

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021
FOR
ADVENTURE PARC SNOWDONIA LIMITED**

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for the Year Ended 31 January 2021**

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ADVENTURE PARC SNOWDONIA LIMITED

COMPANY INFORMATION
for the Year Ended 31 January 2021

DIRECTORS:

Martin Ainscough
Andrew John Ainscough
David Philip Richard Watson
Justin Everley
Stephen Hitchen
Danielle Louise 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

**STRATEGIC REPORT
for the Year Ended 31 January 2021**

The directors present their strategic report for the year ended 31 January 2021.

REVIEW OF BUSINESS

Since the adventure park re-opened in May 2021 the company has seen strong revenue and visitor numbers. The facility has also benefitted from the onsite Hilton Garden Inn Snowdonia and Spa opening in May 2021. The relaxation of Covid-19 restrictions is also driving enquiries for corporate and team building events at the facility.

The company made a loss of £1,214,098 in 2021 (£1,867,721 in 2020) due to the government restrictions closing the facility for the majority of the period, the company however are forecasting a profit for 2022.

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 equipment 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 facilities, maintaining the equipment 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 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	The global pandemic and subsequent restrictions forced the site to close in March 2020 until reopening in May 2021. There remains a degree of uncertainty as the virus outbreak has increased and decreased in waves. Any significant increases in cases in the future may result in further restrictions being imposed.	The current success of the vaccination programme in the UK has seen restrictions start to ease in early 2021. There is growing confidence that the vaccinations have mitigated the impact of Covid-19. Most of the on-site activities are Covid-19 safe, and additional safety measures have been implemented around the site to facilitate social distancing and to promote personal hygiene.

FUTURE DEVELOPMENTS

The company remains in a good financial position and the risks that have been identified are being well managed. The overseas travel restrictions due to Covid-19 will result in more people staying in the UK during our peak season which should drive up visitors to the site. The company is in the process of making further investment to enhance and complement the company's current activities.

**STRATEGIC REPORT
for the Year Ended 31 January 2021**

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 Philip Richard Watson - Director

20 August 2021

**REPORT OF THE DIRECTORS
for the Year Ended 31 January 2021**

The directors present their report with the financial statements of the company for the year ended 31 January 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an inland surf lagoon and indoor adventure park based in North Wales.

DIVIDENDS

No dividends will be distributed for the year ended 31 January 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 February 2020 to the date of this report.

Martin Ainscough
Andrew John Ainscough
David Philip Richard Watson
Justin Everley
Stephen Hitchen
Danielle Louise Hitchen

GOING CONCERN

The company's loan, grant and equity providers have all offered continued financial support and on this basis, after reviewing 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 2021**

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 Philip Richard Watson - Director

20 August 2021

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 2021 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 2021 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

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 ADVENTURE PARC SNOWDONIA 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.

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.

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

- we identified the laws and regulations applicable to the company through discussions with directors and other management, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on it's operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation, employment legislation, Health and Safety regulations and food hygiene.

- we enquired of the directors and reviewed correspondence with HMRC for evidence of non-compliance with laws and regulations. We also reviewed controls the directors have in place to ensure compliance.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

- we reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;

- we enquired of the directors about actual and potential litigation and claims.

Due to inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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
ADVENTURE PARC SNOWDONIA 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.

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

20 August 2021

STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 31 January 2021

	Notes	2021 £	2020 £
TURNOVER		318,311	2,114,307
Cost of sales		<u>56,410</u>	<u>569,963</u>
GROSS PROFIT		261,901	1,544,344
Administrative expenses		<u>2,073,130</u> (1,811,229)	<u>3,528,134</u> (1,983,790)
Other operating income		<u>618,934</u>	<u>166,000</u>
OPERATING LOSS	5	(1,192,295)	(1,817,790)
Interest receivable and similar income		<u>75</u> (1,192,220)	<u>699</u> (1,817,091)
Interest payable and similar expenses	6	<u>106,510</u> (1,298,730)	<u>50,630</u> (1,867,721)
LOSS BEFORE TAXATION			
Tax on loss	7	<u>(84,632)</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(1,214,098)	(1,867,721)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		<u>(1,214,098)</u>	<u>(1,867,721)</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 January 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	8		16,468,536		16,644,505
CURRENT ASSETS					
Stocks	9	46,820		53,691	
Debtors	10	421,413		444,526	
Cash at bank and in hand		<u>700,849</u>		<u>98,038</u>	
		1,169,082		596,255	
CREDITORS					
Amounts falling due within one year	11	<u>846,780</u>		<u>880,087</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>322,302</u>		<u>(283,832)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			16,790,838		16,360,673
CREDITORS					
Amounts falling due after more than one year	12		<u>8,876,543</u>		<u>7,232,280</u>
NET ASSETS			<u><u>7,914,295</u></u>		<u><u>9,128,393</u></u>
CAPITAL AND RESERVES					
Called up share capital	16		17,425,100		17,425,100
Retained earnings	17		<u>(9,510,805)</u>		<u>(8,296,707)</u>
SHAREHOLDERS' FUNDS			<u><u>7,914,295</u></u>		<u><u>9,128,393</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 20 August 2021 and were signed on its behalf by:

David Philip Richard Watson - Director

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 January 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 February 2019	17,425,100	(6,428,986)	10,996,114
Changes in equity			
Total comprehensive income	-	(1,867,721)	(1,867,721)
Balance at 31 January 2020	17,425,100	(8,296,707)	9,128,393
Changes in equity			
Total comprehensive income	-	(1,214,098)	(1,214,098)
Balance at 31 January 2021	17,425,100	(9,510,805)	7,914,295

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
for the Year Ended 31 January 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(542,521)	133,250
Interest paid		(61,482)	(48,816)
Finance costs paid		-	(1,814)
Net cash from operating activities		<u>(604,003)</u>	<u>82,620</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(786,344)	(3,527,628)
Sale of tangible fixed assets		-	1,250
Interest received		75	699
Net cash from investing activities		<u>(786,269)</u>	<u>(3,525,679)</u>
Cash flows from financing activities			
New loans in year		1,000,000	1,644,216
Loan repayments in year		(43,000)	(123)
Preference shares		-	2,000,000
Amounts from associated undertakings		1,060,128	-
Amounts to associated undertakings		(279,045)	(179,000)
Government grants		255,000	-
Net cash from financing activities		<u>1,993,083</u>	<u>3,465,093</u>
Increase in cash and cash equivalents		<u>602,811</u>	<u>22,034</u>
Cash and cash equivalents at beginning of year	2	98,038	76,004
Cash and cash equivalents at end of year	2	<u><u>700,849</u></u>	<u><u>98,038</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
for the Year Ended 31 January 2021

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

	2021 £	2020 £
Loss before taxation	(1,298,730)	(1,867,721)
Depreciation charges	962,313	1,059,329
Loss on disposal of fixed assets	-	4,098
Government grants	(435,000)	(166,000)
Finance costs	106,510	50,630
Finance income	(75)	(699)
	<u>(664,982)</u>	<u>(920,363)</u>
Decrease in stocks	6,871	829
Decrease in trade and other debtors	107,745	510,097
Increase in trade and other creditors	7,845	542,687
Cash generated from operations	<u><u>(542,521)</u></u>	<u><u>133,250</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 2021

	31/1/21 £	1/2/20 £
Cash and cash equivalents	<u>700,849</u>	<u>98,038</u>

Year ended 31 January 2020

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

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/2/20 £	Cash flow £	At 31/1/21 £
Net cash			
Cash at bank and in hand	<u>98,038</u>	<u>602,811</u>	<u>700,849</u>
	<u>98,038</u>	<u>602,811</u>	<u>700,849</u>
Debt			
Debts falling due within 1 year	(129,152)	43,152	(86,000)
Debts falling due after 1 year	<u>(2,841,457)</u>	<u>(1,043,180)</u>	<u>(3,884,637)</u>
	<u>(2,970,609)</u>	<u>(1,000,028)</u>	<u>(3,970,637)</u>
Total	<u><u>(2,872,571)</u></u>	<u><u>(397,217)</u></u>	<u><u>(3,269,788)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 January 2021**

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 company's loan, grant and equity providers have all offered continued financial support and on this basis, after reviewing 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2021

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.

Revenue grants, mainly from Government bodies, are recognised in the profit and loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2021

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

	2021	2020
	£	£
Wages and salaries	537,439	1,267,524
Social security costs	36,064	46,651
Other pension costs	5,688	8,038
	<u>579,191</u>	<u>1,322,213</u>

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

	2021	2020
Administration	17	17
Direct staff	<u>15</u>	<u>76</u>
	<u>32</u>	<u>93</u>

	2021	2020
	£	£
Directors' remuneration	57,850	77,727
Directors' pension contributions to money purchase schemes	<u>941</u>	<u>1,231</u>

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

	2021	2020
Money purchase schemes	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2021

5. OPERATING LOSS

The operating loss is stated after charging:

	2021	2020
	£	£
Other operating leases	13,588	28,599
Depreciation - owned assets	962,313	1,059,329
Loss on disposal of fixed assets	-	4,098
Auditors' remuneration	<u>6,250</u>	<u>5,950</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Other loan interest	104,510	48,816
Dividends - preference shares	<u>2,000</u>	<u>1,814</u>
	<u>106,510</u>	<u>50,630</u>

7. TAXATION**Analysis of the tax credit**

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

	2021	2020
	£	£
Current tax:		
UK corporation tax	<u>(84,632)</u>	-
Tax on loss	<u>(84,632)</u>	<u>-</u>

Reconciliation of total tax credit 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:

	2021	2020
	£	£
Loss before tax	<u>(1,298,730)</u>	<u>(1,867,721)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(246,759)	(354,867)
Effects of:		
Expenses not deductible for tax purposes	394	624
Income not taxable for tax purposes	(34,200)	(31,540)
Fixed asset differences	68,253	41,086
Deferred tax not recognised	212,312	344,697
Prior period adjustment	<u>(84,632)</u>	-
Total tax credit	<u>(84,632)</u>	<u>-</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 £1,364,000 (2020 - £1,152,000) calculated at 19% which was the anticipated rate at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2021

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	IT equipment & motor vehicles £	Totals £
COST					
At 1 February 2020	17,337,104	4,452,231	935,932	562,656	23,287,923
Additions	173,827	587,800	15,543	9,174	786,344
At 31 January 2021	17,510,931	5,040,031	951,475	571,830	24,074,267
DEPRECIATION					
At 1 February 2020	3,660,587	2,247,693	406,605	328,533	6,643,418
Charge for year	359,227	437,038	106,973	59,075	962,313
At 31 January 2021	4,019,814	2,684,731	513,578	387,608	7,605,731
NET BOOK VALUE					
At 31 January 2021	13,491,117	2,355,300	437,897	184,222	16,468,536
At 31 January 2020	13,676,517	2,204,538	529,327	234,123	16,644,505

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

	2021 £	2020 £
Stocks	<u>46,820</u>	<u>53,691</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	6,213	4,766
Amounts owed by associated undertakings	76,062	-
Other debtors	48,244	-
Tax	84,632	-
Prepayments and accrued income	<u>206,262</u>	<u>439,760</u>
	<u>421,413</u>	<u>444,526</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other loans (see note 13)	86,000	129,152
Trade creditors	294,262	253,697
Social security and other taxes	12,837	51,495
Other creditors	5,338	58,466
Accruals and deferred income	268,343	207,277
Deferred government grants	<u>180,000</u>	<u>180,000</u>
	<u>846,780</u>	<u>880,087</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2021

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

	2021	2020
	£	£
Other loans (see note 13)	3,884,637	2,841,457
Amounts owed to associated undertakings	2,425,299	1,644,216
Directors' loan accounts	124,607	124,607
Deferred government grants	<u>2,442,000</u>	<u>2,622,000</u>
	<u>8,876,543</u>	<u>7,232,280</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>86,000</u>	<u>129,152</u>
Amounts falling due between one and two years:		
Other loans	1,084,637	841,457
Preference shares	<u>2,000,000</u>	<u>2,000,000</u>
	<u>3,084,637</u>	<u>2,841,457</u>
Amounts falling due between two and five years:		
Other loans	<u>600,000</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Other loans	<u>200,000</u>	<u>-</u>

Details of shares shown as liabilities are as follows:

2,000,000 £1 cumulative 0.1% redeemable preference shares.

14. LEASING AGREEMENTS

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

	2021	2020
	£	£
Within one year	8,935	5,024
Between one and five years	<u>8,872</u>	<u>6,698</u>
	<u>17,807</u>	<u>11,722</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2021

15. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Associated undertakings	2,425,299	1,644,216
Other loans	<u>970,637</u>	<u>970,609</u>
	<u><u>3,395,936</u></u>	<u><u>2,614,825</u></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 included in associated undertakings and is secured by a debenture over the freehold property owned by the company.

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.

There is a composite guarantee between Adventure Parc Snowdonia Limited and Snowdonia Hotel Limited.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
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><u>17,425,100</u></u>	<u><u>17,425,100</u></u>

17. RESERVES

	Retained earnings £
At 1 February 2020	(8,296,707)
Deficit for the year	<u>(1,214,098)</u>
At 31 January 2021	<u><u>(9,510,805)</u></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 £5,687 (2020 - £8,038). As at the year end there were £829 (2020 - £2,723) contributions outstanding.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 January 2021

19. **RELATED PARTY DISCLOSURES**

Transactions with associated undertakings

During the year the company made sales of £76,062 (2020 - £318,204) to associated undertakings. As at 31 January 2021 £76,062 (2020 - £Nil) was due from associated undertakings.

During the year the company made purchases of £28,080 (2020 - £28,080) from associated undertakings. As at 31 January 2021 £87,306 (2020 - £53,610) was due to associated undertakings.

Loans with associated undertakings

During the year the company borrowed £1,060,128 (2020 - £3,846,636) from associated undertakings and made payments of £279,045 (2020 - £2,381,420). As at 31 January 2021 £2,425,299 (2020 - £1,644,216) was due to associated undertakings.

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