

**REGISTERED NUMBER: 08220978**

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2020  
FOR  
ADVENTURE PARC SNOWDONIA LIMITED**



**ADVENTURE PARC SNOWDONIA LIMITED**

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for the Year Ended 31 January 2020**

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**ADVENTURE PARC SNOWDONIA LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 January 2020**

**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 2020

The directors present their strategic report for the year ended 31 January 2020.

#### REVIEW OF BUSINESS

The principal activity of the company during the year was that of a water-based leisure and indoor adventure park in North Wales, the company opening its new Adrenaline Indoors facility in August 2019. An onsite 106 bed Hilton Garden Inn Hotel is also currently being developed by an associated company opening towards the end of March 2021.

Revenue decreased from £2,617k to £2,114k (19%) for the year ended 31st January 2020 due to the expansion works not enabling the site to reopen until mid-April 2019 at short notice. The reduced revenue and additional revenue costs incurred on the expansion works increased the operating loss from £654k to £1,817k for the year ended 31st January 2020.

Post year end, Covid-19 restrictions resulted in the facility closing in March 2020 and prevented the company reopening in time for the Summer season. The facility is currently closed, reopening towards the end of March 2021.

#### PRINCIPAL RISKS AND UNCERTAINTIES

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

| Risk                       | Impact on company  | Mitigation   |
|----------------------------|--|--|
| Technology                 | The company offers 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 has invested into additional activities to enhance and complement the company's current activities ensuring that the customer experience is truly unique and hard to duplicate. |
| Covid-19                   | Further Covid-19 operating restrictions will impact future trading and profitability of the company.   | The company continues to monitor the pandemic balancing the need to reopen with mitigating its Covid-19 trading losses, and ensuring a safe operating environment for staff and customers.                                     |

#### 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 an onsite 106 bedroom Hilton Garden Inn Hotel to enhance and complement the company's current activities.

**STRATEGIC REPORT**  
**for the Year Ended 31 January 2020**

**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: 23/10/20 .....

## **ADVENTURE PARC SNOWDONIA LIMITED**

### **REPORT OF THE DIRECTORS for the Year Ended 31 January 2020**

The directors present their report with the financial statements of the company for the year ended 31 January 2020.

#### **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 2020.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 February 2019 to the date of this report.

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

#### **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.

#### **EVENTS SINCE THE END OF THE YEAR**

Covid-19 restrictions resulted in the facility closing in March 2020 and prevented the company reopening in time for the Summer season. The facility is currently closed, reopening towards the end of March 2021.

#### **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.

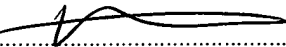
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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 2020**

**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: ..... 23/10/20 .....

## **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 2020 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 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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](http://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: 23/01/20

**ADVENTURE PARC SNOWDONIA LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**for the Year Ended 31 January 2020**

|  | Notes | 2020<br>£          | 2019<br>£          |
|--|-------|--------------------|--------------------|
| <b>TURNOVER</b>                                |       | 2,114,307          | 2,617,382          |
| Cost of sales                                  |       | <u>(569,963)</u>   | <u>(817,296)</u>   |
| <b>GROSS PROFIT</b>                            |       | 1,544,344          | 1,800,086          |
| Administrative expenses                        |       | <u>(3,528,134)</u> | <u>(2,607,997)</u> |
|  |       | (1,983,790)        | (807,911)          |
| Other operating income                         |       | <u>166,000</u>     | <u>152,688</u>     |
| <b>OPERATING LOSS</b>                          | 5     | (1,817,790)        | (655,223)          |
| Interest receivable and similar income         |       | <u>699</u>         | <u>1,421</u>       |
|  |       | (1,817,091)        | (653,802)          |
| Interest payable and similar expenses          | 6     | <u>(50,630)</u>    | <u>(54,757)</u>    |
| <b>LOSS BEFORE TAXATION</b>                    |       | (1,867,721)        | (708,559)          |
| Tax on loss                                    | 7     | <u>-</u>           | <u>(39,035)</u>    |
| <b>LOSS FOR THE FINANCIAL YEAR</b>             |       | (1,867,721)        | (747,594)          |
| <b>OTHER COMPREHENSIVE INCOME</b>              |       | <u>-</u>           | <u>-</u>           |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b> |       | <u>(1,867,721)</u> | <u>(747,594)</u>   |

The notes form part of these financial statements

**ADVENTURE PARC SNOWDONIA LIMITED (REGISTERED NUMBER: 08220978)**

**STATEMENT OF FINANCIAL POSITION**  
**31 January 2020**

|  | Notes | 2020                    | 2019                     |
|--|-------|-------------------------|--------------------------|
|  |       | £                       | £                        |
| <b>FIXED ASSETS</b>                          |       |                         |                          |
| Tangible assets                              | 8     | 16,644,505              | 14,181,554               |
| <b>CURRENT ASSETS</b>                        |       |                         |                          |
| Stocks                                       | 9     | 53,691                  | 54,520                   |
| Debtors                                      | 10    | 444,526                 | 954,623                  |
| Cash at bank and in hand                     |       | <u>98,038</u>           | <u>76,004</u>            |
|  |       | 596,255                 | 1,085,147                |
| <b>CREDITORS</b>                             |       |                         |                          |
| Amounts falling due within one year          | 11    | <u>(880,087)</u>        | <u>(1,059,248)</u>       |
| <b>NET CURRENT (LIABILITIES)/ASSETS</b>      |       | <u>(283,832)</u>        | <u>25,899</u>            |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 16,360,673              | 14,207,453               |
| <b>CREDITORS</b>                             |       |                         |                          |
| Amounts falling due after more than one year | 12    | <u>(7,232,280)</u>      | <u>(3,211,339)</u>       |
| <b>NET ASSETS</b>                            |       | <u><u>9,128,393</u></u> | <u><u>10,996,114</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                         |                          |
| Called up share capital                      | 16    | 17,425,100              | 17,425,100               |
| Retained earnings                            | 17    | <u>(8,296,707)</u>      | <u>(6,428,986)</u>       |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u><u>9,128,393</u></u> | <u><u>10,996,114</u></u> |

The financial statements were approved by the Board of Directors and authorised for issue on 23/10/20 and were signed on its behalf by:

  
.....  
David Watson - Director

The notes form part of these financial statements

**ADVENTURE PARC SNOWDONIA LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
for the Year Ended 31 January 2020**

|                                   | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£    |
|-----------------------------------|------------------------------------|---------------------------|-------------------------|
| <b>Balance at 1 February 2018</b> | 8,850,075                          | (5,681,392)               | 3,168,683               |
| <b>Changes in equity</b>          |                                    |                           |                         |
| Issue of share capital            | 8,575,025                          | -                         | 8,575,025               |
| Total comprehensive income        | <u>-</u>                           | <u>(747,594)</u>          | <u>(747,594)</u>        |
| <b>Balance at 31 January 2019</b> | <u>17,425,100</u>                  | <u>(6,428,986)</u>        | <u>10,996,114</u>       |
| <b>Changes in equity</b>          |                                    |                           |                         |
| Total comprehensive income        | <u>-</u>                           | <u>(1,867,721)</u>        | <u>(1,867,721)</u>      |
| <b>Balance at 31 January 2020</b> | <u><u>17,425,100</u></u>           | <u><u>(8,296,707)</u></u> | <u><u>9,128,393</u></u> |

The notes form part of these financial statements

**ADVENTURE PARC SNOWDONIA LIMITED**

**STATEMENT OF CASH FLOWS  
for the Year Ended 31 January 2020**

|   | Notes | 2020<br>£          | 2019<br>£        |
|---|-------|--------------------|------------------|
| <b>Cash flows from operating activities</b>           |       |                    |                  |
| Cash generated from operations                        | 1     | 133,250            | (700,388)        |
| Interest paid   |       | (48,816)           | (54,757)         |
| Finance costs paid                                    |       | (1,814)            | -                |
| Tax paid  |       | -                  | 16,360           |
| Net cash from operating activities                    |       | <u>82,620</u>      | <u>(738,785)</u> |
| <b>Cash flows from investing activities</b>           |       |                    |                  |
| Purchase of tangible fixed assets                     |       | (3,527,628)        | (742,545)        |
| Sale of tangible fixed assets                         |       | 1,250              | 10,501           |
| Interest received                                     |       | 699                | 1,421            |
| Net cash from investing activities                    |       | <u>(3,525,679)</u> | <u>(730,623)</u> |
| <b>Cash flows from financing activities</b>           |       |                    |                  |
| New loans in year                                     |       | 1,644,216          | 100,000          |
| Loan repayments in year                               |       | (123)              | (100,000)        |
| Preference shares                                     |       | 2,000,000          | -                |
| Share issue   |       | -                  | 1,300,025        |
| Amounts owed to associated undertakings               |       | (179,000)          | 179,000          |
| Net cash from financing activities                    |       | <u>3,465,093</u>   | <u>1,479,025</u> |
| <b>Increase in cash and cash equivalents</b>          |       | <u>22,034</u>      | <u>9,617</u>     |
| <b>Cash and cash equivalents at beginning of year</b> | 2     | 76,004             | 66,387           |
| <b>Cash and cash equivalents at end of year</b>       | 2     | <u>98,038</u>      | <u>76,004</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 2020**

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

|  | 2020<br>£             | 2019<br>£               |
|--|-----------------------|-------------------------|
| Loss before taxation                           | (1,867,721)           | (708,559)               |
| Depreciation charges                           | 1,059,329             | 815,008                 |
| Loss on disposal of fixed assets               | 4,098                 | 25,755                  |
| Government grants                              | (166,000)             | (152,688)               |
| Finance costs                                  | 50,630                | 54,757                  |
| Finance income                                 | <u>(699)</u>          | <u>(1,421)</u>          |
|  | (920,363)             | 32,852                  |
| Decrease in stocks                             | 829                   | 23,456                  |
| Decrease/(increase) in trade and other debtors | 510,097               | (764,853)               |
| Increase in trade and other creditors          | <u>542,687</u>        | <u>8,157</u>            |
| <b>Cash generated from operations</b>          | <u><u>133,250</u></u> | <u><u>(700,388)</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 2020**

|                           | 31/1/20<br>£         | 1/2/19<br>£          |
|---------------------------|----------------------|----------------------|
| Cash and cash equivalents | <u><u>98,038</u></u> | <u><u>76,004</u></u> |

**Year ended 31 January 2019**

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

**3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)**

|                                | At 1/2/19<br>£       | Cash flow<br>£            | At 31/1/20<br>£           |
|--------------------------------|----------------------|---------------------------|---------------------------|
| <b>Net cash</b>                |                      |                           |                           |
| Cash at bank and in hand       | <u>76,004</u>        | <u>22,034</u>             | <u>98,038</u>             |
|                                | <u>76,004</u>        | <u>22,034</u>             | <u>98,038</u>             |
| <b>Debt</b>                    |                      |                           |                           |
| Debts falling due after 1 year | <u>(123)</u>         | <u>(3,644,093)</u>        | <u>(3,644,216)</u>        |
|                                | <u>(123)</u>         | <u>(3,644,093)</u>        | <u>(3,644,216)</u>        |
| <b>Total</b>                   | <u><u>75,881</u></u> | <u><u>(3,622,059)</u></u> | <u><u>(3,546,178)</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 2020**

#### **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 and 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 2020**

**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 2020

### 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

|                       | 2020             | 2019           |
|-----------------------|------------------|----------------|
|                       | £                | £              |
| Wages and salaries    | 1,267,524        | 878,560        |
| Social security costs | 46,651           | 30,501         |
| Other pension costs   | <u>8,038</u>     | <u>16,656</u>  |
|                       | <u>1,322,213</u> | <u>925,717</u> |

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

|                | 2020      | 2019      |
|----------------|-----------|-----------|
| Administration | 12        | 16        |
| Seasonal       | <u>81</u> | <u>54</u> |
|                | <u>93</u> | <u>70</u> |

|  | 2020         | 2019       |
|--|--------------|------------|
|  | £            | £          |
| Directors' remuneration                                    | 77,727       | 76,814     |
| Directors' pension contributions to money purchase schemes | <u>1,231</u> | <u>737</u> |

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

|                        | 2020     | 2019     |
|------------------------|----------|----------|
| 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 2020

### 5. OPERATING LOSS

The operating loss is stated after charging:

|                                  | 2020         | 2019         |
|----------------------------------|--------------|--------------|
|                                  | £            | £            |
| Depreciation - owned assets      | 1,059,329    | 815,008      |
| Loss on disposal of fixed assets | 4,098        | 25,755       |
| Auditors' remuneration           | <u>5,950</u> | <u>5,950</u> |

### 6. INTEREST PAYABLE AND SIMILAR EXPENSES

|                               | 2020          | 2019          |
|-------------------------------|---------------|---------------|
|                               | £             | £             |
| Other loan interest           | 48,816        | 54,757        |
| Dividends - preference shares | <u>1,814</u>  | <u>-</u>      |
|                               | <u>50,630</u> | <u>54,757</u> |

### 7. TAXATION

#### Analysis of the tax charge

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

|                           | 2020     | 2019          |
|---------------------------|----------|---------------|
|                           | £        | £             |
| Current tax:              |          |               |
| Prior year over provision | <u>-</u> | <u>39,035</u> |
| Tax on loss               | <u>-</u> | <u>39,035</u> |

#### 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:

|   | 2020               | 2019             |
|---|--------------------|------------------|
|   | £                  | £                |
| Loss before tax   | <u>(1,867,721)</u> | <u>(708,559)</u> |
| Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%) | (354,867)          | (134,626)        |
| Effects of:   |                    |                  |
| Expenses not deductible for tax purposes  | 624                | 32,868           |
| Income not taxable for tax purposes   | (31,540)           | (9,880)          |
| Fixed asset differences   | 41,086             | 93,475           |
| Adjust closing deferred tax to average rate   | -                  | 85,502           |
| Adjust opening deferred tax to average rate   | -                  | (83,590)         |
| Deferred tax not recognised   | 344,697            | 44,060           |
| Adjustment to tax charge in respect of previous periods - deferred tax                | -                  | (27,809)         |
| Adjustment to tax charge in respect of previous periods - current tax                 | <u>-</u>           | <u>39,035</u>    |
| Total tax charge  | <u>-</u>           | <u>39,035</u>    |

**ADVENTURE PARC SNOWDONIA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 January 2020**

**7. TAXATION - continued**

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 £1,030,771 calculated at 17% which was the anticipated rate at the balance sheet date. Subsequent to this date however it was announced that the corporation tax rate would not be reduced from 19% to 17% so the deferred tax asset at the rate of 19% is the amount of £1,152,000.

**8. TANGIBLE FIXED ASSETS**

|                           | Freehold<br>land and<br>buildings<br>£ | Assets<br>under<br>construction<br>£        | Plant and<br>machinery<br>£ |
|---------------------------|--|---|-----------------------------|
| <b>COST</b>               |  |   |                             |
| At 1 February 2019        | 14,459,255                             | 708,654                                     | 3,639,523                   |
| Additions                 | 2,245,976                              | -   | 820,948                     |
| Disposals                 | -                                      | -   | (8,240)                     |
| Reclassification/transfer | 631,873                                | (708,654)                                   | -                           |
| At 31 January 2020        | 17,337,104                             | -   | 4,452,231                   |
| <b>DEPRECIATION</b>       |  |   |                             |
| At 1 February 2019        | 3,294,344                              | -   | 1,742,274                   |
| Charge for year           | 366,243                                | -   | 508,311                     |
| Eliminated on disposal    | -                                      | -   | (2,892)                     |
| At 31 January 2020        | 3,660,587                              | -   | 2,247,693                   |
| <b>NET BOOK VALUE</b>     |  |   |                             |
| At 31 January 2020        | 13,676,517                             | -   | 2,204,538                   |
| At 31 January 2019        | 11,164,911                             | 708,654                                     | 1,897,249                   |
|                           | Fixtures<br>and<br>fittings<br>£       | IT<br>equipment<br>& motor<br>vehicles<br>£ | Totals<br>£                 |
| <b>COST</b>               |  |   |                             |
| At 1 February 2019        | 527,228                                | 433,875                                     | 19,768,535                  |
| Additions                 | 408,704                                | 52,000                                      | 3,527,628                   |
| Disposals                 | -                                      | -   | (8,240)                     |
| Reclassification/transfer | -                                      | 76,781                                      | -                           |
| At 31 January 2020        | 935,932                                | 562,656                                     | 23,287,923                  |
| <b>DEPRECIATION</b>       |  |   |                             |
| At 1 February 2019        | 274,273                                | 276,090                                     | 5,586,981                   |
| Charge for year           | 132,332                                | 52,443                                      | 1,059,329                   |
| Eliminated on disposal    | -                                      | -   | (2,892)                     |
| At 31 January 2020        | 406,605                                | 328,533                                     | 6,643,418                   |
| <b>NET BOOK VALUE</b>     |  |   |                             |
| At 31 January 2020        | 529,327                                | 234,123                                     | 16,644,505                  |
| At 31 January 2019        | 252,955                                | 157,785                                     | 14,181,554                  |

**ADVENTURE PARC SNOWDONIA LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 January 2020**

**8. TANGIBLE FIXED ASSETS - continued**

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**

|        | 2020          | 2019          |
|--------|---------------|---------------|
|        | £             | £             |
| Stocks | <u>53,691</u> | <u>54,520</u> |

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | 2020           | 2019           |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Trade debtors                  | 4,766          | 13,700         |
| Other debtors                  | -              | 135,836        |
| Prepayments and accrued income | <u>439,760</u> | <u>805,087</u> |
|                                | <u>444,526</u> | <u>954,623</u> |

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|   | 2020           | 2019             |
|---|----------------|------------------|
|   | £              | £                |
| Trade creditors                         | 253,697        | 432,039          |
| Amounts owed to associated undertakings | -              | 179,000          |
| Social security and other taxes         | 51,495         | 6,262            |
| Other creditors                         | 367,618        | 297,192          |
| Accruals and deferred income            | <u>207,277</u> | <u>144,755</u>   |
|   | <u>880,087</u> | <u>1,059,248</u> |

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

|                           | 2020             | 2019             |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Other loans (see note 13) | 3,644,216        | 123              |
| Other creditors           | 3,463,457        | 3,086,609        |
| Directors' loan accounts  | <u>124,607</u>   | <u>124,607</u>   |
|                           | <u>7,232,280</u> | <u>3,211,339</u> |

**13. LOANS**

An analysis of the maturity of loans is given below:

|   | 2020             | 2019       |
|---|------------------|------------|
|   | £                | £          |
| Amounts falling due after more than one year: |                  |            |
| Other loans                                   | 1,644,216        | 123        |
| Preference shares                             | <u>2,000,000</u> | <u>-</u>   |
|   | <u>3,644,216</u> | <u>123</u> |

Details of shares shown as liabilities are as follows:

# ADVENTURE PARC SNOWDONIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 January 2020

### 13. LOANS - continued

2,000,000 £1 cumulative 0.1% redeemable preference shares were issued and fully paid for cash at par.

### 14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                            | 2020          | 2019     |
|----------------------------|---------------|----------|
|                            | £             | £        |
| Within one year            | 5,024         | -        |
| Between one and five years | <u>6,698</u>  | <u>-</u> |
|                            | <u>11,722</u> | <u>-</u> |

### 15. SECURED DEBTS

The following secured debts are included within creditors:

|                 | 2020             | 2019             |
|-----------------|------------------|------------------|
|                 | £                | £                |
| Other creditors | <u>2,614,825</u> | <u>1,093,793</u> |

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

The loan provided by Snowdonia Investments Limited is secured by a debenture over the freehold property owned by the company.

In addition there is a debenture in favour of Coutts & Company secured over the freehold property owned by the company together with a fixed and floating charge over all the property or undertaking of the company.

### 16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number:    | Class:     | Nominal value: | 2020              | 2019              |
|------------|------------|----------------|-------------------|-------------------|
|            |            |                | £                 | £                 |
| 100        | Ordinary   | £1             | 100               | 100               |
| 6,540,000  | Ordinary A | £1             | 6,540,000         | 6,540,000         |
| 10,885,000 | Ordinary B | £1             | <u>10,885,000</u> | <u>10,885,000</u> |
|            |            |                | <u>17,425,100</u> | <u>17,425,100</u> |

# ADVENTURE PARC SNOWDONIA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 January 2020

### 17. RESERVES

|                      | Retained<br>earnings<br>£ |
|----------------------|---------------------------|
| At 1 February 2019   | (6,428,986)               |
| Deficit for the year | <u>(1,867,721)</u>        |
| At 31 January 2020   | <u>(8,296,707)</u>        |

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

### 18. 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 £8,038 (2019 - £16,656). As at the year end there were £2,723 (2019 - £3,326) contributions outstanding.

### 19. CAPITAL COMMITMENTS

|  | 2020<br>£ | 2019<br>£        |
|--|-----------|------------------|
| Contracted but not provided for in the<br>financial statements | <u>-</u>  | <u>2,109,898</u> |

### 20. RELATED PARTY DISCLOSURES

#### Transactions with associated undertakings

During the year the company incurred expenditure of £28,080 (2019 - £28,350) in respect of management charges from an associated undertaking. At 31 January 2020 a credit balance of £53,610 (2019 - £19,901) remained outstanding.

#### Loans with associated undertakings

During the year the company borrowed £3,846,636 (2019 - £179,000) from an associated company and made repayments of £2,381,420 (2019 - £Nil). At 31 January 2020 the balance that remained outstanding was £Nil (2019 - £179,000).

#### Transactions with directors

At the year end amounts of £124,607 (2019 - £124,607) remained outstanding to a director of the company in respect of loan monies.

#### Other loans

During the year the company borrowed £Nil (2019 - £100,000) and repaid £123 (2019 - £100,000) from a trust under the control of a director. At the year end an amount of £Nil (2019 - £123) remained outstanding.

#### New share issue

During the year 2,000,000 £1 cumulative 0.1% redeemable preference shares were issued to a trust under the control of a director. The shares were fully paid for cash at par during the year.