

Registrar

Company Registration No. 596765 (England and Wales)

**KINGS PARK HOMES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2006**



# KINGS PARK HOMES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	J G King Esq G I King Esq R C Marson Esq Ms S J Palmer-King
<b>Secretary</b>	R C Marson Esq
<b>Company number</b>	596765
<b>Registered office</b>	2 Mountview Court 310 Friern Barnet Lane Whetstone London N20 0YZ
<b>Auditors</b>	Harris Lipman LLP 2 Mountview Court 310 Friern Barnet Lane London N20 0YZ
<b>Business address</b>	Kings Park Canvey Island Essex SS8 8HE
<b>Bankers</b>	Barclays Bank plc 1 Argent Court, Southfields Business Park Basilton Essex SS15 6FF

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# KINGS PARK HOMES LIMITED

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# KINGS PARK HOMES LIMITED

## DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2006

The directors present their report and financial statements for the period ended 31 March 2006. Comparatives are for the year ended 31 January 2005.

### Principal activities and review of the business

The principal activity of the company continued to be that of operators of a mobile home park. The company's subsidiary operates a caravan park. The shares in this subsidiary were sold on 24 October 2005.

In view of the continuing success in mobile homes sales, the directors are continuing their strategy for developing the residential side of the business for the long term.

### Results and dividends

The results for the period are set out on pages 5 to 6.

The directors do not recommend payment of an ordinary dividend.

### Future developments

The company continues to improve the park and increase the number of mobile homes with the aim of increasing profitability in the long term.

### Directors

The following directors have held office since 1 February 2005:

J G King Esq  
G I King Esq  
R C Marson Esq  
Ms S J Palmer-King

### Directors' interests

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

	Ordinary shares of £ 1 each	
	31 March 2006	1 February 2005
J G King Esq	4,000	4,000
G I King Esq	4,000	4,000
R C Marson Esq	-	-
Ms S J Palmer-King	4,000	4,000

### Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, Harris Lipman LLP, will be deemed to be reappointed for each succeeding financial year.

# KINGS PARK HOMES LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2006

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### Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

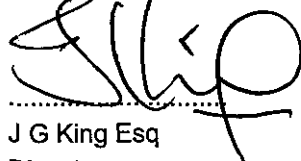
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



J G King Esq

Director

Date ...29-01-07...

# **KINGS PARK HOMES LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINGS PARK HOMES LIMITED**

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We have audited the financial statements of Kings Park Homes Limited for the period ended 31 March 2006 set out on pages 5 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **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 (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 or 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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.

# KINGS PARK HOMES LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF KINGS PARK HOMES LIMITED

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### Opinion

In our opinion the financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its profit for the period then ended ; and
- have been properly prepared in accordance with the Companies Act 1985.



Harris Lipman LLP  
Registered Auditors  
2 Mountview Court  
310 Friern Barnet Lane  
London N20 0YZ

Date : 29th JANUARY 2007

# KINGS PARK HOMES LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE PERIOD ENDED 31 MARCH 2006**

(Comparatives are for the year ended 31 January 2005)

	Notes	Period ended 31 March 2006 £	Year ended 31 January 2005 £
Turnover	2	2,939,959	3,210,818
Cost of sales		(260,801)	(310,925)
<b>Gross profit</b>		<b>2,679,158</b>	<b>2,899,893</b>
Administrative expenses		(3,807,232)	(3,320,551)
Other operating income		381,000	339,300
<b>Operating loss</b>	<b>3</b>	<b>(747,074)</b>	<b>(81,358)</b>
Investment income	4	2,693,927	-
Other interest receivable and similar income	4	206,744	124,044
Interest payable and similar charges	5	(29,703)	(84,390)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>2,123,894</b>	<b>(41,704)</b>
Tax on profit/(loss) on ordinary activities	6	-	(199,167)
<b>Profit/(loss) for the period</b>	<b>15</b>	<b>2,123,894</b>	<b>(240,871)</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.



# KINGS PARK HOMES LIMITED

## PROFIT AND LOSS ACCOUNT (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2006**

(Comparatives are for the year ended 31 January 2005)

### Note of historical cost profits and losses

	Period ended 31 March 2006 £	Year ended 31 January 2005 £
<b>Reported profit/(loss) on ordinary activities before taxation</b>	2,123,894	(41,704)
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	256,255	256,255
<b>Historical cost profit on ordinary activities before taxation</b>	<u>2,380,149</u>	<u>214,551</u>
<b>Historical cost profit for the period retained after taxation, extraordinary items and dividends</b>	<u>2,380,149</u>	<u>15,384</u>

# KINGS PARK HOMES LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2006

(Comparatives are for the year ended 31 January 2005)

	Notes	2006 £	£	2005 £	£
<b>Fixed assets</b>					
Tangible assets	7 and 8	6,438,598		6,284,486	
Investments	9	-		306,073	
		<u>6,438,598</u>		<u>6,590,559</u>	
<b>Current assets</b>					
Stocks	10	15,207		15,081	
Debtors: amounts falling due within one year	11	11,556,982		5,176,261	
Debtors: amounts falling due after more than one year	11	-		2,667,246	
Cash at bank and in hand		25,920		20,586	
		<u>11,598,109</u>		<u>7,879,174</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,678,190)</u>		<u>(2,888,639)</u>	
<b>Net current assets</b>		<u>8,919,919</u>		<u>4,990,535</u>	
<b>Total assets less current liabilities</b>		<u>15,358,517</u>		<u>11,581,094</u>	
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(10,002,177)</u>		<u>(8,348,648)</u>	
		<u>5,356,340</u>		<u>3,232,446</u>	
<b>Capital and reserves</b>					
Called up share capital	14	200,000		200,000	
Revaluation reserve	15	3,587,568		3,927,723	
Profit and loss account	15	1,568,772		(895,277)	
<b>Shareholders' funds</b>	16	<u>5,356,340</u>		<u>3,232,446</u>	

Approved by the Board and authorised for issue on 29-01-07

  
J G King Esq  
Director

  
G I King Esq  
Director

# KINGS PARK HOMES LIMITED

## CASH FLOW STATEMENT

**FOR THE PERIOD ENDED 31 MARCH 2006**

(Comparatives are for the year ended 31 January 2005)

	Period ended 31 March 2006 £	Year ended 31 January 2005 £
<b>Net cash outflow from operating activities</b>	(2,126,963)	(1,531,765)
<b>Returns on investments and servicing of finance</b>		
Interest received	206,744	124,044
Interest paid	(29,424)	(84,390)
Interest element of finance lease rentals	(279)	-
	<hr/>	<hr/>
<b>Net cash inflow for returns on investments and servicing of finance</b>	177,041	39,654
<b>Taxation</b>	(121,674)	133
<b>Capital expenditure and financial investment</b>		
Payments to acquire tangible assets	(854,177)	(344,545)
Receipts from sales of tangible assets	199,500	-
Receipts from sales of investments	3,000,000	-
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) for capital expenditure</b>	2,345,323	(344,545)
	<hr/>	<hr/>
<b>Net cash outflow before management of liquid resources and financing</b>	273,727	(1,836,523)
<b>Financing</b>		
Capital element of finance lease contracts	(2,097)	-
	<hr/>	<hr/>
<b>Net cash outflow from financing</b>	(2,097)	-
	<hr/>	<hr/>
<b>Increase/(decrease) in cash in the period</b>	<u>271,630</u>	<u>(1,836,523)</u>

# KINGS PARK HOMES LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2006 (Comparatives are for the year ended 31 January 2005)

1	Reconciliation of operating loss to net cash outflow from operating activities	2006	2005
		£	£
	Operating loss	(747,074)	(81,358)
	Depreciation of tangible assets	511,983	515,511
	(Increase)/decrease in stocks	(126)	3,875
	Increase in debtors	(3,713,475)	(2,622,065)
	Increase/(decrease) in creditors within one year	174,725	(156,838)
	Increase/(decrease) in creditors after one year	1,647,004	809,110
	<b>Net cash outflow from operating activities</b>	<b>(2,126,963)</b>	<b>(1,531,765)</b>

2	Analysis of net debt	1 February 2005	Cash flow	Other non-cash changes	31 March 2006
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	20,586	5,334	-	25,920
	Bank overdrafts	(337,468)	266,296	-	(71,172)
		(316,882)	271,630	-	(45,252)
	Bank deposits	-	-	-	-
	Debt:				
	Finance leases	-	(9,321)	-	(9,321)
	Debts falling due after one year	(8,348,648)	(1,647,004)	-	(9,995,652)
		(8,348,648)	(1,656,325)	-	(10,004,973)
	<b>Net debt</b>	<b>(8,665,530)</b>	<b>(1,384,695)</b>	<b>-</b>	<b>(10,050,225)</b>

3	Reconciliation of net cash flow to movement in net debt	2006	2005
		£	£
	Increase/(decrease) in cash in the period	271,630	(1,836,523)
	Cash inflow from increase in debt and lease financing	(1,656,325)	(809,110)
	<b>Movement in net debt in the period</b>	<b>(1,384,695)</b>	<b>(2,645,633)</b>
	Opening net debt	(8,665,530)	(6,019,897)
	<b>Closing net debt</b>	<b>(10,050,225)</b>	<b>(8,665,530)</b>

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006 (Comparatives are for the year ended 31 January 2005)

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

#### 1.2 Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover arising from the operation of a mobile home park represents amounts receivable for goods and services net of VAT and trade discounts.

Income arising from the granting of rights to mobile home owners for the use of the company's land is recognised on an accretion basis over the service period. The service period is the shorter of the *estimated period of occupation and 20 years*. Amounts received at the *commencement of the service period* and not released to the profit and loss account are included in the balance sheet as deferred income.

#### 1.4 Tangible fixed assets and depreciation

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

Land and Buildings Freehold	5% Straight line
Plant and machinery	25% / 5% Straight line or 25% Reducing balance method
Fixtures, fittings & equipment	25% Straight line
Motor vehicles	25%/10% Straight line

As a result of the development of the company's land for long term residential use, freehold land and buildings is being amortised on the straight line basis over a twenty year period commencing 1 February 2000. Following the adoption of FRS 15 by the company in the period ending 31 January 2001, the company has adopted the transitional provisions of FRS 15 by retaining the book amounts of revalued assets and the valuations of revalued assets have not been updated.

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2006

(Comparatives are for the year ended 31 January 2005)

### 1 Accounting policies

(continued)

#### 1.5 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.7 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.8 Deferred taxation

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.

#### 1.9 Employee Benefit Trusts

The company has established an Employee Benefit Trust ('EBT'), which has an independent professional trustee, and beneficiaries which are the company's employees. The EBT receives contributions from the company and uses the accumulated assets to pay the company's employees for some or all of the services they have rendered to the company. The company recognises an expense in relation to these services when the trustees have earmarked the contributions for the benefit of specified employees such that the company cannot derive future economic benefit. Until that time, the assets and liabilities of the trust are reported as the assets and liabilities of the company.

### 2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating loss

	2006	2005
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	511,983	515,511
Auditors' remuneration	20,000	20,000
	<u>531,983</u>	<u>535,511</u>

### 4 Investment income

	2006	2005
	£	£
Income from fixed asset investments	2,693,927	-
Bank interest	186	4,804
Other interest	206,558	119,240
	<u>2,900,671</u>	<u>124,044</u>

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2006 (Comparatives are for the year ended 31 January 2005)

<b>5</b>	<b>Interest payable</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	4,151	2,482
	On other loans wholly repayable within five years	24,075	81,908
	Lease finance charges	279	-
	On overdue tax	1,198	-
		<u>29,703</u>	<u>84,390</u>
<b>6</b>	<b>Taxation</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	-	113,404
	Adjustment for prior years	-	85,763
		<u>-</u>	<u>199,167</u>
	<b>Current tax charge</b>	<u>-</u>	<u>199,167</u>
	<b>Factors affecting the tax charge for the period</b>		
	Profit/(loss) on ordinary activities before taxation	2,123,894	(41,704)
		<u>2,123,894</u>	<u>(41,704)</u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2005 - 30.00%)	637,168	(12,511)
		<u>637,168</u>	<u>(12,511)</u>
	Effects of:		
	Non deductible expenses	36,367	51,686
	Depreciation add back	152,681	154,653
	Capital allowances	(44,793)	(46,737)
	Tax losses utilised	-	(18,087)
	Group relief	-	(15,600)
	Adjustments to previous periods	-	85,763
	Profit on disposal of investment	(808,178)	-
	Tax losses carried forward	26,755	-
		<u>(637,168)</u>	<u>211,678</u>
	<b>Current tax charge</b>	<u>-</u>	<u>199,167</u>

The company has estimated losses of £ 89,183 (2005 - £ nil) available for carry forward against future trading profits.

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 MARCH 2006

(Comparatives are for the year ended 31 January 2005)

#### 7 Tangible fixed assets

	Land and Buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 February 2005	7,362,208	1,000,419	223,240	171,337	8,757,204
Additions	785,604	24,924	25,374	29,693	865,595
At 31 March 2006	8,147,812	1,025,343	248,614	201,030	9,622,799
<b>Depreciation</b>					
At 1 February 2005	1,843,249	508,687	177,827	142,455	2,672,218
Charge for the period	397,754	73,031	29,025	12,173	511,983
At 31 March 2006	2,241,003	581,718	206,852	154,628	3,184,201
<b>Net book value</b>					
At 31 March 2006	5,906,809	443,625	41,762	46,402	6,438,598
At 31 January 2005	5,518,959	491,732	45,413	28,882	6,084,986

Land and buildings used by the company for its business activities were revalued at £6,200,000 (historical cost £1,872,180) on 28 June 1996 on the basis of an open market valuation for existing use by Countrywide Surveyors Limited. Taking into account additions for the period, this property has a net book value of £5,906,809 as at 31 March 2006. In the directors' opinion, the decision to convert the site fully to mobile homes will result in a significant fall in the value of both the land and buildings. Consequently, a depreciation rate of 5% per annum has been set to reflect this.

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
<b>Net book values</b>	
At 31 March 2006	9,145
<b>Depreciation charge for the period</b>	
At 31 March 2006	3,048



# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2006**

(Comparatives are for the year ended 31 January 2005)

### 8 Tangible fixed assets

	Investment properties £
<b>Cost or valuation</b>	
At 1 February 2005	199,500
Disposals	(199,500)
	<hr/>
At 31 March 2006	-
	<hr/>

### 9 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost or valuation</b>	
At 1 February 2005	306,073
Disposals	(306,073)
	<hr/>
At 31 March 2006	-
	<hr/>
<b>Net book value</b>	
At 31 March 2006	-
	<hr/>
At 31 January 2005	306,073
	<hr/>

### 10 Stocks

	2006 £	2005 £
Bar stock	15,207	15,081
	<hr/>	<hr/>

The replacement cost of bar stock as at 31 March 2006 is not materially different to the balance sheet value.

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2006 (Comparatives are for the year ended 31 January 2005)

11 Debtors	2006 £	2005 £
Trade debtors	126,847	78,332
Amounts owed by subsidiary undertakings	-	2,667,246
Other debtors	11,179,784	4,155,909
Prepayments and accrued income	250,351	942,020
	<u>11,556,982</u>	<u>7,843,507</u>

Amounts falling due after more than one year and included in the debtors above are:

	2006 £	2005 £
Amounts owed by group undertakings	<u>-</u>	<u>2,667,246</u>

12 Creditors: amounts falling due within one year	2006 £	2005 £
Bank loans and overdrafts	71,172	337,468
Net obligations under finance leases	2,796	-
Trade creditors	266,246	384,576
Corporation tax	85,897	207,571
Other taxes and social security costs	16,481	413,037
Other creditors	1,440,354	699,234
Accruals and deferred income	795,244	846,753
	<u>2,678,190</u>	<u>2,888,639</u>

The bank overdraft is secured by a legal charge over part of the company's investment properties and by a legal charge over part of the buildings used by the company for its business activities.

Obligations under finance lease contracts are secured by related leased assets.

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2006 (Comparatives are for the year ended 31 January 2005)

<b>13 Creditors: amounts falling due after more than one year</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases	6,525	-
Accruals and deferred income	9,995,652	8,348,648
	<u>10,002,177</u>	<u>8,348,648</u>
<b>Net obligations under finance leases</b>		
Repayable within one year	3,168	-
Repayable between one and five years	7,392	-
	<u>10,560</u>	<u>-</u>
Finance charges and interest allocated to future accounting periods	(1,239)	-
	<u>9,321</u>	<u>-</u>
Included in liabilities falling due within one year	(2,796)	-
	<u>6,525</u>	<u>-</u>
<b>14 Share capital</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
<b>Allotted, called up and fully paid</b>		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
<b>15 Statement of movements on reserves</b>	<b>Revaluation reserve</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>
Balance at 1 February 2005	3,927,723	(895,277)
Profit for the period	-	2,123,894
Transfer from revaluation reserve to profit and loss account	(83,900)	340,155
Depreciation written back	(256,255)	-
	<u>3,587,568</u>	<u>1,568,772</u>
Balance at 31 March 2006		

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 MARCH 2006

(Comparatives are for the year ended 31 January 2005)

16 Reconciliation of movements in shareholders' funds	2006 £	2005 £
Profit/(Loss) for the financial period	2,123,894	(240,871)
Opening shareholders' funds	3,232,446	3,473,317
Closing shareholders' funds	5,356,340	3,232,446

### 17 Contingent liabilities

The company has entered into a composite banking arrangement with Barclays Bank plc, and the following connected companies, Kings Bloodstock Limited, York Leisure Limited, Pemican Limited, Yorkcastle Limited, Autoclassic Limited and Kings Aviation Limited. At 31 March 2006, the balance for which Kings Park Homes was potentially liable amounted to £27,503 (2005 :£205,929).

### 18 Financial commitments

At 31 March 2006 the company had annual commitments under non-cancellable operating leases as follows:

	2006 £	2005 £
Expiry date:		
Within one year	4,856	5,280
Between two and five years	8,590	12,231
	13,446	17,511

19 Directors' emoluments	2006 £	2005 £
Emoluments for qualifying services	88,975	102,038

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2005 - 3).

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2006**

(Comparatives are for the year ended 31 January 2005)

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### 20 Employees

#### Number of employees

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

	2006 Number	2005 Number
Directors and employees	52	56

#### Employment costs

	2006 £	2005 £
Wages and salaries	893,727	810,759
Social security costs	88,345	85,838
	982,072	896,597

### 21 Control

The ultimate controlling party is H W King Esq., who holds 92% of the issued share capital.

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2006

(Comparatives are for the year ended 31 January 2005)

### 22 Related party transactions

Organisation	Type of transaction (in Kings Park Homes Limited)	Amount (£) 2006	Amount (£) 2005	Balance due from/ (to) organisation as at 31 March 2006
Autoclassic Limited	Sales	1,526,912	915,161	
	Commissions receivable	2,374,442	2,030,137	
	Management charges receivable	376,000	339,300	
	Interest (receivable)/payable	(200,431)	(118,250)	
	Fixed assets acquired	-	-	
	Amount outstanding			3,052,401
	-2006			
	-2005			3,590,414
Kings Aviation limited	Services acquired	23,010	56,263	
	Amount outstanding			(152,118)
	-2006			
	-2005			(89,451)
York Leisure Limited	Interest receivable	(5,469)	62,622	
	Amount outstanding			(813,886)
	-2006			
	-2005			(182,600)
Yorkcastle Limited	Interest payable	24,075	19,286	
	Amount outstanding			(357,992)
	-2006			
	-2005			(337,616)
Steve's Radio Cars Limited	Services acquired	31,850	25,532	
	Services supplied	1,694	4,562	
	Management charges receivable	5,000	-	
	Amount outstanding			(98,194)
	-2006			
	-2005			(22,303)
Clearsprings (Management) Limited	Amount outstanding			131,356
	-2006			
	-2005			103,452
Cargo Handling Centre Limited	Amount outstanding			12,528
	-2006			
	-2005			153,192
Meadwalk Limited	Amount outstanding			176,823
	-2006			
	-2005			173,902

A provision of £176,823 (2005 - £173,902) has been made against the balance due from Meadwalk Limited, a company in which J G King Esq has a beneficial interest.

# KINGS PARK HOMES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2006

(Comparatives are for the year ended 31 January 2005)

### 22 Related party transactions

(continued)

Organisation	Type of transaction (in Kings Park Homes Limited)	Amount (£) 2006	Amount (£) 2005	Balance due from/ (to) organisation as at 31 March 2006
Canvey Island Football Club Limited	Sponsorship paid	288,485	429,852	
	Amount outstanding	-2006		-
		-2005		262,582

On 26 June 2006, Canvey Island Football Club Limited was sold to parties which are not related to the company.

Yardpath Limited	Amount outstanding	-2006		334,798
		-2005		272,196

A provision of £334,798 (2005 - £272,196) has been made against the balance due from Yardpath Limited, a company in which J G King Esq has a beneficial interest.

Pemican Limited	Amount outstanding	-2006		3,015,000
		-2005		-

Thorney Bay Park Limited	Amount outstanding	-2006		4,830,948
		-2005		2,667,246

On 24 October 2005, Thorney Bay Park Limited shares were sold to Pemican Limited.

J G King, G I King and Ms S J Palmer-King had beneficial interests in all of the above incorporated companies, except Clearsprings (Management) Limited, Cargo Handling Centre Limited, Meadwalk Limited, Canvey Island Football Club Limited and Yardpath Limited.

G I King has a beneficial interest in Clearsprings (Management) Limited and is a director of Cargo Handling Centre Limited.

J G King has a beneficial interest in Meadwalk Limited, Canvey Island Football Club Limited and Yardpath Limited.

Station Garage Limited	Amount outstanding	-2006		37,658
		-2005		70,418

A provision of £37,658 (2005 - £nil) has been made against the balance due from Station Garage Limited.

Station Garage Limited is controlled by a close family member of the directors.

On 31 January 2006, the company disposed of its investment properties to The Kings Executive Pension Scheme for £199,500. This transaction was conducted at arm's length. J G King Esq, G I King Esq, Ms S J Palmer-King and two close family members are beneficiaries of the scheme. At the period end, the company owed £1,744 (2005 : £nil) to the scheme