

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD 1 FEBRUARY 2022 TO 31 MAY 2023  
FOR  
ADVENTURE PARC SNOWDONIA LIMITED**

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**for the Period 1 February 2022 to 31 May 2023**

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**ADVENTURE PARC SNOWDONIA LIMITED**

**COMPANY INFORMATION**  
**for the Period 1 February 2022 to 31 May 2023**

**DIRECTORS:**

Martin Ainscough  
Andrew Ainscough  
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:**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

**STRATEGIC REPORT**  
**for the Period 1 February 2022 to 31 May 2023**

The directors present their strategic report for the period 1 February 2022 to 31 May 2023.

**REVIEW OF BUSINESS**

The company has incurred a substantial trading loss for the period, in part due to the Operational issues with both the wave machine and the lagoon, resulting in sales revenues well below budget. Despite considerable time and expense in attempting to rectify these problems, the directors have decided to cease the surfing operations with effect from May 2023. As a consequence the carrying value of the wave machine has been written down to £Nil at 31 May 2023.

A number of staff have either been released or transferred to the sister company, Snowdonia Hotel Limited, and any commitments or guarantees made to customers or suppliers are being dealt with by the management and finance team in 2023/24.

**FUTURE DEVELOPMENTS**

Adventure Parc Snowdonia Limited has entered into an operating lease starting from 1 February 2024, with an established Welsh leisure facility operator and aims to attract tourists, both locally and nationally, to the site in 2024.

The lease arrangement ensures that the business can continue to trade and stay cash neutral, whilst ensuring all creditors are paid.

The CBILS loan with the bank is also to be repaid as part of a group finance restructure in February 2024.

**Key Performance Indicators (KPI's)**

There are a number of financial KPI's including:-

Turnover for 2023 amounted to £2,683k (2022: £2,785k), with Gross profit achieved of £1,556k (2022: £1,801k).

Adjusted EBITDA for 2023 totalled -£741k (2022: £54k).

Additional non financial KPI's include customer reviews and staff welfare and development.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties for the company have been identified as being able to attract sufficient visitor numbers to generate revenue streams and controlling costs and overheads, in the current economic climate.

In addition the availability of working capital sufficient to allow the facilities to be maintained, operated and marketed, remains dependent on the ongoing support of the company's loan, grant providers and suppliers and director/shareholders.

Finally, the carrying value of the company's fixed assets will need to be re-assessed annually, taking into account the company's trading performance and revenue streams.

**ON BEHALF OF THE BOARD:**

Martin Ainscough - Director

28 February 2024

**REPORT OF THE DIRECTORS**  
**for the Period 1 February 2022 to 31 May 2023**

The directors present their report with the financial statements of the company for the period 1 February 2022 to 31 May 2023.

**PRINCIPAL ACTIVITY**

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

**DIVIDENDS**

No dividends will be distributed for the period ended 31 May 2023.

**DIRECTORS**

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

Martin Ainscough  
Andrew Ainscough  
Stephen Hitchen  
Danielle Hitchen

Other changes in directors holding office are as follows:

David Watson - resigned 1 November 2022  
Barry Smith - appointed 3 March 2022  
Andrew Baker - appointed 3 March 2022 - resigned 11 August 2022

Barry Smith ceased to be a director after 31 May 2023 but prior to the date of this report.

**GOING CONCERN**

Budgets and forecasts have been prepared for 2024 which indicate that the company will break even for the period, and has sufficient working capital to allow the company to continue to trade, at much reduced levels, for the coming 12 months.

**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 Period 1 February 2022 to 31 May 2023**

**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:**

Martin Ainscough - Director

28 February 2024

## **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 period ended 31 May 2023 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 May 2023 and of its loss for the period 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.

### **Material uncertainty relating to going concern**

We draw your attention to note 2 and the Strategic Report in these financial statements, which details the impact of mechanical failures in the wave lagoon on the company's finances and the measures that have been taken to address the ongoing working capital requirements of the company.

Whilst the directors believe the company has adequate resources to continue in operational existence for the foreseeable future, it remains reliant upon the continued financial support of its loan, grant and equity providers.

The trading losses recorded by the company and much reduced trading levels forecast in 2024 indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **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 three, 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.

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 its 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](http://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

28 February 2024

**STATEMENT OF COMPREHENSIVE  
INCOME**  
**for the Period 1 February 2022 to 31 May 2023**

	Notes	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
<b>TURNOVER</b>		2,683,490	2,784,828
Cost of sales		<u>1,127,946</u>	<u>984,078</u>
<b>GROSS PROFIT</b>		1,555,544	1,800,750
Administrative expenses		<u>3,814,663</u> (2,259,119)	<u>2,970,096</u> (1,169,346)
Other operating income		<u>240,000</u>	<u>253,000</u>
<b>OPERATING LOSS</b>	5	(2,019,119)	(916,346)
Interest receivable and similar income		<u>1</u> (2,019,118)	<u>18</u> (916,328)
Interest payable and similar expenses	6	<u>337,694</u> (2,356,812)	<u>150,382</u> (1,066,710)
<b>LOSS BEFORE TAXATION</b>			
Tax on loss	7	<u>(40,313)</u> (2,316,499)	<u>-</u> (1,066,710)
<b>LOSS FOR THE FINANCIAL PERIOD</b>			
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>			
<b>FOR THE PERIOD</b>		<u>(2,316,499)</u>	<u>(1,066,710)</u>

The notes form part of these financial statements

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

**STATEMENT OF FINANCIAL POSITION**  
**31 May 2023**

	Notes	2023 £	£	2022 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		14,797,813		15,797,610
<b>CURRENT ASSETS</b>					
Stocks	9	-		34,487	
Debtors	10	178,238		747,488	
Cash at bank and in hand		<u>87,810</u>		<u>183,847</u>	
		266,048		965,822	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>5,071,712</u>		<u>1,462,905</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(4,805,664)</u>		<u>(497,083)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			9,992,149		15,300,527
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		<u>5,461,063</u>		<u>8,452,942</u>
<b>NET ASSETS</b>			<u>4,531,086</u>		<u>6,847,585</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		17,425,100		17,425,100
Retained earnings	17		<u>(12,894,014)</u>		<u>(10,577,515)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>4,531,086</u>		<u>6,847,585</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 February 2024 and were signed on its behalf by:

Martin Ainscough - Director

**STATEMENT OF CHANGES IN EQUITY**  
for the Period 1 February 2022 to 31 May 2023

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 February 2021</b>	17,425,100	(9,510,805)	7,914,295
<b>Changes in equity</b>			
Total comprehensive income	-	(1,066,710)	(1,066,710)
<b>Balance at 31 January 2022</b>	<u>17,425,100</u>	<u>(10,577,515)</u>	<u>6,847,585</u>
<b>Changes in equity</b>			
Total comprehensive income	-	(2,316,499)	(2,316,499)
<b>Balance at 31 May 2023</b>	<u>17,425,100</u>	<u>(12,894,014)</u>	<u>4,531,086</u>

The notes form part of these financial statements

**STATEMENT OF CASH FLOWS**  
for the Period 1 February 2022 to 31 May 2023

	Notes	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(982,491)	252,862
Interest paid		(335,022)	(44,774)
Finance costs paid		(2,672)	-
Taxation refund		40,313	84,632
Net cash from operating activities		<u>(1,279,872)</u>	<u>292,720</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(278,612)	(299,112)
Interest received		<u>1</u>	<u>18</u>
Net cash from investing activities		<u>(278,611)</u>	<u>(299,094)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(334,987)	(38,000)
Amounts from associated undertakings		1,797,433	652,322
Amounts to associated undertakings		<u>-</u>	<u>(1,124,950)</u>
Net cash from financing activities		<u>1,462,446</u>	<u>(510,628)</u>
<b>Decrease in cash and cash equivalents</b>		<u>(96,037)</u>	<u>(517,002)</u>
<b>Cash and cash equivalents at beginning of period</b>	2	183,847	700,849
<b>Cash and cash equivalents at end of period</b>	2	<u>87,810</u>	<u>183,847</u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS**  
for the Period 1 February 2022 to 31 May 2023

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

	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
Loss before taxation	(2,356,812)	(1,066,710)
Depreciation charges	765,780	970,038
Impairment of fixed assets	512,629	-
Government grants	(240,000)	(180,000)
Finance costs	337,694	150,382
Finance income	(1)	(18)
	<u>(980,710)</u>	<u>(126,308)</u>
Decrease in stocks	34,487	12,333
Decrease in trade and other debtors	43,766	38,715
(Decrease)/increase in trade and other creditors	<u>(80,034)</u>	<u>328,122</u>
<b>Cash generated from operations</b>	<u><b>(982,491)</b></u>	<u><b>252,862</b></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:

**Period ended 31 May 2023**

	31/5/23 £	1/2/22 £
Cash and cash equivalents	<u>87,810</u>	<u>183,847</u>

**Year ended 31 January 2022**

	31/1/22 £	1/2/21 £
Cash and cash equivalents	<u>183,847</u>	<u>700,849</u>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1/2/22 £	Cash flow £	At 31/5/23 £
<b>Net cash</b>			
Cash at bank and in hand	<u>183,847</u>	<u>(96,037)</u>	<u>87,810</u>
	<u>183,847</u>	<u>(96,037)</u>	<u>87,810</u>
<b>Debt</b>			
Debts falling due within 1 year	(372,000)	(14,800)	(386,800)
Debts falling due after 1 year	<u>(3,664,241)</u>	<u>349,788</u>	<u>(3,314,453)</u>
	<u>(4,036,241)</u>	<u>334,988</u>	<u>(3,701,253)</u>
<b>Total</b>	<u><b>(3,852,394)</b></u>	<u><b>238,951</b></u>	<u><b>(3,613,443)</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the Period 1 February 2022 to 31 May 2023**

**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**

Budgets and forecasts have been prepared for 2024 which indicate that the company will break even for the period, and has sufficient working capital to allow the company to continue to trade, at much reduced levels, for the coming 12 months.

**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 Period 1 February 2022 to 31 May 2023**

**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.

**3. JUDGEMENTS AND 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.

**Key sources of estimation uncertainty**

The main estimate applied in preparing these financial statements concern the carrying value of the company's tangible fixed assets, in view of the continuing operating losses and operational difficulties.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 February 2022 to 31 May 2023**

**4. EMPLOYEES AND DIRECTORS**

	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
Wages and salaries	1,482,186	1,327,268
Social security costs	93,570	62,106
Other pension costs	15,313	9,641
	<u>1,591,069</u>	<u>1,399,015</u>

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

	Period 1/2/22 to 31/5/23	Year Ended 31/1/22
Administration	13	16
Direct staff	<u>64</u>	<u>74</u>
	<u>77</u>	<u>90</u>

	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
Directors' remuneration	13,528	66,899
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>969</u>

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

Money purchase schemes	<u>-</u>	<u>1</u>
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**5. OPERATING LOSS**

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

	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
Depreciation - owned assets	765,780	970,038
Auditors' remuneration	10,000	10,000
Government grant income	<u>(240,000)</u>	<u>(253,000)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 February 2022 to 31 May 2023**

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
Other loan interest	335,022	148,378
Dividends - preference shares	<u>2,672</u>	<u>2,004</u>
	<u>337,694</u>	<u>150,382</u>

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

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

	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
Current tax:		
UK corporation tax	<u>(40,313)</u>	-
Tax on loss	<u>(40,313)</u>	<u>-</u>

**Reconciliation of total tax credit included in profit and loss**

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

	Period 1/2/22 to 31/5/23 £	Year Ended 31/1/22 £
Loss before tax	<u>(2,356,812)</u>	<u>(1,066,710)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	(447,794)	(202,675)
Effects of:		
Expenses not deductible for tax purposes	508	798
Income not taxable for tax purposes	(45,600)	(34,200)
Fixed asset differences	45,726	47,624
Deferred tax not recognised	447,160	188,453
R&D tax credit	<u>(40,313)</u>	-
Total tax credit	<u>(40,313)</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 £2,909,000 (2022 - £2,116,000) calculated at 25% which was the anticipated rate at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 February 2022 to 31 May 2023**

**8. TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	IT equipment & motor vehicles £	Totals £
<b>COST</b>					
At 1 February 2022	17,594,372	5,125,852	1,047,586	605,569	24,373,379
Additions	8,067	262,044	8,501	-	278,612
At 31 May 2023	17,602,439	5,387,896	1,056,087	605,569	24,651,991
<b>DEPRECIATION</b>					
At 1 February 2022	4,270,466	3,155,581	630,140	519,582	8,575,769
Charge for period	259,669	399,330	85,284	21,497	765,780
Impairments	-	512,629	-	-	512,629
At 31 May 2023	4,530,135	4,067,540	715,424	541,079	9,854,178
<b>NET BOOK VALUE</b>					
At 31 May 2023	13,072,304	1,320,356	340,663	64,490	14,797,813
At 31 January 2022	13,323,906	1,970,271	417,446	85,987	15,797,610

**9. STOCKS**

	2023 £	2022 £
Stocks	-	34,487

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

	2023 £	2022 £
Trade debtors	59,655	59,610
Amounts owed by associated undertakings	-	525,484
Other debtors	97,368	2,537
Prepayments and accrued income	21,215	159,857
	<u>178,238</u>	<u>747,488</u>

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

	2023 £	2022 £
Other loans (see note 13)	386,800	372,000
Trade creditors	175,542	287,363
Amounts owed to associated undertakings	3,674,042	-
Social security and other taxes	16,412	95,041
Other creditors	3,279	12,987
Accruals and deferred income	635,637	515,514
Deferred government grants	180,000	180,000
	<u>5,071,712</u>	<u>1,462,905</u>

Whilst the associated company loans are repayable on demand, there is no intention to repay them in the foreseeable future.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Period 1 February 2022 to 31 May 2023

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

	2023	2022
	£	£
Other loans (see note 13)	3,314,453	3,664,241
Amounts owed to associated undertakings	-	2,402,093
Directors' loan accounts	124,607	124,607
Deferred government grants	<u>2,022,003</u>	<u>2,262,001</u>
	<u><u>5,461,063</u></u>	<u><u>8,452,942</u></u>

**13. LOANS**

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>386,800</u>	<u>372,000</u>
Amounts falling due between one and two years:		
Other loans	964,453	1,064,241
Preference shares	<u>2,000,000</u>	<u>2,000,000</u>
	<u><u>2,964,453</u></u>	<u><u>3,064,241</u></u>
Amounts falling due between two and five years:		
Other loans	<u>350,000</u>	<u>600,000</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:

	2023	2022
	£	£
Within one year	19,313	5,321
Between one and five years	<u>16,038</u>	<u>3,554</u>
	<u><u>35,351</u></u>	<u><u>8,875</u></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the Period 1 February 2022 to 31 May 2023

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	2023	2022
	£	£
Associated undertakings	2,519,395	2,402,093
Other loans	936,454	1,026,241
	<u>3,455,849</u>	<u>3,428,334</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 & Co 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:	2023	2022
			£	£
100	Ordinary	£1	100	100
6,540,000	Ordinary A	£1	6,540,000	6,540,000
10,885,000	Ordinary B	£1	10,885,000	10,885,000
			<u>17,425,100</u>	<u>17,425,100</u>

**17. RESERVES**

	Retained earnings
	£
At 1 February 2022	(10,577,515)
Deficit for the period	(2,316,499)
At 31 May 2023	<u>(12,894,014)</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 £15,313 (2022 - £9,641). As at the year end there were £Nil (2022 - £2,444) contributions outstanding.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 February 2022 to 31 May 2023**

**19. RELATED PARTY DISCLOSURES**

**Transactions with associated undertakings**

During the period the company made recharges and payments of £529,651 (2022 - £1,124,950) to associated undertakings, incurred interest and charges of £133,560 (2022 - £44,721) and received payments of £2,193,524 (2022 - £607,601) from associated undertakings. As at 31 May 2023 £3,674,042 (31 January 2022 - £2,402,093) was due to associated undertakings and £Nil (2022 - £525,484) was due from associated undertakings.

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