

Ladycroft Limited

Directors' report and financial statements

Registered number 01276383

31 December 2018

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Directors' report

Principal activities

The company held land and buildings as part of the group whose ultimate parent company is Intermediate Capital Group Plc as per note 11. During the year this land was transferred to the company's parent, Park Holidays UK Limited, and as a result Ladycroft Limited is now dormant.

Results

The company received no income during the year. The company made a profit after tax in the year of £1,214,954 due to the receipt of a tax credit. (2017: £159,342).

Dividends

There were no dividends paid during the year (2017: *Nil*).

The directors do not recommend the payment of a final dividend (2017: *Nil*).

Directors

The directors who served during the year were:

J A Sills

A B Loch

A N Clish

R L Ullman (appointed 28 November 2018)

Directors benefited from qualifying third party indemnity provisions in place during the financial period and at the date of this report. The Company provided qualifying third party indemnity provisions to directors of associated companies during the financial period and at the date of this report.

Research and Development

The Company undertook no research and development during the year (2017: *Nil*).

Financial instruments

Information in respect of the Company's policies on financial risk management objectives including policies to manage credit risk, liquidity risk and foreign currency risk can be found in the Group financial statements Tiger Topco 1 Limited, which is the largest and smallest group in which results of the Company are consolidated.

Political contributions

The Company did not make any political donations or incur any political expenditure during the year.

By order of the board



A B Loch

Director

Glovers House

Glovers End

Bexhill-On-Sea

East Sussex

TN39 5ES

18 October 2019

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Profit and Loss Account and Other Comprehensive Income

for the year ended 31 December 2018

	Note	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Other operating income	2	-	200,000
Operating profit		-	200,000
Profit before taxation		-	200,000
Tax credit/(charge) on profit	5	1,214,954	(40,658)
Profit for the financial year		1,214,954	159,342
Total comprehensive income for the year		1,214,954	159,342

The accompanying notes on pages 6-12 form part of the financial statements.

Balance Sheet

at 31 December 2018

	Note	2018 £	2017 £
Non-current assets			
Investment property	6	-	10,257,663
Current assets			
Trade and other receivables	7	8,464,858	-
Current liabilities			
Trade and other payables	8	(9,104)	(1,792,805)
Net current Liabilities		8,455,754	(1,792,805)
Total assets less current liabilities		8,455,754	8,464,858
Non-current liabilities			
Deferred tax liability	9	-	(1,224,058)
Net assets		8,455,754	7,240,800
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account		8,380,321	7,165,367
Capital reduction reserves		75,333	75,333
Shareholders' funds		8,455,754	7,240,800

For the financial period ended 31 December 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006. No members have required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The accompanying notes on pages 6-12 form part of the financial statements.

These financial statements were approved by the board of directors on 18 October 2019 and were signed on its behalf by:



A B Loch
Director

Company registered number: 01276383

Statement of Changes in Equity
for the year ended 31 December 2018

	Called up share capital	Profit and loss account £	Capital reduction reserves £	Total equity £
Balance at 1 January 2017	100	7,006,025	75,333	7,081,458
Profit for the financial year	-	159,342	-	159,342
Total comprehensive income for the year	-	159,342	-	159,342
Balance at 31 December 2017	100	7,165,367	75,333	7,240,800

	Called up share capital	Profit and loss account £	Capital reduction reserves £	Total equity £
Balance at 1 January 2018	100	7,165,367	75,333	7,240,800
Profit for the financial year	-	1,214,954	-	1,214,954
Total comprehensive income for the year	-	1,214,954	-	1,214,954
Balance at 31 December 2018	100	8,380,321	75,333	8,455,754

Notes on pages 6-12 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

1.1 Basis of preparation

Ladycroft Limited (the "Company") is a private company limited by shares incorporated, domiciled and registered in England, in the UK. The registered number is 01276383 and the registered address is Glovers House, Glovers End, Bexhill-On-Sea, East Sussex, TN39 5ES.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Tiger Topco 1 Limited includes the Company's result in its consolidated financial statements. The consolidated financial statements of Tiger Topco 1 Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Glovers House, Glovers End, Bexhill-On-Sea, East Sussex, TN39 5ES.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Tiger Topco 1 Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 12.

1.2 Change in accounting policy

- IFRS 9 Financial Instruments – *see Note 13*

1.3 Measurement convention

The financial statements are prepared on the historical cost basis.

1.4 Going concern

Having considered the Company's approved budget and cash flow forecasts for the next 12 months and beyond, and after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements

Notes (continued)

1 Accounting policies (continued)

1.5 Financial instruments

(i) Recognition on initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

(a) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

(b) Subsequent measurement and gains and losses

Financial assets at FVTPL - these assets (other than derivatives designated as hedging instruments) are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities and equity

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Notes (continued)

1 Accounting policies (continued)

1.5 Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

(b) Subsequent measurement and gains and losses (continued)

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

(iii) Impairment

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full
- the financial asset is more than 90 days past due

These criteria are based on historic experience of debt default within the business.

The company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECL. Trade receivables with significant financing component are measured using the general model described above.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write Offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

Notes (continued)

1 Accounting policies (continued)

1.6 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value.

In applying the fair value model in IAS 40 Investment Property:

- i. investment properties are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

Any gain or loss arising from a change in fair value is recognised in profit or loss. Rental income from investment property is accounted for as described in the Other Operating Income accounting policy, note 1.8.

1.7 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.8 Other Operating Income

Other operating income represents rental income received from group companies during the year. This is recognised in the period that it relates to.

1.9 Taxation

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

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

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

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

2 Other operating income

	2018	2017
	£	£
Rental income	-	200,000

3 Auditor's remuneration

	2018	2017
	£	£
Audit of these financial statements	-	3,700

The audit fees relating in 2017 relating to Ladycroft Limited have been borne by another group company, Park Holidays UK Limited.

4 Directors' Remuneration, Staff numbers and costs

The Company has no employees (2017: nil) other than the directors who do not directly carry out any work for the Company. The Directors of the Company received no remuneration in respect of directors' services provided to Ladycroft Limited (2017: nil).

Notes (continued)

5 Taxation

	2018 £	2017 £
Current tax		
Current tax on profits for the year	-	31,264
Adjustments in respect of prior periods	9,104	-
Total current tax	9,104	31,264
Deferred tax		
Origination and reversal of timing difference	(1,217,590)	10,296
Adjustment in respect of prior periods	(6,468)	(902)
Total deferred tax	(1,224,058)	9,394
Tax on profit	(1,214,954)	40,658

The current tax credit for the year is higher (2017: tax charge was higher) than the standard rate of corporation tax in the UK of 19%.

	2018 £	2017 £
Profit before taxation	-	200,000
Tax using the UK corporation tax rate of 19% (2017: 19.25%)	-	38,500
- Adjustment in respect of prior periods	2,636	(902)
- Reduction in tax rate on deferred tax balances	-	(1,360)
- Movement in deferred tax on chargeable gains on investment property	-	4,420
- Effect of transfers	(1,217,590)	-
Tax on profit	(1,214,954)	40,658

Reductions in the UK corporation tax rate 19% to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. A further reduction to the UK corporation tax rate to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly. The deferred tax liability at the balance sheet date has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

6 Investment property

	2018 £	2017 £
Balance at 1 January	10,257,663	9,797,104
Additions	27,091	460,559
Hive up	(10,284,754)	-
Balance at 31 December	-	10,257,663
Historical cost net book value	-	2,417,358

Full valuations are carried out by external experts triennially with management reviews carried out in non-review years. The Company uses CBRE Ltd for these valuations who hold all necessary qualifications to carry out the valuation in accordance with the RICS Valuation Professional Standards

The technique used by the valuers is a Market Value valuation which is a price between a willing buyer and willing seller at arm's length. The valuation looks at many factors including financial performance, park capital value, future expected revenues, park licences and all other matters of significance for valuing a Holiday Park. Management review this valuation against internal benchmarks and factors they deem necessary to value the park at a market rate. The carrying value is adjusted to fair value in the revaluation year based on this review.

Notes (continued)

6 Investment property (continued)

In non-revaluation years management review the carrying value and fair value of the parks. To assess fair value management review the last reported fair value as per the external valuers and perform an internal valuation. This valuation will take advice from the external valuers in assessing any significant changes in market conditions that they should be aware of, but do not engage in a full valuation report. This advice is combined with park performance over the last year and management review the same factors that the valuer uses (as noted above) to assess fair value.

A desktop valuation was last carried out by CBRE on the 31 December 2018. This was carried out in accordance with the techniques explained above and resulted in no change in asset values for the year ended 31 December 2018. The next full valuation is scheduled for 31 December 2019.

The best use and high use value of assets are equal in the year (2017: equal).

7 Trade and other receivables

	2018	2017
	£	£
Amounts owed to parent company	8,464,858	-

8 Trade and other payables

	2018	2017
	£	£
Amounts owed to parent company	-	1,761,541
Taxation and social security	9,104	31,264
	9,104	1,792,805

9 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax liabilities are attributable to the following:

	2018	2017
	£	£
Investment property	-	1,224,058

Movement in deferred tax during the year

	1 January 2018	Recognised in profit and loss 2018	Other 2018	31 December 2018
	£	£	£	£
Investment property	1,224,058	(1,224,058)	-	-

Movement in deferred tax during the prior year

	1 January 2017	Recognised in profit and loss 2017	31 December 2017
	£	£	£
Investment property	1,214,664	9,394	1,224,058

10 Share Capital

	2018	2017
	£	£
100 (2017: 100) Ordinary shares of £1 each	100	100

Notes (continued)

11 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Tiger Topco 1 Limited which is the ultimate parent company incorporated in England and Wales. The ultimate controlling party is Intermediate Capital Group Plc incorporated in England and Wales.

The largest and smallest group in which results of the company are consolidated is that headed by Tiger Topco 1 Limited, incorporated in England and Wales and whose registered office is Glovers House, Glovers End, Bexhill-On-Sea, East Sussex, TN39 5ES. No other group financial statements include the results of the Company. The consolidated accounts of this company are available to the public and may be obtained from Glovers House, Glovers End, Bexhill-On-Sea, East Sussex, TN39 5ES.

12 Accounting estimates and judgements

The preparation of financial statements in conformity with adopted IFRS's requires management to make judgements, estimates and assumptions that affect the application of policies and reported annual amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The company believes the principal accounting estimates, assumptions and uncertainties employed in the preparation of these financial statements are:

•Investment Property

Investment Property are held at fair value. Revaluations are carried out triennially by an external valuation specialist. The review is carried out to industry required standards looking at all aspects that make up the park including on site drivers (park quality, location, infrastructure) and financial performance. Management make use of the report prepared by the property valuation company in revaluing Investment Property. An assessment of fair value in the year is detailed in note 6.

•Deferred tax

Deferred tax is recognised by the company when a difference between the company's assets and/or liabilities accounting value differs to the asset/liabilities tax base. The majority of the deferred tax liability in the financial statements arises from the differences on Freehold and Leasehold Land and Buildings. Management uses professional advice to ascertain the potential tax liability on any future sale of these properties.

13 Change in significant accounting policies

IFRS 9 – Financial Instruments

The Company has adopted IFRS 9 with a date of initial application of 1 January 2018. The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement. However the impact of transition to IFRS 9 has not led to any restatement of the carrying amounts in the accounting for financial instruments currently used by the Company.

Transition

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

- The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.
 - o The determination of the business model within which a financial asset is held.
 - o The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.
- The designation of certain investments in equity instruments not held for trading as at FVOCI.
- If an investment in a debt security had low credit risk at the date of initial application of IFRS 9, then the Company assumed that the credit risk on the asset had not increased significantly since its initial recognition.

As the impact on transition would be to recognise an inconsequential credit loss, the Company will not be making an adjustment to opening retained earnings upon implementation of IFRS 9.