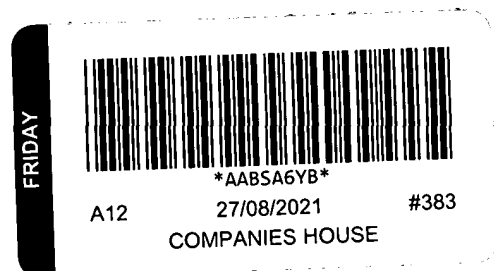


Registered number: 01557614

PALMHALL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



PALMHALL LIMITED

COMPANY INFORMATION

Directors	J E Bental 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	Slaughter and May One Bunhill Row London EC1Y 8YY

PALMHALL LIMITED

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PALMHALL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Directors present their Strategic report for the year ended 31 December 2020. 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:

	2020	2019	Change
	£000	£000	%
Turnover	9,082	13,138	(30.9)
Profit on ordinary activities before taxation	(1,807)	1,005	(279.8)
(Loss) / profit after tax	(1,662)	826	(301.2)
Shareholders' funds	(114)	1,548	(107.4)

Turnover decreased by 30.9% compared with the previous year, mainly because of the impact of COVID-19 which caused the closure of the site for part of the year. Profit on ordinary activities before taxation decreased by 279.8% in 2020 because of the impact of COVID-19.

In 2019 the Company incurred a tax charge of £179,000 and in 2020 it recognised a tax credit of £145,000 because of the trading losses incurred in the year.

Shareholders' funds decreased from £1,548,000 to £(114,000) because of the loss realised for the year of £1,662,000 less dividends paid of £nil.

Future outlook

The COVID-19 crisis has had a significant adverse impact on the business because of site closures and uncertainty over when trading will return to normal levels. However, the Company reopened its sites at a reduced capacity in April 2021. The Company has the support of its parent company which has access to significant unutilised banking facilities.

PALMHALL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Principal risks and uncertainties

The Company recognises a variety of financial and market based risks, including the impact of COVID-19, 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

The Company, like many others, has been affected by the impact that the COVID-19 outbreak has had on the UK's economy, mainly through the closure of our sites for part of 2019 and 2020. The Company's cash flow risk is mitigated by the availability of significant bank and other borrowings from other Group companies.

- **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: 29 July 2021

PALMHALL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report and the financial statements for the year ended 31 December 2020.

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;
- 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.

Directors

The Directors who served during the year were:

J E Bentall
P C Flaum
I S MacMillan

Dividends

The company paid a dividend of £NIL in the year (2019 - £1,000,000).

Going concern

The Company, like many others, has been affected by the impact that the COVID-19 outbreak has had on the UK's economy, mainly through the closure of our sites for part of 2020 and 2021.

The financial statements are prepared under the going concern basis. The Directors believe this is appropriate as the company's ultimate parent undertaking in 2020, Bourne Leisure Holdings Limited, has given an undertaking to provide such support as is necessary in the foreseeable future to enable the Company to meet its liabilities as they fall due. After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

PALMHALL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.

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.

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.

Streamlined energy and carbon reporting (SECR)

The mandatory reporting of greenhouse gas emissions for the period 1 January 2020 to 31 December 2020 is disclosed within the accounts of the ultimate holding company for 2020, Bourne Leisure Holdings Limited.

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



I S MacMillan
Director

Date: 29 July 2021

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 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, 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 2020 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 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 for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. 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 Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

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.

Our approach was as follows:

- 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 domestic and overseas 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.
- 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 assuming revenue to be a fraud risk.
- 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.

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

Ernst & Young LLP

Rachel Savage (Senior Statutory Auditor)

for and on behalf of

Ernst & Young LLP, Statutory Auditor

London

02 August 2021

PALMHALL LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £000	2019 £000
Turnover		9,082	13,138
Cost of sales		(3,700)	(4,765)
Gross profit		5,382	8,373
Administrative expenses		(7,189)	(7,368)
Operating (loss)/profit	3	(1,807)	1,005
Tax on (loss)/profit	5	145	(179)
(Loss)/profit for the financial year		(1,662)	826
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(1,662)	826

There were no recognised gains and losses for 2020 or 2019 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 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	6	13,776	14,088
		<u>13,776</u>	<u>14,088</u>
Current assets			
Stocks		360	442
Debtors	8	2,841	2,215
Cash at bank and in hand		2	2
		<u>3,203</u>	<u>2,659</u>
Creditors: amounts falling due within one year	9	(13,085)	(11,552)
Net current liabilities		<u>(9,882)</u>	<u>(8,893)</u>
Total assets less current liabilities		<u>3,894</u>	<u>5,195</u>
Provisions for liabilities			
Deferred tax	10	(363)	(349)
Deferred income		(3,645)	(3,298)
Net assets		<u>(114)</u>	<u>1,548</u>
Capital and reserves			
Called up share capital	11	534	534
Profit and loss account		(648)	1,014
		<u>(114)</u>	<u>1,548</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: 29 July 2021

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 2020**

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2020	534	1,014	1,548
Loss for the year	-	(1,662)	(1,662)
At 31 December 2020	534	(648)	(114)

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

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

	Share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2019	534	1,188	1,722
Profit for the year	-	826	826
Dividends	-	(1,000)	(1,000)
At 31 December 2019	534	1,014	1,548

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 2020

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 29 July 2021.

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 Company, like many others, has been affected by the impact that the COVID-19 outbreak has had on the UK's economy, mainly through the closure of our sites for part of 2020 and 2021.

The financial statements are prepared under the going concern basis. The Directors believe this is appropriate as the Company's ultimate parent undertaking in 2020, Bourne Leisure Holdings Limited, has given an undertaking to provide such support as is necessary in the foreseeable future to enable the Company to meet its liabilities as they fall due. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of 12 months from the date of approval of these financial statements. 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.

PALMHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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 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 2020**

1. Accounting policies (continued)

1.9 Pensions

Pension contributions are made to defined contribution schemes for certain Directors and 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 will continue until 30 September 2021.

• **Eat Out to Help Out**

During August 2020, HMRC offered a 50% discount off food and non-alcoholic drinks, capped at £10 per person, when dining out between Monday and Wednesday. The Company participated in this scheme and turnover in the income statement includes amounts received from HMRC in respect of the scheme.

• **Business rates**

Businesses in the retail, hospitality and leisure sectors were granted up to 100% business rates relief for the 2020/21 rates year.

PALMHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.11 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgement (apart from those involving estimates) has had the most significant effect on amounts recognised in the financial statements:

1.10.1 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.

1.12 Dividends

The Company paid a dividend of £NIL in the year (2019 - £1,000,000).

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 £5.2m (£7.6m - 2019) for the sale of goods and £3.7m (£5.6m - 2019) for the sale of services.

Turnover for the year ended 31 December 2020 includes £26,000 received from the Government in relation to the Eat Out to Help Out Scheme, which operated during August 2020.

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 will last until 30 September 2021 after which it will be 12.5% until 30 April 2022 when it is scheduled to revert to 20%.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2020	2019
	£000	£000
Depreciation of tangible fixed assets	1,351	945
Auditor's remuneration	4	4
	<u>1,355</u>	<u>949</u>

4. Staff Costs

	2020	2019
	£000	£000
Wages and salaries	2,538	2,490
Social security costs	164	184
Other pension costs	35	19
	<u>2,737</u>	<u>2,693</u>
Staff costs before Government grants	2,737	2,693
Government grant*	(518)	-
	<u>2,219</u>	<u>2,693</u>
Total staff costs	2,219	2,693

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

	2020	2019
	No.	No.
Average weekly number of employees (excluding directors)	147	143

* The Government grant for the year ended 31 December 2020 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 is scheduled to continue until 30 September 2021.

The Directors of the Company were also directors of other undertakings within the Bourne Leisure Holdings 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 Bourne Leisure Holdings Limited Group.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. Taxation

	2020	2019
	£000	£000
Corporation tax		
Current tax on profits for the year	(145)	159
Adjustments in respect of previous periods	(14)	(11)
Deferred tax		
Origination and reversal of timing differences	14	31
Taxation (credit) / charge on profit on ordinary activities	(145)	179

Factors affecting tax charge for the year

The tax assessed on the profit / (loss) on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 19.00% (2019 – 19.00%). The differences are reconciled below:

	2020	2019
	£'000	£'000
(Loss) / Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2019 – 19%)	(343)	191
Income / expenses not deductible for tax purposes	58	8
Group relief surrendered	101	-
Adjustments to tax charge in respect of previous periods	(14)	(11)
Adjustments to tax charge in respect of previous periods - deferred tax	9	2
Tax rate difference	44	(11)
Tax (credit) / charge per accounts	(145)	179

Factors that may affect future tax charges

The Finance Act 2016 was enacted so as to reduce the corporation tax rate from 19% to 17% with effect from 1 April 2020. In March 2020 the Chancellor announced that the tax rate would remain at 19%, and this rate has been used to measure deferred tax assets and liabilities where applicable. Subsequent to the year end, in March 2021, the Chancellor announced that the corporation tax rate would increase to 25% in the year 2023, however, this rate had not been substantively enacted at the reporting date and it has not been used in the measurement of deferred tax.

PALMHALL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Tangible fixed assets

	Freehold land and buildings £000	Caravans, plant and equipment £000	Total £000
Cost or valuation			
At 1 January 2020	15,777	3,012	18,789
Additions	276	729	1,005
Disposals	(190)	(175)	(365)
At 31 December 2020	<u>15,863</u>	<u>3,566</u>	<u>19,429</u>
Depreciation			
At 1 January 2020	3,185	1,516	4,701
Charge for the year on owned assets	923	428	1,351
Disposals	(190)	(209)	(399)
At 31 December 2020	<u>3,918</u>	<u>1,735</u>	<u>5,653</u>
Net book value			
At 31 December 2020	<u>11,945</u>	<u>1,831</u>	<u>13,776</u>
At 31 December 2019	<u>12,592</u>	<u>1,496</u>	<u>14,088</u>

7. Stock

	2020 £000	2019 £000
Stock expensed during the period	3,046	3,714
Stock written off during the period	1	9

PALMHALL LIMITED

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8. Debtors

	2020	2019
	£000	£000
Trade debtors	2,148	1,615
Other debtors and prepayments	548	600
Corporation tax	145	-
	<u>2,841</u>	<u>2,215</u>

9. Creditors: Amounts falling due within one year

	2020	2019
	£000	£000
Amounts owed to group undertakings	12,791	11,181
Corporation tax	-	77
Other creditors	165	47
Accruals	129	247
	<u>13,085</u>	<u>11,552</u>

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

10. Deferred taxation

	2020	2019
	£000	£000
At beginning of year	349	318
Charged to profit or loss	14	31
At end of year	<u>363</u>	<u>349</u>

PALMHALL LIMITED

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10. Deferred taxation (continued)

The deferred tax provided at 19% (2019 - 17%) is made up as follows:

	2020	2019
	£000	£000
Accelerated capital allowances	293	283
Rollover and holdover gains	70	66
	363	349

The net amount of deferred tax that is expected to reverse in the next accounting period is £(32,000).

From 1 April 2020 the corporation tax rate remained at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. Deferred taxes at the balance sheet date have been measured using enacted tax rates and reflected in these financial statements.

11. Share capital

	2020	2019
	£000	£000
Allotted, called up and fully paid		
533,816 (2019 - 533,816) Ordinary Shares shares of £1.00 each	534	534

12. Capital commitments

	2020	2019
	£000	£000
Amounts contracted but not incurred at year end	1,315	80

13. Pension commitments

The Group operates a defined contribution pension scheme for certain Directors and 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
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14. Ultimate parent undertaking and controlling party

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

The largest and smallest Group of which the Company is a member and for which group accounts are drawn up for 2020 is Bourne Leisure Holdings Limited. On 26 February 2021, Bard Bidco Limited acquired the entire share capital of Bourne Leisure Holdings Limited. The Directors regard Bard Topco Limited, a company incorporated in Jersey, as the ultimate parent undertaking. The controlling parties are funds advised by the Blackstone Group.

Copies of the Group financial statements, which include this Company, are available from 1 Park Lane, Hemel Hempstead, Hertfordshire, HP2 4YL.