

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 March 2019
for
M F WELLS (HOTELS) LIMITED**

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for the Year Ended 31 March 2019**

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M F WELLS (HOTELS) LIMITED

**Company Information
for the Year Ended 31 March 2019**

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 2019**

The directors present their strategic report for the year ended 31 March 2019.

Review of business

The principal activity of the company during the year continued to be that of a coach tour operator arranging tours based around its hotels in Scotland. During the year the company continued to experience strong demand for its tours.

Financial key performance indicators

Financial performance during the year can be analysed as follows:

Financial performance	31 March 2019	31 March 2018
Turnover (£000)	22,079	20,883
Profit before tax (£000)	1,172	1,562

Turnover

The company's level of turnover increased to £22.1m (2018 - £20.9m), a positive result given the competitive nature of the market in which the company operates.

Operating costs

Underlying overheads before repairs were broadly at the same level as the previous year, and the company continued its policy of reinvestment in the hotels to maintain the standard of its properties.

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.

The directors are confident that the company is in a strong position to deal with any challenges arising from Brexit.

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

7 October 2019

**Report of the Directors
for the Year Ended 31 March 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

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 2018 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

7 October 2019

Opinion

We have audited the financial statements of M F Wells (Hotels) Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

7 October 2019

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

**Statement of Comprehensive Income
for the Year Ended 31 March 2019**

	Notes	2019 £	2018 £
Turnover	3	22,078,941	20,882,610
Cost of sales		17,032,228	16,284,361
Gross profit		5,046,713	4,598,249
Administrative expenses		3,949,619	3,055,414
Operating profit	5	1,097,094	1,542,835
Interest receivable and similar income	6	75,163	25,056
		1,172,257	1,567,891
Interest payable and similar expenses	7	451	5,705
Profit before taxation		1,171,806	1,562,186
Tax on profit	8	251,359	297,561
Profit for the financial year		920,447	1,264,625
Other comprehensive income		-	-
Total comprehensive income for the year		920,447	1,264,625

The notes form part of these financial statements

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

**Balance Sheet
31 March 2019**

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	10	23,805,392	24,081,090
Investment property	11	203,598	-
		<u>24,008,990</u>	<u>24,081,090</u>
Current assets			
Stocks	12	83,461	79,052
Debtors	13	957,499	503,412
Investments	14	3,053,481	-
Cash at bank and in hand		2,491,516	5,672,709
		<u>6,585,957</u>	<u>6,255,173</u>
Creditors			
Amounts falling due within one year	15	(4,868,359)	(5,009,231)
Net current assets		<u>1,717,598</u>	<u>1,245,942</u>
Total assets less current liabilities		<u>25,726,588</u>	<u>25,327,032</u>
Provisions for liabilities	17	(186,273)	(182,468)
Net assets		<u><u>25,540,315</u></u>	<u><u>25,144,564</u></u>
Capital and reserves			
Called up share capital	18	50,000	50,000
Retained earnings	19	25,490,315	25,094,564
Shareholders' funds		<u><u>25,540,315</u></u>	<u><u>25,144,564</u></u>

The financial statements were approved by the Board of Directors on 7 October 2019 and were signed on its behalf by:



N Wells - Director

**Statement of Changes in Equity
for the Year Ended 31 March 2019**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2017	50,000	24,437,135	24,487,135
Changes in equity			
Dividends paid to parent company	-	(607,196)	(607,196)
Total comprehensive income	-	1,264,625	1,264,625
Balance at 31 March 2018	<u>50,000</u>	<u>25,094,564</u>	<u>25,144,564</u>
Changes in equity			
Dividends paid to parent company	-	(524,696)	(524,696)
Total comprehensive income	-	920,447	920,447
Balance at 31 March 2019	<u>50,000</u>	<u>25,490,315</u>	<u>25,540,315</u>

Cash Flow Statement
for the Year Ended 31 March 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	1,205,769	3,299,110
Interest paid		(451)	(5,705)
Tax paid		(242,779)	(299,255)
Net cash from operating activities		962,539	2,994,150
Cash flows from investing activities			
Purchase of tangible fixed assets		(519,184)	(343,734)
Purchase of investment property		(203,598)	-
Sale of tangible fixed assets		84,468	412,440
Purchases of investments		(3,908,768)	(2,287,653)
Sales of investments		870,629	3,942,757
Interest received		41,440	33,040
Dividends received		18,382	32,297
Net cash from investing activities		(3,616,631)	1,789,147
Cash flows from financing activities			
Loan repaid by group company		30	36
Amount withdrawn by directors		(2,435)	(10,038)
Equity dividend paid to parent		(524,696)	(607,196)
Net cash from financing activities		(527,101)	(617,198)
(Decrease)/increase in cash and cash equivalents		(3,181,193)	4,166,099
Cash and cash equivalents at beginning of year	2	5,672,709	1,506,610
Cash and cash equivalents at end of year	2	2,491,516	5,672,709

Notes to the Cash Flow Statement
for the Year Ended 31 March 2019

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

	2019	2018
	£	£
Profit before taxation	1,171,806	1,562,186
Depreciation charges	710,413	779,446
Profit on disposal of fixed assets	-	(188,903)
Finance costs	451	5,705
Finance income	(75,163)	(25,056)
	<u>1,807,507</u>	<u>2,133,378</u>
(Increase)/decrease in stocks	(4,409)	5,637
(Increase)/decrease in trade and other debtors	(454,117)	276,338
(Decrease)/increase in trade and other creditors	(143,212)	883,757
	<u>1,205,769</u>	<u>3,299,110</u>
Cash generated from operations	<u>1,205,769</u>	<u>3,299,110</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 2019

	31/3/19	1/4/18
	£	£
Cash and cash equivalents	<u>2,491,516</u>	<u>5,672,709</u>

Year ended 31 March 2018

	31/3/18	1/4/17
	£	£
Cash and cash equivalents	<u>5,672,709</u>	<u>1,506,610</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2019**

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.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

Investment property

Investment property is initially recognised at cost. A restatement is made to fair value at each reporting date with changes recognised in profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

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.

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.

3. Turnover

The total turnover of the company for the year £22,078,941 (2018: £20,882,610) has been derived from its principal activity of hotels and tours wholly undertaken in the United Kingdom.

4. Employees and directors

	2019	2018
	£	£
Wages and salaries	4,444,068	4,220,386
Social security costs	337,318	313,013
Other pension costs	112,450	69,359
	<u>4,893,836</u>	<u>4,602,758</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

4. Employees and directors - continued

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

	2019	2018
Hotel staff	193	191
Administration	31	30
Resident managers	10	11
Working directors	2	2
	<u>236</u>	<u>234</u>

	2019 £	2018 £
Directors' remuneration	198,605	201,375
Directors' pension contributions to money purchase schemes	<u>30,000</u>	<u>10,000</u>

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

Money purchase schemes	<u>2</u>	<u>1</u>
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5. Operating profit

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

	2019 £	2018 £
Depreciation - owned assets	710,413	779,446
Profit on disposal of fixed assets	-	(188,903)
Auditors' remuneration	<u>12,500</u>	<u>12,000</u>

6. Interest receivable and similar income

	2019 £	2018 £
Investment income	59,822	65,337
(Loss) /gain on investments sold	(8,968)	101,150
Increase/ (decrease) in value of investments	<u>24,309</u>	<u>(141,431)</u>
	<u>75,163</u>	<u>25,056</u>

7. Interest payable and similar expenses

	2019 £	2018 £
Bank interest	<u>451</u>	<u>5,705</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

8. Taxation

Analysis of the tax charge

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

	2019 £	2018 £
Current tax:		
UK corporation tax	247,554	302,872
Deferred tax	3,805	(5,311)
Tax on profit	<u>251,359</u>	<u>297,561</u>

Reconciliation of total tax charge included in profit and loss

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

	2019 £	2018 £
Profit before tax	<u>1,171,806</u>	<u>1,562,186</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	222,643	296,815
Effects of:		
Expenses not deductible for tax purposes	35,121	35,121
Income not taxable for tax purposes	(6,405)	(34,375)
Total tax charge	<u>251,359</u>	<u>297,561</u>

9. Dividends paid to parent company

	2019 £	2018 £
Ordinary shares of £1 each Paid to parent company	<u>524,696</u>	<u>607,196</u>

10. Tangible fixed assets

	Freehold property £	Fixtures & equipment £	Motor vehicles £	Totals £
Cost				
At 1 April 2018	24,686,000	7,421,971	337,036	32,445,007
Additions	50,116	252,810	216,258	519,184
Disposals	-	-	(187,959)	(187,959)
At 31 March 2019	<u>24,736,116</u>	<u>7,674,781</u>	<u>365,335</u>	<u>32,776,232</u>
Depreciation				
At 1 April 2018	3,247,998	4,966,579	149,341	8,363,918
Charge for year	184,849	459,881	65,683	710,413
Written back on disposals	-	-	(103,491)	(103,491)
At 31 March 2019	<u>3,432,847</u>	<u>5,426,460</u>	<u>111,533</u>	<u>8,970,840</u>
Net book value				
At 31 March 2019	<u>21,303,269</u>	<u>2,248,321</u>	<u>253,802</u>	<u>23,805,392</u>
At 31 March 2018	<u>21,438,002</u>	<u>2,455,392</u>	<u>187,695</u>	<u>24,081,089</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

11. Investment property

Investment property was purchased in the year at a cost of £203,598. In the opinion of the directors its value has not changed.

12. Stocks

	2019 £	2018 £
Bar and catering stock	83,461	79,052

13. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	458	790
Amounts owed by group undertakings	65,168	65,198
Other debtors	652,248	150,548
Prepayments	239,625	286,876
	957,499	503,412

14. Current asset investments

	2019 £	2018 £
Listed investments	3,053,481	-

Market value of listed investments at 31 March 2019 - £3,053,481.

15. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	850,543	826,546
Corporation tax	247,554	242,779
Taxation and social security	71,745	83,381
Other creditors	-	80,150
Director's loan account	30,270	32,705
Accruals	98,828	146,721
Deferred income	3,569,419	3,596,949
	4,868,359	5,009,231

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

16. Leasing agreements

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

	2019 £	2018 £
Within one year	21,739	1,912
Between one and five years	86,956	-
In more than five years	45,307	-
	154,002	1,912

17. Provisions for liabilities

	2019 £	2018 £
Deferred tax	186,273	182,468

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

17. Provisions for liabilities - continued

	Deferred tax £
Balance at 1 April 2018	182,468
Charge to Statement of Comprehensive Income during year	3,805
Balance at 31 March 2019	<u>186,273</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.

18. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2019 £	2018 £
50,000	Ordinary		<u>50,000</u>	<u>50,000</u>

19. Reserves

	Retained earnings £
At 1 April 2018	25,094,564
Profit for the year	920,447
Dividends paid to parent company	(524,696)
At 31 March 2019	<u>25,490,315</u>

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

20. Capital commitments

	2019 £	2018 £
Contracted but not provided for in the financial statements	<u>51,310</u>	<u>-</u>

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:

	2019 £	2018 £
Management charge raised	2,315,138	2,107,168
Tour transport purchased	6,867,850	6,536,067
Debit / (credit) balance at 31 March	539,858	(80,150)

Key management personnel remuneration in the year totalled £693,469 (2018: £668,052).

22. Ultimate controlling party

The controlling party is Wells Hotels Limited, a company registered in Scotland SC333116. Its financial statements are publicly available at Companies House.

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

23. Pension scheme

The group operates money purchased (defined contribution) pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents a contribution payable by the group to the funds and amounted to £112,450 (2018 - £69,359).