

"REGISTRAR"

Company Registration No. 354363 (England and Wales)

**BAILEY CARAVANS LTD**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2001**



# **BAILEY CARAVANS LTD**

## **COMPANY INFORMATION**

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**Directors**

P.N. Howard  
N.P. Mattfield  
S.P. Howard  
Mrs P.E. Howard  
M.J. Bye  
M.C. Davies  
J.S. Parker  
N.G. Howard  
S.R. Howard (Appointed 17 July 2001)

**Secretary**

M.J. Bye

**Company number**

354363

**Registered office**

South Liberty Lane,  
Bristol,  
Avon.  
BS3 2SS

**Auditors**

Whitley Stimpson,  
Penrose House,  
67 Hightown Road,  
Banbury, Oxon.  
OX16 9BE

**Business address**

South Liberty Lane,  
Bristol,  
Avon.  
BS3 2SS

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# BAILEY CARAVANS LTD

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# BAILEY CARAVANS LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

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The directors present their report and financial statements for the year ended 31 December 2001.

### Principal activities and review of the business

The principal activity of the company continued to be that of the manufacture of caravans.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

### Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £490,000. The directors do not recommend payment of a final dividend.

### Research and development

The company continues to carry out research into caravan building techniques. Expenditure of £nil (2000 - £26,227) has been written off to the profit and loss account.

### Directors

The following directors have held office since 1 January 2001:

P.N. Howard

N.P. Mattfield

S.P. Howard

Mrs P.E. Howard

M.J. Bye

M.C. Davies

J.S. Parker

N.G. Howard

S.R. Howard

(Appointed 17 July 2001)

In accordance with the company's Articles of Association, M.C. Davies, J.S. Parker and S.R. Howard retire by rotation and, being eligible, offer themselves for re-election.

### Directors' interests

The directors' interests in the shares of the company were as stated below:

|                 | Ordinary shares of of £1 each |                |
|-----------------|-------------------------------|----------------|
|                 | 31 December 2001              | 1 January 2001 |
| P.N. Howard     | -                             | -              |
| S.P. Howard     | -                             | -              |
| Mrs P.E. Howard | -                             | -              |
| M.J. Bye        | -                             | -              |
| N.P. Mattfield  | -                             | -              |
| M.C. Davies     | -                             | -              |
| J.S. Parker     | -                             | -              |
| N.G. Howard     | -                             | -              |
| S.R. Howard     | -                             | -              |

# BAILEY CARAVANS LTD

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

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P.N. Howard, S.P. Howard and Mrs P.E. Howard are directors of the holding company, Keenwork Limited, and accordingly their interest in the share capital of Keenwork Limited, and its subsidiary, are disclosed in the directors' report of the holding company. N.G. Howard and S.R. Howard each own 6 ordinary shares in Keenwork Limited. M.J. Bye, N.P. Mattfield, M.C. Davies and J.S. Parker have no interest in the share capital of the company.

### Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Whitley Stimpson, be reappointed as auditors of the company will be put to the Annual General Meeting.

### Directors' responsibilities

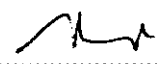
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

By order of the board

21 April 2002

  
.....  
M.J. Bye  
Director

# BAILEY CARAVANS LTD

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BAILEY CARAVANS LTD

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We have audited the financial statements on pages 4 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 8 and 9.

### Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

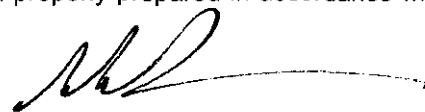
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

24 April 2002



**Whitley Stimpson,**  
Chartered Accountants  
Registered Auditor  
Penrose House,  
67 Hightown Road,  
Banbury, Oxon.  
OX16 9BE

# BAILEY CARAVANS LTD

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

|  | Notes | 2001<br>£        | 2000<br>£        |
|--|-------|------------------|------------------|
| Turnover   | 2     | 29,119,830       | 27,712,046       |
| Cost of sales  |       | (24,308,766)     | (22,735,705)     |
| <b>Gross profit</b>                                  |       | <b>4,811,064</b> | <b>4,976,341</b> |
| Distribution costs                                   |       | (96,005)         | (93,257)         |
| Administrative expenses                              |       | (3,768,099)      | (3,705,466)      |
| Other operating income                               |       | (7,302)          | 11,014           |
| <b>Operating profit</b>                              | 3     | <b>939,658</b>   | <b>1,188,632</b> |
| Other interest receivable and similar income         |       | 33,106           | 25,251           |
| <b>Profit on ordinary activities before taxation</b> |       | <b>972,764</b>   | <b>1,213,883</b> |
| Tax on profit on ordinary activities                 | 4     | (364,223)        | (394,412)        |
| <b>Profit on ordinary activities after taxation</b>  |       | <b>608,541</b>   | <b>819,471</b>   |
| Dividends  | 5     | (490,000)        | (500,000)        |
| <b>Retained profit for the year</b>                  | 13    | <b>118,541</b>   | <b>319,471</b>   |

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

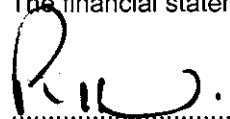
There are no recognised gains and losses other than those passing through the profit and loss account.

# BAILEY CARAVANS LTD

## BALANCE SHEET AS AT 31 DECEMBER 2001

|   | Notes | £           | 2001<br>£ | £           | 2000<br>£ |
|---|-------|-------------|-----------|-------------|-----------|
| <b>Fixed assets</b>                                   |       |             |           |             |           |
| Tangible assets                                       | 6     |             | 850,793   |             | 954,589   |
| <b>Current assets</b>                                 |       |             |           |             |           |
| Stocks  | 7     | 1,280,940   |           | 1,705,823   |           |
| Debtors   | 8     | 8,373,133   |           | 6,548,939   |           |
| Cash at bank and in hand                              |       | 1,638,436   |           | 2,106,457   |           |
|   |       | 11,292,509  |           | 10,361,219  |           |
| <b>Creditors: amounts falling due within one year</b> | 9     | (8,020,594) |           | (7,562,856) |           |
| <b>Net current assets</b>                             |       |             | 3,271,915 |             | 2,798,363 |
| <b>Total assets less current liabilities</b>          |       |             | 4,122,708 |             | 3,752,952 |
| <b>Provisions for liabilities and charges</b>         | 10    |             | (915,905) |             | (664,690) |
|   |       |             | 3,206,803 |             | 3,088,262 |
| <b>Capital and reserves</b>                           |       |             |           |             |           |
| Called up share capital                               | 12    |             | 10,000    |             | 10,000    |
| Profit and loss account                               | 13    |             | 3,196,803 |             | 3,078,262 |
| <b>Shareholders' funds - equity interests</b>         | 14    |             | 3,206,803 |             | 3,088,262 |

The financial statements were approved by the board on 24/4/2002



P.N. Howard  
Director



# BAILEY CARAVANS LTD

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

|   | 2001<br>£               | 2000<br>£               |
|---|-------------------------|-------------------------|
| Net cash inflow from operating activities                                     | 488,991                 | 2,352,476               |
| Returns on investments and servicing of finance                               |                         |                         |
| Interest received   | <u>33,106</u>           | <u>25,251</u>           |
| Net cash inflow for returns on investments and servicing of finance           | 33,106                  | 25,251                  |
| Taxation  | (502,689)               | (299,877)               |
| Capital expenditure   |                         |                         |
| Payments to acquire tangible assets   | (124,645)               | (125,538)               |
| Receipts from sales of tangible assets  | <u>11,425</u>           | <u>43,956</u>           |
| Net cash outflow for capital expenditure                                      | (113,220)               | (81,582)                |
| Equity dividends paid   | <u>(490,000)</u>        | <u>(500,000)</u>        |
| Net cash (outflow)/inflow before management of liquid resources and financing | (583,812)               | 1,496,268               |
| (Decrease)/increase in cash in the year                                       | <u><u>(583,812)</u></u> | <u><u>1,496,268</u></u> |

# BAILEY CARAVANS LTD

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

| 1 | Reconciliation of operating profit to net cash inflow from operating activities | 2001             |                  | 2000             |                  |
|---|---|------------------|------------------|------------------|------------------|
|   |   | £                |                  | £                |                  |
|   | Operating profit  | 939,658          |                  | 1,188,632        |                  |
|   | Depreciation of tangible assets   | 213,611          |                  | 213,450          |                  |
|   | Loss/(profit) on disposal of tangible assets                                    | 3,405            |                  | (36,178)         |                  |
|   | Decrease/(increase) in stocks   | 424,883          |                  | (344,868)        |                  |
|   | (Increase)/decrease in debtors  | (1,824,194)      |                  | 1,325,648        |                  |
|   | Increase/(decrease) in creditors within one year                                | 559,358          |                  | (658,898)        |                  |
|   | Increase in pension provision   | 172,270          |                  | 664,690          |                  |
|   | <b>Net cash inflow from operating activities</b>                                | <b>488,991</b>   |                  | <b>2,352,476</b> |                  |
| 2 | Analysis of net funds   | 1 January 2001   |                  | 31 December 2001 |                  |
|   |   | £                |                  | £                |                  |
|   | Net cash:   |                  |                  |                  |                  |
|   | Cash at bank and in hand  | 2,106,457        | (468,021)        | -                | 1,638,436        |
|   | Bank overdrafts   | (8,927)          | (115,791)        | -                | (124,718)        |
|   |   | <u>2,097,530</u> | <u>(583,812)</u> | <u>-</u>         | <u>1,513,718</u> |
|   | Net funds   | <u>2,097,530</u> | <u>(583,812)</u> | <u>-</u>         | <u>1,513,718</u> |
| 3 | Reconciliation of net cash flow to movement in net funds                        | 2001             |                  | 2000             |                  |
|   |   | £                |                  | £                |                  |
|   | (Decrease)/increase in cash in the year   | (583,812)        |                  | 1,496,268        |                  |
|   | <b>Movement in net funds in the year</b>  | <b>(583,812)</b> |                  | <b>1,496,268</b> |                  |
|   | Opening net funds   | 2,097,530        |                  | 601,262          |                  |
|   | <b>Closing net funds</b>  | <b>1,513,718</b> |                  | <b>2,097,530</b> |                  |

# BAILEY CARAVANS LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                                |                         |
|--------------------------------|-------------------------|
| Plant and machinery            | 10% - 20% Straight line |
| Fixtures, fittings & equipment | 10% - 20% Straight line |
| Motor vehicles                 | 25% Straight line       |

#### 1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. Cost represents all direct costs and attributable overheads incurred in bringing the stocks to their present state and location.

#### 1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

#### 1.9 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no liability would have been recognised as the conditions for recognition would not have been satisfied.

# BAILEY CARAVANS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

### 1 Accounting policies

(continued)

#### 1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Keenwork Limited, a company incorporated in England, and is included in the consolidated accounts of that company.

### 2 Turnover

| Geographical market | 2001<br>£         | 2000<br>£         |
|---------------------|-------------------|-------------------|
| United Kingdom      | 29,001,704        | 27,536,855        |
| Europe              | 118,126           | 175,191           |
|                     | <u>29,119,830</u> | <u>27,712,046</u> |

### 3 Operating profit

|   | 2001<br>£ | 2000<br>£ |
|---|-----------|-----------|
| Operating profit is stated after charging:  |           |           |
| Depreciation of tangible assets             | 213,611   | 213,450   |
| Loss on disposal of tangible assets         | 3,405     | -         |
| Loss on foreign exchange transactions       | 7,302     | -         |
| Research and development                    | -         | 26,227    |
| Operating lease rentals                     | 314,393   | 300,000   |
| Auditors' remuneration                      | 24,851    | 16,975    |
| Remuneration of auditors for non-audit work | 10,713    | 2,769     |
| and after crediting:                        |           |           |
| Profit on disposal of tangible assets       | -         | (36,178)  |
| Profit on foreign exchange transactions     | -         | (11,014)  |
|   | <u></u>   | <u></u>   |

# BAILEY CARAVANS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

| 4 | Taxation  | 2001<br>£ | 2000<br>£ |
|---|---|-----------|-----------|
|   | <b>Domestic current year tax</b>  |           |           |
|   | U.K. corporation tax  | 273,965   | 394,035   |
|   | Adjustment for prior years  | 11,313    | 377       |
|   |   | <hr/>     | <hr/>     |
|   | <b>Current tax charge</b>   | 285,278   | 394,412   |
|   | <b>Deferred tax</b>   |           |           |
|   | Deferred tax charge for the current year  | 78,945    | -         |
|   |   | <hr/>     | <hr/>     |
|   |   | 364,223   | 394,412   |
|   |   | <hr/>     | <hr/>     |
|   | <b>Factors affecting the tax charge for the year</b>  |           |           |
|   | Profit on ordinary activities before taxation   | 972,764   | 1,213,883 |
|   |   | <hr/>     | <hr/>     |
|   | Profit on ordinary activities before taxation multiplied by standard rate of U.K. corporation tax of 30.00% (2000 - 30.00%) | 291,829   | 364,165   |
|   |   | <hr/>     | <hr/>     |
|   | Effects of:   |           |           |
|   | Non deductible expenses   | 10,619    | 9,509     |
|   | Depreciation  | 65,105    | 53,182    |
|   | Capital allowances  | (61,197)  | (67,710)  |
|   | Adjustments to previous periods   | 11,313    | 377       |
|   | Other tax adjustments   | (32,391)  | 34,889    |
|   |   | <hr/>     | <hr/>     |
|   |   | (6,551)   | 30,247    |
|   |   | <hr/>     | <hr/>     |
|   | <b>Current tax charge</b>   | 285,278   | 394,412   |
|   |   | <hr/>     | <hr/>     |

If provision were to be made for deferred taxation on the basis of the full potential liability, the tax charge for the year would decrease by £ nil (2000 - £ 36,883).

| 5 | Dividends                              | 2001<br>£ | 2000<br>£ |
|---|--|-----------|-----------|
|   | Ordinary interim paid 31 December 2001 | 490,000   | 500,000   |
|   |  | <hr/>     | <hr/>     |

# BAILEY CARAVANS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

### 6 Tangible fixed assets

|                        | Plant and<br>machinery | Fixtures,<br>fittings &<br>equipment | Motor<br>vehicles | Total     |
|------------------------|------------------------|--------------------------------------|-------------------|-----------|
|                        | £                      | £                                    | £                 | £         |
| <b>Cost</b>            |                        |                                      |                   |           |
| As at 1 January 2001   | 1,762,583              | 292,100                              | 77,863            | 2,132,546 |
| Additions              | 83,029                 | 6,936                                | 34,680            | 124,645   |
| Disposals              | -                      | -                                    | (40,953)          | (40,953)  |
| As at 31 December 2001 | 1,845,612              | 299,036                              | 71,590            | 2,216,238 |
| <b>Depreciation</b>    |                        |                                      |                   |           |
| As at 1 January 2001   | 932,032                | 202,559                              | 43,366            | 1,177,957 |
| On disposals           | -                      | -                                    | (26,123)          | (26,123)  |
| Charge for the year    | 169,947                | 30,574                               | 13,090            | 213,611   |
| As at 31 December 2001 | 1,101,979              | 233,133                              | 30,333            | 1,365,445 |
| <b>Net book value</b>  |                        |                                      |                   |           |
| As at 31 December 2001 | 743,633                | 65,903                               | 41,257            | 850,793   |
| As at 31 December 2000 | 830,551                | 89,541                               | 34,497            | 954,589   |

### 7 Stocks and work in progress

|                                     | 2001<br>£        | 2000<br>£        |
|-------------------------------------|------------------|------------------|
| Raw materials and consumables       | 984,971          | 1,314,835        |
| Work in progress                    | 166,353          | 196,158          |
| Finished goods and goods for resale | 129,616          | 194,830          |
|                                     | <u>1,280,940</u> | <u>1,705,823</u> |

### 8 Debtors

|   | 2001<br>£        | 2000<br>£        |
|---|------------------|------------------|
| Trade debtors   | 219,197          | 288,560          |
| Amounts owed by parent and fellow subsidiary undertakings | 8,008,033        | 6,057,506        |
| Other debtors   | 6,515            | 20,938           |
| Prepayments and accrued income                            | 139,388          | 181,935          |
|   | <u>8,373,133</u> | <u>6,548,939</u> |

# BAILEY CARAVANS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

| 9 Creditors: amounts falling due within one year | 2001<br>£        | 2000<br>£        |
|--|------------------|------------------|
| Bank loans and overdrafts                        | 124,718          | 8,927            |
| Trade creditors                                  | 6,521,819        | 5,876,694        |
| Corporation tax                                  | 98,107           | 315,518          |
| Other taxes and social security costs            | 570,239          | 563,622          |
| Other creditors                                  | 25,026           | 133,746          |
| Accruals and deferred income                     | 680,685          | 664,349          |
|  | <u>8,020,594</u> | <u>7,562,856</u> |

### 10 Provisions for liabilities and charges

|                                | Warranty<br>reserve<br>£ | Deferred<br>taxation<br>£ | Total<br>£     |
|--------------------------------|--------------------------|---------------------------|----------------|
| Balance as at 1 January 2001   | 664,690                  | -                         | 664,690        |
| Profit and loss account        | <u>172,270</u>           | <u>78,945</u>             | <u>251,215</u> |
| Balance as at 31 December 2001 | <u>836,960</u>           | <u>78,945</u>             | <u>915,905</u> |

Deferred taxation provided in the financial statements is as follows:

|                                | 2001<br>£     | 2000<br>£ |
|--------------------------------|---------------|-----------|
| Accelerated capital allowances | <u>78,945</u> | <u>-</u>  |

### 11 Pension costs

#### Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

|   | 2001<br>£      | 2000<br>£      |
|---|----------------|----------------|
| Contributions payable by the company for the year | <u>171,231</u> | <u>294,963</u> |

# BAILEY CARAVANS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

|  |                   |  |
|--|-------------------|--|
| <b>12 Share capital</b>                                      | <b>2001</b>       | <b>2000</b>                                  |
|  | <b>£</b>          | <b>£</b>                                     |
| <b>Authorised</b>  |                   |  |
| 10,000 Ordinary shares of of £1 each                         | 10,000            | 10,000                                       |
|  | <u>          </u> | <u>          </u>                            |
| <b>Allotted, called up and fully paid</b>                    |                   |  |
| 10,000 Ordinary shares of of £1 each                         | 10,000            | 10,000                                       |
|  | <u>          </u> | <u>          </u>                            |
| <b>13 Statement of movements on profit and loss account</b>  |                   | <b>Profit and<br/>loss<br/>account<br/>£</b> |
| Balance as at 1 January 2001                                 |                   | 3,078,262                                    |
| Retained profit for the year                                 |                   | 118,541                                      |
|  |                   | <u>          </u>                            |
| Balance as at 31 December 2001                               |                   | 3,196,803                                    |
|  |                   | <u>          </u>                            |
| <b>14 Reconciliation of movements in shareholders' funds</b> | <b>2001</b>       | <b>2000</b>                                  |
|  | <b>£</b>          | <b>£</b>                                     |
| Profit for the financial year                                | 608,541           | 819,471                                      |
| Dividends  | (490,000)         | (500,000)                                    |
|  | <u>          </u> | <u>          </u>                            |
| Net addition to shareholders' funds                          | 118,541           | 319,471                                      |
| Opening shareholders' funds                                  | 3,088,262         | 2,768,791                                    |
|  | <u>          </u> | <u>          </u>                            |
| Closing shareholders' funds                                  | 3,206,803         | 3,088,262                                    |
|  | <u>          </u> | <u>          </u>                            |

### 15 Financial commitments

As at 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

|                    |                           |                   |
|--------------------|---------------------------|-------------------|
|                    | <b>Land and buildings</b> |                   |
|                    | <b>2001</b>               | <b>2000</b>       |
|                    | <b>£</b>                  | <b>£</b>          |
| Expiry date:       |                           |                   |
| In over five years | 314,392                   | 300,000           |
|                    | <u>          </u>         | <u>          </u> |



# BAILEY CARAVANS LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

|                               |             |             |
|-------------------------------|-------------|-------------|
| <b>16 Capital commitments</b> | <b>2001</b> | <b>2000</b> |
|                               | <b>£</b>    | <b>£</b>    |

As at 31 December 2001 the company had capital commitments as follows:

|   |   |        |
|---|---|--------|
| Contracted for but not provided in the financial statements | - | 37,916 |
|---|---|--------|

|                                 |             |             |
|---------------------------------|-------------|-------------|
| <b>17 Directors' emoluments</b> | <b>2001</b> | <b>2000</b> |
|                                 | <b>£</b>    | <b>£</b>    |

|                                    |         |         |
|------------------------------------|---------|---------|
| Emoluments for qualifying services | 305,015 | 306,188 |
|------------------------------------|---------|---------|

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 6 (2000 - 5).

Emoluments disclosed above include the following amounts paid to the highest paid director:

|   |        |        |
|---|--------|--------|
| Emoluments for qualifying services                      | 67,474 | 85,298 |
| Company pension contributions to money purchase schemes | 9,072  | 58,814 |

## 18 Employees

### Number of employees

The average monthly number of employees (including directors) during the year was:

|                |               |               |
|----------------|---------------|---------------|
|                | <b>2001</b>   | <b>2000</b>   |
|                | <b>Number</b> | <b>Number</b> |
| Sales          | 11            | 10            |
| Production     | 144           | 140           |
| Administration | 8             | 8             |
|                | 163           | 158           |

|                         |           |           |
|-------------------------|-----------|-----------|
| <b>Employment costs</b> | <b>£</b>  | <b>£</b>  |
| Wages and salaries      | 4,345,654 | 4,227,349 |
| Social security costs   | 380,398   | 378,255   |
| Other pension costs     | 171,231   | 294,963   |
|                         | 4,897,283 | 4,900,567 |

# **BAILEY CARAVANS LTD**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001**

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### **19 Control**

The ultimate parent company is Keenwork Limited, a company registered in England and Wales.

Keenwork Limited prepares group financial statements and copies can be obtained from the Registrar of Companies.

### **20 Related party transactions**

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties.