

Company Registration No. 10782220 (England and Wales)

Lovat Parks Limited

**Annual report and
group financial statements
for the year ended 31 December 2022**

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Lovat Parks Limited

Company information

Directors	Raoul Fraser Lord Lang of Monkton Peter Mallinson
Company number	10782220
Registered office	WeWork Victoria 123 Buckingham Palace Road London SW1W 9SH
Independent auditor	Saffery LLP Kintail House Beechwood Park Inverness IV2 3BW

Lovat Parks Limited

Contents

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4 - 7
Group income statement	8
Group statement of comprehensive income	9
Group statement of financial position	10 - 11
Company statement of financial position	12 - 13
Group statement of changes in equity	14 - 15
Company statement of changes in equity	16
Group statement of cash flows	17
Notes to the financial statements	18 - 40

Lovat Parks Limited

Strategic report

For the year ended 31 December 2022

The directors present the strategic report for the year ended 31 December 2022.

Fair review of the business

The directors consider the performance of the group for the financial year to be satisfactory. Revenue has decreased from £25,269,107 to £16,690,109 and profit for the year has decreased from £5,026,643 to £1,977,066. On 14 July the company completed the sale of its subsidiary Golden Leas Holiday Park Limited, realising a gain on disposal of £4,461,904 in the group.

As a result of significant investments in the group's parks during the year, the net assets of the group have increased from £38,521,193 to £54,928,590 as at the year end date.

Principal risks and uncertainties

The group has established risk management procedures to manage and mitigate the principal risks and uncertainties facing the business. These risks can be broadly grouped as:

- competitive risks – attracting and retaining customers through the provision of high quality facilities and accommodation
- financial risks – the availability of appropriate finance to meet growth targets

Key performance indicators

The group monitors itself against a number of performance indicators. The key measures are as follows:

	12 months to 31 December 2022	10 months to 31 December 2021	% change
Turnover	16,690,109	25,269,107	34%
Gross profit	11,394,740	15,736,748	28%
Gross margin	68.27%	62.28%	
Operating (loss)/profit	(1,548,948)	6,934,195	
Profit for the financial year	1,977,066	5,026,643	

On behalf of the board

DocuSigned by:

Raoul Fraser

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Raoul Fraser

Director

07 September 2023

Date:.....

Lovat Parks Limited

Directors' report For the year ended 31 December 2022

The directors present their annual report and financial statements for the 10 month year ended 31 December 2022.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Raoul Fraser
Lord Lang of Monkton
Peter Mallinson

Future developments

Over the next year, the directors anticipate that the business will continue to grow with further investment into parks.

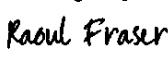
Auditor

The auditor, Saffery LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

DocuSigned by:

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Raoul Fraser
Director

07 September 2023

Date:

Lovat Parks Limited

**Directors' responsibilities statement
For the year ended 31 December 2022**

The directors are responsible for preparing the Annual Report 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Lovat Parks Limited

Independent auditor's report To the members of Lovat Parks Limited

Opinion

We have audited the financial statements of Lovat Parks Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Group income statement, the Group statement of comprehensive income, the Group statement of financial position, the Company statement of financial position, the Group statement of changes in equity, the Company statement of changes in equity, the Group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's and parent 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.

Lovat Parks Limited

Independent auditor's report (continued)
To the members of Lovat Parks Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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.

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 course of 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 directors' responsibilities statement set out on page 3, 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 is 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Lovat Parks Limited

Independent auditor's report (continued)

To the members of Lovat Parks Limited

Auditor's 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 an auditor's report 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors and by updating our understanding of the sector in which the group and parent company operates.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

Lovat Parks Limited

Independent auditor's report (continued)
To the members of Lovat Parks Limited

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Eunice McAdam
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Eunice McAdam (Senior Statutory Auditor)
For and on behalf of Saffery LLP

Chartered Accountants
Statutory Auditors

07 September 2023

Date:

Kintail House
Beechwood Park
Inverness
IV2 3BW

Lovat Parks Limited**Group income statement****For the year ended 31 December 2022**

		Year ended 31 December 2022 £	Period ended 31 December 2021 £
	Notes		
Turnover	3	16,690,109	25,269,107
Cost of sales		(5,295,369)	(9,532,359)
Gross profit		11,394,740	15,736,748
Administrative expenses		(12,981,801)	(9,037,847)
Other operating income		38,113	235,294
Operating (loss)/profit	4	(1,548,948)	6,934,195
Interest receivable and similar income		17,538	-
Interest payable and similar expenses	8	(1,045,581)	(131,064)
Other gains and losses	9	4,461,904	-
Profit before taxation		1,884,913	6,803,131
Tax on profit	10	92,153	(1,776,488)
Profit for the financial year		1,977,066	5,026,643

Profit for the financial year is all attributable to the owners of the parent company.

The income statement has been prepared on the basis that all operations are continuing operations.

Lovat Parks Limited**Group statement of comprehensive income
For the year ended 31 December 2022**

	Year ended 31 December 2022 £	Period ended 31 December 2021 £
Profit for the year	<u>1,977,066</u>	<u>5,026,643</u>
Other comprehensive income		
Revaluation of tangible fixed assets	18,979,173	12,278,497
Tax relating to other comprehensive income	<u>(4,548,842)</u>	<u>(3,503,055)</u>
Other comprehensive income for the year	<u>14,430,331</u>	<u>8,775,442</u>
Total comprehensive income for the year	<u>16,407,397</u>	<u>13,802,085</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

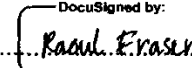
Lovat Parks Limited**Group statement of financial position****As at 31 December 2022**

			2022		2021
	Notes	£	£	£	£
Fixed assets					
Goodwill	11		2,355,413		1,753,085
Other intangible assets	11		503,883		303,044
Total intangible assets			2,859,296		2,056,129
Tangible assets	12		74,012,597		52,978,171
Investments	13		609,861		609,861
			77,481,754		55,644,161
Current assets					
Stocks	16	4,296,553		1,837,206	
Debtors	17	5,007,286		8,512,728	
Cash at bank and in hand		8,292,419		280,566	
			17,596,258	10,630,500	
Creditors: amounts falling due within one year	18	(8,257,702)		(10,538,189)	
Net current assets			9,338,556		92,311
Total assets less current liabilities			86,820,310		55,736,472
Creditors: amounts falling due after more than one year	19		(21,999,000)		(7,339,447)
Provisions for liabilities					
Deferred tax liability	21	8,772,744		5,278,153	
			(8,772,744)		(5,278,153)
Deferred income			(1,119,976)		(4,597,679)
Net assets			54,928,590		38,521,193

Lovat Parks Limited**Group statement of financial position (continued)**
As at 31 December 2022

			2022		2021
	Notes	£	£	£	£
Capital and reserves					
Called up share capital	23		17,000,158		17,000,158
Share premium account	24		3,000,000		3,000,000
Revaluation reserve	25		25,389,310		13,881,701
Profit and loss reserves			9,539,122		4,639,334
Total equity			<u>54,928,590</u>		<u>38,521,193</u>

The financial statements were approved by the board of directors and authorised for issue on 07 September 2023 and are signed on its behalf by:

DocuSigned by:

 Raul Fraser
 Director

Company Registration No. 10782220 (England and Wales)

Lovat Parks Limited**Company statement of financial position
As at 31 December 2022**

			2022		2021
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		503,883		303,044
Tangible assets	12		66,605		97,426
Investments	13		2,110,463		2,110,662
			<u>2,680,951</u>		<u>2,511,132</u>
Current assets					
Stocks	16	351,847		-	
Debtors	17	35,423,067		27,759,395	
Cash at bank and in hand		8,141,893		5,041	
		<u>43,916,807</u>		<u>27,764,436</u>	
Creditors: amounts falling due within one year	18	(4,804,123)		(4,952,581)	
Net current assets			<u>39,112,684</u>		<u>22,811,855</u>
Total assets less current liabilities			<u>41,793,635</u>		<u>25,322,987</u>
Creditors: amounts falling due after more than one year	19	(21,562,763)		(6,925,112)	
Provisions for liabilities					
Deferred tax liability	21	(304,482)		13,448	
		<u>304,482</u>		<u>(13,448)</u>	
Net assets			<u>20,535,354</u>		<u>18,384,427</u>
Capital and reserves					
Called up share capital	23	17,000,158		17,000,158	
Share premium account	24	3,000,000		3,000,000	
Profit and loss reserves		535,196		(1,615,731)	
Total equity			<u>20,535,354</u>		<u>18,384,427</u>

Lovat Parks Limited

Company statement of financial position (continued)
As at 31 December 2022

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £2,150,927 (2021 - £72,420 profit).

The financial statements were approved by the board of directors and authorised for issue on 07...September...2022 and are signed on its behalf by:

DocuSigned by:

Raoul Fraser

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Raoul Fraser

Director

Company Registration No. 10782220 (England and Wales)

Lovat Parks Limited**Group statement of changes in equity
For the year ended 31 December 2022**

	Notes	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss reserves £	Total £
Balance at 1 March 2021		17,000,100	3,000,000	5,106,259	(387,309)	24,719,050
Period ended 31 December 2021:						
Profit for the period		-	-	-	5,026,643	5,026,643
Other comprehensive income:						
Revaluation of tangible fixed assets		-	-	12,278,497	-	12,278,497
Tax relating to other comprehensive income		-	-	(3,503,055)	-	(3,503,055)
Total comprehensive income for the period		-	-	8,775,442	5,026,643	13,802,085
Issue of share capital	23	58	-	-	-	58
Balance at 31 December 2021		17,000,158	3,000,000	13,881,701	4,639,334	38,521,193

Lovat Parks Limited**Group statement of changes in equity (continued)**
For the year ended 31 December 2022

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£
Period ended 31 December 2022:					
Profit for the period	-	-	-	1,977,066	1,977,066
Other comprehensive income:					
Revaluation of tangible fixed assets	-	-	18,979,173	-	18,979,173
Tax relating to other comprehensive income	-	-	(4,548,842)	-	(4,548,842)
Total comprehensive income for the period	-	-	14,430,331	1,977,066	16,407,397
Transfers	-	-	(2,922,722)	2,922,722	-
Balance at 31 December 2022	17,000,158	3,000,000	25,389,310	9,539,122	54,928,590

Lovat Parks Limited**Company statement of changes in equity
For the year ended 31 December 2022**

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 March 2021		17,000,100	3,000,000	(1,688,151)	18,311,949
Period ended 31 December 2021:					
Profit and total comprehensive income for the period		-	-	72,420	72,420
Issue of share capital	23	58	-	-	58
Balance at 31 December 2021		17,000,158	3,000,000	(1,615,731)	18,384,427
Period ended 31 December 2022:					
Profit and total comprehensive income		-	-	2,150,927	2,150,927
Balance at 31 December 2022		17,000,158	3,000,000	535,196	20,535,354

Lovat Parks Limited**Group statement of cash flows
For the year ended 31 December 2022**

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash (absorbed by)/generated from operations	29	(3,352,636)	7,992,721
Interest paid		(1,045,581)	(131,064)
Income taxes paid		(1,314,363)	(11,550)
Net cash (outflow)/inflow from operating activities		(5,712,580)	7,850,107
Investing activities			
Proceeds from disposal of business		13,910,069	-
Purchase of intangible assets		(1,274,270)	(89,487)
Purchase of tangible fixed assets		(14,118,672)	(10,435,963)
Proceeds from disposal of tangible fixed assets		21,669	86,139
Proceeds from disposal of investments		-	(609,861)
Issue of new loans		(300,000)	-
Interest received		17,538	-
Net cash used in investing activities		(1,743,666)	(11,049,172)
Financing activities			
Proceeds from issue of shares		-	58
New bank loans		16,001,409	1,471,547
Payment of finance leases obligations		(5,124)	(7,801)
Net cash generated from financing activities		15,996,285	1,463,804
Net increase/(decrease) in cash and cash equivalents		8,540,039	(1,735,261)
Cash and cash equivalents at beginning of year		(247,620)	1,487,641
Cash and cash equivalents at end of year		8,292,419	(247,620)
Relating to:			
Cash at bank and in hand		8,292,419	280,566
Bank overdrafts included in creditors payable within one year		-	(528,186)

Lovat Parks Limited

Notes to the group financial statements For the year ended 31 December 2022

1 Accounting policies

Company information

Lovat Parks Limited ("the company") is a private company limited by shares incorporated in England and Wales. The registered office is WeWork Victoria, 123 Buckingham Palace Road, London, SW1W 9SH.

The group consists of Lovat Parks Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

The group financial statements incorporate those of Lovat Parks Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

Subsidiaries are consolidated from the date of their acquisition, being the date on which the group obtains control and continue to be consolidated until the date that such control ceases. The group profit and loss account and statement of cash flows includes the results of Golden Leas Holiday Park Limited for the period to 14 July 2022, the date of its sale outside the group.

All financial statements are made up to 31 December 2022. The comparative period covers a 10 month period to 31 December 2021.

1.3 Going concern

Having considered the potential future trading levels and the working capital available to the group, at the time of approving the financial statements the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Lovat Parks Limited

Notes to the group financial statements (continued) For the year ended 31 December 2022

1 Accounting policies (continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of trade and assets represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is ten years.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	10% per annum straight line basis
Other intangibles	10% per annum straight line basis

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% per annum straight line basis
Plant and equipment	25% per annum straight line basis
Fixtures and fittings	25% per annum straight line basis
Computers	25% per annum straight line basis
Motor vehicles	25% per annum straight line basis
Caravans	Over 10 years straight line

Freehold land is not depreciated.

Lovat Parks Limited

Notes to the group financial statements (continued) **For the year ended 31 December 2022**

1 Accounting policies (continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.9 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.11 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

Lovat Parks Limited

Notes to the group financial statements (continued)
For the year ended 31 December 2022

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Lovat Parks Limited

Notes to the group financial statements (continued) **For the year ended 31 December 2022**

1 Accounting policies (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lovat Parks Limited

Notes to the group financial statements (continued) For the year ended 31 December 2022

1 Accounting policies (continued)

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group'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.

The 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 estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful life of goodwill

Goodwill is amortised in accordance with the accounting policy in note 1.7. The rate of amortisation is based on the directors' estimate of its useful life.

Valuation of land and buildings

Certain freehold land and buildings within the group are held at valuation. These valuations have an inherent degree of estimation involved in that each property/park is unique and value can only ultimately be reliably tested in the market itself.

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**3 Turnover and other revenue**

	2022	2021
	£	£
Turnover analysed by class of business		
Caravan and lodge sales	7,254,821	13,154,499
Pitch fees	3,951,657	3,581,850
Bar, food and shop sales	646,493	497,514
Other onsite services rendered	4,837,138	8,035,244
	<u>16,690,109</u>	<u>25,269,107</u>

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	<u>16,690,109</u>	<u>25,269,107</u>

	2022	2021
	£	£
Other revenue		
Interest income	17,538	-
Grants received	<u>47,631</u>	<u>235,294</u>

4 Operating (loss)/profit

	2022	2021
	£	£
Operating (loss)/profit for the period is stated after charging/(crediting):		
Government grants	(47,631)	(235,294)
Depreciation of owned tangible fixed assets	1,288,711	1,313,370
(Profit)/loss on disposal of tangible fixed assets	(14,258)	134,763
Amortisation of intangible assets	389,307	237,145
Operating lease charges	<u>76,172</u>	<u>41,820</u>

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	<u>64,795</u>	<u>54,000</u>

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**5 Auditor's remuneration (continued)****For other services**

Audit-related assurance services	27,375	25,000
Taxation compliance services	15,250	10,000
All other non-audit services	3,460	3,000
	<u>46,085</u>	<u>38,000</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
<u>189</u>	<u>148</u>	<u>49</u>	<u>22</u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	5,301,207	4,174,650	2,020,794	1,653,599
Social security costs	422,946	343,220	197,263	143,413
Pension costs	68,094	47,973	24,523	16,377
	<u>5,792,247</u>	<u>4,565,843</u>	<u>2,242,580</u>	<u>1,813,389</u>

7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	123,798	74,232
Company pension contributions to defined contribution schemes	1,321	1,100
	<u>125,119</u>	<u>75,332</u>

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**8 Interest payable and similar expenses**

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	1,041,263	122,206
Other finance costs:		
Interest on finance leases and hire purchase contracts	955	1,308
Other interest	3,363	7,550
	<u>1,045,581</u>	<u>131,064</u>

9 Other gains and losses

	2022	2021
	£	£
Gain on disposal of subsidiary	4,461,904	-
	<u>4,461,904</u>	<u>-</u>

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	1,357,234
Adjustments in respect of prior periods	(18,107)	(95,135)
	<u>(18,107)</u>	<u>1,262,099</u>
Deferred tax		
Origination and reversal of timing differences	(74,046)	514,389
	<u>(74,046)</u>	<u>514,389</u>
Total tax (credit)/charge	<u>(92,153)</u>	<u>1,776,488</u>

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**10 Taxation (continued)**

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	1,884,913	6,803,131
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	358,133	1,292,595
Tax effect of expenses that are not deductible in determining taxable profit	3,529,103	23,477
Tax effect of income not taxable in determining taxable profit	(4,218,188)	-
Adjustments in respect of prior years	(18,734)	(95,135)
Other permanent differences	8,463	-
Deferred tax not recognised	155,201	-
Deferred tax rate change	40,493	216,160
Fixed asset differences	41,345	73,863
Movement in deferred tax not recognised	-	265,528
Losses carried back	12,031	-
Taxation (credit)/charge	(92,153)	1,776,488

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2022 £	2021 £
Deferred tax arising on:		
Revaluation of property	4,548,842	3,503,055

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**11 Intangible fixed assets**

Group	Goodwill	Development costs	Other intangibles	Total
	£	£	£	£
Cost				
At 1 January 2022	2,523,574	34,500	325,617	2,883,691
Additions	1,011,102	-	263,168	1,274,270
Disposals	(126,480)	-	-	(126,480)
At 31 December 2022	3,408,196	34,500	588,785	4,031,481
Amortisation and impairment				
At 1 January 2022	770,489	6,325	50,748	827,562
Amortisation charged for the year	326,978	3,450	58,879	389,307
Disposals	(44,684)	-	-	(44,684)
At 31 December 2022	1,052,783	9,775	109,627	1,172,185
Carrying amount				
At 31 December 2022	2,355,413	24,725	479,158	2,859,296
At 31 December 2021	1,753,085	28,175	274,869	2,056,129

Company	Development costs	Other intangibles	Total
	£	£	£
Cost			
At 1 January 2022	34,500	325,617	360,117
Additions	-	263,168	263,168
At 31 December 2022	34,500	588,785	623,285
Amortisation and impairment			
At 1 January 2022	6,325	50,748	57,073
Amortisation charged for the year	3,450	58,879	62,329
At 31 December 2022	9,775	109,627	119,402
Carrying amount			
At 31 December 2022	24,725	479,158	503,883
At 31 December 2021	28,175	274,869	303,044

Lovat Parks Limited

Notes to the group financial statements (continued)
For the year ended 31 December 2022

12 Tangible fixed assets

Group	Freehold land and buildings	Plant and fixtures and equipment	Computers fittings	Motor vehicles	Caravans	Total
£	£	£	£	£	£	£
Cost						
At 1 January 2022	47,881,344	380,246	4,566,184	259,613	107,387	55,153,116
Additions	10,453,609	152,791	430,596	25,363	13,990	14,118,672
Disposals	(9,760,487)	(147,407)	(1,091,135)	(25,738)	(16,023)	(8,719)(11,049,509)
Revaluation	17,680,769	-	-	-	-	17,680,769
Transfers	2,006,776	-	(2,128,501)	-	-	121,725
At 31 December 2022	68,262,011	385,630	1,777,144	259,238	105,354	75,903,048
Depreciation and impairment						
At 1 January 2022	-	238,576	1,586,096	102,322	74,733	2,174,945
Depreciation charged in the year	392,173	70,322	348,532	57,662	14,057	1,288,711
Eliminated in respect of disposals	-	(103,488)	(441,397)	(18,378)	(6,713)	(571,284)
Revaluation	(1,001,921)	-	-	-	-	(1,001,921)
Transfers	669,574	-	(680,553)	-	-	10,979
At 31 December 2022	59,826	205,410	812,678	141,606	82,077	1,890,451
Carrying amount						
At 31 December 2022	68,202,185	180,220	964,466	117,632	23,277	74,012,597
At 31 December 2021	47,881,344	141,670	2,980,088	157,291	32,654	52,978,171

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022

Company	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2022	20,146	134,147	13,995	168,288
Additions	267	12,813	-	13,080
At 31 December 2022	20,413	146,960	13,995	181,368
Depreciation and impairment				
At 1 January 2022	6,631	54,317	9,914	70,862
Depreciation charged in the year	5,086	35,316	3,499	43,901
At 31 December 2022	11,717	89,633	13,413	114,763
Carrying amount				
At 31 December 2022	8,696	57,327	582	66,605
At 31 December 2021	13,515	79,830	4,081	97,426

Trading parks, comprising land and buildings, together with operational plant and machinery, held by the group were valued in March 2023 by Avison Young, an independent valuers not connected with the group, on the basis of market value. These valuations amounted to £71,475,000.

If land and buildings were measured using the cost model, the carrying amount in the group would be £39,528,376 (2021 - £29,385,962), being historic cost of £40,236,727 (2021 - £29,747,550) less depreciation of £708,351 (2021 - £361,588).

The revaluation surplus is disclosed in note 25.

13 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	14	-	-	1,500,602	1,500,801
Other investments		609,861	609,861	609,861	609,861
		609,861	609,861	2,110,463	2,110,662

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**13 Fixed asset investments (continued)****Movements in fixed asset investments**
Group**Cost or valuation**

At 1 January 2022 and 31 December 2022

Other
£

609,861

Carrying amount

At 31 December 2022

609,861

At 31 December 2021

609,861

Movements in fixed asset investments
Company**Shares in**
subsidiaries
£**Other**
£**Total**
£**Cost or valuation**

At 1 January 2022

1,500,801

609,861

2,110,662

Disposals

(199)

-

(199)

At 31 December 2022

1,500,602

609,861

2,110,463

Carrying amount

At 31 December 2022

1,500,602

609,861

2,110,463

At 31 December 2021

1,500,801

609,861

2,110,662

14 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**14 Subsidiaries (continued)**

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Azure Seas Limited	United Kingdom	Holiday park	Ordinary shares	100
Golden Beach Caravan Park Limited	United Kingdom	Holiday park	Ordinary shares	100
Green Hill Farm Caravan Park Ltd	United Kingdom	Holiday park	Ordinary shares	100
Sun Haven Holiday Park Ltd	United Kingdom	Holiday park	Ordinary shares	100
Padstow Touring Park Ltd	United Kingdom	Holiday park	Ordinary shares	100
Penmarlam Limited	United Kingdom	Holiday park	Ordinary shares	100
Waxham Sands Holiday Park Ltd	United Kingdom	Holiday park	Ordinary shares	100
Britchcombe Farm Limited	United Kingdom	Holiday park	Ordinary shares	100
Parbola Holiday Park Ltd	United Kingdom	Holiday park	Ordinary shares	100

All subsidiaries' nature of business is the operation of holiday parks.

All of the subsidiaries have been included in the consolidated accounts. For the period ended 31 December 2022 all of the above subsidiaries are entitled to exemption from audit under s479A of the Companies Act 2006. The parent company has provided a guarantee in respect of the outstanding liabilities of these subsidiary companies in accordance with sections 479A-479C of the Companies Act 2006, as these subsidiaries are exempt from the requirements of the Companies Act 2006 relating to audit by virtue of section 479A of that Act.

15 Financial instruments

	Group 2022 £	2021 £	Company 2022 £	2021 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	3,561,727	6,679,332	34,548,518	27,491,216
Equity instruments measured at cost less impairment	609,861	609,861	609,861	609,861
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
Measured at amortised cost	27,135,674	13,141,607	26,189,148	10,943,466

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**16 Stocks**

	Group	2021	Company	2021
	2022		2022	
	£	£	£	£
Finished goods and goods for resale	4,296,553	1,837,206	351,847	-

17 Debtors

	Group	2021	Company	2021
	2022		2022	
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	2,132,464	2,056,044	-	257,645
Corporation tax recoverable	142,729	-	101,250	-
Amounts owed by group undertakings	-	-	34,248,518	27,221,071
Other debtors	828,657	1,327,867	384,690	12,500
Prepayments and accrued income	783,460	531,137	688,609	268,179
	<u>3,887,310</u>	<u>3,915,048</u>	<u>35,423,067</u>	<u>27,759,395</u>

Amounts falling due after more than one year:

Trade debtors	<u>1,119,976</u>	<u>4,597,680</u>	<u>-</u>	<u>-</u>
Total debtors	<u>5,007,286</u>	<u>8,512,728</u>	<u>35,423,067</u>	<u>27,759,395</u>

Lovat Parks Limited

Notes to the group financial statements (continued)
For the year ended 31 December 2022

18 Creditors: amounts falling due within one year

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Bank loans and overdrafts	20	2,000,000	1,198,546	2,000,000	1,168,186
Obligations under finance leases		-	9,974	-	-
Payments received on account		55,503	-	-	-
Trade creditors		2,402,285	3,243,884	2,118,766	2,322,117
Corporation tax payable		101,250	1,435,010	101,250	11,401
Other taxation and social security		321,246	1,245,123	76,488	922,826
Deferred income		2,698,532	2,055,896	-	-
Other creditors		294	350,721	-	(15)
Accruals and deferred income		678,592	999,035	507,619	528,066
		<u>8,257,702</u>	<u>10,538,189</u>	<u>4,804,123</u>	<u>4,952,581</u>

19 Creditors: amounts falling due after more than one year

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Bank loans and overdrafts	20	21,999,000	7,327,231	21,562,763	6,925,112
Obligations under finance leases		-	12,216	-	-
		<u>21,999,000</u>	<u>7,339,447</u>	<u>21,562,763</u>	<u>6,925,112</u>

The bank borrowings are secured by a fixed charge over the properties owned by the group and a floating charge over all other assets.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>436,237</u>	<u>5,054,542</u>	<u>-</u>	<u>4,778,531</u>
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Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**20 Loans and overdrafts**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	23,999,000	7,997,591	23,562,763	7,565,112
Bank overdrafts	-	528,186	-	528,186
	<u>23,999,000</u>	<u>8,525,777</u>	<u>23,562,763</u>	<u>8,093,298</u>
Payable within one year	2,000,000	1,198,546	2,000,000	1,168,186
Payable after one year	<u>21,999,000</u>	<u>7,327,231</u>	<u>21,562,763</u>	<u>6,925,112</u>

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities	Liabilities
	2022	2021
	£	£
Accelerated capital allowances	940,964	650,941
Tax losses	(559,383)	-
Capital gains	8,391,163	4,627,212
	<u>8,772,744</u>	<u>5,278,153</u>
Company	Liabilities	Liabilities
	2022	2021
	£	£
Accelerated capital allowances	8,975	13,448
Tax losses	(6,622)	-
Capital gains	(306,835)	-
	<u>(304,482)</u>	<u>13,448</u>

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**21 Deferred taxation (continued)**

	Group 2022 £	Company 2022 £
Movements in the year:		
Liability at 1 January 2022	5,278,153	13,448
Credit to profit or loss	(74,046)	(317,930)
Charge to other comprehensive income	4,548,842	-
Transfer on disposal	(980,205)	-
Liability/(Asset) at 31 December 2022	<u>8,772,744</u>	<u>(304,482)</u>

22 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>68,094</u>	<u>47,973</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23 Share capital

Group and company	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Issued and fully paid				
A Ordinary shares of 0.1p each	100,000	100,000	100	100
B Ordinary shares of 0.1p each	58,000	58,000	58	58
	<u>158,000</u>	<u>158,000</u>	<u>158</u>	<u>158</u>

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**23 Share capital (continued)**

	2022	2021	2022	2021
	Number	Number	£	£
Preference share capital				
Issued and fully paid				
Series A Preference shares of £40 each	250,000	250,000	10,000,000	10,000,000
Series B Preference shares of £40 each	175,000	175,000	7,000,000	7,000,000
	<u>425,000</u>	<u>425,000</u>	<u>17,000,000</u>	<u>17,000,000</u>
Preference shares classified as equity			<u>17,000,000</u>	<u>17,000,000</u>
Total equity share capital			<u>17,000,158</u>	<u>17,000,158</u>

All A Ordinary Shares, Series A Preference Shares and Series B Preference shares carry one vote, provided that the aggregate number of votes in respect of the A Ordinary Shares shall never be less than 30% of the overall votes that may be cast. The Series A and Series B Preference Shares are not redeemable.

24 Share premium account

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
At the beginning and end of the year	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>

25 Revaluation reserve

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
At the beginning of the year	13,881,701	5,106,259	-	-
Revaluation surplus arising in the year	18,979,173	12,278,497	-	-
Deferred tax on revaluation of tangible assets	(4,548,842)	(3,503,055)	-	-
Transfer to retained earnings	(2,922,722)	-	-	-
At the end of the year	<u>25,389,310</u>	<u>13,881,701</u>	<u>-</u>	<u>-</u>

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**26 Disposals**

On 14 July 2022 the group disposed of its 100% holding in Golden Leas Holiday Park Limited. Included in these financial statements are profits of £77,943 arising from the company's interests in Golden Leas Holiday Park Limited up to the date of its disposal.

Net assets disposed of	£
Cash and cash equivalents	63,051
Intangible assets	81,796
Property, plant and equipment	10,470,814
Trade and other receivables	2,283,423
Inventories	713,426
Trade and other payables	(2,960,004)
Tax liabilities	(144,019)
Obligations under finance leases	(17,066)
Deferred tax	(980,205)
	<u>9,511,216</u>
Gain on disposal	<u>4,461,904</u>
Total consideration	<u><u>13,973,120</u></u>
 The consideration was satisfied by:	 £
Cash	13,973,120
	<u><u>-</u></u>

27 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Acquisition of tangible fixed assets	<u><u>-</u></u>	<u><u>735,505</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**28 Directors' transactions**

Interest free loans have been granted by the group to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Closing balance £
Raoul Fraser - Repayable on demand	-	-	300,000	300,000
		-	300,000	300,000

29 Cash (absorbed by)/generated from group operations

	2022 £	2021 £
Profit for the year after tax	1,977,066	5,026,643
Adjustments for:		
Taxation (credited)/charged	(92,153)	1,776,488
Finance costs	1,045,581	131,064
Investment income	(17,538)	-
(Gain)/loss on disposal of tangible fixed assets	(14,258)	134,763
Amortisation and impairment of intangible assets	389,307	237,145
Depreciation and impairment of tangible fixed assets	1,585,194	1,313,370
Other gains and losses	(4,461,904)	-
(Decrease)/increase in deferred income	(3,477,703)	4,597,679
Movements in working capital:		
(Increase)/decrease in stocks	(3,172,773)	640,590
Decrease/(increase) in debtors	1,664,648	(6,760,876)
Increase in creditors	579,261	644,735
Increase in deferred income	642,636	251,120
Cash (absorbed by)/generated from operations	(3,352,636)	7,992,721

Lovat Parks Limited**Notes to the group financial statements (continued)**
For the year ended 31 December 2022**30 Analysis of changes in net debt - group**

	1 January 2022	Cash flows	Acquisitions and disposals	31 December 2022
	£	£	£	£
Cash at bank and in hand	280,566	8,011,853	-	8,292,419
Bank overdrafts	(528,186)	528,186	-	-
	(247,620)	8,540,039	-	8,292,419
Borrowings excluding overdrafts	(7,997,591)	(16,001,409)	-	(23,999,000)
Obligations under finance leases	(22,190)	11,902	10,288	-
	(8,267,401)	(7,449,468)	10,288	(15,706,581)