

WOOD LEISURE HOLIDAY PARKS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

WOOD LEISURE HOLIDAY PARKS LIMITED

COMPANY INFORMATION

Directors	Mrs R A W Dishington Mrs S L W Macgregor Mrs K J W Thomson Mr C C Wood Mrs M A Wood
Registered number	SC585188
Registered office	Wood Leisure Head Office Blairgowrie Holiday Park Rattray Blairgowrie Perthshire PH10 7AL
Independent auditors	EQ Accountants LLP Chartered Accountants & Statutory Auditors 14 City Quay Dundee DD1 3JA

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2020**

Introduction

The company is a family run business, currently operating 6 high quality holiday parks across Scotland. The family have over 35 years experience operating in the holiday park sector and are well recognised in the industry, having received numerous industry awards. The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the forthcoming year.

Business review

The performance in the last period has remained strong, following the restructuring of the business to a limited company in the previous period.

The Directors continue to look at ways of developing the business and at the start of 2019 undertook to upgrade all self-catering caravan holiday homes for hire so as to guarantee any caravan would be a maximum of two years old. Across the six parks, additional lodges have been introduced, private hot tub facilities were increased, and the range of glamping options have been extended to include new 'spods' and glamping domes. These improvements, along with the regular programme of repairs and maintenance and increased residential sales at Campsie Glen have contributed to a significant uplift in turnover and improved net profit.

In 2019 Wood Leisure achieved further industry recognition with all 6 parks nominated in the SOLA 2019 awards, and Deeside Holiday Park winning 'Best Holiday Park' and Campsie Glen Holiday Park winning 'Best Value Accommodation'. At the Scottish Hospitality Awards, Lomond Woods Holiday Park also won the 'Best Holiday Park' award.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020**

Principal risks and uncertainties

Commercial risks

Operating within the tourism industry the company faces competition from other growing accommodation providers such as Airbnb. By offering a high quality selection of varying accommodation, Wood Leisure has the opportunity to appeal to a wide range of customers. The company has benefited from recent political uncertainty and the reduced value of the pound, as UK holiday makers have sought to remain within the UK rather than travelling abroad.

Environmental Risk

The Company recognises the importance of its environmental responsibilities to the local environment it operates in. The Company has implemented a specific environmental policy designed to minimise and monitor any negative impact the business may have on the environment.

Health & Safety legislation

The Company recognises the importance and implications of the Health & Safety at Work Act 1974, together with all new Health and Safety legislation, including those introduced through EU directives. The Company has designated staffing to ensure all regulation requirements are met and all relevant information is provided to staff.

COVID-19

On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic due to the global spread of the virus. The Company voluntarily took the decision to close all six parks for the safety of their guests and staff prior to the lockdown announcement on 23 March 2020.

The closure of all parks during phase 1 and 2 of the lockdown has inevitably impacted turnover, however the nature of self contained holiday accommodation that the Company offers means that it is well placed to thrive under these challenging trading conditions. The Directors remain committed and flexible in their approach to ensuring the adaptability of the business, with measures implemented to meet with and exceed government's COVID-19 reopening guidance. The Company continues to follow evolving government guidelines to ensure that the various restrictions are respected while maintaining customer experience at each of the parks.

Financial key performance indicators

The Company measures KPIs on a monthly basis as part of its internal control processes and management accounts function.

The KPIs are the turnover and profitability of each of the parks, as well as overall performance of the Company.

Other key performance indicators

There are no other key performance indicators that the Company uses to measure performance.

This report was approved by the board on 22 December 2020 and signed on its behalf.

Mr C C Wood
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2020**

The directors present their report and the financial statements for the year ended 31 January 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £825,183 (2019 - £199,084).

Dividends of £8,334 were paid during the year (2019 - £NIL).

Directors

The directors who served during the year were:

Mrs R A W Dishington
Mrs S L W Macgregor
Mrs K J W Thomson
Mr C C Wood
Mrs M A Wood

Future developments

The Company intends to build on its existing infrastructure to continue to provide high quality accommodation and service to its customers throughout their holiday parks.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

The potential impact of COVID-19 has been considered within the Strategic report under the heading of Principal risks and uncertainties.

There have been no other significant events affecting the Company since the year end.

Auditors

The auditors, EQ Accountants LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22 December 2020 and signed on its behalf.

Mr C C Wood
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOOD LEISURE HOLIDAY PARKS LIMITED

Opinion

We have audited the financial statements of Wood Leisure Holiday Parks Limited (the 'Company') for the year ended 31 January 2020, which comprise the Income statement, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, 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 January 2020 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 United Kingdom, including the Financial Reporting Council'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 included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOOD LEISURE HOLIDAY PARKS LIMITED (CONTINUED)

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.

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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 an Auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOOD LEISURE HOLIDAY PARKS LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.

Douglas Rae (Senior statutory auditor)

for and on behalf of

EQ Accountants LLP

Chartered Accountants

Statutory Auditors

14 City Quay

Dundee

DD1 3JA

22 December 2020

INCOME STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2020

		Year ended 31 January 2020 £	<i>Period ended 31 January 2019 £</i>
Turnover	4	6,250,873	4,948,107
Cost of sales		(1,135,829)	(889,094)
Gross profit		5,115,044	4,059,013
Administrative expenses		(4,088,135)	(3,408,985)
Operating profit	5	1,026,909	650,028
Income from shares in group undertakings		-	2,779,754
Amounts written off investments		-	(2,740,205)
Profit before tax		1,026,909	689,577
Tax on profit	8	(201,726)	(490,493)
Profit for the financial year		825,183	199,084

The notes on pages 13 to 28 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2020

		2020 £	2019 £
Fixed assets			
Intangible assets	10	2,152	15,169
Tangible assets	11	16,558,787	16,383,169
Investments	12	200	200
		<u>16,561,139</u>	<u>16,398,538</u>
Current assets			
Stocks	13	590,905	377,509
Debtors: amounts falling due within one year	14	125,220	213,749
Cash at bank and in hand		1,356,048	848,799
		<u>2,072,173</u>	<u>1,440,057</u>
Creditors: amounts falling due within one year	15	(1,785,879)	(1,333,516)
Net current assets		<u>286,294</u>	<u>106,541</u>
Total assets less current liabilities		<u>16,847,433</u>	<u>16,505,079</u>
Creditors: amounts falling due after more than one year	16	(5,085,151)	(5,590,232)
Provisions for liabilities			
Deferred tax	18	(345,134)	(314,548)
		<u>(345,134)</u>	<u>(314,548)</u>
Net assets		<u><u>11,417,148</u></u>	<u><u>10,600,299</u></u>
Capital and reserves			
Called up share capital	19	10,200	10,200
Share premium account	20	10,391,015	10,391,015
Profit and loss account	20	1,015,933	199,084
		<u><u>11,417,148</u></u>	<u><u>10,600,299</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 December 2020.

Mrs R A W Dishington
Director

The notes on pages 13 to 28 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2020**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
Profit for the period	-	-	199,084	199,084
Total comprehensive income for the period	-	-	199,084	199,084
Shares issued during the period	10,200	10,391,015	-	10,401,215
Total transactions with owners	10,200	10,391,015	-	10,401,215
At 1 February 2019	10,200	10,391,015	199,084	10,600,299
Profit for the year	-	-	825,183	825,183
Total comprehensive income for the year	-	-	825,183	825,183
Dividends: Equity capital	-	-	(8,334)	(8,334)
Total transactions with owners	-	-	(8,334)	(8,334)
At 31 January 2020	<u>10,200</u>	<u>10,391,015</u>	<u>1,015,933</u>	<u>11,417,148</u>

The notes on pages 13 to 28 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	825,183	199,084
Adjustments for:		
Depreciation of tangible assets	579,952	540,884
Loss on disposal of tangible assets	(4,331)	(5,952)
Dividends received	-	(2,779,754)
Taxation charge	201,726	490,493
(Increase) in stocks	(213,396)	(377,509)
Decrease/(increase) in debtors	88,529	(213,749)
Increase in creditors	470,363	913,283
Corporation tax (paid)/received	(175,771)	-
Net cash generated from operating activities	1,772,255	(1,233,220)
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(30,339)
Purchase of tangible fixed assets	(940,570)	(17,137,238)
Sale of tangible fixed assets	202,348	234,307
Purchase of fixed asset investments	-	(200)
Dividends received	-	2,779,754
Net cash from investing activities	(738,222)	(14,153,716)
Cash flows from financing activities		
Issue of ordinary shares	-	10,401,215
New secured loans	-	6,000,000
Repayment of loans	(518,450)	(165,480)
Dividends paid	(8,334)	-
Net cash used in financing activities	(526,784)	16,235,735
Net increase in cash and cash equivalents	507,249	848,799
Cash and cash equivalents at beginning of year	848,799	-
Cash and cash equivalents at the end of year	1,356,048	848,799
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,356,048	848,799
	1,356,048	848,799

The notes on pages 13 to 28 form part of these financial statements.

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 JANUARY 2020**

	At 1 February 2019 £	Cash flows £	At 31 January 2020 £
Cash at bank and in hand	848,799	507,249	1,356,048
Debt due after 1 year	(5,590,232)	505,081	(5,085,151)
Debt due within 1 year	(244,288)	(186,739)	(431,027)
	<u>(4,985,721)</u>	<u>825,591</u>	<u>(4,160,130)</u>

The notes on pages 13 to 28 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

1. General information

Wood Leisure Holiday Parks Limited is a private company, limited by shares, domiciled in Scotland with registration number SC585188. The registered office is Wood Leisure Head Office, Blairgowrie Holiday Park, Rattray, Blairgowrie, Perthshire, United Kingdom, PH10 7AL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The functional and presentational currency of the company is GBP sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the impact of the COVID-19 pandemic and government imposed restrictions on post year end results to date along with projected income streams and profitability.

Whilst recognising that the current situation gives rise to potential uncertainty over future trading conditions, cash and working capital availability is believed to be sufficient so as to allow the Company to meet liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

In view of the above, the directors consider it is appropriate to prepare the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

2. Accounting policies (continued)

2.4 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial

Position. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

2. Accounting policies (continued)

2.7 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income statement over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	10%
Plant and machinery	-	15%
Motor vehicles	-	25%
Fixtures and fittings	-	15%
Caravans	-	25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

2. Accounting policies (continued)

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Stocks

Stocks consist of new and used caravan stock and are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Judgement is used to assess whether there has been any impairment to the value of investments, stock, debtors and fixed assets in the year.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and the residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Turnover

An analysis of turnover by class of business is as follows:

	2020	<i>2019</i>
	£	<i>£</i>
Supply of services	3,999,805	<i>3,296,289</i>
Sale of goods	2,251,068	<i>1,651,818</i>
	<u>6,250,873</u>	<i><u>4,948,107</u></i>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2020	<i>2019</i>
	£	<i>£</i>
Depreciation of tangible fixed assets	566,936	<i>525,714</i>
Amortisation of intangible assets, including goodwill	13,016	<i>15,170</i>
Defined contribution pension cost	<u>22,225</u>	<i><u>11,526</u></i>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**6. Employees**

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	1,717,931	1,221,329
Social security costs	116,466	80,341
Cost of defined contribution scheme	22,225	11,526
	<u>1,856,622</u>	<u>1,313,196</u>

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

	2020 No.	2019 No.
Head office staff	21	18
Site staff	67	64
	<u>88</u>	<u>82</u>

7. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	<u>332,404</u>	<u>60,337</u>

The highest paid director received remuneration of £84,274 (2019 - £13,392).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2019 - £NIL).

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £NIL (2019 - £NIL).

The total accrued pension provision of the highest paid director at 31 January 2020 amounted to £NIL (2019 - £NIL).

The amount of the accrued lump sum in respect of the highest paid director at 31 January 2020 amounted to £NIL (2019 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

8. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	171,140	175,945
Total current tax	171,140	175,945
Deferred tax		
Origination and reversal of timing differences	30,586	314,548
Taxation on profit on ordinary activities	201,726	490,493

Factors affecting tax charge for the year/period

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	1,026,909	689,577
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	195,113	131,020
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	2,473	523,521
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	114	94
Capital allowances for year/period in excess of depreciation	(26,182)	50,043
Adjustments to tax charge in respect of prior periods	(174)	-
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	619	547
Book profit on chargeable assets	(823)	(1,127)
Changes in provisions leading to an increase (decrease) in the tax charge	30,586	314,548
Dividends from UK companies	-	(528,153)
Total tax charge for the year/period	201,726	490,493

Factors that may affect future tax charges

The only factors affecting tax charges are those imposed by HMRC.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

9. Dividends

	2020 £	2019 £
Dividends - ordinary	<u>8,334</u>	<u>-</u>

10. Intangible assets

	Goodwill £
Cost	
At 1 February 2019	30,339
At 31 January 2020	<u>30,339</u>
Amortisation	
At 1 February 2019	15,170
Charge for the year on owned assets	13,017
At 31 January 2020	<u>28,187</u>
Net book value	
At 31 January 2020	<u>2,152</u>
At 31 January 2019	<u>15,169</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Caravans £
Cost or valuation					
At 1 February 2019	14,692,674	398,081	169,365	23,641	1,625,122
Additions	29,621	60,326	246,796	18,740	585,087
Disposals	-	(6,664)	(99,807)	-	(156,667)
At 31 January 2020	14,722,295	451,743	316,354	42,381	2,053,542
Depreciation					
At 1 February 2019	13,816	59,713	42,341	3,546	406,298
Charge for the year on owned assets	14,125	56,283	73,377	5,599	417,551
Disposals	-	(1,000)	(24,953)	-	(39,168)
At 31 January 2020	27,941	114,996	90,765	9,145	784,681
Net book value					
At 31 January 2020	14,694,354	336,747	225,589	33,236	1,268,861
At 31 January 2019	14,678,858	338,368	127,024	20,095	1,218,824

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

11. Tangible fixed assets (continued)

	Total £
Cost or valuation	
At 1 February 2019	16,908,883
Additions	940,570
Disposals	(263,138)
	<hr/>
At 31 January 2020	17,586,315
	<hr/>
Depreciation	
At 1 February 2019	525,714
Charge for the year on owned assets	566,935
Disposals	(65,121)
	<hr/>
At 31 January 2020	1,027,528
	<hr/>
Net book value	
At 31 January 2020	<u>16,558,787</u>
<i>At 31 January 2019</i>	<u><u>16,383,169</u></u>

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 February 2019	200
	<hr/>
At 31 January 2020	<u><u>200</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Wood Leisure Limited	14 City Quay, Dundee, DD1 3JA	Ordinary	100 %
The Holiday Park GART Limited	Wood Leisure Head Office, Blairgowrie, PH10 7AL	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 January 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Wood Leisure Limited	100	-
The Holiday Park GART Limited	100	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**13. Stocks**

	2020 £	2019 £
Finished goods and goods for resale	<u>590,905</u>	<u>377,509</u>

14. Debtors

	2020 £	2019 £
Trade debtors	42,808	13,242
Other debtors	876	131,723
Prepayments and accrued income	81,536	68,784
	<u>125,220</u>	<u>213,749</u>

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	230,919	244,288
Trade creditors	538,992	436,949
Corporation tax	171,314	175,945
Other taxation and social security	77,588	21,424
Other creditors	206,245	2,877
Accruals and deferred income	560,821	452,033
	<u>1,785,879</u>	<u>1,333,516</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

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

	2020	2019
	£	£
Bank loans	<u>5,085,151</u>	<u>5,590,232</u>

Bank loans are secured in favour of The Royal Bank of Scotland Plc, who hold a bond and floating charge over the assets of the company, and a standard security over the land and buildings of the company.

Term loans of £3,600,000 (loan 1) and £2,400,000 (loan 2) were borrowed in the previous period. The year end 2020 carrying amounts are £3,198,916 (2019 - £3,315,768) and £2,117,154 (2019 - £2,518,752) respectively. Both loans are repayable in 2025 via 83 equal instalments which are based on a 240 month period from the date the loan was drawn, and therefore given the actual term of each loan is 84 months, the amount of the final 84th instalment will be larger and sufficient to repay the loans and interest in full.

Interest is charged at a fixed rate of 3.9% on loan 1 and 1.85% above base rate on loan 2.

17. Loans

Analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year		
Bank loans	230,919	244,288
Amounts falling due 1-2 years		
Bank loans	238,627	222,919
Amounts falling due 2-5 years		
Bank loans	764,846	714,792
Amounts falling due after more than 5 years		
Bank loans	4,081,678	4,652,521
	<u>5,316,070</u>	<u>5,834,520</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

18. Deferred taxation

	2020 £
At beginning of year	(314,548)
Charged to the profit or loss	(30,586)
At end of year	<u>(345,134)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	<u>(345,134)</u>	<u>(314,548)</u>

19. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
10,200 (2019 - 10,200) Ordinary shares shares of £1 each	<u>10,200</u>	<u>10,200</u>

20. Reserves

Share premium account

The balance on this account equates to the additional price paid in excess of par value of the share capital of the company when the shares were initially issued.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

21. Pension commitments

The Company operates a defined contributions 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 contributions payable by the Company to the fund and amounted to £22,225 (2019 - £11,526). Contributions totalling £6,137 (2019 - £2,877) were payable to the fund at the reporting date and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**22. Transactions with directors**

	Opening £	Advanced £	Repaid £	Closing £
Director	14,108	-	(13,232)	876
Director	14,000	-	(214,108)	(200,108)
Director	24,000	-	(24,000)	-
Director	24,000	-	(24,000)	-
Director	24,000	-	(24,000)	-
	<u>100,108</u>	<u>-</u>	<u>(299,340)</u>	<u>(199,232)</u>

There are no repayment terms or interest charged on the above loans. All debit balances were repaid within 9 months of the year end.

23. Related party transactions

Key management personnel include all directors and a number of senior managers who together have authority and responsibility for planning, directing and controlling the activities of the Company. The total compensation paid to key management personnel for services provided to the Company during the period, was £659,580 (2019 - £296,869).

24. Controlling party

The Company has no ultimate controlling party.

The Company is exempt from producing consolidated accounts under the Companies Act 2006 section 405, as a result of both subsidiary undertakings being dormant companies whose assets are not material to the overall true and fair view of the financial statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.