

Registration number: 00603152

Wicksteed Leisure Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2018

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Wicksteed Leisure Limited

Company Information

Directors	The Lord Howard of Rising The Hon C E J Howard The Hon T H G Howard G R Shatford S N Wetherell C K Kwah K J Perkins J A Gowans
Company secretary	T J Falkner
Registered office	Digby Street Kettering Northamptonshire NN16 8YJ
Bankers	Barclays Bank plc 19 North Street Guildford Surrey GU1 4AG
Auditors	Wilkins Kennedy Audit Services Statutory Auditor Secure House Lulworth Close Chandlers Ford Hampshire SO53 3TL

Wicksteed Leisure Limited

Strategic Report for the Year Ended 31 December 2018

The Directors present their strategic report for the year ended 31 December 2018.

Principal activity

The principal activity of the company is the design, manufacture and installation of children's playground equipment and safety surfacing.

Fair review of the business

Working with companies and other organisations within both the public and private sectors, the company designs, supplies and installs playground equipment throughout the UK, the Republic of Ireland, as well as a growing number of overseas markets.

Cuts in central government support grants to local authorities has helped to maintain a competitive trading environment within the marketplace. Despite this, the Directors are confident that this will not affect results in the long term due to the strength of the Wicksteed brand and the company's dominant position in the market.

Analysis of financial performance and position

The results for the company show a net of profit of £269,024 (2017 - £523,240) for the year and sales of £20,885,539 (2017 - £20,747,390).

The company's key financial and other performance indicators during the year were as follows:

	Unit	2018	2017
Turnover	£	20,885,539	20,747,390
Turnover growth	%	1	9
Gross profit	£	1,961,807	2,384,526
Gross profit margin	%	9	11
Net profit	£	269,024	523,240
Net working capital	£	7,165,982	6,905,799

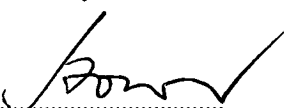
Future Developments

The UK playground equipment market remains a challenging environment with continued pressure from both competitors and customers. However, the company maintains a strong market position with an unsurpassed product portfolio that has further opportunities to develop. The company continues to develop new product opportunities to satisfy its wide customer base, investing significant resource into research and development activities to ensure the Wicksteed product portfolio is constantly maintained and improved. The company operates a constant programme of customer service improvement and enhancement of customer satisfaction to ensure everything possible is done to maintain its highly-valued customer base. Staff are incentivised to bring forward business improvement ideas to further drive the company forward.

Principal risks and uncertainties

Appropriate consideration is given to risk management objectives and policies. Facilities are in place to deal with cash flow and liquidity risk. Risk to pricing is mitigated by a diverse supplier portfolio. Credit risk is managed through the adoption of a rigorous credit policy.

Approved by the Board on 24 July 2019 and signed on its behalf by:


The Lord Howard of Rising
Director

Wicksteed Leisure Limited

Directors' Report for the Year Ended 31 December 2018

The Directors present their report and the financial statements for the year ended 31 December 2018.

Directors of the company

The Directors who held office during the year were as follows:

The Lord Howard of Rising

The Hon C E J Howard

The Hon T H G Howard

G R Shatford

S N Wetherell

C K Kwah

K J Perkins

J W Woods (resigned 6 April 2018)

J A Gowans (appointed 17 October 2018)

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The business' activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The business' principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Wicksteed Leisure Limited

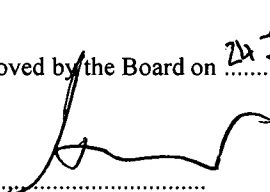
Directors' Report for the Year Ended 31 December 2018

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.

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 24 July 2019 and signed on its behalf by:


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The Lord Howard of Rising
Director

Wicksteed Leisure Limited

Independent Auditor's Report to the Members of Wicksteed Leisure Limited

Opinion

We have audited the financial statements of Wicksteed Leisure Limited (the 'company') for the year ended 31 December 2018, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, 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 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 December 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 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 auditor's 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.

Wicksteed Leisure Limited

Independent Auditor's Report to the Members of Wicksteed Leisure Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [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, 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.

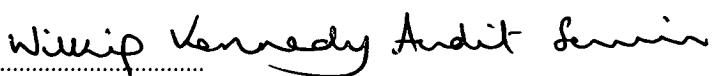
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Wicksteed Leisure Limited

Independent Auditor's Report to the Members of Wicksteed Leisure Limited

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.


.....
Michael Wesley FCA (Senior Statutory Auditor)
For and on behalf of Wilkins Kennedy Audit Services, Statutory Auditor

Secure House
Lulworth Close
Chandlers Ford
Hampshire
SO53 3TL

Date: 26/7/19

Wicksteed Leisure Limited

Statement of Income and Retained Earnings for the Year Ended 31 December 2018

	Note	2018 £	2017 £
Turnover	3	20,885,539	20,747,390
Cost of sales		<u>(18,923,732)</u>	<u>(18,362,864)</u>
Gross profit		1,961,807	2,384,526
Distribution costs		(454,087)	(439,826)
Administrative expenses		(1,259,697)	(1,276,736)
Other operating income		<u>21,205</u>	<u>-</u>
Operating profit	4	269,228	667,964
Other interest receivable and similar income	5	6,869	2,302
Interest payable and similar charges	6	<u>(4,442)</u>	<u>(264)</u>
Profit before tax		271,655	670,002
Taxation	11	<u>(2,631)</u>	<u>(146,762)</u>
Profit for the financial year		269,024	523,240
Retained earnings brought forward		<u>9,308,015</u>	<u>8,784,775</u>
Retained earnings carried forward		<u><u>9,577,039</u></u>	<u><u>9,308,015</u></u>

Wicksteed Leisure Limited

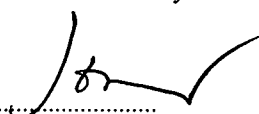
(Registration number: 00603152)

Statement of Financial Position as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	748,894	738,525
Investments	13	<u>2,202,540</u>	<u>2,202,540</u>
		<u>2,951,434</u>	<u>2,941,065</u>
Current assets			
Stocks	14	2,172,049	1,982,083
Debtors	15	7,477,212	7,241,352
Cash at bank and in hand	16	<u>2,114,589</u>	<u>1,800,284</u>
		11,763,850	11,023,719
Creditors: Amounts falling due within one year	17	<u>(4,597,868)</u>	<u>(4,117,920)</u>
Net current assets		<u>7,165,982</u>	<u>6,905,799</u>
Total assets less current liabilities		10,117,416	9,846,864
Provisions for liabilities	18	<u>(140,377)</u>	<u>(138,849)</u>
Net assets		<u>9,977,039</u>	<u>9,708,015</u>
Capital and reserves			
Called up share capital	20	400,000	400,000
Profit and loss account		<u>9,577,039</u>	<u>9,308,015</u>
Total equity		<u>9,977,039</u>	<u>9,708,015</u>

24 July 2019

Approved and authorised by the Board on and signed on its behalf by:

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The Lord Howard of Rising
Director

The notes on pages 10 to 24 form an integral part of these financial statements.

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office and principal place of business is:

Digby Street
Kettering
Northamptonshire
NN16 8YJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in sterling (£) which is also the functional currency for the company.

Going concern

The financial statements have been prepared on a going concern basis.

Exemption from preparing group accounts

The financial statements contain information about Wicksteed Leisure Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Jardentome Limited, a company incorporated in England and Wales.

Summary of disclosure exemptions

The following disclosure exemptions have been adopted in line with paragraph 1.12 of FRS102:

Exemption from preparing a Statement of Cash Flows;
Exemption from disclosures relating to Financial Instruments; and
Exemption from disclosures relating to intra-group related party transactions.

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Judgements

In preparing these financial statements, the directors have made the following judgements:

Determine whether leases entered into by the company are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are any indicators of impairment of the company's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Determine whether other borrowings are classified as current or non-current borrowings. These decisions depend on the cash flow requirements of the company and whether the other borrowings can be repaid.

Key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, 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.

Stock is reviewed annually for impairment and a stock provision is provided for accordingly on a line by line basis. Product life cycles, changing fashions, general market conditions and expected net realisable value are taken into consideration when determining the level of provision required.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Turnover is shown net of value added tax, returns and rebates and after eliminating sales within the company.

Sale of goods:

Revenue from the sale of goods is recognised when all significant risks and rewards of ownership are transferred to the buyer. This occurs on delivery of the goods.

Installation projects:

Revenue from installation projects is recognised at agreed stages of completion of a given project.

Foreign currency transactions and balances

Transactions in foreign currency are initially recorded at the financial currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in the terms of historical cost in foreign currency are not retranslated.

Tax

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

The current 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 taxable income.

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold property	100 years straight line
Plant and machinery	3 to 10 years straight line
Fixtures fittings tools and equipment	1 to 10 years straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Research and development

Research and development costs are written off when incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Trade debtors

Trade debtors are amounts due from customers for playground equipment sold or installation services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as an employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

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 publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and 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.

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

3 Revenue

The analysis of the company's turnover for the year by market is as follows:

	2018 £	2017 £
UK	20,485,712	20,405,885
Europe	10,241	9,526
Rest of world	<u>389,586</u>	<u>331,979</u>
	<u>20,885,539</u>	<u>20,747,390</u>

All turnover arose from the one principal activity of the company.

4 Operating profit

Arrived at after charging/(crediting)

	2018 £	2017 £
Depreciation expense	140,303	114,630
Operating lease expense - plant and machinery	25,159	14,546
Operating lease expense - other	38,859	38,084
Profit on disposal of property, plant and equipment	<u>(37,467)</u>	<u>(500)</u>

5 Other interest receivable and similar income

	2018 £	2017 £
Interest income on bank deposits	<u>6,869</u>	<u>2,302</u>

6 Interest payable and similar charges

	2018 £	2017 £
Other interest payable	<u>4,442</u>	<u>264</u>

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2018 £	2017 £
Wages and salaries	3,267,699	3,143,129
Social security costs	283,396	319,688
Pension costs, defined contribution scheme	169,283	112,108
Other employee expense	26,743	11,377
Private health insurance	19,130	15,195
	<u>3,766,251</u>	<u>3,601,497</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2018 No.	2017 No.
Production	49	43
Administration and support	68	66
	<u>117</u>	<u>109</u>

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	285,411	174,292
Contributions paid to money purchase schemes	43,247	6,607
	<u>328,658</u>	<u>180,899</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2018 No.	2017 No.
Accruing benefits under money purchase pension scheme	4	3

In respect of the highest paid director:

	2018 £	2017 £
Remuneration	113,263	45,483
Company contributions to money purchase pension schemes	4,912	2,337

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

9 Key management personnel

The Directors do not consider there to be any key management personnel remuneration to be disclosed in the year or prior year, other than the Directors' remuneration disclosed above.

10 Auditors' remuneration

	2018 £	2017 £
Audit of the financial statements	<u>10,700</u>	<u>10,900</u>

11 Taxation

Tax charged/(credited) in the income statement

	2018 £	2017 £
Current taxation		
UK corporation tax	83,658	110,465
UK corporation tax adjustment to prior periods	<u>(82,555)</u>	<u>-</u>
	1,103	110,465
Deferred taxation		
Arising from origination and reversal of timing differences	<u>1,528</u>	<u>36,297</u>
Tax expense in the income statement	<u><u>2,631</u></u>	<u><u>146,762</u></u>

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2017 - higher than the standard rate of corporation tax in the UK) of 19% (2017 - 19.25%).

The differences are reconciled below:

	2018 £	2017 £
Profit before tax	<u>271,655</u>	<u>670,002</u>
Corporation tax at standard rate	51,614	128,975
Effect of expense not deductible in determining taxable profit	32,813	22,564
Deferred tax expense from unrecognised tax loss or credit	1,528	36,297
UK corporation tax adjustments to prior periods	(82,555)	-
Tax decrease from effect of capital allowances and depreciation	(769)	(38,538)
Tax decrease from other short-term timing differences	-	(2,517)
Other tax effects for reconciliation between accounting profit and tax income	<u>-</u>	<u>(19)</u>
Total tax charge	<u>2,631</u>	<u>146,762</u>

Deferred tax

Deferred tax assets and liabilities

	Liability £
2018	
Difference between accumulated depreciation and capital allowances	<u>37,825</u>
2017	
Difference between accumulated depreciation and capital allowances	<u>36,297</u>

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

12 Tangible assets

	Freehold property £	Fixtures, fittings, tools and equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 January 2018	493,743	1,332,327	998,778	2,824,848
Additions	-	132,161	19,846	152,007
Disposals	-	(672,392)	(125,026)	(797,418)
At 31 December 2018	<u>493,743</u>	<u>792,096</u>	<u>893,598</u>	<u>2,179,437</u>
Depreciation				
At 1 January 2018	165,635	1,074,086	846,604	2,086,325
Charge for the year	4,944	109,589	25,770	140,303
Eliminated on disposal	-	(671,059)	(125,026)	(796,085)
At 31 December 2018	<u>170,579</u>	<u>512,616</u>	<u>747,348</u>	<u>1,430,543</u>
Carrying amount				
At 31 December 2018	<u>323,164</u>	<u>279,480</u>	<u>146,250</u>	<u>748,894</u>
At 31 December 2017	<u>328,110</u>	<u>258,241</u>	<u>152,174</u>	<u>738,525</u>

It is the directors' opinion that the market value of the land and buildings at Digby Street, Kettering is £1,000,000.

13 Investments in subsidiaries, joint ventures and associates

	2018 £	2017 £
Investments in subsidiaries	<u>2,202,540</u>	<u>2,202,540</u>
Subsidiaries		£
Cost or valuation		
At 1 January 2018		<u>2,202,540</u>
Carrying amount		
At 31 December 2018		<u>2,202,540</u>
At 31 December 2017		<u>2,202,540</u>

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking					Proportion of voting rights and shares held	
					2018	2017
Subsidiary undertakings						
Fawns Recreational Services Limited	England and Wales	Ordinary	100%	100%		
McLays Supplies Limited	England and Wales	Ordinary	100%	100%		
Wickstead Leisure Limited	England and Wales	Ordinary	100%	100%		
Wicksteed Playground Equipment Limited	England and Wales	Ordinary	100%	100%		
Wickstead Playground Equipment Limited	England and Wales	Ordinary	100%	100%		
Wicksteedathome Limited	England and Wales	Ordinary	100%	100%		
Parkdale Play & Leisure Limited	England and Wales	Ordinary	0%	100%		

The principal activity of Fawns Recreational Services Limited is the manufacture and installation of children's playground equipment.

The principal activity of McLays Supplies Limited is not relevant as the company is dormant.

The principal activity of Wickstead Leisure Limited is not relevant as the company is dormant.

The principal activity of Wicksteed Playground Equipment Limited is not relevant as the company is dormant.

The principal activity of Wickstead Playground Equipment Limited is not relevant as the company is dormant.

The principal activity of Wicksteedathome Limited is not relevant as the company is dormant.

Parkdale Play & Leisure Limited was dissolved on 10 April 2018.

The results for Fawns Recreational Services Limited are included in the consolidated accounts of Jardentome Limited.

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

14 Stocks

	2018	2017
	£	£
Raw materials and consumables	358,967	272,427
Work in progress	1,561,851	1,263,766
Finished goods and goods for resale	251,231	445,890
	<u>2,172,049</u>	<u>1,982,083</u>

The cost of stocks recognised as an expense in the year amounted to £9,642,600 (2017 - £9,439,203).

15 Debtors

	Note	2018	2017
		£	£
Trade debtors		2,637,056	2,581,516
Amounts owed by related parties	22	4,634,490	4,216,775
Other debtors		14,336	4,695
Prepayments		191,330	178,366
Accrued income		-	260,000
Total current trade and other debtors		<u>7,477,212</u>	<u>7,241,352</u>

16 Cash and cash equivalents

	2018	2017
	£	£
Cash on hand	981	209
Cash at bank	2,113,608	1,800,075
	<u>2,114,589</u>	<u>1,800,284</u>

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

17 Creditors

	Note	2018 £	2017 £
Due within one year			
Trade creditors		815,732	804,778
Payments received on account		255,895	475,515
Amounts due to related parties	22	2,977,336	2,366,575
Social security and other taxes		281,063	169,881
Other payables		73,018	53,006
Accrued expenses		111,223	109,926
Corporation tax liability	11	83,601	138,239
		<u>4,597,868</u>	<u>4,117,920</u>

18 Deferred tax and other provisions

	Deferred tax £	Other provisions £	Total £
At 1 January 2018	36,297	102,552	138,849
Additional provisions	<u>1,528</u>	<u>-</u>	<u>1,528</u>
At 31 December 2018	<u>37,825</u>	<u>102,552</u>	<u>140,377</u>

The other provisions are in respect of the expected cost of warranty claims based on past evidence of these claims, together with a provision to reflect the company's insurance arrangements.

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £169,283 (2017 - £112,108).

There were no contributions payable to the scheme at the end of the year (2017 - £nil).

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

20 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>

21 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2018 £	2017 £
Not later than one year	57,281	55,753
Later than one year and not later than five years	<u>42,301</u>	<u>70,868</u>
	<u>99,582</u>	<u>126,621</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £64,018 (2017 - £52,360).

22 Related party transactions

Summary of transactions with other related parties

Sales and purchases between other related parties are made at normal market prices. Outstanding balances with entities are unsecured, interest free and cash settlement.

The company has not provided or benefited from any guarantees for any other related party receivables or payables.

Expenditure with and payables to related parties

2018

Rendering of services

Other related parties £
<u>480,000</u>

2017

Rendering of services

Other related parties £
<u>480,000</u>

Wicksteed Leisure Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

23 Parent and ultimate parent undertaking

The company's immediate and ultimate parent is Jardentome Limited, incorporated in England and Wales.

The consolidated financial statements of the immediate and ultimate group are available upon request from Wicksteed Leisure Limited, Digby Street, Kettering, Northamptonshire, England, NN16 8YJ.

The ultimate controlling party is Mr W Berry and Mr H Teacher.