

Registered number  
03741747

Heritage Attractions Limited  
Report and Financial Statements  
31 January 2018

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**Heritage Attractions Limited**  
**Report and accounts**  
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## **Heritage Attractions Limited**

### **Company Information**

#### **Directors**

A J S Leech  
P M Johnson-Treherne

#### **Secretaries**

G Johnson  
P M Johnson-Treherne

#### **Auditor**

RSM UK Audit LLP  
14th Floor  
20 Chapel Street  
Liverpool  
L3 9AG

#### **Bankers**

Santander UK PLC  
Bridle Road  
Bootle  
Merseyside  
L30 4GB

#### **Solicitors**

Napthens LLP  
Darwen House  
Walker Business Park  
Blackburn  
BB1 2QE

#### **Registered office**

5th Floor  
88 Church Street  
Liverpool  
L1 3HD

#### **Registered number**

03741747

**Heritage Attractions Limited**  
**Strategic report**  
**for the year ended 31 January 2018**

**Principal activities**

The principal activity of the company is the operation of landmark day visitor attractions in the Isle of Wight, Cornwall and North Wales. The profit for the year, after taxation, amounted to £1,867,619 (2017: £1,576,569). The directors do not recommend a final dividend. There was a dividend paid in the year of £1,050,000 (2017: £1,000,000).

**Business model**

Heritage Attractions operates some of the UK's most outstanding landmark destinations and popular visitor attractions. Our current portfolio stretches from Land's End at the South-Western tip of Cornwall to remote John O'Groats in the far North of Scotland. In between, Snowdon Mountain Railway takes passengers from Llanberis, in the heart of Snowdonia National Park, to the summit of the highest mountain in England and Wales. The Needles park welcomes visitors to the Isle of Wight's famous lighthouse and Needles rocks.

Heritage Attractions aims to maintain and develop the UK's heritage sensitively and responsibly for the benefit of all and to provide exciting and stimulating family value days out for its customers. Key elements of the businesses objectives are:

Organic growth - Capital expenditure is planned within each business unit to improve standards further and increase the attractions' growth rate. The focus will be to improve spend per head and the dwell time of guests.

Destination accommodation - The attractions will be supplemented by accommodation units to provide new developments to existing estate assets or improve overall profitability of the asset.

Continued acquisitions - Continued interest in available visitor attractions within the tourism market where visitor numbers exceed 100,000 pa.

**Business review and results**

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

Overall operating profit has increased by £358,749 compared to prior year.

The Directors are pleased with the year end net asset position of £12,401,913 (2017:£11,584,294).

**Key performance indicators**

The directors consider visitor numbers and spend per head to be key performance indicators.

Land's End - increase in visitor numbers of 0.5% compared to prior year, and an increase in spend per head of 3.9% compared to prior year.

Snowdon Mountain Railway - an increase in visitor numbers of 10.3% compared to prior year, and a decrease in spend per head of 0.8% compared to prior year.

Needles Park - decrease in visitor numbers of 6.2% compared to prior year, and an increase in spend per head of 2.9% compared to prior year.

Overall there was a decrease in visitor numbers of 0.9% and an increase in spend per head of 0.6%. The directors are satisfied with these results.

**Heritage Attractions Limited**  
**Strategic report (continued)**  
**for the year ended 31 January 2018**

**Principal risks and uncertainties**

The objectives of the company are to manage the company's financial risk, secure cost effective funding for the company's operations, and to minimise the adverse effects of fluctuations in the financial markets on the company's financial assets and liabilities, on reported profitability and on the cash flows of the company.

The company finances its activities through a combination of finance leases, hire purchase contracts and cash deposits. Overdrafts are used to satisfy short term cash flow requirements. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the company's operating activities. The company does not trade in financial instruments and has no other form of derivatives.

All of the company's transactions are predominantly in sterling. The company does not hedge any currency exposures.

The directors consider that the health, safety and welfare of its employees, customers and all others who may be affected by its businesses and activities is of paramount importance. As a result, the company has made arrangements to manage all aspects of health and safety in all areas and across all sites owned or managed by the company. Included in these arrangements will be methods to monitor and review their effectiveness.

**Future developments**

The company acquired a 50 year lease from Sandown Town Council, to masterplan and redevelop Sandham Gardens, in Sandown on the Isle of Wight. Investment has commenced for the 2018 season and further plans are being developed for 2019 and beyond.

The adventure golf at the Needles Park has undergone a total refurbishment for 2018 and has been extended by two holes.

Land's End is in the process of renovating Penwith House, a previously under-utilised building, into four luxury studios which will be serviced from the existing hotel. The project is scheduled to be completed by the end of May 2018.

The Shaun the Sheep attraction at Land's End has been significantly changed for 2018 and now features more of the great brands from Aardman Animations. The "Grand Experience" will open for Easter 2018.

The directors are currently looking at a number of exciting opportunities for 2018 and beyond.

This report was approved by the board on 18 June 2018 and signed on its behalf.



P M Johnson-Treherne  
Director

**Heritage Attractions Limited**  
**Directors' report**  
**for the year ended 31 January 2018**

The directors present their report and financial statements for the year ended 31 January 2018.

**Directors and their interests**

The following persons served as directors during the year:

A J S Leech  
P M Johnson-Treherne

A J S Leech is a discretionary beneficiary of a Jersey Trust which, through Cherberry Limited, a Jersey company, owns the entire share capital of Heritage Great Britain PLC, the immediate holding company of Heritage Attractions Limited.

**Results and dividends:**

The results for the year are set out on page 8. Interim dividends of £1,050,000 (2017:£1,000,000) were paid. The directors do not recommend payment of a final dividend.

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 auditor is aware of that information.

**Matters of strategic importance**

The company has chosen in accordance with Companies Act 2006, s.414C (11) to set out in the company's Strategic Report information required by Large and Medium sized Companies and Group (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments.

**Disabled persons**

The group's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Arrangements are made, wherever possible, for retaining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.


**Employee involvement**

The group's policy is to involve employees, wherever possible, in matters likely to affect employees' interests. Information regarding matters of concern is communicated to employees in order to raise employee awareness of the group's performance.

**Auditor**

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

This report was approved by the board on 18 June 2018 and signed by its order.



G. Johnson  
Company Secretary

**Registered Office**  
5th Floor  
88 Church Street  
Liverpool  
L1 3HD

**Heritage Attractions Limited**  
**Statement of Directors' responsibilities**  
**for the year ended 31 January 2018**

The directors are responsible for preparing the Strategic report, the Directors report and 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice 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 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.

## **Independent auditors' report to the members of Heritage Attractions Limited**

### **Opinion on financial statements**

We have audited the financial statements of Heritage Attractions Limited for the year ended 31 January 2018, which comprise Profit and loss account and other comprehensive income, Balance sheet, Statement of changes in equity and 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 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 company's affairs as at 31 January 2018 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 Auditor's 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

### **Opinion 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.



**Independent auditors' report  
to the members of Heritage Attractions Limited (continued)**

**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 any 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, 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 directors' responsibilities statement, set out on page 5, 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 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.

**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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 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 an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*RSM UK Audit LLP*

Michael Fairhurst FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
14th Floor  
20 Chapel Street  
Liverpool  
L3 9AG  
Date: 20 June 2018

**Heritage Attractions Limited**  
**Profit and loss account**  
**for the year ended 31 January 2018**

	Notes	2018 £	2017 £
Turnover	2	14,062,441	13,503,387
Cost of sales		(3,678,140)	(3,547,251)
<b>Gross profit</b>		<b>10,384,301</b>	<b>9,956,136</b>
Administrative expenses		(8,343,283)	(8,272,035)
Other operating income		112,359	110,527
<b>Operating profit</b>	3	<b>2,153,377</b>	<b>1,794,628</b>
Interest receivable		20	785
Interest payable	5	(40,505)	(59,044)
<b>Profit on ordinary activities before taxation</b>		<b>2,112,892</b>	<b>1,736,369</b>
Tax on profit on ordinary activities	6	(245,273)	(159,800)
<b>Profit for the financial year</b>		<b>1,867,619</b>	<b>1,576,569</b>

The company has no recognised gains and losses other than the results above and therefore no separate statement of comprehensive income has been presented.

**Heritage Attractions Limited**  
**Balance sheet**  
**as at 31 January 2018**

Registered number  
03741747

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	7	10,825,466	11,020,171
Investments	8	4	4
		<u>10,825,470</u>	<u>11,020,175</u>
<b>Current assets</b>			
Stocks	9	776,244	797,500
Debtors	10	7,223,822	6,312,313
Cash at bank and in hand		806,928	503,038
		<u>8,806,994</u>	<u>7,612,851</u>
<b>Creditors: amounts falling due within one year</b>	11	(1,253,301)	(1,084,667)
<b>Net current assets</b>		<u>7,553,693</u>	<u>6,528,184</u>
<b>Total assets less current liabilities</b>		<u>18,379,163</u>	<u>17,548,359</u>
<b>Creditors: amounts falling due after more than one year</b>	12	(5,579,030)	(5,579,030)
<b>Provisions for liabilities</b>			
Deferred taxation	13	(398,220)	(385,035)
<b>Net assets</b>		<u>12,401,913</u>	<u>11,584,294</u>
<b>Capital and reserves</b>			
Called up share capital	14	8,221,502	8,221,502
Profit and loss account	15	4,180,411	3,362,792
<b>Total equity</b>		<u>12,401,913</u>	<u>11,584,294</u>

The financial statements were approved by the board of directors and authorised for issue on 18 June 2018 and are signed by its behalf by:



P M Johnson-Treherne  
Director

**Heritage Attractions Limited**  
**Statement of changes in equity**  
**for the year ended 31 January 2018**

	<b>Share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 February 2016</b>	8,221,502	2,786,223	11,007,725
Profit for the financial year	-	1,576,569	1,576,569
Dividends	-	(1,000,000)	(1,000,000)
<b>At 31 January 2017</b>	<u>8,221,502</u>	<u>3,362,792</u>	<u>11,584,294</u>
<b>At 1 February 2017</b>	8,221,502	3,362,792	11,584,294
Profit for the financial year	-	1,867,619	1,867,619
Dividends	-	(1,050,000)	(1,050,000)
<b>At 31 January 2018</b>	<u>8,221,502</u>	<u>4,180,411</u>	<u>12,401,913</u>

**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

**1 Summary of significant accounting policies**

***Basis of preparation***

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the requirements on the Companies Act 2006.

The Company's parent undertaking, Heritage Great Britain PLC, includes the Company in its consolidated financial statements. The consolidated financial statements of Heritage Great Britain PLC are available to the public and may be obtained from the address specified in note 22.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.
- Basic financial instruments at carrying amount measured at amortised cost less impairment.

The Company continues to adopt the reduced disclosure framework of FRS 102 in its financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

***Turnover***

Turnover is stated net of value added tax and represents the total amount receivable by the company in respect of admission, accommodation, catering and retail sales provided during the year. For admission, food and beverage and retail income, revenue is recognised on receipt of cash basis. For hotel accommodation and other miscellaneous income, revenue is recognised on delivery of the goods or performance of the service.

***Other Income***

***Rental Income***

Rental income on property is recognised on a straightline basis over the lease term and is presented within other operating income.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	2%
Computer equipment	10-33%
Motor Vehicles	5-25%
Plant and machinery	5-12.5%
Fixtures, fittings, tools and equipment	12.5%

Freehold land is not depreciated.

Railway line and rolling stock are depreciated on a straight line basis over 50 years, with the exception of some significant components, which are depreciated over 5 to 20 years.

Assets held under finance leases are depreciated over the shorter of their estimated useful lives and the term of the lease.

***Going concern***

The directors have considered the company's projected future cashflows, working capital requirements and its banking facilities, and are confident that it has sufficient cashflows to meet its working capital requirements for the next 12 months. On this basis the Directors continue to prepare the financial statements on a going concern basis.

**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

**Investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method.

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

**Debtors**

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

**Creditors**

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

**Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Expenses**

**Operating leases**

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

**Finance leases**

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

**Interest receivable and Interest payable**

Interest payable and similar charges include interest payable, finance charges on finance leases recognised in profit or loss using the effective interest method.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

**Provisions**

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

**Foreign currency translation**

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

**Leased assets**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments.

Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life.

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

**Government grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

**Pensions**

The company operates a defined contribution pension scheme for certain employees. The costs are charged to the profit and loss account as incurred. The charge for the year was £104,180 (2017: £128,265).

**Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Cash and cash equivalents**

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

**Group accounts**

The company is exempt from the requirement to present consolidated accounts as it is a wholly owned subsidiary undertaking of Heritage Great Britain PLC, registered in England and Wales.

**Critical accounting estimates and judgements**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. 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. The Directors do not believe any accounting estimates or judgements to be critical.

**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

<b>2 Analysis of turnover</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
By activity:		
Attractions and admissions	5,829,624	5,602,377
Retail	3,556,455	3,452,239
Catering, hotel and bar	4,510,112	4,249,670
Other revenues	166,250	199,101
	<u>14,062,441</u>	<u>13,503,387</u>
All turnover is derived in the UK		
<b>3 Operating profit</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
This is stated after charging / (crediting):		
Depreciation of owned fixed assets	535,390	524,367
Depreciation of assets held under finance leases and hire purchase contracts	31,740	31,740
Amortisation of goodwill	-	45,879
Operating lease rentals - plant and machinery	33,264	38,029
Government grants - release of deferred income	(6,000)	(6,000)
Carrying amount of stock sold	<u>3,678,140</u>	<u>3,547,251</u>
Auditors fees and tax services are met by the parent company.		
<b>4 Staff costs</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,477,397	4,304,293
Social security costs	308,078	280,472
Other pension costs	104,180	128,265
	<u>4,889,655</u>	<u>4,713,030</u>
Average number of employees during the year (head count) was:	<b>Number</b>	<b>Number</b>
Administration	29	31
Sales	269	260
	<u>298</u>	<u>291</u>
Average number of employees during the year (full time equivalent) was:	<b>Number</b>	<b>Number</b>
Administration	29	31
Sales	179	182
	<u>208</u>	<u>213</u>
Directors remuneration is met by the parent company.		
<b>5 Interest payable</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other interest	22,571	33,297
Finance charges payable under finance leases and hire purchase contracts	17,934	25,747
	<u>40,505</u>	<u>59,044</u>



**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

<b>6 Taxation</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	226,698	144,106
Adjustments in respect of previous periods	5,390	(9,245)
	<u>232,088</u>	<u>134,861</u>
Deferred tax:		
Origination and reversal of timing differences	13,185	44,944
Effect of tax rate change on opening balance	-	(20,005)
	<u>13,185</u>	<u>24,939</u>
 Tax on profit on ordinary activities	 <u>245,273</u>	 <u>159,800</u>

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Profit for the year	1,867,619	1,576,569
Total tax expense	245,273	159,800
Profit excluding taxation	<u>2,112,892</u>	<u>1,736,369</u>
Standard rate of corporation tax in the UK	19.16%	20.00%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	404,865	347,274
Effects of:		
Expenses not deductible for tax purposes	1,160	653
Fixed asset differences	55,550	70,733
Group relief claimed	(220,789)	(221,461)
Adjust closing deferred tax to average rate	(50,636)	(67,947)
Adjust opening deferred tax to average rate	49,047	39,989
Deferred tax not recognised	686	(196)
Adjustments to tax charge in respect of previous periods	5,390	(9,245)
Total tax charge for period	<u>245,273</u>	<u>159,800</u>

**Factors that may affect future tax charges**

The current rate of corporation tax is 19%. corporation tax rate for financial years 2017-2019 is set at 19%.

On 6 September 2016, the 2016 Finance Bill was substantively enacted. This Bill includes provision for the corporation tax rate to be reduced to 17% 1 April 2020. The company's tax provisions factor in these rate changes.

**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

**7 Tangible fixed assets**

	<b>Railway line and rolling stock £</b>	<b>Freehold Land and buildings £</b>	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost</b>						
At 31 January 2017	3,507,601	10,535,047	3,199,437	145,141	2,935,758	20,322,984
Additions		19,708	57,413	10,300	285,004	372,425
At 31 January 2018	<u>3,507,601</u>	<u>10,554,755</u>	<u>3,256,850</u>	<u>155,441</u>	<u>3,220,762</u>	<u>20,695,409</u>
<b>Depreciation</b>						
At 31 January 2017	775,523	3,497,245	2,355,178	111,937	2,562,930	9,302,813
Charge for the year	65,323	205,640	174,781	4,813	116,573	567,130
At 31 January 2018	<u>840,846</u>	<u>3,702,885</u>	<u>2,529,959</u>	<u>116,750</u>	<u>2,679,503</u>	<u>9,869,943</u>
<b>Net book value</b>						
At 31 January 2018	<u>2,666,755</u>	<u>6,851,870</u>	<u>726,891</u>	<u>38,691</u>	<u>541,259</u>	<u>10,825,466</u>
At 31 January 2017	<u>2,732,078</u>	<u>7,037,802</u>	<u>844,259</u>	<u>33,204</u>	<u>372,828</u>	<u>11,020,171</u>

**Heritage Attractions Limited**  
**Notes to the Accounts**  
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<b>8 Investments</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Shares in subsidiary undertakings	<u>4</u>	<u>4</u>
	<b>Principal activity</b>	<b>Class and percentage of shares held</b>
Land's End Limited	Dormant	100% ordinary
John O'Groats Limited	Dormant	100% ordinary
Registered office of above undertakings: 5th Floor 88 Church Street Liverpool L1 3HD		
<b>9 Stocks</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Raw materials and consumables	279,460	271,269
Work in progress	52,829	47,266
Finished goods and goods for resale	<u>443,955</u>	<u>478,965</u>
	<u>776,244</u>	<u>797,500</u>
<b>10 Debtors</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	21,288	33,039
Amounts owed by group undertakings	6,970,393	6,074,657
Other debtors	67,330	40,310
Prepayments and accrued income	<u>164,811</u>	<u>164,307</u>
	<u>7,223,822</u>	<u>6,312,313</u>
<b>11 Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	448,220	405,898
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	57
Corporation tax	116,226	45,380
Other taxes and social security costs	55,371	55,493
Other creditors	163,065	130,879
Accruals and deferred income	198,419	168,960
Deferred grant income	<u>272,000</u>	<u>278,000</u>
	<u>1,253,301</u>	<u>1,084,667</u>
<b>12 Creditors: amounts falling due after one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>5,579,030</u>	<u>5,579,030</u>

The amounts owed to group undertakings has no fixed repayment date but the directors of Heritage Great Britain plc have confirmed the balance will not be payable in the next twelve months.

**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

<b>13 Deferred taxation</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>398,220</u>	<u>385,035</u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
At 1 February	385,035	360,096
Deferred tax credit in profit and loss account	13,185	24,939
At 31 January	<u>398,220</u>	<u>385,035</u>

The amount of the net reversal of deferred tax expected to occur next year is £13,185 (2017: 24,939), relating to the reversal of existing timing differences on tangible fixed assets and the origination of new timing differences on tangible fixed assets.

<b>14 Share capital</b>	<b>Nominal value</b>	<b>2018 Number</b>	<b>2018</b>	<b>2017</b>
			<b>£</b>	<b>£</b>
Allotted, called up and fully paid:				
Ordinary shares	£1 each	8,221,502	<u>8,221,502</u>	<u>8,221,502</u>

**15 Profit and loss account**

Cumulative profit and loss net of distributions to owners.

<b>16 Dividends</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Dividends on ordinary shares	<u>1,050,000</u>	<u>1,000,000</u>

A dividend of 12.77 pence per ordinary share was paid in the year (2017: 12.16 pence)

**17 Other financial commitments**

Total future minimum lease payments under non-cancellable operating leases:

	<b>Other 2018</b>	<b>Other 2017</b>
	<b>£</b>	<b>£</b>
Falling due:		
within one year	21,120	30,354
within two to five years	<u>4,195</u>	<u>25,965</u>
	<u>25,315</u>	<u>56,319</u>

**18 Contingent liabilities**

The company has provided a cross-guarantee to the Companies' bankers in respect of all group company's overdraft and borrowing facilities. If other Companies in the Group were to default on their overdraft arrangements then Heritage Attractions Limited would be liable for any outstanding liabilities. The net overdrafts for other Group Companies at the year end amounted to £nil (2017:£nil).

**19 Ultimate parent undertaking and controlling party**

The company is a wholly owned subsidiary of Heritage Great Britain PLC which is registered in England and Wales. Copies of Heritage Great Britain PLC accounts are available from its registered office: 5th Floor, 88 Church Street, Liverpool, L1 3HD. The entire share capital of Heritage Great Britain PLC is wholly owned by a Jersey company, Cherberry Limited. Cherberry Limited is wholly owned by the Trustees of a settlement. In the opinion of the directors, there is no single individual or entity that can or does exercise ultimate control, as defined under FRS102 Section 33, over that company.

**Heritage Attractions Limited**  
**Notes to the Accounts**  
**for the year ended 31 January 2018**

**20 Presentation currency**

The financial statements are presented in Sterling.

**21 Legal form of entity and country of incorporation**

Heritage Attractions Limited is a private company limited by shares, incorporated in England.

**22 Principal place of business**

The address of the company's registered office is:

5th Floor  
88 Church Street  
Liverpool  
L1 3HD

The addresses of the company's principal place of business are:

Land's End  
Sennen  
Penzance  
Cornwall  
TR19 7AA

Snowdon Mountain Railway  
Llanberis  
Caernarfon  
Gwynedd  
LL55 4TY

The Needles Park  
Alum Bay  
Isle of Wight  
PO39 0JD

The First & Last Inn  
Sennen  
Penzance  
Cornwall  
TR19 7AD