

Atlantic Reach Limited
Annual Report and Unaudited Financial Statements
Year Ended 28 February 2022

Registration number: 08257555

Atlantic Reach Limited

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Atlantic Reach Limited

Company Information

| | |
|--------------------------|---|
| Directors | J H Vernon C E Masters L J Lee |
| Registered office | Atlantic Reach Resort Whitecross Newquay Cornwall TR8 4LX |
| Accountants | Francis Clark LLP Lowin House Tregolls Road Truro Cornwall TR1 2NA |

Atlantic Reach Limited

Balance Sheet

28 February 2022

| | Note | 2022 £ | 2021 £ |
|--|--------------------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 4 | 4,867 | 11,617 |
| Tangible assets | 5 | 1,404,157 | 1,324,846 |
| Investment property | 6 | 205,000 | 262,600 |
| | | <u>1,614,024</u> | <u>1,599,063</u> |
| Current assets | | | |
| Stocks | 7 | 7,373 | 17,500 |
| Debtors | 8 | 255,334 | 270,334 |
| Cash at bank and in hand | | 91,142 | 159,312 |
| | | <u>353,849</u> | <u>447,146</u> |
| Creditors: Amounts falling due within one year | 9 | <u>(503,647)</u> | <u>(648,032)</u> |
| Net current liabilities | | <u>(149,798)</u> | <u>(200,886)</u> |
| Total assets less current liabilities | | 1,464,226 | 1,398,177 |
| Creditors: Amounts falling due after more than one year | 9 | (968,939) | (1,083,609) |
| Provisions for liabilities | | <u>(86,296)</u> | <u>(68,481)</u> |
| Net assets | | <u>408,991</u> | <u>246,087</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 1,063 | 1,063 |
| Capital redemption reserve | | 638 | 638 |
| Other reserves | | 35,914 | 35,914 |
| Profit and loss account | | <u>371,376</u> | <u>208,472</u> |
| Shareholders' funds | | <u>408,991</u> | <u>246,087</u> |

Atlantic Reach Limited

Balance Sheet

28 February 2022

For the financial year ending 28 February 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 27 February 2023 and signed on its behalf by:

.....
J H Vernon
Director

Company Registration Number: 08257555

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

1 General information

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

The address of its registered office is:

Atlantic Reach Resort
Whitecross
Newquay
Cornwall
TR8 4LX

These financial statements were authorised for issue by the Board on 27 February 2023.

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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

Going concern

In preparing and approving these financial statements the directors have given due consideration to going concern risks and in particular the impact of the Covid-19 pandemic. The pandemic has led to widespread profound economic impact and has forced the closure of Atlantic Reach at various times during the year due to government guidelines. These shocks have been effectively managed due to the robust systems in place and use of government support schemes. Whilst recognising that there can be no certainty, the directors are satisfied that the going concern basis of preparation remains appropriate.

Due to the trading performance for the year to February 2022 the overall balance sheet value has increased by over 60% to more than £400,000.

Revenue recognition

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

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

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 corporation 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.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet 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 buildings | Straight line over 50 years to residual value |
| Plant and machinery | 12.5% straight line |
| Fixtures and fittings | 12.5% straight line |
| Motor vehicles | 25% reducing balance |
| Computer equipment | 25% reducing balance |

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| Asset class | Amortisation method and rate |
|-------------|-------------------------------|
| Goodwill | Straight line over 10 years |
| Website | Reducing balance over 5 years |

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

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 stocks 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.

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.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 46 (2021 - 46).

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

4 Intangible assets

| | Goodwill £ | Website £ | Total £ |
|--------------------------|---------------|--------------|------------|
| Cost or valuation | | | |
| At 1 March 2021 | 40,000 | 25,600 | 65,600 |
| At 28 February 2022 | 40,000 | 25,600 | 65,600 |
| Amortisation | | | |
| At 1 March 2021 | 31,667 | 22,316 | 53,983 |
| Amortisation charge | 4,000 | 2,750 | 6,750 |
| At 28 February 2022 | 35,667 | 25,066 | 60,733 |
| Carrying amount | | | |
| At 28 February 2022 | 4,333 | 534 | 4,867 |
| At 28 February 2021 | 8,333 | 3,284 | 11,617 |

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

5 Tangible assets

| | Land and buildings £ | Furniture, fittings and equipment £ | Motor vehicles £ | Plant and machinery £ | Total £ |
|--------------------------|----------------------------|--|------------------------|-----------------------------|------------|
| Cost or valuation | | | | | |
| At 1 March 2021 | 963,407 | 536,639 | 146,415 | 110,793 | 1,757,254 |
| Additions | - | 63,455 | 60,785 | 23,171 | 147,411 |
| At 28 February 2022 | 963,407 | 600,094 | 207,200 | 133,964 | 1,904,665 |
| Depreciation | | | | | |
| At 1 March 2021 | - | 329,888 | 37,089 | 65,491 | 432,468 |
| Charge for the year | - | 34,017 | 27,886 | 6,137 | 68,040 |
| At 28 February 2022 | - | 363,905 | 64,975 | 71,628 | 500,508 |
| Carrying amount | | | | | |
| At 28 February 2022 | 963,407 | 236,189 | 142,225 | 62,336 | 1,404,157 |
| At 28 February 2021 | 963,407 | 206,750 | 109,326 | 45,363 | 1,324,846 |

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

6 Investment properties

| | 2022 £ |
|---------------------|-------------------------|
| At 1 March 2021 | 262,600 |
| Disposals | <u>(57,600)</u> |
| At 28 February 2022 | <u><u>205,000</u></u> |

Valuation is based on estimated values by the director

7 Stocks

| | 2022 £ | 2021 £ |
|-------------------------------|-------------------------|-------------------------|
| Raw materials and consumables | <u>7,373</u> | <u>17,500</u> |

8 Debtors

| | 2022 £ | 2021 £ |
|---------------|-------------------------|-------------------------|
| Trade debtors | 108,448 | 116,065 |
| Prepayments | 35,451 | 37,607 |
| Other debtors | <u>111,435</u> | <u>116,662</u> |
| | <u><u>255,334</u></u> | <u><u>270,334</u></u> |

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

9 Creditors

Creditors: amounts falling due within one year

| | Note | 2022 £ | 2021 £ |
|------------------------------|--------------------|----------------|----------------|
| Due within one year | | | |
| Loans and borrowings | 10 | 156,050 | 108,099 |
| Trade creditors | | 95,755 | 120,330 |
| Corporation tax | | 43,070 | 5,740 |
| Taxation and social security | | 56,682 | 144,707 |
| Other creditors | | 144,090 | 261,156 |
| Accruals and deferred income | | 8,000 | 8,000 |
| | | <u>503,647</u> | <u>648,032</u> |

Creditors: amounts falling due after more than one year

| | Note | 2022 £ | 2021 £ |
|---------------------------|--------------------|----------------|------------------|
| Due after one year | | | |
| Loans and borrowings | 10 | <u>968,939</u> | <u>1,083,609</u> |

10 Loans and borrowings

| | 2022 £ | 2021 £ |
|--|----------------|------------------|
| Current loans and borrowings | | |
| Bank borrowings | 104,728 | 68,844 |
| Bank overdrafts | 12 | - |
| Hire purchase contracts | 37,441 | 23,751 |
| Other borrowings | <u>13,869</u> | <u>15,504</u> |
| | <u>156,050</u> | <u>108,099</u> |
| Loans and borrowings due after one year | | |
| Bank borrowings | 845,118 | 967,395 |
| HP and finance lease liabilities | 118,634 | 92,023 |
| Other borrowings | <u>5,187</u> | <u>24,191</u> |
| | <u>968,939</u> | <u>1,083,609</u> |

Atlantic Reach Limited

Notes to the Unaudited Financial Statements

Year Ended 28 February 2022

11 Share capital

Allotted, called up and fully paid shares

| | No. | 2022 £ | No. | 2021 £ |
|--|---------|-----------|---------|-----------|
| Ordinary shares of £0.01 each | 63,750 | 637.50 | 63,750 | 637.50 |
| Ordinary non voting shares of £0.01 each | 42,500 | 425.00 | 42,500 | 425.00 |
| | 106,250 | 1,063 | 106,250 | 1,063 |

12 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £Nil (2021 - £3,411). This is in relation to the hire of audio equipment which has now been completed.

13 Related party transactions

Advances to directors

| | At 1 March 2021 £ | Advances to director £ | Repayments by director £ | At 28 February 2022 £ |
|---|-------------------------|------------------------------|--------------------------------|--------------------------------|
| 2022 | | | | |
| J H Vernon and C Masters | | | | |
| Unsecured interest free loan. Repaid post year end. | 93,636 | 105,512 | (105,000) | 94,149 |

| | At 1 March 2020 £ | Advances to director £ | Repayments by director £ | At 28 February 2021 £ |
|---|-------------------------|------------------------------|--------------------------------|--------------------------------|
| 2021 | | | | |
| J H Vernon | | | | |
| Unsecured interest free loan. Repaid post year end. | 47,662 | 75,974 | (30,000) | 93,636 |