

Park Holidays UK Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2009



Park Holidays UK Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J A Sills
D P Bull
A B Loch

SECRETARY

A B Loch

REGISTERED OFFICE

Coghurst Hall
Ivyhouse Lane
Ore
Hastings
East Sussex
TN35 4NP

AUDITORS

KPMG LLP
1 Forest Gate
Brighton Road
Crawley
RH11 9PT

Park Holidays UK Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of the company for the year ended 31 December 2009

PRINCIPAL ACTIVITIES

The principal activity of the company is the operation of holiday home parks

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company operates 25 holiday parks that are located in coastal locations in the south of England with the majority of the parks being within a two hour drive time of London

The major revenue streams of the business are derived from the sale of holiday homes, rental of pitches to holiday home owners and short term holiday lettings. The business is focussed on improving revenue streams by improving the quality of the products offered to potential customers

The purchase of a holiday home represents a reasonably long term commitment from our customers who are generally given a twelve year licence to occupy their selected holiday home pitch and as such, certain aspects of the revenue streams are fairly stable. The sale of holiday homes however can be influenced by economic factors and could also be impacted by sustained adverse weather conditions. Adverse weather conditions could also impact the short term holiday lettings business

During 2009, the UK economy was in recession but interest rates were at a record low level for most of the year. Foreign exchange rates remained volatile and there was a general lack of consumer confidence which continued to have an adverse impact on the UK property sector. While holiday home ownership for UK residents has shown steady increases in recent years it was nonetheless encouraging to see an increase of sixteen percent in unit sales during the year. With respect to the holiday lettings business the recent trends of UK holiday makers taking higher numbers of short term breaks continued and volatile exchange rates and increased problems with foreign travel assisted growth in this area

Business Risks

Key areas of risk facing the business relate to general economic conditions, credit and interest rates. The company continues to monitor and reduce exposure as follows

Economic Conditions

Management recognise that a sustained downturn in general economic conditions could adversely effect its customers' spending power. In order to mitigate against the impact of this, management regularly review key business indicators and consider alternate options in relation to any areas that are identified as at risk of underperforming

Credit Risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. At the balance sheet date there were no significant areas of credit risk not covered

Interest Rate Risk

The company monitors closely all loans outstanding which currently incur interest at fixed and floating rates. At the moment the company is comfortable with the interest rate, level of exposure and hedging instruments in place in respect of the majority of its debt

Park Holidays UK Limited

DIRECTORS' REPORT

GOING CONCERN

The financial statements have been prepared on the going concern basis. The directors have reviewed the trading forecasts and projected working capital requirements, taking account of reasonably possible changes in performance, and believe the Group will be able to operate within the level of its current facility and related bank covenant requirements. Contingencies are in place to mitigate the effects of a downturn in the level of activity which could result in reduced holiday home sales being achieved. Furthermore, the parent company shareholders have committed additional funds to the business which can be drawn down to support future acquisitions or as otherwise required. Accordingly the directors have continued to adopt the going concern basis in preparing the annual report and accounts.

A summary of the company's key financial performance indicators, compared to 2008 are as follows:

- Turnover increased by 7.1%
- Operating Profit before exceptional costs increased by 15.9%
- Operating margin before exceptional costs (Operating Profit as a % of Turnover) increased to 24.0% from 22.2%

RESULTS AND DIVIDENDS

The trading results for the year and the Group's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

DIRECTORS

The directors who served the company during the year were as follows:

J A Sills
D P Bull
A B Loch

EMPLOYEES

The company has a structured health and safety policy and provides the relevant financial and human resources to ensure the fulfilment of the policy. Adequate training is provided for those employees directly involved with the implementation of the policy. The directors continue to prioritise health and safety issues across all areas of the company's activities.

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

The company's policy is to consult and discuss with employees at meetings, as required, matters likely to affect employees' interests.

Information on matters of concern to employees is provided to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

CHARITABLE AND POLITICAL DONATIONS

The company did not make any charitable or political donations during the year.

Park Holidays UK Limited

DIRECTORS' REPORT

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITORS

The directors who held office at the date of the approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company auditors are aware of that information

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board



A B Loch

Company Secretary

Coghurst Hall
Ivyhouse Lane
Ore
Hastings
East Sussex
TN35 4NP

Park Holidays UK Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARK HOLIDAYS UK LIMITED

We have audited the financial statements of Park Holidays UK Limited for the year ended 31 December 2009 set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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.

M Coughtrey (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

6 May 2010

Park Holidays UK Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2009

		2009 £	2008 £
TURNOVER	2	63,824,790	59,577,809
Cost of sales		(22,453,384)	(21,331,487)
Gross profit		41,371,406	38,246,322
Administrative expenses excluding exceptional items		(26,069,941)	(25,044,561)
Exceptional items	3	(122,561)	(409,173)
Administrative expenses including exceptional items		(26,192,502)	(25,453,734)
OPERATING PROFIT	3	15,178,904	12,792,588
Interest receivable		233,923	273,557
Interest payable and similar charges	5	(3,381,137)	(3,649,192)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		12,031,690	9,416,953
Taxation	6	(3,493,491)	(3,484,284)
PROFIT FOR THE FINANCIAL YEAR		8,538,199	5,932,669

The operating profit for the year arises from the company's continuing operations. The results of the business include the results of businesses hived up during the year.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 December 2009

	2009 £	2008 £
Profit for the financial year attributable to shareholders	8,538,199	5,932,669
Unrealised surplus on revaluation of certain fixed assets	6,051,533	-
Total recognised gains and losses relating to the financial year	14,589,732	5,932,669

NOTE OF HISTORICAL COST PROFITS AND LOSSES

Reported profit on ordinary activities before taxation	12,031,690	9,416,953
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	321,465	146,170
Historical cost profit on ordinary activities before taxation	12,353,155	9,563,123
Historical cost profit for the year retained after taxation and dividends	8,859,664	6,078,839

Park Holidays UK Limited
BALANCE SHEET
31 December 2009

	<i>Notes</i>	2009 £	2008 £
FIXED ASSETS			
Intangible assets	7	-	-
Tangible assets	8	205,075,705	196,918,095
Investments	9	32,415,429	32,415,429
		<u>237,491,134</u>	<u>229,333,524</u>
CURRENT ASSETS			
Stocks	10	5,418,808	5,611,540
Debtors	11	21,035,961	15,732,917
Cash at bank and in hand		1,401,254	550,747
		<u>27,856,023</u>	<u>21,895,204</u>
CREDITORS			
Amounts falling due within one year	12	(78,512,568)	(78,987,175)
NET CURRENT LIABILITIES		<u>(50,656,545)</u>	<u>(57,091,971)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>186,834,589</u>	<u>172,241,553</u>
PROVISIONS FOR LIABILITIES AND CHARGES	13	(308,716)	(305,412)
NET ASSETS		<u>186,525,873</u>	<u>171,936,141</u>
CAPITAL AND RESERVES			
Called up equity share capital	15	1,650	1,650
Revaluation reserve	16	127,096,934	121,045,401
Profit and loss account	16	59,427,289	50,889,090
SHAREHOLDERS' FUNDS	17	<u>186,525,873</u>	<u>171,936,141</u>

These financial statements were approved by the directors on the 5 May 2010 and are signed on their behalf by

J A Sills
Director




A B Loch
Director

Company Registration No 2434151

Park Holidays UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards

The Company is exempt by virtue of S400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

As the Company is a wholly owned subsidiary of CP Equityco Limited, the Company has taken advantage of the exemption contained in FRS8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries, which form part of the group. The consolidated financial statements of CP Equityco Limited, within which this Company is included, can be obtained from the address given in note 20.

GOING CONCERN BASIS

The financial statements have been prepared on the going concern basis notwithstanding the existence of net current liabilities as at 31 December 2009. The directors believe this to be appropriate for the following reasons. The directors have reviewed the projected working capital requirements of Park Holidays UK Limited and believe the company has sufficient funding for the foreseeable future. Furthermore, all relevant group companies have confirmed that it is not their intention to require repayment of any balances owed by the company for at least twelve months from the date of approval of the financial statements, except to the extent that such payments can be made while the company continues to settle its trading and non trading liabilities in full as they fall due for payment.

TURNOVER

Turnover, operating profit and profit or loss on ordinary activities before taxation derives from the provision of goods and services to customers during the period.

Turnover represents the fair value of goods excluding value added tax, delivered to or collected by third party customers in the period. Goods are deemed to have been delivered to customers, when the customer has access to the significant benefits inherent in the goods and exposure to the risks inherent in those benefits.

INTEREST RECEIVABLE AND PAYABLE

Interest receivable and payable represents amounts paid or to be paid in relation to the period in relation to deposits or debt respectively.

CASH FLOW STATEMENT

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

INTANGIBLE ASSETS AND AMORTISATION

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets) arising on business combinations in respect of acquisitions is capitalised and amortised to nil by equal annual instalments over its estimated useful life.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10 years straight line

Park Holidays UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

FIXED ASSETS AND DEPRECIATION

All fixed assets are initially recorded at cost

Freehold property comprises the holiday home parks owned by the company and have been revalued at fair value. The holiday home parks are carried in the balance sheet at deemed cost, representing open market value determined periodically by external valuers.

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Freehold property	- 10 to 200 years
Leasehold property	- Straight line over the period of the lease
Plant & machinery	- 10-25% straight line
Fixtures & fittings	- 10-15% straight line
Motor vehicles	- 25% straight line
Caravan hire fleet	- 10% straight line

No depreciation is provided on freehold land.

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the group. The annual contributions payable are charged to the profit and loss account.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rate that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

VALUATION OF INVESTMENTS

Investments held as fixed assets are stated at cost less any provision for impairment.

Park Holidays UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

2 TURNOVER

The turnover and profit before tax are attributable to the principal activity of the Company, wholly undertaken in the United Kingdom

3 OPERATING PROFIT

Operating profit is stated after charging

	2009	2008
	£	£
Amortisation of goodwill	-	1,480
Depreciation of owned fixed assets	1,880,491	1,858,216
Auditors' remuneration	41,100	33,000
Operating lease costs		
Land and buildings	343,679	337,910
Plant and equipment	133,059	161,433
Exceptional items		
Redundancy costs	-	259,173
Professional fees	122,561	150,000

4 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2009	2008
	No	No
Administrative staff	66	72
Caravan site operations	398	437
Directors	3	3
	<u>467</u>	<u>512</u>

The aggregate payroll costs of the above were

	2009	2008
	£	£
Wages and salaries	9,161,017	9,786,837
Social security costs	914,886	857,930
Other pension costs	170,000	135,360
	<u>10,245,903</u>	<u>10,780,127</u>

The figures above exclude the emoluments of one of the directors who was paid fees as a consultant to the business (note 18)

DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2009	2008
	£	£
Emoluments receivable	<u>568,500</u>	<u>379,000</u>
Emoluments of highest paid director		
Total emoluments (excluding pension contributions)	<u>318,000</u>	<u>212,000</u>

None of the directors accrued benefits under company pension schemes during the period

Park Holidays UK Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Interest payable on bank loans and overdrafts	59,477	84,556
Finance charges	-	347
Interest payable on inter-company loans	3,321,660	3,367,559
Other similar charges	-	196,730
	<u>3,381,137</u>	<u>3,649,192</u>

6 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2009	2008
	£	£
(a) Current tax		
In respect of the year:		
UK Corporation tax based on the results for the year at 28% (2008 – 28.5%)	3,497,738	2,764,001
Under/(Over) provision in prior year	(7,553)	743,774
Total current tax	<u>3,490,185</u>	<u>3,507,775</u>
Deferred tax		
Origination and reversal of timing differences (note 13)	3,304	(23,491)
Tax on profit on ordinary activities	<u>3,493,491</u>	<u>3,484,284</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 28% (2008 – 28.5%). The differences are explained below:

	2009	2008
	£	£
Profit on ordinary activities before taxation	<u>12,031,690</u>	<u>9,416,953</u>
Profit on ordinary activities multiplied by the standard rate of tax	3,368,872	2,683,831
Tax effect of:		
Expenses not deductible for tax purposes	126,002	54,680
Decelerated capital allowances	164	25,516
Other timing differences	2,700	(26)
Adjustment in respect of prior period	(7,553)	743,774
Total current tax (note 6(a))	<u>3,490,185</u>	<u>3,507,775</u>

7 INTANGIBLE FIXED ASSETS

	Goodwill
	£
Cost	
At 1 January 2009 and 31 December 2009	<u>179,250</u>
Amortisation	
At 1 January 2009 and at 31 December 2009	<u>179,250</u>
Net book value	
At 1 January 2009 and at 31 December 2009	<u>-</u>

Park Holidays UK Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

8 TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Other Assets £	Total £
Cost or valuation						
At 1 Jan 2009	187,514,246	4,200,000	3,149,421	7,333,817	8,628,169	210,825,653
Additions	1,852,178	-	28,719	775,975	1,343,566	4,000,438
Disposals	-	-	(2,436,514)	(1,170,349)	(107,726)	(3,714,589)
Transfers	-	-	(55,801)	113,561	(57,760)	-
Revaluation	6,383,576	(1,200,000)	-	-	-	5,183,576
At 31 Dec 2009	<u>195,750,000</u>	<u>3,000,000</u>	<u>685,824</u>	<u>7,053,004</u>	<u>9,806,249</u>	<u>216,295,079</u>
Depreciation						
At 1 Jan 2009	87,306	274,009	2,820,639	4,656,345	6,069,259	13,907,558
Charge for the year	319,691	186,952	49,066	878,109	446,674	1,880,491
Disposals	-	-	(2,436,514)	(1,156,477)	(107,726)	(3,700,717)
Transfers	-	-	(42,337)	88,853	(46,516)	-
Revaluation	(406,997)	(460,961)	-	-	-	(867,958)
At 31 Dec 2009	<u>-</u>	<u>-</u>	<u>390,855</u>	<u>4,466,830</u>	<u>6,361,690</u>	<u>11,219,374</u>
Net book value						
At 31 Dec 2009	<u>195,750,000</u>	<u>3,000,000</u>	<u>294,970</u>	<u>2,586,174</u>	<u>3,444,559</u>	<u>205,075,705</u>
At 31 Dec 2008	<u>187,426,940</u>	<u>3,925,991</u>	<u>328,782</u>	<u>2,677,472</u>	<u>2,558,910</u>	<u>196,918,095</u>

Included within freehold property is £163,194,450 relating to freehold land that is not depreciated

The following information relates to tangible fixed assets carried on the basis of revaluations in accordance with FRS15 *Tangible Fixed Assets*

	Freehold Property 31 December 2009 £	Freehold Property 31 December 2008 £	Leasehold Property 31 December 2009 £	Leasehold Property 31 December 2008 £
At existing use value	195,750,000	187,514,246	3,000,000	4,200,000
Aggregate depreciation	-	(87,306)	-	(274,009)
Net book value	<u>195,750,000</u>	<u>187,426,940</u>	<u>3,000,000</u>	<u>3,925,991</u>
Historical cost of revalued assets	70,144,922	68,292,744	2,502,821	2,502,821
Aggregate depreciation	(164,873)	(48,026)	(239,426)	(171,095)
Historical cost net book value	<u>69,980,049</u>	<u>68,244,718</u>	<u>2,263,395</u>	<u>2,331,726</u>

A full valuation of the properties was carried out in December 2009 by Humberts Leisure Limited, Chartered Surveyors

Park Holidays UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

9 INVESTMENTS

Cost and net book value	
At 1 January 2009 and 31 December 2009	£32,415,429

The company has a 100% interest in the ordinary share capital of the following companies, all of which are registered in England and Wales

Held directly

Coghurst Hall Holiday Village Limited	(Dormant)
Frenchmans Beach Holiday Village Limited	(Dormant)
Harts Holiday Village Limited	(Dormant)
Marlie Farm Holiday Village Limited	(Dormant)
Cinque Ports Leisure Homes Limited	(Dormant)
Harts Holiday Camps Limited	(Dormant)
Evengain Limited	(Holding Company)
The South Devon Holiday Parks Limited	(Non-trading)
Golden Sands Holiday Park Ltd	(Non-trading)
Crumpwood Ltd	(Non-trading)

Held indirectly

Park Holidays UK Finance Limited	
(previously Sotuta Limited)	(Dormant)
WSG Operating Company Limited	(Non-trading)

All the directly controlled subsidiaries of the company were dormant throughout the year, with the exception of Evengain Limited whose principal activity is that of a holding company for a group involved in weighing machines (WSG Operating Company Limited) and with one dormant company (Park Holidays UK Finance Limited)

10 STOCKS

	2009	2008
	£	£
Caravan and other stocks	5,418,808	5,611,540

There is no material difference between the replacement cost of stocks and the amounts stated above

11 DEBTORS

	2009	2008
	£	£
Trade debtors	7,866,806	7,516,614
Amounts owed by group undertakings	11,299,715	6,814,125
Other debtors	41,480	160,191
Prepayments and accrued income	1,827,960	1,241,987
	<u>21,035,961</u>	<u>15,732,917</u>

All amounts shown under debtors fall due for payment within one year

Park Holidays UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

12 CREDITORS amounts falling due within one year

	2009	2008
	£	£
Bank Loans and Overdrafts	-	700,000
Trade creditors	1,489,403	3,307,829
Amounts owed to group undertakings	54,988,054	54,535,674
Corporation tax	591,932	1,087,882
Other taxes and social security	2,181,732	2,263,771
Other creditors	309,935	372,683
Accruals and deferred income	18,951,512	16,719,336
	<u>78,512,568</u>	<u>78,987,175</u>

Capital Bank plc, who supply funding for caravans to the company, hold a fixed and floating charge over the assets of the company. At the year end £334,858 (2008 £922,841) was owed to Capital Bank plc in respect of caravan stock funding. This balance is included within trade creditors.

13 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2009	2008
	£	£
Liability/(asset) brought forward	305,412	212,679
Profit and loss account	3,304	(23,491)
Transfer from other group companies	-	116,224
Liability carried forward	<u>308,716</u>	<u>305,412</u>
Difference between capital allowances and depreciation on fixed assets	<u>308,716</u>	<u>305,412</u>

14 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings	
	2009	2008
	£	£
Operating leases which expire		
Less than 1 year	-	37,500
After 2-5 years	76,714	-
After more than 5 years	219,000	294,967
	<u>295,714</u>	<u>332,467</u>

Park Holidays UK Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

15 SHARE CAPITAL

	2009 £	2008 £
Authorised		
12,000 Ordinary shares of £1 each	12,000	12,000
400 Preference shares of £1 each	400	400
25,000 Redeemable preference shares of £1 each	25,000	25,000
	<u>37,400</u>	<u>37,400</u>
Allotted, called up and fully paid		
1,650 Ordinary shares of £1 each	<u>1,650</u>	<u>1,650</u>

16 RESERVES

	Revaluation reserve £	Profit and loss account £
Balance brought forward at 1 January 2009	121,045,401	50,889,090
Profit for the year	-	8,538,199
Revaluation	6,051,533	-
Balance carried forward at 31 December 2009	<u>127,096,934</u>	<u>59,427,289</u>

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Profit for the financial year	8,538,199	5,932,669
Revaluation	6,051,533	-
Opening shareholders' equity funds	<u>171,936,141</u>	<u>166,003,472</u>
Closing shareholders' equity funds	<u>186,525,873</u>	<u>171,936,141</u>

18 RELATED PARTY TRANSACTIONS

During the year the services of Peter Bull, one of the directors of the company, were supplied via Yesterdays World Limited which is a company owned by Peter Bull. In addition to the services of Peter Bull, Yesterdays World Limited also supply other services to the company. The total value of services provided by Yesterdays World Limited during the year, were £144,496 (2008 £103,011). As at 31 December 2009, the group owed Yesterdays World Limited £Nil (2008 £Nil).

During the year legal services were provided to the company by Loch Associates, which is owned by the wife of Al Loch, one of the directors of the company. The total value provided by Loch Associates for 2009 was £20,153 (2008 £Nil). As at 31 December 2009 the group owed Loch Associates £3,800 (2008 £Nil).

19 CONTINGENT LIABILITIES

Certain of the holiday homes sold to customers of the company are in part funded by third party finance companies. In the event of a default by a customer, the company may be required to re-purchase a holiday home from the third party finance company at a price based on an agreed formula. In due course the holiday homes re-purchased under these arrangements are resold in the normal course of business. The financial impact on the company in this and recent years has not been material.

Park Holidays UK Limited

NOTES TO THE FINANCIAL STATEMENTS

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20 ULTIMATE PARENT COMPANY

The ultimate parent company is CP Equityco Ltd

The largest and smallest group in which the results of the company are consolidated is that headed by CP Equityco Limited, incorporated in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from Coghurst Hall, Ivyhouse Lane, Ore, Hastings, East Sussex, TN35 4NP. No other group accounts include the results of the company.

The ultimate controlling party is Graphite Capital Management LLP. Fees paid to Graphite for the services of their staff totalled £81,447 (2008 £80,565). As at 31 December the Group owed Graphite £23,424 (2008 £23,899).