Company Registration No. SC043599 (England and Wales)

CAIRNGORM MOUNTAIN LTD.

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017

CAIRNGORM MOUNTAIN LTD.

COMPANY INFORMATION

Directors	Mr T Dennis Mr E J Kearney Mr M D Spence Mr A Wild
Company number	SC043599
Registered office	Cairngorm Ski Area Aviemore Inverness-Shire PH22 1RB
Auditor	RSM UK Audit LLP Chartered Accountants 3 Hardman Street Manchester M3 3HF
Bankers	Bank of Scotland 4th Floor New Uberior House 11 Earl Grey Street Edinburgh EH3 9BN

CAIRNGORM MOUNTAIN LTD.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their annual report and financial statements for the year ended 31 December 2017.

Principal activities
The principal activity of the company during the period was the provision of an all year round tourist attraction providing mountain railway experience, retail, catering and winter recreational activities.

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

Mr T Dennis
Mr E J Kearney
Mr M D Spence
Mr A Wild

Auditor
A resolution to reappoint RSM UK Audit LLP as auditor for the ensuing year will be proposed at the forthcoming annual general meeting.

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, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern
As part of its going concern review the Board has followed the guidelines published by the Financial Reporting Council entitled "Going Concern and Liquidity Risk: Guidance for UK Companies 2009". The Board has prepared detailed financial forecasts and cash flows. In drawing up these forecasts the Board has made assumptions based upon its view of the current and future economic conditions that will prevail over the forecast period. In extending its going concern assessment for the period from December 2018 to approximately twelve months from the date of signing these financial statements, the Board took account of the support of the loan holder (and major shareholder of the ultimate parent company), the support of the ultimate parent company and an indicative view of trading performance.

The company has net current liabilities of £2,509,563 (2016 - £1,693,540) and net liabilities of £2,099,875 (2016 - £1,092,906), and is reliant on group support to cover its working capital requirements.

The company has support from related parties, including its ultimate parent undertaking, and in turn, from the loan holder (and main shareholder) in the ultimate parent undertaking. The loan holder (and major shareholder) is considered to have adequate capabilities to provide support as required and has formally confirmed that he will support the company and its parent undertaking for at least the next 12 months.

The current cash funding requirements prepared by management have given the directors a reasonable expectation that the company will have sufficient resources available to continue in operational existence for the foreseeable future, with the confirmed continued support of its parent company and loan holder as noted above. For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

....

Mr A Wild
Director

Date: 18\9\18

CAIRNGORM MOUNTAIN LTD.

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors are responsible for preparing the Directors' 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CAIRNGORM MOUNTAIN LTD.

Opinion
We have audited the financial statements of CairnGorm Mountain Ltd. (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and 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 FRS 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 31 December 2017 and of its loss 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 Auditor's 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

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

- adequate accounting records have not been kept, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 3, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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 member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK AUDIT LLP

Ian Taylor (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF
21 SEPTEMBER 2018

CAIRNGORM MOUNTAIN LTD.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Turnover		3,547,475	4,749,982
Cost of sales		(3,136,492)	(3,660,836)
Gross profit		410,983	1,090,146
Administrative expenses		(1,206,191)	(1,320,205)
Other operating income		4,079	5,234
Operating loss		(791,129)	(224,825)
Interest receivable and similar income		13	22
Interest payable and similar expenses	4	(35,853)	8,225
Loss before taxation		(826,969)	(216,578)
Tax on loss		-	-
Loss for the financial year		(826,969)	(216,578)
Other comprehensive income net of taxation			
Actuarial loss on defined benefit pension schemes		(180,000)	(100,000)
Total comprehensive income for the year		(1,006,969)	(316,578)

Company Registration No. SC043599

CAIRNGORM MOUNTAIN LTD.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	5		1,283,230		1,007,089
Current assets					
Stocks		90,080		147,958	
Debtors	6	443,766		370,462	
Cash at bank and in hand		103,671		107,931	
		637,517		626,351	
Creditors: amounts falling due within one year	7	(3,147,080)		(2,319,891)	
Net current liabilities			(2,509,563)		(1,693,540)
Total assets less current liabilities			(1,226,333)		(686,451)
Creditors: amounts falling due after more than one year	8		(209,031)		(18,740)
Provisions for liabilities	9		(210,511)		(104,715)
Net assets excluding pension liability			(1,645,875)		(809,906)
Defined benefit pension liability	11		(454,000)		(283,000)
Net liabilities			(2,099,875)		(1,092,906)
Capital and reserves					
Called up share capital	12		565,000		565,000
Capital redemption reserve			75,000		75,000
Profit and loss reserves			(2,739,875)		(1,732,906)
Total equity			(2,099,875)		(1,092,906)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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

....

Mr A Wild
Director
18\9\18

1 Accounting policies

Company information

CairnGorm Mountain Ltd. is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Cairngorm Ski Area, Aviemore, Inverness-Shire, PH22 1RB.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

Going concern

As part of its going concern review the Board has followed the guidelines published by the Financial Reporting Council entitled "Going Concern and Liquidity Risk: Guidance for UK Companies 2009". The Board has prepared detailed financial forecasts and cash flows. In drawing up these forecasts the Board has made assumptions based upon its view of the current and future economic conditions that will prevail over the forecast period. In extending its going concern assessment for the period from December 2018 to approximately twelve months from the date of signing these financial statements, the Board took account of the support of the loan holder (and major shareholder of the ultimate parent company), the support of the ultimate parent company and an indicative view of trading performance.

The company has net current liabilities of £2,509,563 (2016 - £1,693,540) and net liabilities of £2,099,875 (2016 - £1,092,906), and is reliant on group support to cover its working capital requirements.

The company has support from related parties, including its ultimate parent undertaking, and in turn, from the loan holder (and main shareholder) in the ultimate parent undertaking. The loan holder (and major shareholder) is considered to have adequate capabilities to provide support as required and has formally confirmed that he will support the company and its parent undertaking for at least the next 12 months.

The current cash funding requirements prepared by management have given the directors a reasonable expectation that the company will have sufficient resources available to continue in operational existence for the foreseeable future, with the confirmed continued support of its parent company and loan holder as noted above. For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis.

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. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1 Accounting policies (Continued)

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, 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 buildings	2.5% straight line
Tenant's improvements	over the period of the lease
Plant and machinery	10-25% straight line and 25% reducing balance
Ski and snowboard equipment	25-33% straight line

Assets in the course of construction are not depreciated.

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.

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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials 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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

1 Accounting policies (Continued)

Financial instruments

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

Financial instruments are recognised 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.

Basic financial assets

Basic financial assets, which include trade debtors, other debtors, amounts owed by group undertakings 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.

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 trade creditors, other creditors, and loans from fellow group companies, are initially recognised at transaction price.

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

Equity instruments

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

1 Accounting policies (Continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Provisions
Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense.

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.

Retirement benefits
For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

In addition, the company operates a defined benefit pension scheme. Pension fund assets are measured using market values. Pension fund liabilities are measured using the projected unit method and discounted by the yield available on long-dated, high quality corporate bonds. The expected return on the plan's assets and the increase during the period in the present value of the plan's liabilities arising from the passage of time are included in interest payable. Actuarial gains and losses are recognised in the Statement of Total Recognised Gains and Losses.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

1 Accounting policies (Continued)

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

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 statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date or the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Auditor's remuneration

	2017	2016
Fees payable to the company's auditor and its associates:	£	£
For audit services		
Audit of the financial statements of the company	16,250	21,490

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 110 (2016 - 125).

4 Interest payable and similar expenses

	2017	2016
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	21,778	(18,000)
Other finance costs:		
Interest on finance leases and hire purchase contracts	6,075	4,775
Net interest on the net defined benefit pension liability	8,000	5,000
	35,853	(8,225)

During the comparative period the interest payable to the parent company from previous years was refunded.

5 Tangible fixed assets

	Leasehold buildings	Tenant's improvements	Assets under construction	Plant and machinery	Ski and snowboard equipment	Total
	£	£	£	£	£	£
Cost						
At 1 January 2017	52,569	474,208	443,280	4,060,171	172,740	5,202,968
Additions	-	-	127,509	426,640	33,769	587,918
Disposals	-	-	-	(364,868)	-	(364,868)
Transfers	-	120,871	(120,871)	-	-	-
At 31 December 2017	52,569	595,079	449,918	4,121,943	206,509	5,426,018
Depreciation and impairment						
At 1 January 2017	21,828	216,030	209,117	3,602,948	145,956	4,195,879
Depreciation charged in the year	1,560	22,580	-	267,456	17,829	309,425
Eliminated in respect of disposals	-	-	-	(362,516)	-	(362,516)
At 31 December 2017	23,388	238,610	209,117	3,507,888	163,785	4,142,788
Carrying amount						
At 31 December 2017	29,181	356,469	240,801	614,055	42,724	1,283,230
At 31 December 2016	30,741	258,178	234,163	457,223	26,784	1,007,089

6 Debtors

Amounts falling due within one year:	2017 £	2016 £
Trade debtors	149,739	107,657
Amounts owed by group undertakings	19,201	-
Other debtors	274,826	262,805
	443,766	370,462

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	702,872	780,072
Amounts due to group undertakings	1,890,770	844,235
Other taxation and social security	29,419	36,496
Other creditors	524,019	659,088
	3,147,080	2,319,891

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	209,031	18,740

Other creditors falling due after one year represent net obligations under hire purchase contracts which are secured on the associated assets.

9 Provisions for liabilities

	2017 £	2016 £
Maintenance provision	210,511	104,715

Movements on provisions:

	Maintenance provision £
At 1 January 2017	104,715
Additional provisions in the year	105,796
At 31 December 2017	210,511

10 Deferred tax

Deferred tax is not recognised in respect of losses of £6,588,020 (2016: £6,371,489) as it is not probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

11 Retirement benefit schemes

Defined contribution schemes	**2017** £	**2016** £
Charge to profit or loss in respect of defined contribution schemes	20,677	42,250

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Defined benefit schemes

The company operates a defined benefit scheme for qualifying employees. Under the scheme, the employees are entitled to retirement benefits on attainment of a retirement age of 60. No other post-retirement benefits are provided.

The most recent comprehensive actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at 1 November 2016.

Key assumptions	**2017**	**2016**
Discount rate	2.5%	2.7%
Expected rate of increase of pensions in payment	3.4%	3.4%
Expected rate of salary increases	no active members	4.0%
Retail price index	3.4%	3.4%
Increases in deferment	3.4%	3.4%
Commutation factor	22.4	12.0

Mortality assumptions	**2017** Years	**2016** Years
Retiring today		
- Males	21.1	21.1
- Females	22.9	23.0
Retiring in 20 years		
- Males	22.1	22.3
- Females	24.1	24.5

11 Retirement benefit schemes (Continued)

	2017	2016
Amounts recognised in the income statement	£	£
Current service cost	7,000	11,000
Net interest on defined benefit liability/(asset)	8,000	5,000
Total costs	15,000	16,000

11 Retirement benefit schemes (Continued)

Amounts taken to other comprehensive income	2017 £	2016 £
Actual return on scheme assets	(34,000)	(125,000)
Less: calculated interest element	31,000	28,000
Return on scheme assets excluding interest income	(3,000)	(97,000)
Actuarial changes related to obligations	183,000	197,000
Total costs	180,000	100,000

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	2017 £	2016 £
Present value of defined benefit obligations	1,618,000	1,440,000
Fair value of plan assets	(1,164,000)	(1,157,000)
Deficit in scheme	454,000	283,000

Movements in the present value of defined benefit obligations	2017 £
Liabilities at 1 January 2017	1,440,000
Current service cost	7,000
Benefits paid	(53,000)
Contributions from scheme members	2,000
Actuarial gains and losses	183,000
Interest cost	39,000
At 31 December 2017	1,618,000

The defined benefit obligations arise from plans which are wholly or partly funded.

11 Retirement benefit schemes (Continued)

Movements in the fair value of plan assets	2017 £
Fair value of assets at 1 January 2017	1,157,000
Interest income	31,000
Return on plan assets (excluding amounts included in net interest)	3,000
Benefits paid	(53,000)
Contributions by the employer	24,000
Contributions by scheme members	2,000
At 31 December 2017	1,164,000

The analysis of the scheme assets at the reporting date were as follows:	2017 £	2016 £
Equity instruments	256,080	242,970
Property	34,920	34,710
Corporate bonds	104,760	92,560
Gilts	721,680	682,630
Cash and other	46,560	104,130
	1,164,000	1,157,000

12 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
565,000 Ordinary shares of £1 each	565,000	565,000
	565,000	565,000

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	134,362	136,528
Between one and five years	487,771	499,722
In over five years	1,492,932	1,612,932
	2,115,065	2,249,182

14 Related party transactions

The company has taken advantage of Section 33 FRS102, from disclosing transactions with group companies.

The company's directors EJ Kearney, MD Spence and A Wild have interests in The Great Travel Company Limited, a company The UK Great Travel Company Limited (formerly Natural Retreats UK Limited) and Natural Retreats US Inc are subsidiaries of The UK Great Travel Company Limited.

During the year to 31 December 2017 the company received management services amounting to £491,639 (2016 - £640,414), purchase of fixed assets and other services amounting to £140,708 (2016 - £175,220) from The UK Great Travel Company Limited. At 31 December 2017 £99,991 (2016 - £27,800) was owing to The UK Great Travel Company Limited.

During the year the company recharged expenses amounting to £2,294 (2016 - £30,520) to The UK Great Travel Company Limited.

During the year the company was recharged expenses of £1,610 (2016 - £10,845) from Natural Retreats US Inc. At 31 December 2017 £3,244 (2016 - £2,764) was owing to Natural Retreats US Inc.

The company's directors EJ Kearney, MD Spence and A Wild have interests in Natural Assets Investments LLC. During the year the company recharged expenses of £nil (2016 - £993) to Natural Assets Investments LLC. At 31 December 2017 £993 (2016 - £993) was due from Natural Assets Investments LLC.

During the year the company was recharged expenses of £nil (2016 - £10,081) from Natural Assets Investments LLC. At 31 December 2017 £nil (2016 - £2,088) was owing to Natural Assets Investments LLC.

15 Parent company

The company is wholly owned by Natural Assets Investments Limited, a company registered in England and Wales which is the immediate controlling party and ultimate parent company. The consolidated financial statements of this group are available to the public from Companies House.

The ultimate controlling party is Mr D Gorton.