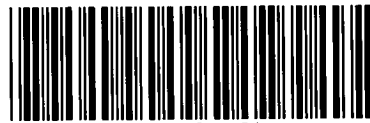


REGISTERED NUMBER: SC090154 (Scotland)

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2017**
for
M F WELLS (HOTELS) LIMITED

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M F WELLS (HOTELS) LIMITED (REGISTERED NUMBER: SC090154)

**Contents of the Financial Statements
for the Year Ended 31 March 2017**

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M F WELLS (HOTELS) LIMITED

**Company Information
for the Year Ended 31 March 2017**

Directors: N Wells
I Wells
M Wells

Secretary: M Wells

Registered office: School Road
Gartocharn
Alexandria
Dunbartonshire
G83 8RW

Registered number: SC090154 (Scotland)

Auditors: James Anderson & Co
Statutory Auditor
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

**Strategic Report
for the Year Ended 31 March 2017**

The directors present their strategic report for the year ended 31 March 2017.

Review of business

The principal activity of the company during the year continued to be that of proprietor of hotels and tour operator. The company arranges coach tours based around its hotels in Scotland.

Financial key performance indicators

Financial performance during the year can be analysed as follows:

Financial performance	31 March 2017	31 March 2016
Turnover (£000)	21,530	22,084
Net profit (£000)	1,386	1,161

Turnover

The company's level of turnover £21.5m was very similar to the previous year £22.1m, a positive result given that Loch Long hotel was sold in October and the competitive nature of the market in which the company operates. The sale of Loch Long was part of the long-term strategy once Ardgartan was fully operational.

Operating costs

Overheads were broadly at the same level as the previous year, and the company continued its policy of maintaining the standards of its hotels with an increased spend on renovations. The company made a loss of £72k (2016 - profit £61k) on the sale of surplus property.

Financing

The company has no external funding.

Principal risks and uncertainties

The company faces a number of risks and uncertainties. In response to this the directors have implemented a risk management system to monitor and mitigate these risks.

General economic conditions throughout the year continued to be difficult and the maintained level of turnover in the year reflects the value of the holidays provided. Costs are carefully monitored to ensure supplier inflation is minimised.

Future developments

The directors anticipate the business environment will remain competitive. The company will continue with the ongoing reinvestment in its properties. The company is in a strong financial position and the directors remain confident that the company can maintain its financial performance.

Financial instruments

The company has a normal exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling. The company does not enter into any hedging transactions.

The company holds significant levels of cash at bank. Interest rate movements may affect the level of income receivable.

The company has funds invested in the stock market which are exposed to fluctuations in share price. Professional investment managers have been appointed to monitor the investments and reduce the risk associated with such investments.

On behalf of the board:



N Wells - Director

14 November 2017

M F WELLS (HOTELS) LIMITED (REGISTERED NUMBER: SC090154)

**Report of the Directors
for the Year Ended 31 March 2017**

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

Dividends

Particulars of dividends paid to the parent company are detailed in note 9 to the financial statements.

Directors

The directors shown below have held office during the whole of the period from 1 April 2016 to the date of this report.

N Wells

I Wells

M Wells

Disclosure in the strategic report

The company has chosen in accordance with s414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial instruments.

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.

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, James Anderson & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:



N Wells - Director

14 November 2017

Report of the Independent Auditors to the Members of M F Wells (Hotels) Limited

We have audited the financial statements of M F Wells (Hotels) Limited for the year ended 31 March 2017 on pages five to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

Matters on which we are required to report by exception

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.

James Anderson

Christopher Spalding (Senior Statutory Auditor)
for and on behalf of James Anderson & Co
Statutory Auditor
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

14 November 2017

M F WELLS (HOTELS) LIMITED (REGISTERED NUMBER: SC090154)

**Statement of Comprehensive Income
for the Year Ended 31 March 2017**

	Notes	2017 £	2016 £
Turnover	3	21,530,447	22,083,941
Cost of sales		17,132,524	17,754,130
Gross profit		4,397,923	4,329,811
Administrative expenses		3,533,098	3,188,654
		864,825	1,141,157
Other operating income	4	326,679	10,000
Operating profit	6	1,191,504	1,151,157
Interest receivable and similar income	7	196,105	11,468
		1,387,609	1,162,625
Interest payable and similar expenses	8	1,751	1,791
Profit before taxation		1,385,858	1,160,834
Tax on profit	9	226,453	239,711
Profit for the financial year		1,159,405	921,123
Other comprehensive income		-	-
Total comprehensive income for the year		1,159,405	921,123

M F WELLS (HOTELS) LIMITED (REGISTERED NUMBER: SC090154)

Balance Sheet
31 March 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	11	24,740,339	26,193,401
Current assets			
Stocks	12	84,689	99,679
Debtors	13	779,712	1,068,911
Investments	14	1,695,459	509,968
Cash at bank and in hand		1,506,610	1,697,117
		<u>4,066,470</u>	<u>3,375,675</u>
Creditors			
Amounts falling due within one year	15	(4,131,895)	(4,221,137)
Net current liabilities		<u>(65,425)</u>	<u>(845,462)</u>
Total assets less current liabilities		<u>24,674,914</u>	<u>25,347,939</u>
Creditors			
Amounts falling due after more than one year	16	-	(382,269)
Provisions for liabilities	18	<u>(187,779)</u>	<u>(204,428)</u>
Net assets		<u><u>24,487,135</u></u>	<u><u>24,761,242</u></u>
Capital and reserves			
Called up share capital	19	50,000	50,000
Retained earnings	20	<u>24,437,135</u>	<u>24,711,242</u>
Shareholders' funds		<u><u>24,487,135</u></u>	<u><u>24,761,242</u></u>

The financial statements were approved by the Board of Directors on 14 November 2017 and were signed on its behalf by:



N Wells - Director

M F WELLS (HOTELS) LIMITED (REGISTERED NUMBER: SC090154)

**Statement of Changes in Equity
for the Year Ended 31 March 2017**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2015	50,000	24,569,260	24,619,260
Changes in equity			
Dividends paid to parent company	-	(779,141)	(779,141)
Total comprehensive income	-	921,123	921,123
Balance at 31 March 2016	<u>50,000</u>	<u>24,711,242</u>	<u>24,761,242</u>
Changes in equity			
Dividends paid to parent company	-	(1,433,512)	(1,433,512)
Total comprehensive income	-	1,159,405	1,159,405
Balance at 31 March 2017	<u>50,000</u>	<u>24,437,135</u>	<u>24,487,135</u>

M F WELLS (HOTELS) LIMITED (REGISTERED NUMBER: SC090154)

**Cash Flow Statement
for the Year Ended 31 March 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	1,462,167	1,018,014
Interest paid		(1,751)	(1,791)
Tax paid		(54,363)	(322,697)
Net cash from operating activities		<u>1,406,053</u>	<u>693,526</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(186,714)	(459,193)
Sale of tangible fixed assets		829,866	663,965
Purchases of investments		(1,607,911)	(500,000)
Sales of investments		648,468	-
Interest received		150,070	9,535
Dividends received		11,990	1,933
Net cash from investing activities		<u>(154,231)</u>	<u>(283,760)</u>
Cash flows from financing activities			
Loan to group company		-	(579)
Loan repaid by group company		4,030	-
Amount introduced by directors		42,743	-
Amount withdrawn by directors		(55,590)	-
Equity dividend paid to parent		(1,433,512)	(779,141)
Net cash from financing activities		<u>(1,442,329)</u>	<u>(779,720)</u>
Decrease in cash and cash equivalents		<u>(190,507)</u>	<u>(369,954)</u>
Cash and cash equivalents at beginning of year	2	<u>1,697,117</u>	<u>2,067,071</u>
Cash and cash equivalents at end of year	2	<u><u>1,506,610</u></u>	<u><u>1,697,117</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2017**

1. Reconciliation of profit before taxation to cash generated from operations

	2017	2016
	£	£
Profit before taxation	1,385,858	1,160,834
Depreciation charges	738,003	774,469
Loss/(profit) on disposal of fixed assets	71,903	(61,015)
Increase in value of investment	(191,999)	(9,967)
Finance costs	1,751	1,791
Finance income	(196,105)	(11,468)
	<u>1,809,411</u>	<u>1,854,644</u>
Decrease/(increase) in stocks	14,990	(3,079)
Decrease/(increase) in trade and other debtors	285,169	(668,805)
Decrease in trade and other creditors	(647,403)	(164,746)
	<u>1,462,167</u>	<u>1,018,014</u>
Cash generated from operations	<u><u>1,462,167</u></u>	<u><u>1,018,014</u></u>

2. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2017

	31/3/17	1/4/16
	£	£
Cash and cash equivalents	<u>1,506,610</u>	<u>1,697,117</u>

Year ended 31 March 2016

	31/3/16	1/4/15
	£	£
Cash and cash equivalents	<u>1,697,117</u>	<u>2,067,071</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2017**

1. Statutory information

M F Wells (Hotels) Limited is a private company, limited by shares, registered in Scotland. 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

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain financial instruments at fair value. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

Significant judgements and estimates

In the application of the company's accounting policies, which are described below, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors have reviewed the asset lives and associated residual values of all fixed assets, and in particular the useful economic lives and residual values, and have concluded that assets lives and residual values are appropriate.

Turnover

Turnover is measured at the fair value of the consideration received or receivable excluding discounts, rebates, value added tax.

Turnover principally represents sales of tour holidays, which includes accommodation, coach tours, food and beverages, to customers. Sales are recognised as the services are provided and related costs of holidays are charged to the profit and loss account on the same basis. All revenue received relating to holidays departing after the year end is treated as deferred income at the balance sheet date and is separately disclosed within creditors.

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established.

Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost. Expenditure is capitalised as a fixed asset where it represents either a new asset or an enhancement to an existing asset.

Depreciation is calculated to write off the cost of tangible fixed assets less their estimated residual value over their estimated useful lives on the undernoted basis:

Hotel properties 50 years
Motor vehicles 25% reducing balance
Fixtures & equipment 15% reducing balance

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

2. Accounting policies - continued

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Bank and cash

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Taxation

Current taxation represents the amount of taxation payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the taxation rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation represents the future taxation consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved taxation losses and other deferred taxation assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred taxation liabilities or other future taxable profits.

Deferred taxation is measured using the taxation rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

Pension costs and other post-retirement benefits

The company operates money purchase (defined contribution) pension scheme. Contributions are charged against profits on the amounts payable for the year.

Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Government grants

A grant which specifies performance conditions is recognised as income to the extent that the performance conditions have been satisfied. A grant received in advance of the performance conditions being satisfied is recognised as a liability. A grant which has no performance conditions is recognised as income when the amount becomes receivable.

The company changed its accounting policy during the year to recognise all grants receivable on the performance basis. In previous years grants receivable in respect of tangible fixed assets were treated as deferred credit and were released to the profit and loss account over the estimated useful life of the assets.

As a result of the change in accounting policy a grant balance of £326,679 for the construction of a hotel has been recognised as income in the year ended 31 March 2017. This grant had previously been amortised at £10,000 per annum. The grant terms were satisfied several years ago and the new policy ensures that the company is not showing a liability where there is no possibility of repayment arising.

Investments

Current asset investments are initially recognised at cost and then measured at their fair value at the balance sheet date. The Income Statement includes net gains and losses arising from revaluations and disposals during the year.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

2. Accounting policies - continued

Share based payment

The cost and corresponding increase in equity in respect of equity-settled share-based payment transactions with employees are measured by reference to the fair value of equity instruments issued at the date of grant. Amounts are expensed on a straight line basis over the vesting period based on the estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions. The cost and fair value of the liability incurred in respect of cash-settled transactions is measured using an appropriate option pricing model with changes in fair value recognised in profit or loss for the period. Further detail is provided in note 23.

3. Turnover

The total turnover of the company for the year £21,540,447 (2016: £22,093,941) has been derived from its principal activity of hotels and tours wholly undertaken in the United Kingdom.

4. Other operating income

	2017	2016
	£	£
Government grants	326,679	10,000

5. Employees and directors

	2017	2016
	£	£
Wages and salaries	4,190,695	4,009,844
Social security costs	331,269	249,398
Other pension costs	169,798	72,411
	<u>4,691,762</u>	<u>4,331,653</u>

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

	2017	2016
Hotel staff	199	214
Administration	20	20
Resident managers	11	12
Working directors	2	2
	<u>232</u>	<u>248</u>

	2017	2016
	£	£
Directors' remuneration	221,027	89,755
Directors' pension contributions to money purchase schemes	<u>102,604</u>	<u>10,832</u>

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

	2017	2016
Money purchase schemes	<u>2</u>	<u>2</u>

Information regarding the highest paid director for the year ended 31 March 2017 is as follows:

	2017
	£
Emoluments etc	154,826
Pension contributions to money purchase schemes	<u>92,604</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

6. Operating profit

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

	2017 £	2016 £
Depreciation - owned assets	738,003	774,469
Loss/(profit) on disposal of fixed assets	71,903	(61,015)
Auditors' remuneration	11,550	11,000

7. Interest receivable and similar income

	2017 £	2016 £
Investment income	27,144	4,122
Gains on investments sold	40,557	-
Increase in investments	128,404	7,346
	<u>196,105</u>	<u>11,468</u>

8. Interest payable and similar expenses

	2017 £	2016 £
Bank interest	1,751	1,488
Other interest	-	303
	<u>1,751</u>	<u>1,791</u>

9. Taxation

Analysis of the tax charge

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

	2017 £	2016 £
Current tax:		
UK corporation tax	243,102	238,175
Deferred tax	(16,649)	1,536
Tax on profit	<u>226,453</u>	<u>239,711</u>

UK corporation tax has been charged at 20% (2016 - 20%).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

9. Taxation - continued

Reconciliation of total tax charge included in profit and loss

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

	2017 £	2016 £
Profit before tax	<u>1,385,858</u>	<u>1,160,834</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	277,172	232,167
Effects of:		
Expenses not deductible for tax purposes	20,840	22,911
Income not taxable for tax purposes	(65,336)	(2,000)
Adjustments to tax charge in respect of previous periods	3,660	(3,891)
Change in tax rate	(9,883)	(9,476)
Total tax charge	<u>226,453</u>	<u>239,711</u>

10. Dividends paid to parent company

	2017 £	2016 £
Ordinary shares of £1 each Paid to parent company	<u>1,433,512</u>	<u>779,141</u>

11. Tangible fixed assets

	Freehold property £	Fixtures & equipment £	Motor vehicles £	Totals £
Cost				
At 1 April 2016	25,810,488	7,441,770	324,941	33,577,199
Additions	-	186,714	-	186,714
Disposals	(951,901)	(419,449)	(13,013)	(1,384,363)
At 31 March 2017	<u>24,858,587</u>	<u>7,209,035</u>	<u>311,928</u>	<u>32,379,550</u>
Depreciation				
At 1 April 2016	2,994,260	4,290,248	99,294	7,383,802
Charge for year	184,849	496,032	57,122	738,003
Written back on disposals	(115,960)	(361,451)	(5,183)	(482,594)
At 31 March 2017	<u>3,063,149</u>	<u>4,424,829</u>	<u>151,233</u>	<u>7,639,211</u>
Net book value				
At 31 March 2017	<u>21,795,438</u>	<u>2,784,206</u>	<u>160,695</u>	<u>24,740,339</u>
At 31 March 2016	<u>22,816,228</u>	<u>3,151,522</u>	<u>225,647</u>	<u>26,193,397</u>

12. Stocks

	2017 £	2016 £
Bar and catering stock	<u>84,689</u>	<u>99,679</u>

M F WELLS (HOTELS) LIMITED (REGISTERED NUMBER: SC090154)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2017**

13. Debtors: amounts falling due within one year

	2017	2016
	£	£
Trade debtors	1,582	73,943
Amounts owed by group undertakings	65,234	69,264
Other debtors	496,823	693,970
Prepayments	216,073	231,734
	<u>779,712</u>	<u>1,068,911</u>

14. Current asset investments

	2017	2016
	£	£
Listed investments	<u>1,695,459</u>	<u>509,968</u>
Market value of listed investments at 31 March 2017 - £1,695,459 (2016 - £509,968).		

15. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	533,898	642,727
Corporation tax	239,162	50,423
Taxation and social security	64,261	55,628
Other creditors	-	6,360
Directors' current accounts	42,743	-
Accruals	71,231	155,891
Deferred income	3,180,600	3,310,108
	<u>4,131,895</u>	<u>4,221,137</u>

The director's loan is unsecured, interest free and carries no schedule of repayment.

16. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	-	326,679
Directors' loan accounts	-	55,590
	<u>-</u>	<u>382,269</u>

17. Leasing agreements

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

	2017	2016
	£	£
Within one year	22,944	22,944
Between one and five years	1,912	24,856
	<u>24,856</u>	<u>47,800</u>

18. Provisions for liabilities

	2017	2016
	£	£
Deferred tax	<u>187,779</u>	<u>204,428</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

18. Provisions for liabilities - continued

	Deferred tax £
Balance at 1 April 2016	204,428
Credit to Statement of Comprehensive Income during year	(16,649)
Balance at 31 March 2017	<u>187,779</u>

Deferred taxation is fully provided at the current rate of corporation tax on the excess of the net book value of those assets qualifying for taxation allowance over their written down values for taxation purposes.

19. Called up share capital

Allotted, issued and fully paid:		Nominal value: £1	2017 £	2016 £
Number:	Class:			
50,000	Ordinary		<u>50,000</u>	<u>50,000</u>

20. Reserves

	Retained earnings £
At 1 April 2016	24,711,242
Profit for the year	1,159,405
Dividends paid to parent company	(1,433,512)
At 31 March 2017	<u>24,437,135</u>

Retained earnings represent cumulative profits and losses net of dividends and other adjustments.

21. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

As permitted by FRS102, transactions between group companies have not been disclosed.

The following related party transactions took place during the year with Lochs and Glens (Transport) Limited, a company under common control:

	2017 £	2016 £
Management charge raised	2,600,000	2,600,000
Tour transport purchased	7,006,575	7,425,241
Debit/(Credit) balance at 31 March	486,539	(6,360)

Key management personnel remuneration in the year totalled £697,643 (2016: £434,120).

22. Ultimate controlling party

The controlling party is Wells Hotels Limited, a company registered in Scotland SC333116.

The ultimate controlling parties are N Wells and I Wells who each own 50% of the share capital of Wells Hotels Limited.

23. Share-based payment transactions

During the year two employees were issued shares on an equity settled basis under an employee shareholder arrangement with a market value of £4,000 in Wells Hotels Limited, the parent company of M F Wells (Hotels) Limited. This was the fair value at the date of award.

24. Pension scheme

The group operates a money purchased (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents a contribution payable by the group to the fund and amounted to £169,798 (2016 - £72,411).