Registered number
02808359

Heritage Great Britain PLC

Annual Report and Consolidated Financial Statements

For the year ended
31 January 2013

Registered No 02808359

Contents

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Company Information

Directors
P M Johnson-Treherne
A J S Leech

Secretaries
G Johnson
P M Johnson-Treherne

Auditors
KPMG LLP
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Bankers
Santander UK PLC
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Directors' report

The directors present their report and the audited consolidated financial statements of Heritage Great Britain PLC for the year ended 31 January 2013

Principal activities

The principal activity of the company is that of a holding company The Group undertakes the operation of various landmark and other day visitor attractions situated in the Isle of Wight, Cornwall, North Wales, holiday accommodation in Scotland through a joint venture, and operates a marketing agency in Manchester

Review of the business and future developments

The results for the year are set out on page 8 The Directors are pleased with the results for the year Snowdon Mountain Railway has continued to do well throughout the season, and with investment into carriages for the 2013 season they should continue to do so John O'Groats is continuing to be redeveloped under a new joint venture with Natural Retreats Land's End has had substantial investment during the year for the total refurbishment of certain buildings to create luxury self-catering accommodation, now known as The Stables and Saddleroom Needles Park has continued to perform consistently within the portfolio, with investment to create a 4D cinema for 2013

The Directors are optimistic that the continued investment will help the company further improve results going forward

Key performance indicators

The directors consider visitor numbers and spend per head to be the key performance indicators These have remained at a consistent level with the prior year

Results and dividends

The Group profit for the year, after taxation, amounted to £667,165 (2012 £1,143,201) The directors do not recommend the payment of a dividend

Directors and their interests

The directors of the company during the year were as follows

P M Johnson-Treherne
A J S Leech

A J S Leech is a discretionary beneficiary of a Jersey Trust which, through Cherberry Limited, a Jersey company, owns the entire share capital of the company None of the other directors have disclosable interests in the shares of the Group

Creditor payment policy

The Group agrees terms and conditions under which business transactions with suppliers are conducted Payments to suppliers are made in accordance with these terms, provided that suppliers have complied with all relevant terms and conditions In the absence of any agreement with a supplier, settlement is normally made in the month following receipt of invoice

The company's average creditor payment period at the year end was 32 days (2012 31 days)

Treasury policies

The objectives of the Group are to manage the Group's financial risk, secure cost effective funding for the Group's operations, and to minimise the adverse effects of fluctuations in the financial markets on the Group's financial assets and liabilities, on reported profitability and on the cash flows of the Group

Directors' report

The Group finances its activities with a combination of bank loans, finance leases, hire purchase contracts and cash deposits Overdrafts are used to satisfy short term cash flow requirements Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the company's operating activities The Group does not trade in financial instruments but does use an interest swap instrument to provide a fixed rate of interest on its bank loan

The main risks associated with the Group's financial assets and liabilities are set out below, as are the policies agreed by the Board for their management

Interest rate risk

The Group finances its operations through a mixture of retained profits, bank overdrafts, bank loans and balances with group undertakings The bank borrowings are at variable rates, save for the bank loans which are hedged to provide a fixed rate through an interest rate swap

Liquidity risk

The Group's overdraft facilities are repayable on demand The Group expects to replace or renew these when required Loans from group undertakings are payable on demand

Foreign currency risk

All of the Group's transactions are predominantly in sterling The Group does not hedge any currency exposures

Political and charitable donations

The Group made charitable donations of £1,922 (2012 £3,952) during the year No political donations were made

Health and Safety

The directors consider that the Health, Safety and Welfare of its employees, customers and all others who may be affected by its businesses and activities is of paramount importance As a result, the Group has made arrangements to manage all aspects of Health and Safety in all areas and across all sites owned or managed by the Group Included in these arrangements will be methods to monitor and review their effectiveness

Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will therefore continue in office

By order of the Board

G Johnson
Company Secretary

19 June 2013

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 group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 group and parent company and of their profit or loss for that period In preparing each of the group and parent company 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006 They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities

Independent auditor's report to the members of Heritage Great Britain PLC

We have audited the financial statements of Heritage Great Britain PLC for the year ended 31 January 2013 set out on pages 8 to 32 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 auditors' 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

Respective responsibilities of director and auditor

As explained more fully in the Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit, and express opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www frc org uk/auditscopeukprivate

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 January 2013 and the group's 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statement

Independent auditor's report to the members of Heritage Great Britain PLC

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, 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

Nicola Quayle

Nicola Quayle
(Senior Statutory Auditor)
for and on behalf of
KPMG LLP
Statutory Auditor
19 June 2013

8 Princes Parade
Liverpool
Merseyside
L3 1QH

Consolidated profit & loss account

For the year ended 31 January 2013

	Notes	2013 £	2012 £
Turnover: Group and share of joint ventures		11,551,119	11,777,148
Less share of joint ventures		(3,894)	-
	2	11,547,225	11,777,148
Cost of sales		(3,159,521)	(3,544,736)
Gross profit		8,387,704	8,232,412
Administrative expenses		(7,570,779)	(7,230,668)
Other operating income	3	118,850	112,902
Group Operating profit		935,775	1,114,646
Share of operating loss in joint ventures		(22,335)	-
Total Operating Profit		913,440	1,114,646
Profit on the disposal of tangible fixed assets (exceptional)	4	-	665,937
Interest receivable and similar income	5	26,392	17,297
Interest payable and similar charges			
Group	6	(243,720)	(321,581)
Share of joint ventures	6	(85)	-
Profit on ordinary activities before taxation	7	696,027	1,476,299
Taxation	10	(28,862)	(333,098)
Retained profit for the financial year	20	667,165	1,143,201

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents

All amounts relate to continuing operations

Statement of total recognised gains and losses

For the year ended 31 January 2013

	Notes	2013 £	2012 £
Profit for the year			
Group		667,165	1,143,201
Gain on transfer of assets to joint ventures		37,851	-
Actuarial loss on pension scheme	26	(45,803)	(25,986)
Deferred tax on actuarial loss		10,535	6,237
Total recognised gains and losses relating to the year		669,748	1,123,452

Consolidated balance sheet

At 31 January 2013

Registered number
02808359

	Notes	*2013* £	*2012* £
Fixed assets			
Tangible assets	11	11,707,905	10,702,755
Intangible assets	12	87,168	100,931
		11,795,073	10,803,686
Investments in joint ventures			
Share of gross assets		574,007	-
Share of gross liabilities		(442,993)	-
		131,014	-
Current assets			
Stocks	14	662,544	515,110
Debtors - including amounts due after more than one year £200,000 (2012 £nil)	15	710,302	597,470
Cash at bank and in hand		996,306	1,633,228
		2,369,152	2,745,808
Creditors: amounts falling due within one year	16	(2,327,555)	(1,858,085)
Net current liabilities		41,597	887,723
Total assets less current liabilities		11,967,684	11,691,409
Creditors amounts falling due after more than one year	17	(2,892,229)	(3,236,520)
Provisions for liabilities and charges excluding pension scheme deficit	18	(551,255)	(588,029)
Net assets excluding pension scheme deficit		8,524,200	7,866,860
Pension scheme deficit	26	(121,558)	(133,966)
Net assets including pension scheme deficit		8,402,642	7,732,894
Capital and reserves			
Called up share capital	19	5,213,371	5,213,371
Profit and loss account	20	3,189,271	2,519,523
Equity shareholders' funds	21	8,402,642	7,732,894

The financial statements were approved by the Board of Directors on 19 June 2013 and were signed on its behalf by

P M Johnson-Treherne
Director

Company Balance Sheet

For the year ended 31 January 2013

Registered number
02808359

	Notes	2013 £	2012 £
Fixed assets			
Tangible assets	11	27,601	3,975
Investments	13	12,585,037	12,585,037
		12,612,638	12,589,012
Investments in joint ventures			
Tangible assets	13	115,583	-
Current assets			
Debtors	15	176,287	269,799
Cash at bank and in hand		774,957	1,428,335
		951,244	1,698,134
Creditors: amounts falling due within one year	16	(5,138,073)	(5,676,307)
Net current liabilities		(4,186,829)	(3,978,173)
Total assets less current liabilities		8,541,392	8,610,839
Creditors: amounts falling due after more than one year	17	(2,785,000)	(3,035,000)
Provisions for liabilities and charges	18	(264,296)	(241,150)
		5,492,096	5,334,689
Capital and reserves			
Called up share capital	19	5,213,371	5,213,371
Profit and loss account	20	278,725	121,318
Equity shareholders' funds	21	5,492,096	5,334,689

The financial statements were approved by the Board of Directors on 19 June 2013 and were signed on its behalf by

P M Johnson-Treherne
Director

Consolidated cash flow statement

For the year ended 31 January 2013

	Notes	2013 £	2012 £
Net cash inflow from continuing operating activities	23	1,142,191	1,869,647
Returns on investments and servicing of finance			
Interest received and similar income		26,392	17,297
Interest paid on bank loans and overdrafts		(231,444)	(273,592)
Interest element of finance lease rental payments		(12,276)	(40,207)
		(217,328)	(296,502)
Taxation			
Corporation tax paid		(143,998)	(368,050)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(1,671,985)	(426,607)
Receipts from sales of tangible fixed assets		5,000	1,078,779
		(1,666,985)	652,172
Net cash(outflow)/ inflow before financing		(886,120)	1,857,267
Financing			
Movement of short-term loans	25	250,000	(250,000)
Capital element of finance lease rentals	25	(99,641)	(121,806)
(Decrease)/Increase in cash in the year	24	(735,761)	1,485,461

Notes to the financial statements

At 31 January 2013

1. Accounting policies

The financial statements have been prepared in accordance with applicable Accounting and Financial Reporting Standards in the United Kingdom and the Companies Act 2006 A summary of the more important accounting policies, which have been applied consistently, is set out below

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention

Basis of consolidation

The Group accounts consolidate Heritage Great Britain PLC and all its subsidiary undertakings drawn up to 31 January 2013 No profit and loss account is presented for Heritage Great Britain PLC as permitted by section 408 of the Companies Act 2006

Going concern

The directors have considered the group and company s projected future cashflows, working capital requirements and its banking facilities, and are confident that they have sufficient cashflows to meet their working capital requirements for the next 12 months For the reasons noted, the Directors continue to prepare the financial statements on a going concern basis

Goodwill

Positive goodwill arising on businesses acquired is capitalised, classified as an asset on the balance sheet and amortised on a straight-line basis over its useful economic life up to a presumed maximum of 20 years It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have accoutred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,
- Deferred tax are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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 balance sheet date

Investments

Investments in subsidiary undertakings are stated at cost, less any provision necessary for permanent diminution in value

Notes to the financial statements

At 31 January 2013

Accounting policies (continued)

Turnover

Turnover represents amounts (excluding value added tax) derived from provision of goods and services rendered during the period

Tangible fixed assets

The cost of tangible fixed assets is their purchase or construction cost, together with any incidental costs of acquisition

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned The principal annual rates used for this purpose are

Freehold buildings	-	2%
Plant and machinery	-	5% to 10%
Fixtures and fittings	-	12 5%
Motor vehicles	-	25%

The long leasehold premises are depreciated over 50 years or the length of the lease, whichever is shorter Freehold and long leasehold land is not depreciated

Locomotives and rolling stock are depreciated on a straight line basis over 50 years, with the exception of some significant components, which are depreciated over 5 to 20 years

Assets held under finance leases are depreciated over the shorter of their estimated useful lives and the terms of the lease

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable The recoverable amount is calculated as being the higher of the amount at which the assets could be disposed of, less any direct selling costs, and the present value of the future cash flows obtainable as a result of the asset's continued use, including those resulting from its ultimate disposal

Stocks

Stocks are stated at the lower of cost and net realisable value Costs include all costs incurred in bringing each item to its present location and condition

Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term

Finance leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease" The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life Future instalments under such leases, net of finance charges, are included within creditors Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element, which reduces the outstanding obligation for future instalments

Notes to the financial statements

At 31 January 2013

Accounting policies (continued)

Pensions

The Group operates a defined contribution pension scheme for certain employees The costs are charged to the profit and loss account as incurred The charge for the year was £125,978 (2012 £110,847) There are no contributions payable at the period end

The company also operates a pension scheme providing benefits based on final pensionable pay The assets of the scheme are held separately from those of the company In accordance with FRS17, the service cost of pension provision relating to the period, together with the cost of any benefits relating to past service, is charged to the profit and loss account A charge equal to the increase in the present value of the scheme liabilities and a credit equivalent to the Company's long-term expected return on assets (based on the market value of the scheme assets at the start of the period), are included in the profit and loss account

The difference between the market value of the assets of the scheme and the present value of the accrued pension liabilities is shown as an asset or liability in the balance sheet Deferred tax assets on the pension liability are recognised to the extent that they are considered recoverable Any difference between the expected return on assets and that actually achieved is recognised in the statement of total recognised gains and losses along with differences which are from experience gains and losses and changes of assumptions Further information on the pension arrangements is set out in Note 26 to the accounts

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the estimated useful lives of the relevant assets by equal annual instalments

2. Turnover and segmental analysis by class of business

Turnover, which is stated net of value added tax, consists entirely of sales made in Great Britain An analysis of turnover by activity is given below

	2013	*2012*
	£	*£*
By activity		
Attractions and admissions	4,582,720	4,773,240
Retailing	2,991,285	3,073,416
Catering, hotel and bar	3,319,378	3,218,430
Marketing and advertising	334,825	416,555
Other revenue	319,017	295,507
	11,547,225	11,777,148

3. Other operating income

	2013	*2012*
	£	*£*
Rental income	118,850	112,902
	118,850	112,902

Notes to the financial statements

At 31 January 2013

4. Exceptional items

	2013	*2012*
	£	*£*
Profit on disposal of land & buildings	-	665,937
Effective tax charge on disposal	-	9,730

5. Interest receivable and similar income

	2013	*2012*
	£	*£*
Bank interest receivable	26,392	17,297
	26,392	17,297

6. Interest payable and similar charges

	2013	*2012*
	£	*£*
Bank loans and overdrafts	223,364	273,592
Finance lease charges payable under finance leases and hire purchase contracts	12,276	40,207
	235,640	313,799
Expected return on pension scheme assets	(33,944)	(39,302)
Interest on pension scheme liabilities	42,024	47,084
	8,080	7,782
	243,720	321,581
Share of joint ventures	85	-

Notes to the financial statements

At 31 January 2013

7. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting)

	2013	*2012*
	£	*£*
Depreciation of tangible fixed assets - owned	459,937	378,442
Depreciation of tangible fixed assets - leased	50,924	113,613
Operating lease rentals - plant and machinery	69,200	66,411
Operating lease rentals - land and buildings	46,937	50,740
Loss on disposal of fixed assets	40,391	-
Amortisation of goodwill	13,763	13,763
Auditor's remuneration		
Auditors' remuneration of these financial statements	17,299	14,092
Other services relating to taxation	4,697	4,697
Other services pursuant to such legislation	2,185	11,095
Government grant - release of deferred income	(10,000)	(10,000)

8. Emoluments of directors

	2013	*2012*
	£	*£*
Aggregate emoluments (including benefits in kind)	192,016	255,806
Pension contributions to a money purchase scheme	39,319	49,084
	231,335	304,890

	2013	2012
	£	£
Highest paid director	115,672	105,341

	2013	*2012*
	No	*No*
Retirement benefits are accruing to the following number of directors under Money purchase pension schemes	2	3

Notes to the financial statements

At 31 January 2013

9. Employee information

The average monthly number of employees (including paid executive directors) employed by the Group during the year was

	2013	*2012*
	No	*No*
Management and administration	43	36
Retail, catering and other	163	154
	206	190

	2013	*2012*
	£	*£*
Staff costs for the above persons		
Wages and salaries	4,039,328	4,067,956
Social security costs	302,035	315,473
Pension costs	125,978	110,847
	4,467,341	4,494,276

Notes to the financial statements

At 31 January 2013

10. Tax on loss on ordinary activities

a) Analysis of tax charge in period

	2013	*2012*
	£	*£*
Current tax		
UK corporation tax on profit for the year	118,693	234,841
Adjustments in respect of prior periods	(46,411)	(11,986)
Total current tax (note 10b)	72,282	222,855
Deferred tax		
Origination and reversal of timing differences	105,333	151,845
Adjustments in respect of prior periods	(107,188)	10,923
Effect of tax rate change on opening balance	(15,791)	(16,457)
Adjustment in respect of defined benefit pension scheme	(25,774)	(36,068)
Total deferred tax (note 18)	(43,420)	110,243
Tax on profit on ordinary activities	28,862	333,098

b) Factors affecting tax charge for the year

The tax assessed for the period is different to the standard rate of corporation tax in the UK (24 33%) The differences are explained below

	2013	*2012*
	£	*£*
Profit on ordinary activities before tax	696,027	1,476,299
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24 33% (2012 26 32%)	167,446	388,562
Effects of		
Expenses not deductible for tax purposes	65,914	29,380
Differences between capital allowances and depreciation	(71,440)	(167,855)
Group relief claimed	(43,227)	(15,246)
Adjustment in respect of previous periods	(46,411)	(11,986)
Current tax charge for the year (note 10a)	72,282	222,855

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively This will reduce the company's future current tax charge accordingly The deferred tax liability at 31st January 2013 has been calculated based on the rate of 23% substantively enacted at the balance sheet date

Notes to the financial statements

At 31 January 2013

10. Tax on loss on ordinary activities (continued)

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement It has not yet been possible to quantify the full anticipated effect of the announced further 3% reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax liability accordingly

11. Tangible fixed assets

Group	*Land and buildings*	*Railway line and rolling stock*	*Plant and machinery*	*Motor vehicles*	*Fixtures and fittings*	*Total*
	£	£	£	£	£	£
Cost						
At 1 February 2012	10,223,317	2,119,447	2,458,317	147,049	2,778,302	17,726,432
Reclassification	-	-	10,858	(10,858)	-	-
Additions	319,174	973,751	227,198	-	151,862	1,671,985
Disposals	(135,244)	-	(4,704)	-	(170,589)	(310,537)
At 31 January 2013	10,407,247	3,093,198	2,691,669	136,191	2,759,575	19,087,880
Depreciation						
At 1 February 2012	2,428,138	492,446	1,769,200	142,466	2,191,427	7,023,677
Reclassification	(31)	-	(16,149)	16,180	-	-
Charge for the year	255,608	32,016	117,431	(25,788)	131,594	510,861
Disposals	(19,661)	-	(1,795)	-	(133,107)	(154,563)
At 31 January 2013	2,664,054	524,462	1,868,687	132,858	2,189,914	7,379,975
Net book value						
At 31 January 2013	7,743,193	2,568,736	822,982	3,333	569,661	11,707,905
At 31 January 2012	7,795,179	1,627,001	689,117	4,583	586,875	10,702,755

The negative depreciation charge in the year for motor vehicles relates to adjustments for assets that had been over depreciated in previous years

Fixed assets with a net book value of £364,958 (2012 £669,430) which are held under finance leases are included above The depreciation charge for assets held under a finance lease amounted to £50,924 (2012 £113,613)

The net book value of land and buildings comprises

	2013	*2012*
	£	£
Freehold	7,743,193	7,795,179
	7,743,193	7,795,179

Notes to the financial statements

At 31 January 2013

11. Tangible fixed assets (continued)

Company	*Total*
	£
Cost	
At 1 February 2012	90,243
Additions	29,586
At 31 January 2013	119,829
Depreciation	
At 1 February 2012	86,268
Charge for the year	5,960
At 31 January 2013	92,228
Net book value	
At 31 January 2013	27,601
At 31 January 2012	3,975

12. Intangible fixed assets

	Goodwill
	£
Cost	
At 1 February 2012 and 31 January 2013	301,502
Amortisation	
At 1 February 2012	200,571
Amortised in the year	13,763
At 31 January 2013	214,334
Net book value	
At 31 January 2013	87,168
At 31 January 2012	100,931

Goodwill arising on the acquisition of businesses is amortised evenly over the directors' estimate of its useful economic life of 20 years

Notes to the financial statements

At 31 January 2013

13. Investments

Company	*2013*	*2012*
	£	£
Cost and NBV		
At 1 February	12,585,037	13,435,037
Disposals	-	(850,000)
At 31 January	12,585,037	12,585,037

The principal subsidiary undertakings, registered in England and Wales, are as follows

	Principal activity	**Class and percentage of shares held**
Heritage Attractions Limited	Operation of various landmark day visitor attractions	100% ordinary
Centrix Q2 Limited	Marketing, advertising, design and production	100% ordinary
Snowdon Mountain Railway Limited	Dormant	100% ordinary
The Land's End and John O'Groats Company Limited	Dormant	100% ordinary
LEJOG Limited	Dormant	100% ordinary
End to End Limited	Dormant	100% ordinary
Goonhavern Pines Limited	Dormant	100% ordinary

The company also has a controlling interest in two dormant companies registered in England and Wales, via the intermediary subsidiary company, Heritage Attractions Limited

	Principal activity	**Class and percentage of shares held**
Lands End Limited	Dormant	100% ordinary
John O'Groats Limited	Dormant	100% ordinary

Joint Venture Investments

During the year the company has entered into three joint ventures with companies within the Natural Retreats Group, who specialise in luxury self-catering accommodation, with a total investment of £115,583 (2012 £Nil)

The joint ventures are named JOG Highlands LLP, JOG 2 Limited and JOG 3 LLP, registered office is at Whitecroft House 51 Water Lane, Wilmslow, Cheshire, SK9 5BQ The accounting year end date for these joint ventures is 31st March

Notes to the financial statements

At 31 January 2013

14. Stocks

	Group		Company	
	2013	*2012*	*2013*	*2012*
	£	*£*	*£*	*£*
Finished goods and goods for resale	333,288	351,408	-	-
Raw materials and spares	278,647	119,991	-	-
Catering and bar stocks	45,539	39,211	-	-
Work in progress	5,070	4,500	-	-
	662,544	515,110	-	-

15. Debtors

	Group		Company	
	2013	*2012*	*2013*	*2012*
	£	*£*	*£*	*£*
Trade debtors	86,356	204,148	35,556	31,543
Other debtors	407,648	201,789	83,143	79,383
Prepayments and accrued income	216,298	191,533	57,588	64,852
Amounts due from subsidiary undertakings	-	-	-	94,021
	710,302	597,470	176,287	269,799

Total debtors include amounts owed from the JOG 3 LLP joint venture of £200,000 (2012 £Nil) which is due in more than one year

16. Creditors: amounts falling due within one year

	Group		Company	
	2013	*2012*	*2013*	*2012*
	£	*£*	*£*	*£*
Trade creditors	537,143	516,019	96,950	79,174
Loans	750,000	250,000	750,000	250,000
Bank overdraft	149,216	50,377	-	-
Corporation tax	37,053	108,769	-	-
Other taxation and social security	77,410	79,891	8,741	8,626
Obligations under finance leases and hire purchase contracts	113,092	118,442	-	-
Other creditors	284,638	279,041	212,083	211,815
Accruals and deferred income	209,992	426,535	99,176	221,858
Deferred grant income	169,011	29,011	-	-
Amounts owed to subsidiary companies	-	-	3,971,123	4,904,834
	2,327,555	1,858,085	5,138,073	5,676,307

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned

Notes to the financial statements

At 31 January 2013

17. **Creditors:** amounts fallıng due after more than one year

	Group		*Company*	
	2013	*2012*	*2013*	*2012*
	£	*£*	*£*	*£*
Oblıgatıons under finance leases and hıre purchase contracts	97,229	191,520	-	-
Loans – secured (see below)	2,500,000	2,750,000	2,500,000	2,750,000
Other credıtors	295,000	295,000	285,000	285,000
	2,892,229	3,236,520	2,785,000	3,035,000

Oblıgatıons under finance leases and hıre purchase contracts

	Group		*Company*	
	2013	*2012*	*2013*	*2012*
	£	*£*	*£*	*£*
Amounts fallıng due				
Wıthın one year	113,092	118,442	-	-
Wıthın two to five year	97,229	191,520	-	-
	210,321	309,962	-	-

Detaıls of the maturıty of loans are as follows

	Group		*Company*	
	2013	*2012*	*2013*	*2012*
	£	*£*	*£*	*£*
Amounts fallıng due				
In one year or less	750,000	250,000	750,000	250,000
In more than one year but not more than two years	250,000	250,000	250,000	250,000
In more than two years but not more than five years	750,000	750,000	750,000	750,000
In more than five years	1,500,000	1,750,000	1,500,000	1,750,000
	3,250,000	3,000,000	3,250,000	3,000,000

The loans fallıng due ın more than five years have annual capıtal repayment terms agreed by the Group s bankers The rate of ınterest on thıs loan ıs fixed at 5 45% by way of an ınterest rate swap The bank loan ıs secured agaınst the assets held wıthın the company's subsıdıary holdıngs

The company has provıded a cross-guarantee to the company's bankers ın respect of all group company's overdraft and borrowıng facılıtıes If other companıes ın the Group were to default on theır overdraft arrangements then Hentage Great Bntaın PLC would be lıable for any outstandıng lıabılıtıes The net posıtıon of the Group on 31 January 2013 was £787,221 posıtıve (2012 £1,567,997 posıtıve)

Net oblıgatıons under finance lease and hıre purchase contracts are secured by fixed charges on the assets concerned

Notes to the financial statements

At 31 January 2013

18. Provisions for liabilities and charges

Group	*Deferred taxation*	*Insurance provisions*	*Total*
	£	£	£
At 1 February 2012	346,879	241,150	588,029
Charge for the year	-	89,447	89,447
Utilised in the year	-	(66,301)	(126,221)
Credit to the profit and loss for the year	(59,920)	-	-
At 31 January 2013	286,959	264,296	551,255

Company	*Insurance provisions*	*Total*
	£	£
At 1 February 2012	241,150	241,150
Charge for the year	89,447	89,447
Utilised in the year	(66,301)	(66,301)
At 31 January 2013	264,296	264,296

Deferred taxation

The amounts provided for deferred taxation are set out below

Group	*2013*	*2012*
	£	£
Differences between accumulated depreciation and capital allowances	286,959	346,879
Other timing differences	-	-
	286,959	346,879

Insurance provisions

The Group's insurance cover provides for a certain amount of excess on any claims The Group provides for these amounts and other uninsured losses on incidents when notified The amount provided for each incident is based on advice from professional advisers The claims are expected to be settled within one year of the balance sheet date

Notes to the financial statements

At 31 January 2013

19. Share capital

	2013 £	*2012* £
Allotted, called up and fully paid		
5,213,371 (2012 5,213,371) ordinary shares of £1 each	5,213,371	5,213,371

20. Reserves

	Group profit and loss account £	*Company profit and loss account* £
At 1 February 2012	2,519,523	121,318
Retained Profit for the year	667,165	(592,593)
Share of joint ventures	37,851	-
Dividend received	-	750,000
Net actuarial loss on pension scheme	(35,268)	-
At 31 January 2013	3,189,271	278,725

21. Reconciliation of movements in equity shareholders' funds

	Group		*Company*	
	2013 £	*2012* £	*2013* £	*2012* £
Opening equity shareholders' funds	7,732,894	6,609,442	5,334,689	5,858,659
Profit for the financial year	667,165	1,143,201	(592,593)	(1,523,970)
Share of joint ventures	37,851	-	-	-
Dividend received	-	-	750,000	1,000,000
Actuarial (loss) on pension scheme	(35,268)	(19,749)	-	-
Closing equity shareholders' funds	8,402,642	7,732,894	5,492,096	5,334,689

Notes to the financial statements

At 31 January 2013

22. Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows

	Group		*Company*	
	2013	*2012*	*2013*	*2012*
	£	£	£	£
Operating leases which expire				
Within one year - other	24,482	15,490	5,830	-
Within one year - land and buildings	3,392	-	-	-
In two to five years - other	31,977	51,168	7,998	5,548
In two to five years - land and buildings	29,500	39,354	29,500	29,500

23. Reconciliation of operating profit to net cash inflow from operating activities

	2013	*2012*
	£	£
Operating profit	913,440	1,114,646
Depreciation	510,861	492,054
Amortisation of goodwill	13,763	13,763
Share of loss in joint venture	22,335	-
(Increase)/decrease in stocks	(147,434)	82,085
(Increase)/decrease in debtors	(112,832)	256,634
(Decrease)/increase in creditors	(52,215)	66,594
Increase/(decrease) in other provisions	10,738	(91,849)
Loss on sale of tangible assets	40,391	-
Gain on investment	15,431	-
Adjustment in respect of defined benefit pension scheme	(72,287)	(64,280)
Net cash inflow from operating activities	1,142,191	1,869,647

24. Reconciliation of net cash flow to movement in net debt

	2013	*2012*
	£	£
(Decrease)/increase in cash in the year	(735,761)	1,485,461
Cash inflow from (increase)/decrease in net debt and lease financing	(150,359)	371,806
Movement in net debt resulting from cash flows	(886,120)	1,857,267
Net debt at 1 February 2012	(2,012,111)	(3,869,378)
Net debt at 31 January 2013	(2,898,231)	(2,012,111)

Notes to the financial statements

At 31 January 2013

25. Analysis of changes in net debt

	At 1 February 2012 £	*Cash flows* £	*Other movements* £	*At 31 January 2013* £
Cash at bank and in hand	1,633,228	(636,922)	-	996,306
Bank overdraft	(50,377)	(98,839)	-	(149,216)
	1,582,851	(735,761)	-	847,090
Short term loans	(250,000)	(250,000)	(250,000)	(750,000)
Long term loans	(3,035,000)	-	250,000	(2,785,000)
Finance leases	(309,962)	99,641	-	(210,321)
Net Debt	(2,012,111)	(886,120)	-	(2,898,231)

26. Pension scheme

The company operates a pension scheme providing benefits based on final pensionable pay funded by payment of contributions to a separately administered fund Until 31 May 2001 all members' benefits have been accrued in this Scheme, after this date members benefits have not been accrued in the Scheme and from 1 June 2001 the Trustees have directed all members contributions into a newly established money purchase scheme operated by a different scheme administrator which has continued the rights for existing members For the foreseeable future the Employer Company will continue to make employer contributions into the current Scheme to meet the funding requirements as advised by the Scheme actuary

The most recent valuation was at 5 April 2011 As a result of this valuation the Employer Company agreed to pay contributions of £71,718 per annum from February 2012 in order to achieve a fully funded position in approximately 4 years This will be reviewed at the next actuarial review

The valuation used for FRS 17 disclosures has been based on the most recent actuarial valuation and updated by the actuary at 31 January 2013 using the following assumptions

	2013	2012
Rate of increase in salaries	3 72%	3 37%
Rate of increase in pensions in payment for service from and including 6 April 1997	2 99%	2 75%
Discount rate	4 31%	4 61%
Pension increases (maximum 5%) - RPI	3 22%	2 87%
Deferred pension increases (maximum 5%) - CPI	2 72%	2 37%
Rate of increase of deferred pensions in excess of GMP	2 72%	2 37%

At 31 January 2013 mortality rates have been assumed to be in line with the standard tables 'SAPS ', medium cohort, year of birth projection with a minimum annual reduction in the mortality rate of 1 00% per annum This is the same assumption as adopted for the 31 January 2012 disclosures

Notes to the financial statements

At 31 January 2013

26. Pension scheme (continued)

The assets of the Pension Scheme valued below are in the form of an insurance policy invested in a with-profits and unit-linked money fund with the Equitable Life Assurance Society, a Trustee Investment Plan with Legal and General and a bank account held by the Trustee The value of assets held in the with-profits fund has been taken as the surrender value on 31 January 2013, which broadly represents the policy's realisable value on 31 January 2013 The value of assets held in the unit linked money fund has been taken as the value of units at bid price on 31 January 2013 The value of the other assets is the value held with the provider

The assets in the scheme and the expected rate of return were

	Long term rate of return expected at 31 Jan 2013	Value at 31 Jan 2013 £	Long term rate of return expected at 31 Jan 2012	Value at 31 Jan 2012 £	Long term rate of return expected at 31 Jan 2011	Value at 31 Jan 2011 £
With Profits Fund – Equitable Life		206,663		202,611		182,968
Unit Linked Money fund – Equitable Life		37,288		37,241		37,188
Trustees bank account		1		1		1,861
Investment Account – Legal & General		638,233		495,458		411,981
Total Market Value of Investments	4 60%	882,185	4 40%	735,311	5 90%	633,998
Actuarial Valuation of Liabilities		(1,040,052)		(911,582)		(840,781)
Deficit in the scheme		(157,867)		(176,271)		(206,783)

The following information has been provided by the scheme actuary to meet the current disclosure requirement under FRS 17

Analysis of amounts charged to operating profit	*2013* £	*2012* £
Current service cost	-	-
Past service cost	-	-
Losses/(gains) on settlements or curtailments	-	-
Total operating charge	-	-

Notes to the financial statements

At 31 January 2013

26. Pension scheme (continued)

Analysis of amounts credited to other finance costs	*2013* £	*2012* £
Expected return on pension scheme assets	33,944	39,302
Interest on pension scheme liabilities	(42,024)	(47,084)
Net cost	(8,080)	(7,782)

Analysis of amount recognised in statement of total recognised gains and losses (STRGL)	*2013* £	*2012* £
Actual return less expected return on pension scheme assets	40,643	(2,269)
Experience gains and losses arising on the scheme liabilities	(86,446)	(23,717)
Actuarial loss recognised in STRGL	(45,803)	(25,986)

Actuarial gains on the scheme liabilities	*2013* £	*2012* £
Liabilities at beginning of period	911,582	840,781
Interest cost	42,024	47,084
Actuarial loss on the Scheme liabilities	86,446	23,717
Liabilities at end of period	1,040,052	911,582

Movement in fair value of assets during the year	*2013* £	*2012* £
Assets at beginning of period	735,311	633,998
Expected return on Scheme assets	33,944	39,302
Employer contributions	72,287	64,280
Actual return less expected return on assets	40,643	(2,269)
Liabilities at end of period	882,185	735,311

Notes to the financial statements

At 31 January 2013

26. Pension scheme (continued)

Movement in deficit during the year	*2013* £	*2012* £
Deficit in the scheme at the beginning of the year	(176,271)	(206,783)
Movement in the year		
- Employers contributions	72,287	64,280
- Other finance costs	(8,080)	(7,782)
- Actuarial loss	(45,803)	(25,986)
Deficit in the scheme at the end of the year	(157,867)	(176,271)
Related deferred tax asset	36,309	42,305
Net liability	**(121,558)**	**(133,966)**

The company has been in ongoing consultation with its professional advisors in relation to the deficit of the Scheme and in particular, the appropriate method to address the deficit

History of experience gains and losses

	2013	2012	2011	2010	2009
Difference between the expected and actual return on scheme assets					
- amount	40,643	(£2,269)	£24,690	£23,200	(£65,500)
- percentage of scheme assets	5%	(0 3%)	4%	(4%)	13%
Experience gains and losses on scheme liabilities					
- amount	(86,446)	(£23,717)	£191,959	(£307,300)	£5,100
- percentage of the present value of scheme liabilities	(8%)	(3%)	23%	1%	0 7%
Total amount recognised in STRGL					
- amount	(45,803)	(£25,986)	£216,649	(£284,100)	£60,400
- percentage of the present value of scheme liabilities	(4%)	(3%)	26%	47%	21%
Present value of scheme liabilities	(1,040,052)	(911,582)	(840,781)	(978,900)	(688,200)
Fair value of scheme assets	882,185	735,311	633,998	518,200	474,400
Deficit	(157,867)	(176,271)	(206,783)	(460,700)	(213,800)

Notes to the financial statements

At 31 January 2013

27. Related party transactions

Significant related party transactions are detailed below The directors have taken advantage of the exemption available under Financial Reporting Standard 8 ' Related Party Disclosure" not to disclose transactions with other members of the Heritage Great Britain PLC group on the grounds that these are eliminated on consolidation

1) The company provided certain management and accounting services to Lightwater Valley Attractions Limited during the year amounting to £162,000 (2012 £162,000) on normal commercial terms There was no balance outstanding at the year end During the year the company also received a contribution, on normal commercial terms, towards certain overhead costs which were borne by Heritage Great Britain PLC amounting to £167,022 (2012 £149,278) A balance of £7,444 (2012 £2,956) was outstanding at the year end Mr A J S Leech and Mr P M Johnson-Treherne were directors of Lightwater Valley Attractions Limited at 31 January 2013

2) The Group, through one of its subsidiaries, CQ2 Limited, provided advertising and marketing services to Lightwater Valley Attractions Limited during the year amounting to £159,042 (2012 £185,561) on normal commercial terms There was a balance of £11,793 (2012 £309) outstanding at the year end

3) During the year Lightwater Valley Attractions Limited made a contribution, on normal commercial terms, towards certain overhead costs incurred by the Company which amounted to £23,976 (2012 £55,881) There was a balance outstanding at the year end of £240 (2012 £1,500) Mr A J S Leech and Mr P M Johnson-Treherne were directors of Lightwater Valley Attractions Limited

4) In 2010, the company received £10,000 from La Vignette Ltd (a company invested into by the family Trust based in Jersey of which Mr A J S Leech is also a beneficiary) as a contribution towards various capital projects The amount is repayable but remains outstanding at the year end (2012 £10,000)

5) The company loaned £140,000 to La Vignette Ltd (a company invested into by the family Trust based in Jersey of which Mr A J S Leech is also a beneficiary) The balance outstanding at the year end was £75,000 (2012 £75,000) The company has a charge over a classic car valued at £80,000 as security for this debt and the Directors are satisfied that the car is sufficient security to cover this debt

6) When the group purchased the Lands End & John O Groats Company in 1999, that company had an existing loan in place for £350,000 with Glen Investments Ltd which was to allow them to carry out certain capital expenditure projects The balance of this loan at the year end was £285,000 (2012 £285,000) due to an invoice for £65,000 which the group levied on Glen Investments Ltd for maintenance of classic cars for them The loan is strictly repayable however the company has confirmation from Glen Investments Ltd that there will be no call for this in the foreseeable future Glen Investments Ltd is controlled by the family Trust based in Jersey of which Mr A J S Leech is also a beneficiary

Notes to the financial statements

At 31 January 2013

28. Ultimate controlling party

The entire share capital of Heritage Great Britain PLC is wholly owned by a Jersey company, Cherberry Limited Cherberry Limited is wholly owned by the Trustees of a settlement In the opinion of the directors, there is no single individual or entity that can or does exercise ultimate control, as defined under FRS8, over that company