

**Company Registration No. 0394475 (England and Wales)**

**PENTEWAN SANDS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

SATURDAY



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# **PENTEWAN SANDS LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	Mrs P E Willis Ms A M D Willis Mr J R T Willis Mr P E Hawley
<b>Secretary</b>	Ms A M D Willis
<b>Company number</b>	0394475
<b>Registered office</b>	20 Henvver Road Newquay Cornwall
<b>Auditor</b>	Stephen Pearn & Co 20 Henvver Road Newquay Cornwall TR7 3BJ

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# **PENTEWAN SANDS LIMITED**

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# **PENTEWAN SANDS LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 MARCH 2017**

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

### **Fair review of the business**

The principal activity of the company continued to be that of the ownership , operation and management of holiday and caravan parks located at Pentewan and Heligan, Cornwall and Harvington Lock, Worcestershire.

### **Development and performance**

The results of the Company are set out page 6, showing a profit on ordinary activities before taxation of £604,289. The Company will continue to consolidate its position and concentrate its efforts on maintaining and improving on the Five Star Status at both Heligan and Pentewan. We aim to improve efficiency in all areas of our operations through cost reduction; customer service remains a top priority.

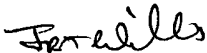
### **Key performance indicators**

Overall Sales decrease of 5% in the year is principally due to the leasing of the Driftwood food and beverage outlet to the Hubbox.

The performance of the Caravan and Camping sales at Pentewan and Heligan has produced steady results, touring pitch sales up 2% on the previous year and holiday homes up 1.8%. Due to an early Easter in 2016 and late in 2017, this accounting period included limited Easter revenue.

Gross profit margin has decreased to 33.43% compared with 37.38% in the previous year.

On behalf of the board



.....  
Mr J R T Willis

**Director**

12/12/17  
.....

# PENTEWAN SANDS LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2017**

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The directors present their annual report and financial statements for the year ended 31 March 2017.

### Principal activities

The principal activity of the company continued to be that of the ownership, operation and management of holiday and caravan parks located in Cornwall and Worcestershire.

### Directors

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

Mrs P E Willis  
Ms A M D Willis  
Mr J R T Willis  
Mr P E Hawley

### Results and dividends

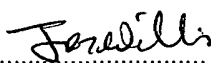
The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £10,000. The directors do not recommend payment of a further dividend.

### Statement of disclosure to auditor

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

On behalf of the board



Mr J R T Willis

Director

12/12/17

# **PENTEWAN SANDS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2017**

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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.

# **PENTEWAN SANDS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF PENTEWAN SANDS LIMITED**

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We have audited the financial statements of Pentewan Sands Limited for the year ended 31 March 2017 set out on pages 6 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the 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.

# **PENTEWAN SANDS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PENTEWAN SANDS LIMITED**

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### **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 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.



**Stephen Pearn (Senior Statutory Auditor)  
for and on behalf of Stephen Pearn & Co**

14 ~~SEPTEMBER~~ 2017

**Chartered Accountants  
Statutory Auditor**

20 HENVER ROAD  
NEWQUAY  
CORNWALL  
TR7 3BJ



# PENTEWAN SANDS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
<b>Turnover</b>	<b>3</b>	4,293,731	4,522,481
Cost of sales		(2,858,142)	(2,831,914)
<b>Gross profit</b>		1,435,589	1,690,567
Administrative expenses		(1,025,637)	(926,672)
Other operating income		194,326	166,681
<b>Operating profit</b>	<b>4</b>	604,278	930,576
Interest receivable and similar income	<b>8</b>	11	11
Interest payable and similar expenses	<b>9</b>	-	(916)
<b>Profit before taxation</b>		604,289	929,671
Taxation	<b>10</b>	(117,062)	(190,067)
<b>Profit for the financial year</b>	<b>25</b>	487,227	739,604

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# **PENTEWAN SANDS LIMITED**

## **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	<b>487,227</b>	<b>739,604</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>487,227</b>	<b>739,604</b>

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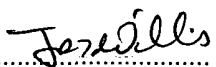
# PENTEWAN SANDS LIMITED

## BALANCE SHEET

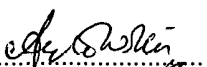
AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Goodwill	12		92,327		184,656
Tangible assets	13		7,205,206		7,305,775
			<u>7,297,533</u>		<u>7,490,431</u>
<b>Current assets</b>					
Stocks	15	30,136		46,128	
Debtors	16	105,706		91,861	
Cash at bank and in hand		680,323		14,752	
		<u>816,165</u>		<u>152,741</u>	
<b>Creditors: amounts falling due within one year</b>	17	(1,516,335)		(1,510,864)	
<b>Net current liabilities</b>			(700,170)		(1,358,123)
<b>Total assets less current liabilities</b>			6,597,363		6,132,308
<b>Creditors: amounts falling due after more than one year</b>	18		(14,418)		(20,560)
<b>Provisions for liabilities</b>	20		(447,556)		(453,585)
<b>Net assets</b>			<u>6,135,389</u>		<u>5,658,163</u>
<b>Capital and reserves</b>					
Called up share capital	22		11,555		11,555
Share premium account	23		3,448		3,448
Capital redemption reserve	24		5,867		5,867
Profit and loss reserves	25		6,114,519		5,637,293
<b>Total equity</b>			<u>6,135,389</u>		<u>5,658,163</u>

The financial statements were approved by the board of directors and authorised for issue on 12/12/17 and are signed on its behalf by:

  
JRT WILLIS

Director

  
AMD WILLIS

Director

Company Registration No. 0394475

# PENTEWAN SANDS LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2015</b>		17,422	3,448	-	5,817,738	5,838,608
<b>Period ended 31 March 2016:</b>						
Profit and total comprehensive income for the year		-	-	-	739,604	739,604
Dividends	11	-	-	-	(40,000)	(40,000)
Redemption of shares	22	(5,867)	-	-	-	(5,867)
Transfers		-	-	5,867	(880,050)	(874,183)
<b>Balance at 31 March 2016</b>		11,555	3,448	5,867	5,637,292	5,658,161
<b>Period ended 31 March 2017:</b>						
Profit and total comprehensive income for the year		-	-	-	487,227	487,227
Dividends	11	-	-	-	(10,000)	(10,000)
<b>Balance at 31 March 2017</b>		11,555	3,448	5,867	6,114,518	6,135,389

# PENTEWAN SANDS LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	28	1,198,757		1,484,143	
Interest paid		-		(916)	
Income taxes paid		(144,015)		(69,906)	
<b>Net cash inflow from operating activities</b>		<b>1,054,742</b>		<b>1,413,321</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(368,331)		(427,525)	
Proceeds on disposal of tangible fixed assets		94,554		118,400	
Interest received		11		11	
<b>Net cash used in investing activities</b>		<b>(273,766)</b>		<b>(309,114)</b>	
<b>Financing activities</b>					
Purchase of own shares		-		(880,050)	
Repayment of borrowings		(10,431)		(14,720)	
Repayment of bank loans		-		(105,850)	
Dividends paid		(10,000)		(40,000)	
<b>Net cash used in financing activities</b>		<b>(20,431)</b>		<b>(1,040,620)</b>	
<b>Net increase in cash and cash equivalents</b>		<b>760,545</b>		<b>63,587</b>	
Cash and cash equivalents at beginning of year		(80,222)		(143,809)	
<b>Cash and cash equivalents at end of year</b>		<b>680,323</b>		<b>(80,222)</b>	
<b>Relating to:</b>					
Cash at bank and in hand		680,323		14,752	
Bank overdrafts included in creditors payable within one year		-		(94,974)	

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

Pentewan Sands Limited is a company limited by shares incorporated in England and Wales. The company's registered number is 0394475. The registered office is 20 Henvy Road, Newquay, Cornwall. The principal place of business is Pentewan Sands, Pentewan, St Austell, Cornwall. PL26 6BT

#### 1.1 Accounting convention

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

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

The financial statements have been prepared on the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### 1.4 Intangible fixed assets - goodwill

Acquired goodwill was being written off in equal annual instalments over a useful economic life of 20 year until 31 March 2014. From 1 April 2013 the remaining net book value of acquired goodwill is being written off over a period of 5 years, which is considered a reasonable period for this type of business and reflects a more accurate useful economic life of the remaining goodwill.

#### 1.5 Tangible fixed assets

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

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

Freehold land and buildings	0% p.a / 5% p. a. on the reducing balance method / 5% p.a. on the straight line method / 2.5% p.a. on the straight line method / 4% p.a. on the straight line method / 10% p.a on the straight line method
Plant and machinery	9% p.a. on the straight line method / 25% p. a. on the reducing balance method
Fixtures, fittings & equipment	25% p.a. on the straight line method/ 20% p.a. on the straight line method 10% p.a. on the straight line method/ 5% p.a. on the straight line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.7 Stocks

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

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

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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

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

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



# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.10 Equity instruments

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

### 1.11 Taxation

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

#### **Current tax**

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

#### **Deferred tax**

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

#### 1.12 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.

#### 1.13 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

### 2 Judgements and key sources of estimation uncertainty

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.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017 £	2016 £
<b>Turnover</b>		
Sale of goods	4,293,731	4,522,481
	<u>          </u>	<u>          </u>
<b>Other significant revenue</b>		
Interest income	11	11
	<u>          </u>	<u>          </u>
<b>Turnover analysed by geographical market</b>		
	2017 £	2016 £
Turnover in UK	4,293,731	4,522,481
	<u>          </u>	<u>          </u>

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	435,034	427,812
Profit on disposal of tangible fixed assets	(60,689)	(100,945)
Amortisation of intangible assets	92,329	92,329
Cost of stocks recognised as an expense	458,277	497,826

The amortisation of intangible assets is included with Administrative expenses.

### 5 Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	13,400	13,400
<b>For other services</b>		
Other taxation services	500	500
All other non-audit services	750	1,395
	1,250	1,895

### 6 Employees

The average monthly number of persons employed by the company during the year was:

	2017 Number	2016 Number
Total number of employees	100	99

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	1,259,851	1,257,061

### 7 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	192,965	124,685

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 8 Interest receivable and similar income

	2017 £	2016 £
<b>Interest income</b>		
Interest on bank deposits	11	11

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	11	11
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### 9 Interest payable and similar expenses

	2017 £	2016 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	-	916

### 10 Taxation

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	123,090	144,014
<b>Deferred tax</b>		
Origination and reversal of timing differences	(6,028)	46,053
<b>Total tax charge</b>	<b>117,062</b>	<b>190,067</b>

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

	2017 £	2016 £
Profit before taxation	604,289	929,671
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	120,858	185,934
Tax effect of expenses that are not deductible in determining taxable profit	-	3,200
Depreciation add back	87,007	85,563
Capital allowances	(72,637)	(110,494)
Profit on disposal of assets	(12,138)	(20,189)
Deferred tax	(6,028)	46,053
<b>Taxation charge for the year</b>	<b>117,062</b>	<b>190,067</b>

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 11 Dividends

	2017 £	2016 £
Final paid	10,000	40,000

### 12 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2016 and 31 March 2017	674,000
<b>Amortisation and impairment</b>	
At 1 April 2016	489,344
Amortisation charged for the year	92,329
At 31 March 2017	581,673
<b>Carrying amount</b>	
At 31 March 2017	92,327
At 31 March 2016	184,656

### 13 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 April 2016	7,405,233	2,769,717	1,304,736	11,479,686
Additions	-	309,375	58,955	368,330
Disposals	-	(214,287)	(149,990)	(364,277)
At 31 March 2017	7,405,233	2,864,805	1,213,701	11,483,739
<b>Depreciation and impairment</b>				
At 1 April 2016	2,170,419	1,223,554	779,938	4,173,911
Depreciation charged in the year	136,918	230,419	67,697	435,034
Eliminated in respect of disposals	-	(201,562)	(128,850)	(330,412)
At 31 March 2017	2,307,337	1,252,411	718,785	4,278,533
<b>Carrying amount</b>				
At 31 March 2017	5,097,896	1,612,394	494,916	7,205,206
At 31 March 2016	5,234,815	1,546,163	524,797	7,305,775

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 14 Financial instruments

	2017 £	2016 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	70,364	55,405
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,331,948	1,283,691

### 15 Stocks

	2017 £	2016 £
Finished goods and goods for resale	30,136	46,128

### 16 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	70,090	54,715
Other debtors	274	690
Prepayments and accrued income	35,342	36,456
	105,706	91,861

### 17 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	19	-	94,974
Other borrowings	19	10,431	14,720
Trade creditors		267,279	250,790
Corporation tax		123,090	144,014
Other taxation and social security		75,715	103,719
Accruals and deferred income		1,039,820	902,647
		1,516,335	1,510,864

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 18 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Other borrowings	19	14,418	20,560

The amount included within creditors falling due after more than one year relates to an interest free loan provided by St Austell Brewery which is being written off at a rate of 10% on purchases made from the brewery.

### 19 Loans and overdrafts

	2017 £	2016 £
Bank overdrafts	-	94,974
Other loans	24,849	35,280
	<u>24,849</u>	<u>130,254</u>
Payable within one year	10,431	109,694
Payable after one year	14,418	20,560

Lloyds Bank hold a first legal charge over the freehold land and buildings at Pentewan Sands Holiday Park.

### 20 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	21	447,556	453,585
		<u>447,556</u>	<u>453,585</u>

### 21 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017 £	Liabilities 2016 £
<b>Balances:</b>		
Accelerated Capital Allowances	<u>447,556</u>	<u>453,585</u>

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 21 Deferred taxation (Continued)

	2017 £
<b>Movements in the year:</b>	
Liability at 1 April 2016	453,585
Credit to profit or loss	(6,029)
	<u>447,556</u>
Liability at 31 March 2017	<u>447,556</u>

£34,710 of the deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

### 22 Share capital

	2017 £	2016 £
<b>Ordinary share capital Issued and fully paid</b>		
11,555 Ordinary Shares of £1 each	11,555	11,555
	<u>11,555</u>	<u>11,555</u>

Each share is entitled to one vote in any circumstances. Each share has equal rights to dividends. Each share is entitled to participate in a distribution from a winding up of the company.

### 23 Share premium account

	2017 £	2016 £
At beginning and end of year	3,448	3,448
	<u>3,448</u>	<u>3,448</u>

### 24 Capital redemption reserve

	2017 £	2016 £
At beginning of year	5,867	-
Transfers	-	5,867
	<u>5,867</u>	<u>5,867</u>
At end of year	5,867	5,867

### 25 Profit and loss reserves



# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

25 Profit and loss reserves	(Continued)	
	2017 £	2016 £
At the beginning of the year	5,637,292	5,817,738
Profit for the year	487,227	739,604
Dividends	(10,000)	(40,000)
Purchase of own shares	-	(880,050)
At the end of the year	6,114,519	5,637,292

## 26 Related party transactions

### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	131,000	71,000

Management fees of £28,600 (2016 : £28,600) were paid to Mr J R T Willis, a director of Pentewan Sands Limited, who was acting in the capacity of a sole trader, there was no outstanding balance at the year end. £6,800 (2015 : £6,800) was paid to Heligan Development Ltd for the rental of Eastern Cottage. Mr J R T Willis, Mr P E Hawley and Ms A M D Willis, directors of Pentewan Sands Limited, are also directors of this company.

At the year end the company owed £50,846 (2016 : £51,418) to Heligan Development Limited for rental income at Harvington Lock. Mr J R T Willis, Mr P E Hawley and Ms A M D Willis, directors of Pentewan Sands Limited, are also directors of this company.

The freehold interest in Harvington Lock Caravan Park is owned jointly by Pentewan Sands Limited and Heligan Development Limited in the proportion of 56.67% and 43.33% respectively.

## 27 Controlling party

The company was controlled throughout the current and previous period by the directors.

# PENTEWAN SANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 28 Cash generated from operations

	2017 £	2016 £
Profit for the year after tax	487,227	739,605
<b>Adjustments for:</b>		
Taxation charged	117,062	190,067
Finance costs	-	916
Investment income	(11)	(11)
Gain on disposal of tangible fixed assets	(60,689)	(100,945)
Amortisation and impairment of intangible assets	92,329	92,329
Depreciation and impairment of tangible fixed assets	435,034	427,812
<b>Movements in working capital:</b>		
Decrease in stocks	15,992	15,608
(Increase)/decrease in debtors	(13,845)	36,307
Increase in creditors	125,658	82,455
<b>Cash generated from operations</b>	<b>1,198,757</b>	<b>1,484,143</b>