

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

FOR

VALE HOLIDAY PARKS LIMITED

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FOR THE YEAR ENDED 31 JANUARY 2023

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VALE HOLIDAY PARKS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2023

DIRECTORS:	Mr T Scarrott Mrs J Scarrott Mr T H S Scarrott Mr J W Scarrott Mr C H Scarrott
SECRETARY:	Mrs J Scarrott
REGISTERED OFFICE:	Clarach Bay Holiday Village Clarach Bay Aberystwyth Ceredigion SY23 3DT
REGISTERED NUMBER:	04670394 (England and Wales)
SENIOR STATUTORY AUDITOR:	Mr Nimesh Pau F.C.C.A.
AUDITORS:	R Pau & Co Limited Chartered Certified Accountants & Statutory Auditors 12-16 Station Street East Coventry West Midlands CV6 5FJ
BANKERS:	HSBC Bank Plc 46 Fore Street Trowbridge Wiltshire BA14 8EL

STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2023

The directors present their strategic report for the year ended 31 January 2023.

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive review of the development and performance of our business during the period and its position at the period end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

As a Holiday Park proprietors and caravan dealers the company continues to operate caravan holiday parks with on-site facilities and to sell caravans. The company's activities are organised into the following five areas:

- o Site fees
- o Sale of caravans
- o Holiday packages
- o On-site facilities

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, gross margin and return on capital employed.

The turnover of the company by activity was as follows:

	<u>2023</u>	<u>2022</u>
	<u>£</u>	<u>£</u>
Site Fees	3,124	3,310
Sale of Caravans	5,907	5,852
Holiday Packages	1,394	2,229
On-site Facilities	<u>1,762</u>	<u>2,038</u>
	<u>12,187</u>	<u>13,429</u>

Most areas of the business have shown growth during the period and this has left the company in a good financial position at the end of the period, in line with our expectations.

Overall operating profit has decreased to £1,629,130 (13.4%) from £5,278,752 (39.3%) and profit before tax has decreased to £1,012,238 (2022 - £5,077,559). After taxation and dividends, £959,491 (2022 - £4,426,513) has been retained to be added to reserves.

Return on capital employed has decreased to 1.9% (2022 - 9.4%). Return on capital employed is calculated as profit after interest and tax divided by gross capital employed, which constitutes total assets.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2023

PRINCIPAL RISKS AND UNCERTAINTIES

The company recognizes a variety of financial and market based risks, including 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.

Liquidity and cash flow risk

Liquidity and cash flow risk is in risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities and exposure to variability in cash flows. The company also manages liquidity and cash flow risk by utilising its cash flow 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.

ON BEHALF OF THE BOARD:

Mr T H S Scarrott - Director

21 September 2023

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2023

The directors present their report with the financial statements of the company for the year ended 31 January 2023.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of holiday park proprietors and caravan dealers.

DIVIDENDS

The total distribution of dividends for the year ended 31st January 2023 will be £300,000 (31.01.22: £300,000).

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 February 2022 to the date of this report.

The beneficial interests of the directors holding office at 31 January 2023 in the shares of the company, according to the register of directors' interests, were as follows:

	31.1.23	1.2.22
Ordinary shares of £1 each		
Mr T Scarrott	30	30
Mrs J Scarrott	25	25
Mr T H S Scarrott	15	15
Mr J W Scarrott	15	15
Mr C H Scarrott	15	15
Ordinary A shares of £1 each		
Mr T Scarrott	100	100
Mrs J Scarrott	-	-
Mr T H S Scarrott	-	-
Mr J W Scarrott	-	-
Mr C H Scarrott	-	-
Ordinary B shares of £1 each		
Mr T Scarrott	-	-
Mrs J Scarrott	100	100
Mr T H S Scarrott	-	-
Mr J W Scarrott	-	-
Mr C H Scarrott	-	-
Ordinary C shares of £1 each		
Mr T Scarrott	-	-
Mrs J Scarrott	-	-
Mr T H S Scarrott	100	100
Mr J W Scarrott	-	-
Mr C H Scarrott	-	-
Ordinary D shares of £1 each		
Mr T Scarrott	-	-
Mrs J Scarrott	-	-
Mr T H S Scarrott	-	-
Mr J W Scarrott	100	100
Mr C H Scarrott	-	-

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 JANUARY 2023

DIRECTORS - continued

	31.1.23	1.2.22
Ordinary E shares of £1 each		
Mr T Scarrott	-	-
Mrs J Scarrott	-	-
Mr T H S Scarrott	-	-
Mr J W Scarrott	-	-
Mr C H Scarrott	100	100

These directors did not hold any beneficial interests in the following:

Ordinary F shares of £1 each

Ordinary G shares of £1 each

Ordinary H shares of £1 each

These directors did not hold any non-beneficial interests in any of the shares of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Mr T H S Scarrott - Director

21 September 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VALE HOLIDAY PARKS LIMITED

Opinion

We have audited the financial statements of Vale Holiday Parks Limited (the 'company') for the year ended 31 January 2023 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 January 2023 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VALE HOLIDAY PARKS LIMITED

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 Report of the Directors.

In light of our knowledge and understanding of the company and its environment obtained on the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Directors.

We have nothing to report 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, 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 Statement of Directors' Responsibilities set out on page five, 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VALE HOLIDAY PARKS LIMITED

Auditors' 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 a Report of the Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the company and the industry in which it operates, we identified the principal risks of non-compliance with laws and regulations related to the acts by the company which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition.

Audit procedures performed included:

- o Review of the financial statement disclosures to underlying supporting documentation
- o Enquiring of management and directors concerning actual and potential litigation and claims including knowledge of any non-compliance with laws and regulations
- o In addressing the fraud risk in revenue recognition we have tested a sample of revenues recorded through agreement of booking period terms
- o In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of non-compliance with laws and regulations that are not closely related to the events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VALE HOLIDAY PARKS LIMITED

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 a Report of the Auditors 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.

Mr Nimesh Pau F.C.C.A. (Senior Statutory Auditor)
for and on behalf of R Pau & Co Limited
Chartered Certified Accountants
& Statutory Auditors
12-16 Station Street East
Coventry
West Midlands
CV6 5FJ

21 September 2023

INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
TURNOVER			12,186,660		13,429,005
Cost of sales			<u>7,696,759</u>		<u>7,099,647</u>
GROSS PROFIT			4,489,901		6,329,358
Administrative expenses			<u>2,860,771</u>		<u>1,119,541</u>
			1,629,130		5,209,817
Other operating income			-		68,935
OPERATING PROFIT	4		1,629,130		5,278,752
Income from fixed asset investments		-		23,704	
Interest receivable and similar income		<u>80,523</u>		<u>64,705</u>	
			80,523		88,409
			1,709,653		5,367,161
Interest payable and similar expenses	5		<u>697,415</u>		<u>289,602</u>
PROFIT BEFORE TAXATION			1,012,238		5,077,559
Tax on profit	6		<u>52,747</u>		<u>651,046</u>
PROFIT FOR THE FINANCIAL YEAR			<u>959,491</u>		<u>4,426,513</u>

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		959,491	4,426,513
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		-	-
FOR THE YEAR		<u>959,491</u>	<u>4,426,513</u>

The notes form part of these financial statements

BALANCE SHEET
31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	8		1,220,190		603,484
Tangible assets	9		33,456,457		25,607,172
Investments	10		<u>5,402,741</u>		<u>5,402,741</u>
			40,079,388		31,613,397
CURRENT ASSETS					
Stocks	11	3,178,251		2,264,948	
Debtors	12	7,547,434		12,103,774	
Cash at bank and in hand		<u>528,653</u>		<u>916,362</u>	
		11,254,338		15,285,084	
CREDITORS					
Amounts falling due within one year	13	<u>14,215,152</u>		<u>16,517,400</u>	
NET CURRENT LIABILITIES			(2,960,814)		(1,232,316)
TOTAL ASSETS LESS CURRENT LIABILITIES			37,118,574		30,381,081
CREDITORS					
Amounts falling due after more than one year	14		<u>17,963,851</u>		<u>11,837,849</u>
NET ASSETS			<u>19,154,723</u>		<u>18,543,232</u>
CAPITAL AND RESERVES					
Called up share capital	18		900		900
Retained earnings			<u>19,153,823</u>		<u>18,542,332</u>
SHAREHOLDERS' FUNDS			<u>19,154,723</u>		<u>18,543,232</u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 21 September 2023 and were signed on its behalf by:

Mr T H S Scarrott - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2021	100	14,415,819	14,415,919
Changes in equity			
Issue of share capital	800	-	800
Dividends	-	(300,000)	(300,000)
Total comprehensive income	-	4,426,513	4,426,513
Balance at 31 January 2022	<u>900</u>	<u>18,542,332</u>	<u>18,543,232</u>
Changes in equity			
Dividends	-	(348,000)	(348,000)
Total comprehensive income	-	959,491	959,491
Balance at 31 January 2023	<u>900</u>	<u>19,153,823</u>	<u>19,154,723</u>

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	3,882,802	4,124,678
Interest paid		(648,115)	(260,589)
Interest element of hire purchase payments paid		(49,300)	(29,013)
Tax paid		(651,019)	(329,357)
Net cash from operating activities		<u>2,534,368</u>	<u>3,505,719</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(700,000)	-
Purchase of tangible fixed assets		(8,431,039)	(1,157,328)
Purchase of fixed asset investments		-	(10,080,600)
Sale of intangible fixed assets		-	1,450,431
Sale of tangible fixed assets		1,500	3,589,986
Sale of fixed asset investments		-	5,040,600
Interest received		80,523	64,705
Dividends received		-	23,704
Net cash from investing activities		<u>(9,049,016)</u>	<u>(1,068,502)</u>
Cash flows from financing activities			
Hire purchase repayments		447,566	(471,722)
Amount introduced by directors		21,341	47,362
Share issue		-	800
Bank loan repayments		6,006,032	(2,299,557)
Equity dividends paid		(348,000)	(300,000)
Net cash from financing activities		<u>6,126,939</u>	<u>(3,023,117)</u>
Decrease in cash and cash equivalents		<u>(387,709)</u>	<u>(585,900)</u>
Cash and cash equivalents at beginning of year	2	916,362	1,502,262
Cash and cash equivalents at end of year	2	<u>528,653</u>	<u>916,362</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2023**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023 £	2022 £
Profit before taxation	1,012,238	5,077,559
Depreciation charges	665,048	594,969
Profit on disposal of fixed assets	(1,500)	(1,450,370)
Finance costs	697,415	289,602
Finance income	(80,523)	(88,409)
	<u>2,292,678</u>	<u>4,423,351</u>
Increase in stocks	(913,303)	(703,814)
Decrease/(increase) in trade and other debtors	4,457,033	(9,425,068)
(Decrease)/increase in trade and other creditors	<u>(1,953,606)</u>	<u>9,830,209</u>
Cash generated from operations	<u><u>3,882,802</u></u>	<u><u>4,124,678</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 January 2023

	31/1/23 £	1/2/22 £
Cash and cash equivalents	<u>528,653</u>	<u>916,362</u>

Year ended 31 January 2022

	31/1/22 £	1/2/21 £
Cash and cash equivalents	<u>916,362</u>	<u>1,502,262</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/2/22 £	Cash flow £	At 31/1/23 £
Net cash			
Cash at bank and in hand	<u>916,362</u>	<u>(387,709)</u>	<u>528,653</u>
	<u>916,362</u>	<u>(387,709)</u>	<u>528,653</u>
Debt			
Finance leases	(532,914)	(447,566)	(980,480)
Debts falling due within 1 year	(1,197,889)	(141,824)	(1,339,713)
Debts falling due after 1 year	<u>(11,626,196)</u>	<u>(5,864,208)</u>	<u>(17,490,404)</u>
	<u>(13,356,999)</u>	<u>(6,453,598)</u>	<u>(19,810,597)</u>
Total	<u><u>(12,440,637)</u></u>	<u><u>(6,841,307)</u></u>	<u><u>(19,281,944)</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

1. STATUTORY INFORMATION

Vale Holiday Parks Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The nature of the company's operations and principal activities are included in the Report of the Directors.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Preparation of consolidated financial statements

The financial statements contain information about Vale Holiday Parks Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 402 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it's only subsidiary is exempt from inclusion on the grounds of materiality (Section 405) of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

2. ACCOUNTING POLICIES - continued

Turnover

Turnover represents the net invoiced value of caravan sales, site fees and other associated income, excluding value added tax.

Turnover from the sale of goods on site, the sale of caravans and site fees is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. For site shop sales and caravans this is usually on the date of dispatch of the goods.

For site fees, recognition occurs when the site is occupied. Fees received on booking in advance of the holiday are carried forward in creditors as deferred income.

The company operates in one principle activity being the operation of a UK based holiday centre. All operations were continuing. It includes £6.3m (2022: £7.5m) for the sale of services and £5.9m (2022: £5.9m) for the sale of goods.

Goodwill

Goodwill, being the amount paid in connection with the purchase of the following businesses:

	£
Kiosk (2006)	15,500
Fairground (2006)	21,000
Penlon Holiday Park Limited (2008)	39,375
Old Vicarage Holiday Park Limited (2008)	1
Cross Parks Holiday Park Limited (2008)	300,000
Liskey Hill Caravan Park (2009)	1
Parc Farm Caravan Park (2013)	150,000
Landshipping Caravan Park (2018)	1
Higher Golla Touring Park (2020)	260,000
Greenacres Fishguard (2020)	180,000
Llanina Caravan Park (2022)	200,000
Porthkerry Leisure Park (2023)	500,000
	<u>£1,665,879</u>

Goodwill, being the amount paid in connection with the acquisition of the above is being written off evenly over it's useful economic life of 20 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life, or if held under a finance lease, over the lease term, whichever is shorter.

Plant and machinery - 25% on reducing balance
Fixtures and fittings - 20% on cost
Motor vehicles - 25% on reducing balance method
Property improvements - 10% on cost

Investments in subsidiaries and associates

Investments in associate undertakings are recognised at cost less impairment.

Stocks

Stocks are valued at the lower of cost and net realizable value, after making due allowance for obsolete and slow moving items. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

2. ACCOUNTING POLICIES - continued

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Judgements and key sources of estimation uncertainty

Certain judgments are made in the process of applying the above accounting policies. None of these are considered to have a significant effect on the amounts recognised in the financial statements.

Certain estimates are also made concerning the future, however, it is considered that there are no key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

3. EMPLOYEES AND DIRECTORS

	Year Ended 31/1/23 £	Year Ended 31/1/22 £
Wages and salaries	2,234,571	1,974,919
Social security costs	192,011	163,915
Other pension costs	33,205	30,173
	<u>2,459,787</u>	<u>2,169,007</u>
 The average monthly number of employees during the year	 <u>103</u>	 <u>91</u>
 Directors' remuneration	 <u>56,000</u>	 <u>54,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

4. OPERATING PROFIT

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

	2023	2022
	£	£
Depreciation - owned assets	540,280	491,377
Depreciation - assets on hire purchase contracts	41,474	55,298
Profit on disposal of fixed assets	(1,500)	(1,450,370)
Goodwill amortisation	83,294	48,294
Auditors' remuneration	<u>6,000</u>	<u>6,000</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
Bank loan interest	556,713	226,598
Loan arrangement fee	57,600	-
Bank charges	12,173	9,312
Credit card charges	21,629	24,679
Hire purchase	<u>49,300</u>	<u>29,013</u>
	<u>697,415</u>	<u>289,602</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023	2022
	£	£
Current tax:		
UK corporation tax	<u>52,747</u>	<u>651,046</u>
Tax on profit	<u>52,747</u>	<u>651,046</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2023	2022
	£	£
Profit before tax	<u>1,012,238</u>	<u>5,077,559</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	192,325	964,736
Effects of:		
Income not taxable for tax purposes	(285)	(280,073)
Capital allowances in excess of depreciation	<u>(139,293)</u>	<u>(33,617)</u>
Total tax charge	<u>52,747</u>	<u>651,046</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

7. DIVIDENDS

	2023	2022
	£	£
Ordinary shares of £1 each		
Interim dividends	300,000	300,000
Ordinary F shares of £1 each		
Final	16,000	-
Ordinary G shares of £1 each		
Final	16,000	-
Ordinary H shares of £1 each		
Final	16,000	-
	<u>348,000</u>	<u>300,000</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 February 2022	965,879
Additions	700,000
At 31 January 2023	<u>1,665,879</u>
AMORTISATION	
At 1 February 2022	362,395
Amortisation for year	83,294
At 31 January 2023	<u>445,689</u>
NET BOOK VALUE	
At 31 January 2023	<u>1,220,190</u>
At 31 January 2022	<u>603,484</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

9. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 February 2022	25,360,437	673,314	2,647,301	745,313	29,426,365
Additions	8,032,269	-	347,102	51,668	8,431,039
At 31 January 2023	33,392,706	673,314	2,994,403	796,981	37,857,404
DEPRECIATION					
At 1 February 2022	724,498	659,002	1,982,294	453,399	3,819,193
Charge for year	209,981	3,578	282,299	85,896	581,754
At 31 January 2023	934,479	662,580	2,264,593	539,295	4,400,947
NET BOOK VALUE					
At 31 January 2023	32,458,227	10,734	729,810	257,686	33,456,457
At 31 January 2022	24,635,939	14,312	665,007	291,914	25,607,172

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 February 2022 and 31 January 2023	324,674
DEPRECIATION	
At 1 February 2022	158,780
Charge for year	41,474
At 31 January 2023	200,254
NET BOOK VALUE	
At 31 January 2023	124,420
At 31 January 2022	165,894

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

10. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 February 2022	
and 31 January 2023	<u>5,402,741</u>
NET BOOK VALUE	
At 31 January 2023	<u>5,402,741</u>
At 31 January 2022	<u>5,402,741</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Heatherdale Holidays (Clarach Bay) Limited

Registered office: Clarach Bay Holiday Village, Clarach, Aberystwyth, SY23 3DT

Nature of business: Holiday park

	% holding	2023 £	2022 £
Class of shares:			
Ordinary	75.34		
Aggregate capital and reserves		3,575,008	2,924,360
Profit for the year		<u>650,650</u>	<u>811,137</u>

11. STOCKS

	2023 £	2022 £
Stock	3,130,855	2,258,072
Consumable stock	7,892	6,876
Gas bottles stock	39,504	-
	<u>3,178,251</u>	<u>2,264,948</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	6,577,412	10,694,303
Amounts owed by group undertakings	-	360,961
Prepayments and other debtors	860,876	840,057
Value added taxation	109,146	208,453
	<u>7,547,434</u>	<u>12,103,774</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 15)	1,339,713	1,197,889
Hire purchase contracts (see note 16)	507,033	321,261
Trade creditors	1,077,567	773,394
Amounts owed to group undertakings	1,011,662	-
Corporation taxation	52,747	651,019
Taxation and social security	39,446	33,146
Other creditors	9,864,641	13,250,386
Directors' current accounts	243,650	222,309
Accrued expenses	78,693	67,996
	<u>14,215,152</u>	<u>16,517,400</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 15)	17,490,404	11,626,196
Hire purchase contracts (see note 16)	473,447	211,653
	<u>17,963,851</u>	<u>11,837,849</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year or on demand:		
Bank loan	<u>1,339,713</u>	<u>1,197,889</u>
Amounts falling due between one and two years:		
Bank loan	<u>1,339,713</u>	<u>1,197,889</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>4,019,137</u>	<u>3,593,664</u>
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Bank loans more 5 yrs	<u>12,131,554</u>	<u>6,834,643</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

16. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Net obligations repayable:		
Within one year	507,033	321,261
Between one and five years	473,447	211,653
	<u>980,480</u>	<u>532,914</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	18,830,117	12,824,085
Hire purchase	980,480	532,914
	<u>19,810,597</u>	<u>13,356,999</u>

The following securities are held by the bank:-

First legal charges over freehold property known as:

- Woodland Vale Caravan Park, Narbeth, SA67 8JE
- Glynteg Caravan Park, Cross Inn, Landysul, SA44 6LW
- Grondre Caravan Park, Clynderwen
- Liskey Hill Caravan Park, Perranport, TR6 0BD
- Red Roses Filling Station, Whitland, SA34 0PE
- Village Holiday Park, Cross Inn, New Quay, SA44 6LW
- Ocean Heights Leisure Park, Maen Y Groes, New Quay, SA45 9RL
- Llanarmon-Yn-Ial, Denbighshire, CH7 4QW
- New Park Caravan Park, Landshipping, Narberth, SA67 8BG
- Higher Golla Touring Park, Penahllow, Truro, TR4 9LZ
- Gilfach Holiday Village, Llwyncelyn, Aberaeron, SA46 0HN
- Porthkerry Caravan Park, Porthkerry, Barry, CF62 3ZP

Composite company limited multilateral guarantee given by Vale Holiday Parks Limited and Heatherdale Holidays (Clarach Bay) Limited.

Debenture including fixed charge over all present freehold and leasehold property; first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and fixed floating charge over all assets and undertaking both present and future.

Hire purchase liabilities are secured on the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2023

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
100	Ordinary	£1	100	100
100	Ordinary A	£1	100	100
100	Ordinary B	£1	100	100
100	Ordinary C	£1	100	100
100	Ordinary D	£1	100	100
100	Ordinary E	£1	100	100
100	Ordinary F	£1	100	100
100	Ordinary G	£1	100	100
100	Ordinary H	£1	100	100
			<u>900</u>	<u>900</u>

19. RELATED PARTY DISCLOSURES

The company is jointly owned by Mr T and Mrs J Scarrott.

The company owed Mr T and Mrs J Scarrott £243,650 (2022: £222,309) at the end of the year. This loan was unsecured, interest free and repayable on demand.

During the year the following rents were paid by the directors to the company for occupying chalets held by the company:

	<u>2023</u>	<u>2022</u>
Mr T Scarrott	2,400	2,400
Mr T H S Scarrott	2,400	2,400
Mr J Scarrott	2,400	2,400
Mr C H Scarrott	2,400	2,400
	<u>£9,600</u>	<u>£9,600</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.