shareholders and lenders. Following the acquisition of the Group by CVC Capital Partners in October 2021 the existing debt was refinanced with new debt not due for repayment until 2028, together with further facilities which remain undrawn and available to management if required. Bank debt is subject to quarterly covenant testing.

The directors have prepared forecasts for the periods until 30 September 2024 on a base case and downside scenario, which current trading continues to be monitored against. This reflects the experience in the 2022 season and also factors in current economic headwinds. On both forecasts, the Group does not require any further funding and will meet its covenant requirements throughout the period.

Based on the above, the directors are confident that the business will continue as a going concern and is well placed to continue to grow operations and invest in the park estate.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

- Caravan sales are recognised at the point of sale subject to either full cash receipt or a signed third party finance agreement as that is when the significant risk and rewards of ownership transfer to the purchaser.
- Owners' rents are recognised on a straight line basis over the 12 month period to which invoiced amounts relate. In the year, where credits were awarded to owners as a result of the temporary park closure, these credits were recognised in the period to which they related.
- Hiring, rental and touring income is recognised in full when holidays commence.
- Retail and other income is recognised at the point of sale.

The Company earns sublet income for rentals arranged on Owners' holiday homes. The Company reports sublet income on a gross basis, where it is determined that the Company is the principal. On this basis, amounts billed to customers are recorded as revenues and amounts paid to Owners are recorded as cost of sales.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	50 years
Plant and equipment	4 to 10 years
Land under finance lease	Over the lease term

Freehold land and assets in the course of construction are not depreciated.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Government grants

Government grants are recognised as other income at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Reserves

Called up share capital - represents the nominal value of shares that have been issued.

Profit and loss account - includes cumulative retained profits and losses, less distributions to shareholders.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment indicators

Management assess, as required under FRS 102 para 27, whether there are any indicators that any asset may be impaired. Judgement is required when taking into consideration both external and internal sources of information. Management have concluded that the sole indicator of impairment is the impact of COVID-19. Management are satisfied that the carrying value of tangible fixed assets is lower than the recoverable amount and no impairment is required.

Treatment of leases under the ground rent transaction

Determination on whether leases entered into by the Company under the ground rent agreement are operating or finance leases. The decision depends on an assessment of whether risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful life and residual values of fixed assets

To determine the useful life and residual values of fixed assets, management is required to make estimates of current and future results of the group. The decision depends on an assessment of the use to which assets are put and their future alternative use.

3 Turnover and other revenue

FRS 102 requires operating segments to be determined based on the Company's internal reporting to the Chief Operating Decision Maker since they are primarily responsible for the allocation of resources to segments and the assessment of the performance of each segment.

The principal activity of the Company is the operation of a holiday park. Management consider there is only one operating segment, as this is the lowest level at which discrete financial information is available. All of the Company's income is generated from UK operations.

	2021	2020
	£	£
Turnover analysed by class of business		
Sale of goods	3,374,207	2,089,591
Rendering of services	2,203,867	1,351,322
	<u>5,578,074</u>	<u>3,440,913</u>

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Turnover and other revenue

(Continued)

	2021	2020
	£	£
Other significant income		
Government grants received	19,337	49,298

4 Operating profit/(loss)

	2021	2020
	£	£
Operating profit/(loss) for the year is stated after charging:		
Depreciation of tangible fixed assets	171,762	184,509
Management charge from group undertaking	1,107,211	1,078,868

Fees payable to the Company's auditor has been borne by the Parent Company.

5 Directors' remuneration

Directors' remuneration is borne by a fellow group Company.

6 Employees

All staff are contractually employed to the Company's immediate parent undertaking, Away Resorts Limited, and relevant payroll costs are recharged to the Company. The average monthly number of persons (including directors) whose payroll costs were recharged during the year was:

	2021	2020
	Number	Number
Directors	3	3
Permanent	6	6
Seasonal	13	12
Total	22	21

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	613,921	333,855
Social security costs	54,615	43,712
Pension costs	8,422	7,486
Total	676,958	385,053

Employees are included in a defined contribution pension scheme paid to the fund by the immediate parent undertaking. The pension charge for the year represents contributions recharged to the Company.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Interest payable and similar expenses

	2021	2020
	£	£
Other interest payable	763	738
Contingent rent payable	5,707	3,666
Interest on finance leases and hire purchase contracts	123,222	123,645
	<u>129,692</u>	<u>128,049</u>

8 Taxation

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Profit/(loss) before taxation	<u>240,843</u>	<u>(470,843)</u>
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	45,760	(89,460)
Tax effect of expenses that are not deductible in determining taxable profit	(74,809)	11,287
Group relief	27,665	86,833
Permanent capital allowances in excess of depreciation	-	10,359
Deferred tax not recognised	-	(3,220)
Effect of changes in tax rates	(437)	-
Other differences	-	(15,799)
Taxation charge/(credit) for the year	<u>(1,821)</u>	<u>-</u>

A deferred tax asset of approximately £2,000 (2020: £86,000) has not been recognised within these financial statements due to uncertainty over the timing and extend of its recovery.

On 3 March 2021, it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023, which was enacted in May 2021.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Tangible fixed assets

	Leasehold land and buildings	Assets under construction	Plant and equipment	Total
	£	£	£	£
Cost				
At 1 January 2021	4,221,673	8,505	723,568	4,953,746
Additions	95,693	14,920	8,585	119,198
Transfers	8,505	(8,505)	-	-
At 31 December 2021	4,325,871	14,920	732,153	5,072,944
Depreciation and impairment				
At 1 January 2021	357,279	-	351,385	708,664
Depreciation charged in the year	53,891	-	117,871	171,762
At 31 December 2021	411,170	-	469,256	880,426
Carrying amount				
At 31 December 2021	3,914,701	14,920	262,897	4,192,518
At 31 December 2020	3,864,394	8,505	372,183	4,245,082

Total tangible fixed assets are pledged as security for the parent entity's bank loans.

Ground rent transaction

The Company entered into a lease agreement of the land and buildings of the Company in 2019. Under the terms of the agreement, the Company is subject to ongoing rental obligations ("ground rent") over the next 999 years. The assets have been reclassified to leasehold land and buildings, with a corresponding finance lease obligation recognised within finance lease liabilities. All of the above land and buildings relate to assets held under finance lease.

10 Stocks

	2021 £	2020 £
Finished goods and goods for resale	295,533	537,226

The total carrying amount of stock is pledged as security for the Parent Company's bank loans.

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	871,835	626,758
Amounts owed by group undertakings	2,495,840	1,808,309
Other debtors	56	11,187
Prepayments and accrued income	76,683	61,331
Deferred tax asset	1,821	-
	<u>3,446,235</u>	<u>2,507,585</u>

Amounts due from group undertakings are unsecured, receivable on demand and do not earn interest income.

12 Creditors: amounts falling due within one year

	2021	2020
	£	£
Obligations under finance leases (Note 14)	9,662	9,404
Trade creditors	190,126	-
Deferred income	1,331,024	1,138,671
Other creditors	4,868	80,502
Accruals	195,401	91,114
	<u>1,731,081</u>	<u>1,319,691</u>

13 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Obligations under finance leases (Note 14)	<u>4,472,505</u>	<u>4,482,167</u>

BARMOUTH BAY HOLIDAY PARK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Finance lease obligations

	Minimum lease payments	Interest	Principal
	£	£	£
Future minimum lease payments due under finance leases:			
Within one year	132,626	122,964	9,662
In two to five years	663,130	610,694	52,436
In over five years	12,039,534	7,619,465	4,420,069
At 31 December 2021:	12,835,290	8,353,123	4,482,167
Within one year	132,626	123,222	9,404
In two to five years	663,131	612,094	51,037
In over five years	12,172,160	7,741,030	4,431,130
At 31 December 2020:	12,967,917	8,476,346	4,491,571

The Company has entered into a lease agreement for 999 years, secured on the leasehold land and buildings owned by the Company. The ongoing rental obligation is £132,626 per annum, increased for indexation annually, with a peppercorn annual rental payment after year 100 to the end of the lease term.

Arrangement fees associated with the finance lease of £57,683 have been capitalised and will be amortised into income over the life of the lease.

15 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	2	2	2	2

16 Ultimate controlling party

The Company is a subsidiary undertaking of Away Resorts Limited, a company registered in England and Wales. The ultimate parent company is Away Topco Limited, a company registered in Jersey.

The smallest and largest group in which the results of the company are consolidated is that headed by Archer Topco Limited, incorporated in Jersey and registered at the Jersey Financial Services Commission, 14-18 Castle Street, St Helier, Jersey, JE4 8TP.

The ultimate controlling party is CVC Capital Partners.

17 Related party transactions

The Company has taken advantage of the exemption against disclosing related party transaction within the group under FRS 102 section 33.