

REGISTERED NUMBER: 08220978

ADVENTURE PARC SNOWDONIA LIMITED
PREVIOUSLY KNOWN AS CONWY ADVENTURE LEISURE LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019



ADVENTURE PARC SNOWDONIA LIMITED

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for the Year Ended 31 January 2019**

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ADVENTURE PARC SNOWDONIA LIMITED

COMPANY INFORMATION
for the Year Ended 31 January 2019

DIRECTORS:

Martin Ainscough
Andrew Ainscough
David Watson
Justin Everley
Stephen Hitchen
Danielle Hitchen

REGISTERED OFFICE:

Oakland House
21 Hope Carr Road
Leigh
Wigan
Lancashire
WN7 3ET

REGISTERED NUMBER:

08220978 (England and Wales)

AUDITORS:

Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

BANKERS:

Royal Bank of Scotland Plc
6th Floor
1 Spinningfields Square
Manchester
M3 3AP

ADVENTURE PARC SNOWDONIA LIMITED

STRATEGIC REPORT for the Year Ended 31 January 2019

The directors present their strategic report for the year ended 31 January 2019.

REVIEW OF BUSINESS

The principal activity of the company during the year was that of a water-based leisure adventure park in North Wales.

The adventure park opened in 2015 and the company has invested over £20m to date. Unfortunately as with any new innovation world-leading technology, the inland surfing lagoon initially experienced reliability issues with subsequent improvements having to be made.

The company is in the process of further strengthening its onsite offer opening a new Adrenaline Indoors facility in July 2019 followed by an onsite 106 bed Hilton Garden Inn Hotel in 2020.

Visitor numbers continue to increase year on year however the site closed early in September 2018 due to the above expansion works. As a result of this early closure, revenue decreased from £2,733k to £2,617k (4%) for the year ended 31st January 2019.

However at operating profit level the financial performance has improved from a £1,173k loss to £655k loss, due to an increase in the gross profit margins but incurred development costs due to its expansion works and closed the full site in early September 2018 to commence works.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties for the company have been identified as follows;

Risk	Impact on company	Mitigation
Technology	At present the company is largely offering surfing activities on its inland surfing lagoon which relies on world-leading technology. This technology is expensive to set up and maintain and any failure in this technology would provide large loss of income for the company	The company has successfully made specification changes to improve the reliability of the technology and regularly monitors the technology, maintaining the technology on a preventative basis.
New entrants to the market	New entrants to the market could dilute the market, reducing revenue for the company but this would also generate additional interest in the company's activities, in particular surfing, which potentially could therefore increase revenue further.	The company has established a strong brand and is investing into additional activities to enhance and complement the company's current activities ensuring that the customer experience is truly unique and hard to duplicate.

FUTURE DEVELOPMENTS

The company is in a good financial position and the risks that have been identified are being well managed. The company is in the process of making further investment into the adventure park creating additional activities and accommodation to enhance and complement the company's current activities.

STRATEGIC REPORT
for the Year Ended 31 January 2019

FINANCIAL INSTRUMENTS

The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are largely conducted in sterling, with minimal foreign currency transactions. The company does not enter into any formally designated hedging arrangements.

ON BEHALF OF THE BOARD:



.....
David Watson - Director

Date: 8/2/19

ADVENTURE PARC SNOWDONIA LIMITED

REPORT OF THE DIRECTORS for the Year Ended 31 January 2019

The directors present their report with the financial statements of the company for the year ended 31 January 2019.

CHANGE OF NAME

The company passed a special resolution on 9 July 2018 changing its name from Conwy Adventure Leisure Limited to Adventure Parc Snowdonia Limited.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a water based leisure activity park in North Wales.

DIVIDENDS

No dividends will be distributed for the year ended 31 January 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2018 to the date of this report.

Martin Ainscough
Andrew Ainscough
David Watson
Justin Everley

Other changes in directors holding office are as follows:

Stephen Hitchen - appointed 12 June 2018
Danielle Hitchen - appointed 12 June 2018

GOING CONCERN

The activities of the company have been funded to date by equity and loans from the Ainscough family, as well as a secured funding package from the Welsh Government.

The Ainscough family have indicated their willingness to provide future funding and on this basis, together with the recent forecasts and trading results, the directors believe the company has adequate resources to continue its activities for the foreseeable future.

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.

REPORT OF THE DIRECTORS
for the Year Ended 31 January 2019

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:


.....
David Watson - Director

Date: 8/2/19
.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADVENTURE PARC SNOWDONIA LIMITED

Opinion

We have audited the financial statements of Adventure Parc Snowdonia Limited (the 'company') for the year ended 31 January 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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
ADVENTURE PARC SNOWDONIA LIMITED (REGISTERED NO: 08220978)**

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.

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, 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 four, 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.

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.

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.

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.

John B S Fairhurst BA(Hons) FCA (Senior Statutory Auditor)
for and on behalf of Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

Date: 8/11/19



ADVENTURE PARC SNOWDONIA LIMITED

STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 31 January 2019

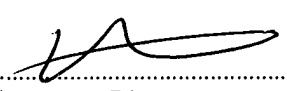
	Notes	2019 £	2018 £
TURNOVER		2,617,382	2,732,974
Cost of sales		<u>(817,296)</u>	<u>(1,081,634)</u>
GROSS PROFIT		1,800,086	1,651,340
Administrative expenses		<u>(2,607,997)</u>	<u>(2,978,082)</u>
		(807,911)	(1,326,742)
Other operating income		<u>152,688</u>	<u>153,035</u>
OPERATING LOSS	5	(655,223)	(1,173,707)
Interest receivable and similar income		<u>1,421</u>	<u>863</u>
		(653,802)	(1,172,844)
Interest payable and similar expenses	6	<u>(54,757)</u>	<u>(60,159)</u>
LOSS BEFORE TAXATION		(708,559)	(1,233,003)
Tax on loss	7	<u>(39,035)</u>	<u>(400,245)</u>
LOSS FOR THE FINANCIAL YEAR		(747,594)	(1,633,248)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>(747,594)</u></u>	<u><u>(1,633,248)</u></u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 January 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	8	14,181,554	14,290,273
CURRENT ASSETS			
Stocks	9	54,520	77,976
Debtors	10	954,623	245,165
Cash at bank and in hand		<u>76,004</u>	<u>66,387</u>
		1,085,147	389,528
CREDITORS			
Amounts falling due within one year	11	<u>(1,059,248)</u>	<u>(749,595)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>25,899</u>	<u>(360,067)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		14,207,453	13,930,206
CREDITORS			
Amounts falling due after more than one year	12	<u>(3,211,339)</u>	<u>(10,761,523)</u>
NET ASSETS		<u>10,996,114</u>	<u>3,168,683</u>
CAPITAL AND RESERVES			
Called up share capital	15	17,425,100	8,850,075
Retained earnings	16	<u>(6,428,986)</u>	<u>(5,681,392)</u>
SHAREHOLDERS' FUNDS		<u>10,996,114</u>	<u>3,168,683</u>

The financial statements were approved by the Board of Directors on 8/2/19 and were signed on its behalf by:



 David Watson - Director

ADVENTURE PARC SNOWDONIA LIMITED

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 January 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2017	8,420,075	(4,048,144)	4,371,931
Changes in equity			
Issue of share capital	430,000	-	430,000
Total comprehensive income	<u>-</u>	<u>(1,633,248)</u>	<u>(1,633,248)</u>
Balance at 31 January 2018	<u>8,850,075</u>	<u>(5,681,392)</u>	<u>3,168,683</u>
Changes in equity			
Issue of share capital	8,575,025	-	8,575,025
Total comprehensive income	<u>-</u>	<u>(747,594)</u>	<u>(747,594)</u>
Balance at 31 January 2019	<u><u>17,425,100</u></u>	<u><u>(6,428,986)</u></u>	<u><u>10,996,114</u></u>

The notes form part of these financial statements

ADVENTURE PARC SNOWDONIA LIMITED

STATEMENT OF CASH FLOWS
for the Year Ended 31 January 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	(700,388)	(330,699)
Interest paid		(54,757)	(60,159)
Tax paid		<u>16,360</u>	<u>98,442</u>
Net cash from operating activities		<u>(738,785)</u>	<u>(292,416)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(742,545)	(234,134)
Sale of tangible fixed assets		10,501	-
Interest received		<u>1,421</u>	<u>863</u>
Net cash from investing activities		<u>(730,623)</u>	<u>(233,271)</u>
 Cash flows from financing activities			
New loans in year		100,000	70,000
Loan repayments in year		(100,000)	-
Share issue		1,300,025	430,000
Amounts owed to associated undertakings		<u>179,000</u>	<u>-</u>
Net cash from financing activities		<u>1,479,025</u>	<u>500,000</u>
 Increase/(decrease) in cash and cash equivalents		<u>9,617</u>	<u>(25,687)</u>
Cash and cash equivalents at beginning of year	2	<u>66,387</u>	<u>92,074</u>
 Cash and cash equivalents at end of year	2	<u><u>76,004</u></u>	<u><u>66,387</u></u>

The notes form part of these financial statements

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE STATEMENT OF CASH FLOWS
for the Year Ended 31 January 2019

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

	2019	2018
	£	£
Loss before taxation	(708,559)	(1,233,003)
Depreciation charges	815,008	935,861
Loss on disposal of fixed assets	25,755	-
Government grants	(152,688)	(152,860)
Finance costs	54,757	60,159
Finance income	<u>(1,421)</u>	<u>(863)</u>
	32,852	(390,706)
Decrease in stocks	23,456	3,946
(Increase)/decrease in trade and other debtors	(764,853)	60,329
Increase/(decrease) in trade and other creditors	<u>8,157</u>	<u>(4,268)</u>
Cash generated from operations	<u><u>(700,388)</u></u>	<u><u>(330,699)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 January 2019

	31/1/19	1/2/18
	£	£
Cash and cash equivalents	<u><u>76,004</u></u>	<u><u>66,387</u></u>

Year ended 31 January 2018

	31/1/18	1/2/17
	£	£
Cash and cash equivalents	<u><u>66,387</u></u>	<u><u>92,074</u></u>

The notes form part of these financial statements

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 January 2019

1. STATUTORY INFORMATION

Adventure Parc Snowdonia 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The activities of the company have been funded to date by equity and loans from the Ainscough family, as well as a secured funding package from the Welsh Government.

The Ainscough family have indicated their willingness to provide future funding and on this basis, together with the recent forecasts and trading results, the directors believe the company has adequate resources to continue its activities for the foreseeable future.

Turnover

Turnover is measured at the fair value of the consideration receivable for goods sold and services provided, excluding value added tax.

The company recognises revenue on provision of the service, or in the case of retail sales, when the significant risks and rewards of ownership have transferred to the customer.

Tangible fixed assets

Tangible fixed assets are stated at initial cost plus the additional development expenditure necessary to bring the assets into operational use, less depreciation and impairment.

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold land and buildings	- 2% on cost (buildings only)
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
IT equipment & motor vehicles	- 25% on reducing balance

Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amounts. If the estimate recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of each asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 January 2019

2. ACCOUNTING POLICIES - continued

Financial instruments

The company only holds basic financial instruments under Section 11 of FRS 102.

Short term financial assets, including trade and other debtors and cash and bank balances, are measured at the transaction price.

Short term financial liabilities, including trade and other creditors, are measured at the transaction price.

Financial liabilities that have no stated interest rate and are payable within one year shall be measured at the undiscounted amount due.

Financial liabilities, including directors and other loans, that have no stated interest rate and are payable after one year should be measured at amortised cost, using the effective interest rate method.

Taxation

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

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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Grants

Capital grants are treated as deferred income and written off over the life of the assets to which they relate.

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 January 2019

3. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements

At the end of the year, the directors do not consider that there were any critical judgements which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Key sources of estimation uncertainty

The main judgements applied in preparing these financial statements concern the carrying value of the company's tangible fixed assets.

4. EMPLOYEES AND DIRECTORS

	2019 £	2018 £
Wages and salaries	878,560	1,103,368
Social security costs	30,501	61,731
Other pension costs	16,656	3,477
	<u>925,717</u>	<u>1,168,576</u>

The average number of employees during the year was as follows:

	2019	2018
Administration	16	19
Seasonal	54	72
	<u>70</u>	<u>91</u>

	2019 £	2018 £
Directors' remuneration	76,814	23,898
Directors' pension contributions to money purchase schemes	<u>737</u>	<u>98</u>

The number of directors to whom retirement benefits were accruing was as follows:

	1	1
Money purchase schemes	<u>1</u>	<u>1</u>

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2019

5. OPERATING LOSS

The operating loss is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	815,008	935,861
Loss on disposal of fixed assets	25,755	-
Auditors' remuneration	5,950	4,725
Auditors' remuneration - taxation fees	<u>1,500</u>	<u>1,500</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Other loan interest	<u>54,757</u>	<u>60,159</u>

7. TAXATION

Analysis of the tax charge

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

	2019	2018
	£	£
Current tax:		
Prior year over provision	<u>39,035</u>	<u>(55,366)</u>
Deferred tax:		
Deferred tax - current year	-	551,110
Deferred tax - prior year	<u>-</u>	<u>(95,499)</u>
Total deferred tax	<u>-</u>	<u>455,611</u>
Tax on loss	<u>39,035</u>	<u>400,245</u>

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 January 2019

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2019 £	2018 £
Loss before tax	<u>(708,559)</u>	<u>(1,233,003)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19.162%)	(134,626)	(236,268)
Effects of:		
Expenses not deductible for tax purposes	32,868	245
Income not taxable for tax purposes	(9,880)	(9,964)
Adjustments to tax charge in respect of previous periods	-	(55,395)
Fixed asset differences	93,475	97,684
Adjust closing deferred tax to average rate	85,502	86,810
Adjust opening deferred tax to average rate	(83,590)	(70,077)
Deferred tax not recognised	44,060	682,709
Adjustment to tax charge in respect of previous periods - deferred tax	(27,809)	(95,499)
Adjustment to tax charge in respect of previous periods - current tax	<u>39,035</u>	<u>-</u>
Total tax charge	<u>39,035</u>	<u>400,245</u>

A deferred tax asset has not been recognised in respect of timing differences as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £726,769, calculated at the tax rates expected to apply at a point in the future if timing differences do then reverse. The asset could be recovered if sufficient taxable trading profits arose in the future.

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Assets under construction £	Plant and machinery £
COST			
At 1 February 2018	14,509,255	-	3,652,387
Additions	(50,000)	708,654	61,076
Disposals	-	-	(73,940)
At 31 January 2019	<u>14,459,255</u>	<u>708,654</u>	<u>3,639,523</u>
DEPRECIATION			
At 1 February 2018	3,021,966	-	1,355,994
Charge for year	272,378	-	423,964
Eliminated on disposal	-	-	(37,684)
At 31 January 2019	<u>3,294,344</u>	<u>-</u>	<u>1,742,274</u>
NET BOOK VALUE			
At 31 January 2019	<u>11,164,911</u>	<u>708,654</u>	<u>1,897,249</u>
At 31 January 2018	<u>11,487,289</u>	<u>-</u>	<u>2,296,393</u>

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2019

8. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	IT equipment & motor vehicles £	Totals £
COST			
At 1 February 2018	512,696	425,592	19,099,930
Additions	14,532	8,283	742,545
Disposals	-	-	(73,940)
At 31 January 2019	<u>527,228</u>	<u>433,875</u>	<u>19,768,535</u>
DEPRECIATION			
At 1 February 2018	217,747	213,950	4,809,657
Charge for year	56,526	62,140	815,008
Eliminated on disposal	-	-	(37,684)
At 31 January 2019	<u>274,273</u>	<u>276,090</u>	<u>5,586,981</u>
NET BOOK VALUE			
At 31 January 2019	<u>252,955</u>	<u>157,785</u>	<u>14,181,554</u>
At 31 January 2018	<u>294,949</u>	<u>211,642</u>	<u>14,290,273</u>

At the year end the directors have undertaken an impairment review on the tangible fixed assets which has not resulted in a change to the carrying value.

9. STOCKS

	2019 £	2018 £
Stocks	<u>54,520</u>	<u>77,976</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	13,700	43,738
Other debtors	135,836	-
Tax	-	55,395
Prepayments and accrued income	<u>805,087</u>	<u>146,032</u>
	<u>954,623</u>	<u>245,165</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	432,039	133,126
Amounts owed to associated undertakings	179,000	-
Social security and other taxes	6,262	15,082
Other creditors	297,192	328,814
Accruals and deferred income	<u>144,755</u>	<u>272,573</u>
	<u>1,059,248</u>	<u>749,595</u>

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 January 2019

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

	2019 £	2018 £
Other loans (see note 13)	123	6,975,123
Other creditors	3,086,609	3,361,793
Directors' loan accounts	124,607	424,607
	<u>3,211,339</u>	<u>10,761,523</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due between one and two years:		
Other loans	<u>123</u>	<u>6,975,123</u>

14. SECURED DEBTS

The following secured debts are included within creditors:

	2019 £	2018 £
Other creditors	<u>1,093,793</u>	<u>1,211,167</u>

Any indebtedness of Adventure Parc Snowdonia Limited to the Welsh Government is secured by a debenture over the land owned by the company.

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
100	Ordinary	£1	100	75
6,540,000	Ordinary A	£1	6,540,000	3,750,000
10,885,000	Ordinary B	£1	<u>10,885,000</u>	<u>5,100,000</u>
			<u>17,425,100</u>	<u>8,850,075</u>

The following shares were allotted and fully paid during the year:

25 Ordinary shares of £1 each for cash at par
2,790,000 Ordinary A shares of £1 each : 1,300,000 for cash at par, 1,490,000 for capitalisation of loans
5,785,000 Ordinary B shares of £1 each for capitalisation of loans

ADVENTURE PARC SNOWDONIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 January 2019

16. RESERVES

	Retained earnings £
At 1 February 2018	(5,681,392)
Deficit for the year	<u>(747,594)</u>
At 31 January 2019	<u>(6,428,986)</u>

The retained earnings reserve includes all current and prior period retained losses.

17. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The pension cost for the period represents contributions payable by the company to the fund and amounted to £16,656 (2018 - £4,582). As at the year end there were £3,326 (2018 - £448) contributions outstanding.

18. CAPITAL COMMITMENTS

	2019 £	2018 £
Contracted but not provided for in the financial statements	<u>2,109,898</u>	<u>-</u>

19. RELATED PARTY DISCLOSURES

Transactions with associated undertakings

During the year the company incurred expenditure of £33,941 (2018 - £24,750) in respect of management charges from an associated undertaking. At 31 January 2019 £19,901 (2018 - £8,100) remained outstanding.

Loans with associated undertakings

During the year the company borrowed £179,000 from an associated company. At 31 January 2019 the full amount remained outstanding.

Transactions with directors

At the year end amounts of £124,607 (2018 - £424,607) remained outstanding to a director of the company in respect of loan monies, following £300,000 of loan monies being converted into Ordinary B shares during the year (see below).

Other loans

During the year the company borrowed and repaid £100,000 from a trust under the control of a director. At the year end an amount of £123 (2018 - £6,975,123) remained outstanding following £6,975,000 of loan monies being converted into Ordinary A and Ordinary B shares during the year (see below).

New share issue

During the year 25 Ordinary shares of £1 each were issued to directors of the company.

During the year 2,790,000 Ordinary A shares of £1 each were issued to a trust under the control of a director. 1,300,000 of shares were fully paid for cash at par and 1,490,000 of shares were fully paid in exchange for the capitalisation of loans.

During the year 5,785,000 Ordinary B shares of £1 each were issued to a trust under the control of a director. The shares were fully paid in exchange for the capitalisation of loans.