
PALMHALL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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PALMHALL LIMITED

COMPANY INFORMATION

Directors	P C Flaum I S MacMillan
Registered number	01557614
Registered office	1 Park Lane Hemel Hempstead Hertfordshire HP2 4YL
Independent auditors	Ernst & Young LLP 1 More London Place London SE1 2AF
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Solicitors	Simpson Thacher & Bartlett LLP CityPoint One Ropemaker Street London EC2Y 9HU

PALMHALL LIMITED

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PALMHALL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors present their Strategic report for the year ended 31 December 2022. The financial statements are prepared in GBP sterling (£), which is the functional currency of the Company.

Principal activity and review of the business

The Company trades as a caravan park operator and caravan vendor.

The Company's key financial and other performance indicators during the year were as follows:

	2022	2021	Change
	£000	£000	%
Turnover	18,473	15,461	19
Profit on ordinary activities before taxation	963	1,447	(33)
Profit after tax	1,483	1,018	46
Shareholders' funds	2,387	904	164

Turnover increased by 19% mainly due to the Government restrictions for part of 2021 resulting in the closure of the site. However, the site was open for the whole of 2022. Profit on ordinary activities before tax decreased by 33% mainly because of an increase in depreciation of £673,000 driven by the continued investment in the business.

Shareholders' funds increased from £904,000 to £2,387,000 because of the profit realised for the year of £1,483,000.

PALMHALL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Principal risks and uncertainties

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

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

COVID-19

We deem the overall risk to have decreased since the previous year, mainly due to government actions, such as the rollout of the vaccine programme and the improvements across our key operational areas and supply chains. The Group's cash flow risk is mitigated by the availability of significant bank borrowings.

- **Liquidity and cash flow risk**

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

- **Credit risk**

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

Other risks

- **IT risk and cyber security**

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

- **People and succession**

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

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



I S MacMillan
Director

Date: 15 June 2023

PALMHALL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results

The profit for the year, after taxation, amounted to £1,483,000 (2021 - £1,018,000)

Directors

The Directors who served during the year were:

P C Flaum
I S MacMillan

Dividends

The Company did not declare or pay any dividends in the year (2021: £nil).

PALMHALL LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

The financial statements are prepared under the going concern basis. The Directors believe this is appropriate as Bard Midco Limited has given an undertaking to provide such support as is necessary for the period to 30 June 2024 to enable the Company to meet its liabilities as they fall due. The Directors of the Company have assessed the going concern assessment of Bard Midco Limited. Details of a severe but plausible downside scenario model are disclosed in the accounts of Bard Midco Limited. Under this scenario the Company has headroom and therefore the Directors believe that Bard Midco Limited has the ability to support the Company.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 30 June 2024, being the going concern assessment period. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Employees

Employees are kept informed of the performance and objectives of the company through established methods of briefing and consultations.

The Company gives disabled people full and fair consideration for all job vacancies for which they offer themselves as suitable candidates having regard to their particular aptitudes and abilities. Training and career development opportunities are available to all employees.

The Company continues the employment of and arranges training for employees who have become disabled persons while employed and otherwise promotes the training, career development and promotion of disabled persons.

Engagement with suppliers, guests and others

The Company closely monitors all of its business relationships in order to allow it to provide its guests with an excellent and consistent level of service. It assesses, on an ongoing basis, the risks of adverse impact on its guests, people and the environment in which the Company operates as a result of these relationships, or as a result of its policies.

Relationships with key suppliers are closely monitored to ensure services are being provided in line with the terms of documented agreements. Performance of key suppliers, along with associated risks to the Company are regularly assessed with options for improvement considered where available. Regular reviews of adherence to key policies, such as Modern Slavery and GDPR, are undertaken.

Directors and Senior Managers are engaged when negotiating terms with key suppliers.

The Company actively engages with its guests at key points during their holiday experience and makes extensive use of feedback, in particular net promoter scores.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

PALMHALL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Directors' liabilities

The Company has granted an indemnity to one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

Auditor

Ernst and Young LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor.

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



I S MacMillan
Director

Date: 15 June 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PALMHALL LIMITED

Opinion

We have audited the financial statements of Palmhall Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern over the assessment period, being to 30 June 2024.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PALMHALL LIMITED (CONTINUED)

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 contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 or the Directors' Report.

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

- adequate accounting records have not been kept, 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PALMHALL LIMITED (CONTINUED)

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

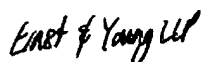
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its operations, including health and safety, employment, data protection and anti-bribery and corruption.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation, such as Board minutes and correspondence with authorities.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assessing revenue to be a fraud risk.
- We performed testing of manual journals included in our testing of revenue recognition using data analytics. We tested specific transactions back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria.

A further description of our responsibilities for the audit of the financial statements is located 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.



Rachel Savage (Senior Statutory Auditor)

for and on behalf of

Ernst & Young LLP, Statutory Auditor

London

15 June 2023

PALMHALL LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Turnover		18,473	15,461
Cost of sales		(6,968)	(5,953)
Gross profit		11,505	9,508
Administrative expenses		(10,542)	(8,205)
Other operating income		-	144
Operating profit	3	963	1,447
Tax on profit	5	520	(429)
Profit for the financial year		1,483	1,018
Other comprehensive income for the year		-	-
Total comprehensive income for the year		1,483	1,018

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

The notes on pages 12 to 21 form part of these financial statements.

PALMHALL LIMITED
REGISTERED NUMBER:01557614

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	6	28,128	15,949
		<u>28,128</u>	<u>15,949</u>
Current assets			
Stocks	7	1,934	591
Debtors	8	4,051	2,953
Cash at bank and in hand		13	2
		<u>5,998</u>	<u>3,546</u>
Creditors: amounts falling due within one year	9	(26,309)	(13,138)
Net current liabilities		<u>(20,311)</u>	<u>(9,592)</u>
Total assets less current liabilities		<u>7,817</u>	<u>6,357</u>
Provisions for liabilities			
Deferred tax	10	(466)	(1,086)
Deferred income		(4,964)	(4,367)
		<u>2,387</u>	<u>904</u>
Net assets		<u><u>2,387</u></u>	<u><u>904</u></u>
Capital and reserves			
Called up share capital	11	534	534
Profit and loss account		1,853	370
		<u>2,387</u>	<u>904</u>
		<u><u>2,387</u></u>	<u><u>904</u></u>

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



I S MacMillan
Director

Date: 15 June 2023

The notes on pages 12 to 21 form part of these financial statements.

PALMHALL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2022	534	370	904
Profit for the year	-	1,483	1,483
At 31 December 2022	534	1,853	2,387

The notes on pages 12 to 21 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	534	(648)	(114)
Profit for the year	-	1,018	1,018
At 31 December 2021	534	370	904

The notes on pages 12 to 21 form part of these financial statements.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies

1.1 Basis of preparation of financial statements

Palmhall Limited is a limited Company incorporated in England. The registered office is 1 Park Lane, Hemel Hempstead, Hertfordshire, HP2 4YL.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency and are rounded to the nearest £'000.

The financial statements were authorised for issue by the Board of Directors on 15 June 2023.

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

The following principal accounting policies have been applied:

1.2 Going concern

The financial statements are prepared under the going concern basis. The Directors believe this is appropriate as Bard Midco Limited has given an undertaking to provide such support as is necessary for the period to 30 June 2024 to enable the Company to meet its liabilities as they fall due. The Directors of the Company have assessed the going concern assessment of Bard Midco Limited. Details of a severe but plausible downside scenario model are disclosed in the accounts of Bard Midco Limited. Under this scenario the Company has headroom and therefore the Directors believe that Bard Midco Limited has the ability to support the Company.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the period to 30 June 2024, being the going concern assessment period. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Cash flow statement

The Company has taken advantage of the exemption conferred by FRS 102 from presenting a cash flow statement as it is a wholly owned subsidiary of a UK parent undertaking.

1.4 Related party transactions

The Company has taken advantage of the exemption allowed by FRS 102 and has not disclosed any related party transactions with entities of the Group.

1.5 Deferred income

Income invoiced or cash received for site fees, holidays and other goods and services relating to future periods is included within deferred income and will all be realised within one year.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.6 Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of VAT. Revenue is measured at the fair value of the consideration received, net of discounts, rebates and value added tax.

Revenue comprises:

Holiday sales

Revenue received for holiday sales is initially deferred and subsequently recognised when the holiday commences.

Caravan sales and owner services

Sales of caravans are recognised when risks and rewards have been transferred to the purchaser. Owner services include site fees which are paid annually. The fees are deferred and released across the period to which they relate.

Retail and other sales

Sales of goods through our onsite facilities are shown net of returns and discounts. Retail sales are generally recognised at the point of cash receipt.

1.7 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold buildings	-	Between 20 years and 50 years
Long life plant and machinery	-	10 years
Vehicles	-	4 years
Plant and equipment	-	6 years
Computer equipment	-	3 to 4 years

No depreciation is provided on freehold land.

Caravans for hire are depreciated by equal annual amounts to their estimated value at the date on which they are due for replacement.

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

1.8 Stocks

Stocks of caravans and other goods for resale are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs on disposal.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.9 Pensions

Pension contributions are made to defined contribution schemes for certain employees. These contributions are charged to the income statement as they are incurred.

1.10 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the income statement on a systemic basis over the periods in which the Company recognises as expenses the related operating costs for which the grants are intended to compensate.

- **Coronavirus Job Retention Scheme (CJRS)**

Under this scheme, HMRC reimburses up to 80% of the wages of certain team members who have been furloughed. The scheme is designed to compensate for staff costs, so amounts received are recognised in the income statement over the same period as the costs to which they relate. In the income statement, operating costs are shown net of grant income received. The scheme commenced on 20 March 2020 and finished on 30 September 2021.

- **Business rates**

Businesses in the retail, hospitality and leisure sectors were granted up to 100% business rates relief for the 2020/21 rates year and continued through to 30 June 2021 at which point a 66% relief was granted for the period from 1 July 2021 to 31 March 2022 up to a total value of £2 million.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.11 Judgements and key sources of estimation uncertainty

The following are the key judgements, apart from those involving estimates, dealt with separately below, that management have made in the process of applying the Company's accounting policies and which have the most significant effect on the amounts recognised in the financial statements.

1.11.1 Deferred taxation

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability / (asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised; and
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

1.11.2 Going concern

The directors exercise judgement when concluding on going concern as the basis of preparation of the financial statements. For further details see Going Concern on page 12.

1.12 Dividends

The Company did not declare or pay any dividends in the year (2021: £nil).

2. Turnover

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, net of discounts, rebates and value added tax. It includes £11m (£9.7m - 2021) for the sale of goods and £7.5m (£5.7m - 2021) for the sale of services.

Although this has not been quantified, the Company has benefitted from a reduction in the rate of VAT from 20% to 5% for the hospitality and tourism sector which was introduced by the UK Government on 15 July 2020 and finished on 30 September 2021 after which it changed to 12.5% until 1 April 2022 when it reverted to 20%.

PALMHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Operating profit

The operating profit is stated after charging:

	2022 £000	2021 £000
Profit on disposal of fixed assets	184	422
Depreciation - plant and machinery	1,666	993
Auditor's remuneration	16	15
	<u> </u>	<u> </u>

4. Staff Costs

	2022 £000	2021 £000
Wages and salaries	3,627	2,788
Social security costs	232	210
Other pension costs	46	36
	<u> </u>	<u> </u>
Staff costs before Government grants	3,905	3,034
Government grant*	-	(193)
	<u> </u>	<u> </u>
Total staff costs	3,905	2,841
	<u> </u>	<u> </u>

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

	2022 No.	2021 No.
Average weekly number of employees (excluding directors)	139	99
	<u> </u>	<u> </u>

* The Government grant for the year ended 31 December 2021 was received in relation to the Coronavirus Job Retention Scheme to contribute to the cost of team wages and salaries, social security costs and pensions. This was introduced by the UK Government in response to the COVID-19 pandemic. The scheme commenced on 20 March 2020 and finished on 30 September 2021.

The Directors of the Company were also Directors of other undertakings within the Bard Midco Limited Group. The Directors' remuneration for the year is disclosed in the accounts of Bourne Leisure Holdings Limited. The Directors do not believe it is practicable to apportion this amount between their qualifying services as Directors of the Company and their qualifying services as Directors of other undertakings within the Bard Midco Limited Group.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Taxation

	2022	2021
	£000	£000
Corporation tax		
Current tax on profits for the year	-	(294)
Current tax adjustments in respect of previous periods	100	-
Deferred tax		
Origination and reversal of timing differences	(251)	723
Adjustment in respect of previous periods	(369)	-
Total deferred tax	(620)	723
Taxation (credit)/charge on profit on ordinary activities	(520)	429

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022	2021
	£000	£000
Profit on ordinary activities before tax	963	1,447
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	183	275
Effects of:		
Income/expenses not deductible for tax purposes	(374)	(105)
Adjustments to tax charge in respect of prior periods	100	-
Adjustments to tax charge in respect of prior periods - deferred tax	(369)	-
Tax rate difference	(60)	259
Total tax (credit)/charge for the year	(520)	429

Factors that may affect future tax charges

On 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 25% which was the tax rate substantively enacted at 31 December 2022.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. Tangible fixed assets

	Freehold land and buildings £000	Caravans, plant and equipment £000	Total £000
Cost or valuation			
At 1 January 2022	16,575	3,833	20,408
Additions	9,899	4,099	13,998
Disposals	(26)	(421)	(447)
At 31 December 2022	<u>26,448</u>	<u>7,511</u>	<u>33,959</u>
Depreciation			
At 1 January 2022	2,828	1,631	4,459
Charge for the year on owned assets	796	870	1,666
Disposals	(26)	(268)	(294)
At 31 December 2022	<u>3,598</u>	<u>2,233</u>	<u>5,831</u>
Net book value			
At 31 December 2022	<u><u>22,850</u></u>	<u><u>5,278</u></u>	<u><u>28,128</u></u>
At 31 December 2021	<u><u>13,747</u></u>	<u><u>2,202</u></u>	<u><u>15,949</u></u>

The Company's assets are provided as security against the borrowings of Bard Bidco Limited, a subsidiary of Bard Midco Limited.

7. Stocks

	2022 £000	2021 £000
Stock	1,934	591
	<u>1,934</u>	<u>591</u>

The Company consumed £5,510,000 of stock during the year (2021: £4,973,000) and charged £4,000 to the income statement for the write-down of stock during the year (2021: £10,000).

There is no significant difference between the replacement cost of stocks and the amounts at which they are stated in the balance sheet.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Debtors

	2022	2021
	£000	£000
Trade debtors	3,653	2,733
Other debtors and prepayments	398	220
	4,051	2,953

9. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Amounts owed to group undertakings	25,382	12,630
Other taxation and social security	6	6
Other creditors	342	168
Accruals	579	334
	26,309	13,138

Amounts owed to Group undertakings are interest free, unsecured and repayable on demand.

10. Deferred taxation

	2022	2021
	£000	£000
At beginning of year	1,086	363
Charged to profit or loss	(620)	723
At end of year	466	1,086

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Deferred taxation (continued)

The deferred tax provided at 25% (2021 - 25%) is made up as follows:

	2022	2021
	£000	£000
Accelerated capital allowances	2,485	993
Tax losses carried forward	(2,112)	-
Rollover and holdover gains	93	93
	466	1,086

The net amount of deferred tax that is expected to reverse in the next accounting period is £97,000.

The Company has tax losses arising in the UK £8,448,000 (2021: £nil) that are available indefinitely for offset against future taxable profits of those companies in which the losses arose. Deferred tax assets have been recognised in respect of these losses.

11. Share capital

	2022	2021
	£000	£000
Allotted, called up and fully paid		
533,816 (2021 - 533,816) Ordinary Shares shares of £1.00 each	534	534

12. Capital commitments

	2022	2021
	£000	£000
Amounts contracted but not incurred at year end	6,577	2,726

13. Pension commitments

The Group operates a defined contribution pension scheme for certain employees and in addition has made available to all employees a stakeholder defined contributions scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Colaingrove Limited, a Company incorporated in Great Britain and registered in England and Wales. Their registered address is 1 Park Lane, Hemel Hempstead, Hertfordshire, HP2 4YL.

The Company is a subsidiary of Bourne Leisure Holdings Limited, a Company that is owned by Bard Topco Limited, a Company incorporated in Jersey. The controlling parties are funds advised by the Blackstone Group, a private equity management firm.

The group for which consolidated financial statements are prepared which include the Company is that headed by Bard Midco Limited. Consolidated financial statements for this Company are available to the public and can be obtained from 1 Bartholomew Lane, London, EC2N 2AX.