

**Leisure Parks Limited**

**Directors' report and consolidated  
financial statements**

**Registered number 03127502**

**31 March 2000**



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## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 March 2000.

### **Principal activities**

The principal activities of the Group are the provision of entertainment services.

### **Business review**

The year to 31 March 2000 is the company's first complete year of trading following acquisition of the business and assets from First Leisure Corporation plc on 1 September 1998. Further acquisitions were made in the year of Louis Tussauds Waxworks (Blackpool) Limited, and Oasis and Mr B's amusement arcades. The year under review was a period of consolidation and reorganisation for the company and the directors believe that the company is well placed going forward.

### **Proposed dividend**

The directors do not recommend the payment of a dividend.

### **Directors and directors' interests**

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

Mr TJ Hemmings

Mr EM Kilby

Ms K Revitt

Mr MW Etches

Mr ML Widders

Mr DT Chapman (appointed 25 November 1999)

The family interests of Mr TJ Hemmings own the entire issued share capital of the controlling company, West Manor Limited

None of the other directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

### **Employees**

Unit managers are responsible for employee relations and development on a day to day basis. This is supported by regular visits by senior executives who are able to explain and provide employees with information on matters of concern to them as employees and to enable their views to be taken into account.

It is the policy and practice of the group to give equal consideration to applications for employment from disabled persons having regard to the particular aptitudes and abilities of the applicants concerned. The services of any existing employee who becomes disabled are retained wherever practicable.

### **Employee involvement**

The group places great emphasis on consultation at all levels where its policy is to encourage an open management style with frequent formal and informal discussions on all aspects of operations.

### **Political and charitable contributions**


The company made no political contributions during the year. Donations to UK charities amounted to £2,066 (1999: £2,149).

## Directors' report

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

  
Mr ML Widders  
Director

97 Church Street  
Blackpool  
FY1 1HL

26/01/2001

## Statement of 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 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 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.



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United Kingdom

## Report of the auditors to the members of Leisure Parcs Limited

We have audited the financial statements on pages 5 to 25.

### *Respective responsibilities of directors and auditors*

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

### *Basis of audit opinion*

We conducted our audit in accordance with 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 and group'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 and group's affairs as at 31 March 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG  
Chartered Accountants  
Registered Auditors

26 January 2001

**Consolidated profit and loss account**  
*for the year ended 31 March 2000*

		Acquisitions	Continuing operations	Total Year ended 31 March 2000 £000	Total 7 months ended 31 March 1999 £000
	Note	2000 £000	2000 £000		
Turnover	1	581	22,887	23,468	13,178
Cost of sales		(17)	(4,934)	(4,951)	(1,873)
<b>Gross profit</b>		<b>564</b>	<b>17,953</b>	<b>18,517</b>	<b>11,305</b>
Administrative expenses		(656)	(16,891)	(17,547)	(10,106)
Other operating income		-	2,435	2,435	1,225
<b>Operating (loss)/profit</b>	2	<b>(92)</b>	<b>3,497</b>	<b>3,405</b>	<b>2,424</b>
Profit from associate				32	(35)
Profit on ordinary activities before interest				3,437	2,389
Interest receivable and similar income	5			89	311
Interest payable and similar charges	6			(4,307)	(2,916)
<b>Loss on ordinary activities before taxation</b>				<b>(781)</b>	<b>(216)</b>
Tax on loss on ordinary activities	7			83	-
<b>Retained loss for the year/period</b>				<b>(698)</b>	<b>(216)</b>

All of the above relate to continuing operations.

**Statement of total recognised gains and losses**  
*for the year ended 31 March 2000*

The group had no recognised gains or losses other than those shown in the profit and loss account for both the current year and the prior period.

**Consolidated balance sheet**  
**at 31 March 2000**

	Note	2000 £000	1999 £000
<b>Fixed assets</b>			
Intangible assets	9	109	121
Tangible assets	10	81,399	75,995
Investments	12	876	756
		<u>82,384</u>	<u>76,872</u>
<b>Current assets</b>			
Stocks	13	350	357
Debtors	14	2,552	2,284
Cash at bank and in hand		402	3,841
		<u>3,304</u>	<u>6,482</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(9,492)</u>	<u>(6,570)</u>
<b>Net current liabilities</b>		<u>(6,188)</u>	<u>(88)</u>
<b>Total assets less current liabilities</b>		<u>76,196</u>	<u>76,784</u>
<b>Creditors: amounts falling due after more than one year</b>	16	<u>(76,100)</u>	<u>(76,000)</u>
Provisions and liabilities	17	(10)	-
<b>Net assets</b>		<u>86</u>	<u>784</u>
<b>Capital and reserves</b>			
Called up share capital	18	1,000	1,000
Profit and loss account	19	(914)	(216)
<b>Equity shareholders' funds</b>	20	<u>86</u>	<u>784</u>

These financial statements were approved by the board of directors on 26/01/2001 and were signed on its behalf by:



**Mr EM Kilby**  
Director



**Company balance sheet**  
**at 31 March 2000**

	Note	2000 £000	1999 £000
<b>Fixed assets</b>			
Tangible assets	11	79,130	75,995
Investments	12	1,821	1,593
Long term loan to subsidiary undertaking		1,989	
		<u>82,940</u>	<u>77,588</u>
<b>Current assets</b>			
Stocks	13	350	357
Debtors	14	2,660	2,284
Cash at bank and in hand		400	3,841
		<u>3,410</u>	<u>6,482</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(10,231)</u>	<u>(7,251)</u>
<b>Net current liabilities</b>		<u>(6,821)</u>	<u>(769)</u>
<b>Total assets less current liabilities</b>		<u>76,119</u>	<u>76,819</u>
<b>Creditors: amounts falling due after more than one year</b>	16	<u>(76,100)</u>	<u>(76,000)</u>
<b>Net assets</b>		<u>19</u>	<u>819</u>
<b>Capital and reserves</b>			
Called up share capital	18	1,000	1,000
Profit and loss account	19	(981)	(181)
<b>Equity shareholders' funds</b>	20	<u>19</u>	<u>819</u>

These financial statements were approved by the board of directors on 26/01/2001 and were signed on its behalf by:

  
**Mr EM Kilby**  
Director

**Consolidated cash flow statement**  
*for the year ended 31 March 2000*

	Note	Year ended 31 March 2000 £000	7 months ended 31 March 1999 £000
Cash flow from operating activities		3,881	5,431
Returns on investments and servicing of finance	24	(3,776)	(2,180)
Capital expenditure and financial investment	24	149	(2,951)
Acquisitions and disposals	24	(7,310)	(73,459)
Net cash outflow before financing		(7,056)	(73,159)
Financing	24	-	77,000
(Decrease)/increase in cash		(7,056)	3,841

All amounts relate to acquired continuing operations

**Reconciliation of operating profit to net cash flow from operating activities**  
*for the year ended 31 March 2000*

	Year ended 31 March 2000 £000	7 months ended 31 March 1999 £000
Operating profit	3,405	2,424
Depreciation charges	2,078	1,128
Profit on sale of fixed assets	(272)	-
Decrease/(increase) in stocks	77	(357)
(Increase) in debtors	(213)	(2,284)
(Decrease)/increase in creditors	(1,194)	4,520
Net cash inflow from operating activities	3,881	5,431

**Reconciliation of net cash flow to movement in net debt**  
*for the year ended 31 March 2000*

	Year ended 31 March 2000 £000	7 months ended 31 March 1999 £000
(Decrease)/increase in cash in the period	(7,056)	3,841
Cash inflow from increase in debt	-	(76,000)
Movement in net debt in the year	(7,056)	(72,159)
Net debt at the beginning of the year	(72,159)	-
Net debt at the end of the period	(79,215)	(72,159)

## Notes

(forming part of the financial statements)

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

#### *Basis of consolidation*

The consolidated financial statements incorporate the financial statements for the company and its subsidiary and associated undertakings which have been prepared for the financial year ended 31 March 2000. Where the accounting reference date of the associated undertaking is different from the group but is within three months of 31 March the latest management accounts have been used.

Where the acquisition method of accounting has been adopted the results of the subsidiary or associated undertaking acquired in the year are included in the profit and loss account from the date of acquisition. Goodwill arising on consideration represented by the excess of the fair value of the consideration given over the fair value of the separable net assets acquired is capitalised and amortised on a straight line basis over its estimated useful life of 20 years. Any excess of the fair value of separable net assets acquired over the fair value of consideration given (negative goodwill) is recognised and discharged separately within intangible fixed assets and released to the profit and loss account in the periods in which the assets relating to the negative goodwill are recovered.

#### *Investments*

Investments are stated at cost less any provision for permanent diminution in value.

#### *Fixed assets and depreciation*

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold and leasehold properties	-	50 years
Motor vehicles	-	25% per annum
Plant and equipment	-	4 to 8 years
Amusement machines	-	written off over 2-5 years
Freehold property improvements	-	10 years

#### *Leases*

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Post-retirement benefits*

The group operates defined contribution pension schemes for certain of its employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value.

#### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

#### *Turnover*

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to third party customers. All turnover arises in the United Kingdom.

#### *Related party transactions*

The directors have taken advantage of the exemptions in Financial Reporting Standard Number 8, paragraph 3 (a) and have not disclosed transactions and balances between group entities that have been eliminated on consolidation.

## Notes (continued)

### 2 Loss on ordinary activities before taxation

	12 months ended 31 March 2000 £000	7 months ended 31 March 1999 £000
<i>Loss on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditors' remuneration:		
Audit	27	23
Other services - fees paid to the auditors and their associates	18	20
Depreciation - owned	2,058	1,128
Amortisation of goodwill	12	-
Operating lease rentals		
Plant and machinery	111	260
<i>after crediting</i>		
Property rents receivable	2,435	1,251

Auditors' remuneration for the audit of the parent company is £23,000 (1999: £23,000)

### 3 Remuneration of directors

	12 months ended 31 March 2000 £000	7 months ended 31 March 1999 £000
Directors' emoluments	170	79
Company contributions to money purchase pension schemes	12	6

	12 months ended 31 March 2000	7 months ended 31 March 1999
<b>Number of directors</b>		
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	3	2

## Notes (continued)

### 4 Staff numbers and costs

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

	Number of employees	
	12 months ended 31 March 2000	7 months ended 31 March 1999
Operational	405	403
Administration and management	141	150
	<hr/> 546	<hr/> 553

The aggregate payroll costs of these persons were as follows:

	12 months ended 31 March 2000 £000	7 months ended 31 March 1999 £000
Wages and salaries	5,024	4,053
Social security costs	374	341
Other pension costs	190	48
	<hr/> 5,588	<hr/> 4,442

### 5 Interest receivable and similar income

	12 months ended 31 March 2000 £000	7 months ended 31 March 1999 £000
Bank interest	89	311

### 6 Interest payable and similar charges

	12 months ended 31 March 2000 £000	7 months ended 31 March 1999 £000
On bank loans and overdrafts	3,644	2,524
On loan notes	663	392
	<hr/> 4,307	<hr/> 2,916

## Notes (continued)

### 7 Taxation

	12 months ended 31 March 2000 £000	7 months ended 31 March 1999 £000
<i>Attributable to subsidiary undertakings</i>		
Corporation tax at 21%	6	-
Movement on deferred taxation	(2)	-
	<u>4</u>	<u>-</u>
<i>Attributable to associate undertaking</i>		
Deferred tax	(87)	-
	<u>83</u>	<u>-</u>

The company incurred a taxable loss of approximately £1,037,000 which has been carried forward to set against future trading profits.

### 8 Company result for the financial year

Leisure Parks Limited has not presented its own profit and loss account as permitted by Section 230 of the Companies Act 1985. The loss for the financial year dealt with in the accounts of the holding company, Leisure Parks Limited, is £800,000 (1999: £181,000). With the exception of the loss for the financial year, there were no other recognised gains and losses in the company, nor was there a difference between the historical cost loss and that noted above.

### 9 Intangible assets

<b>Goodwill</b>	<b>Group Goodwill arising on acquisitions £000</b>
<b>Group</b>	
<i>Cost or valuation</i>	
At 1 April 1999	121
Additions	-
At 31 March 2000	<u>121</u>
<i>Amortisation</i>	
At 1 April 1999	-
Charge for the year	12
<i>Charge for the year</i>	
At 31 March 2000	<u>12</u>
<i>Net book value</i>	
At 31 March 2000	<u>109</u>
At 1 April 1999	<u>121</u>

## Notes (continued)

### 10 Tangible fixed assets - group

	Land and buildings		Plant and equipment	Amusement machines	Motor vehicles	Total
	Freehold land and buildings	Improvements to freehold properties				
	£000	£000	£000	£000	£000	£000
<b>Cost</b>						
At beginning of year	66,823	498	8,240	1,445	117	77,123
Additions	-	809	977	255	34	2,075
Additions via acquisitions	6,734	-	110	500	3	7,347
Disposals	-	-	(110)	(2,200)	-	(2,310)
At end of year	73,557	1,307	9,217	-	154	84,235
<b>Depreciation</b>						
At beginning of year	440	-	471	208	9	1,128
Charge for year	661	90	1,121	150	44	2,066
Disposals	-	-	-	(358)	-	(358)
At end of year	1,101	90	1,592	-	53	2,836
<b>Net book value</b>						
At 31 March 2000	72,456	1,217	7,625	-	101	81,399
At 31 March 1999	66,383	498	7,769	1,237	108	75,995

No assets are held under finance leases and similar hire purchase contracts.

The cost of freehold land and buildings includes £8,885,000 of non-depreciable assets.



## Notes (continued)

### 11 Tangible fixed assets - company

	Land and buildings		Plant and equipment	Amusement machines	Motor vehicles	Total
	Freehold land and buildings	Improvements to freehold properties				
	£000	£000	£000	£000	£000	£000
<b>Cost</b>						
At beginning of year	66,823	498	8,240	1,445	117	77,123
Additions	4,470	809	1,077	755	34	7,145
Disposals	-	-	(110)	(2,200)	-	(2,310)
At end of year	71,293	1,307	9,207	-	151	81,958
<b>Depreciation</b>						
At beginning of year	440	-	471	208	9	1,128
Charge for year	653	90	1,121	150	44	2,058
Disposals	-	-	-	(358)	-	(358)
At end of year	1,093	90	1,592	-	53	2,828
<b>Net book value</b>						
At 31 March 2000	70,200	1,217	7,615	-	98	79,130
At 31 March 1999	66,383	498	7,769	1,237	108	75,995

No assets are held under finance leases and similar hire purchase contracts.

The cost of freehold land and buildings includes £8,385,000 of non-depreciable assets.

**Notes (continued)**

**12 Investments**

<b>Group</b>	<b>Interests in associated undertakings £000</b>	<b>Total £000</b>
At 1 April 1999	756	756
Share of results of associate undertaking	120	120
At 31 March 2000	876	876
	£000	£000
Share of turnover of associate		657
<b>Share of assets</b>		
Share of fixed assets	756	
Share of current assets	170	
	926	
<b>Share of liabilities</b>		
Liabilities due within one year or less	(50)	
Provisions	-	
Share of net assets		876

## Notes (continued)

### 12 Investments (Continued)

Company	Interests in associated undertakings £000	Interest in subsidiary undertaking £000	Total £000
Cost and net book value			
At 1 April 1999	912	681	1,593
Additions	-	228	228
At 31 March 2000	912	909	1,821

The principal companies in which the company's interest at the year end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage
<b>Subsidiary undertakings</b>			
Activeclaim Limited	United Kingdom	Holding Company	ordinary 100%
Louis Tussauds Waxworks (Blackpool) Limited	United Kingdom	Leisure	ordinary 100%
The Blackpool Tower Company Limited	United Kingdom	Dormant	ordinary 100%
The Blackpool Pier Company Limited	United Kingdom	Dormant	ordinary 100%
The Eastbourne Pier Company Limited	United Kingdom	Dormant	ordinary 100%
The Savoy Hotel (Blackpool) Limited	United Kingdom	Dormant	ordinary 100%
<b>Interests in associated undertakings</b>			
Sea Life Centre (Blackpool) Limited	United Kingdom	Leisure	ordinary 50%

#### Substantial acquisitions

On 1 September 1999 the company acquired shares in Activeclaim Limited the 100% parent company of Louis Tussauds Waxworks (Blackpool) Limited. On 7 July 1999 and 11 November 1999 respectively, the company acquired the assets of Oasis and Mr B's amusement arcades at Blackpool. The fair value attributed to the three acquisitions were as follows:

## Notes (continued)

### 12 Investments (Continued)

#### *Activeclaim Limited*

	Book value £000	Revaluation £000	Fair value £000
Fixed assets:			
Tangible	1,877	400	2,277
Current assets:			
Stock	-	-	-
Debtors	-	-	-
Cash	2	-	2
<b>Total assets</b>	<b>1,879</b>	<b>400</b>	<b>2,279</b>
Liabilities:			
Bank loans and overdrafts	(1,989)	-	(1,989)
Creditors	(50)	-	(50)
Provisions	(12)	-	(12)
	<b>(2,051)</b>	<b>-</b>	<b>(2,051)</b>
<b>Net assets acquired at fair value</b>	<b>(172)</b>	<b>400</b>	<b>228</b>
<b>Acquisition costs</b>			<b>(28)</b>
			<b>200</b>
Consideration including debt (£100,000 deferred consideration)			200
External debt			1,989
<b>Total consideration excluding debt</b>			<b>2,189</b>

**Notes (continued)**

**12 Investments (Continued)**

***Oasis***

	Book value £000	Revaluation £000	Fair value £000
Fixed assets:			
Tangible	3,700	110	3,810
Current assets:			
Stock	15	-	15
Debtors	1	-	1
Cash	86	-	86
Net assets at fair value	<u>3,802</u>	<u>110</u>	<u>3,912</u>
Acquisition costs			<u>(110)</u>
Total purchase consideration			<u>3,802</u>

***Mr B's***

	Book value £000	Revaluation £000	Fair value £000
Fixed assets:			
Tangible	1,250	10	1,260
Current assets:			
Stock	55	-	55
Debtors	54	-	54
Cash	30	-	30
Net assets at fair value	<u>1,389</u>	<u>10</u>	<u>1,399</u>
Acquisition costs			<u>(10)</u>
Total purchase consideration			<u>1,389</u>

## Notes (continued)

### 13 Stocks

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Goods for resale	350	350	357	357

### 14 Debtors

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Trade debtors	665	665	419	419
Amounts owed by subsidiary undertakings	-	117	-	-
Amounts owed by undertakings in which the company has a participating interest	48	48	308	308
Prepayments and accrued income	1,839	1,830	1,557	1,557
	<u>2,552</u>	<u>2,660</u>	<u>2,284</u>	<u>2,284</u>

All amounts are due within one year

### 15 Creditors: amounts falling due within one year

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Bank overdraft	3,617	3,685	-	-
Trade creditors	1,708	1,707	3,374	3,374
Amounts owed to group undertakings	-	681	-	681
Corporation Tax	6	-	-	-
Taxation and social security	189	185	104	104
Accruals and deferred income	1,943	1,943	1,942	1,942
Other creditors	2,029	2,030	1,150	1,150
	<u>9,492</u>	<u>10,231</u>	<u>6,570</u>	<u>7,251</u>

## Notes (continued)

### 16 Creditors: amounts falling due after more than one year

	Group and company	
	2000 £000	1999 £000
Debenture loans	22,100	22,100
Bank loans	53,900	53,900
Other creditor	100	-
	<hr/> 76,100 <hr/>	<hr/> 76,000 <hr/>
	2000 £000	1999 £000
<b>Analysis of debt:</b>		
Debt can be analysed as falling due:		
In one year or less, or on demand	-	-
Between one and two years	2,994	-
Between two and five years	20,177	14,972
In five years or more	52,829	61,028
	<hr/> 76,000 <hr/>	<hr/> 76,000 <hr/>
Amounts repayable in more than five years:		
	2000 £000	1999 £000
Debenture loans	19,890	22,100
Bank loans	32,939	35,933
	<hr/> 52,829 <hr/>	<hr/> 58,033 <hr/>

The bank term loan of £53,900,000 is repayable in quarterly instalments starting in December 2001 and ending in December 2010. The interest rate is base rate plus 1.5%. The bank has a legal charge over all heritable properties and cross guarantees from all group companies.

The unsecured loan notes of £22,100,000 were issued in September 1998 and are held by the shareholders in proportion to their shareholding. Interest of 3% per annum is payable annually in arrears. Redemption will commence at £2,000,000 per annum in December 2004 until December 2014.

## Notes (continued)

### 17 Provisions for liabilities and charges

	Deferred taxation Group £000
At beginning of year	-
On acquisition	12
Released in the year	(2)
	<hr/>
At 31 March 2000	10
	<hr/>

The amounts provided for deferred taxation and the amounts not provided are set out below:

	2000		1999	
	Provided £000	Unprovided £000	Provided £000	Unprovided £000
Difference between accumulated depreciation and capital allowances	10	263	-	121
Trading losses	-	(810)	-	(488)
	<hr/>	<hr/>	<hr/>	<hr/>
	10	(547)	-	(367)
	<hr/>	<hr/>	<hr/>	<hr/>

### 18 Called up share capital

	2000 £000	1999 £000
<i>Authorised</i>		
1,000,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
1,000,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>

### 19 Reserves

	Profit and loss account Group £000	Company £000
At 31 March 1999	(216)	(181)
Retained loss for the year	(698)	(800)
	<hr/>	<hr/>
At 31 March 2000	(914)	(981)
	<hr/>	<hr/>



**Notes (continued)**

**20 Reconciliation of movements in shareholders' funds**

	2000		1999	
	Group £000	Company £000	Group £000	Company £000
Loss for the financial year	(698)	(800)	(216)	(181)
New share capital subscribed (net of issue costs)	-	-	1,000	1,000
<b>Net addition to shareholders' funds</b>	<b>(698)</b>	<b>(800)</b>	<b>784</b>	<b>819</b>
Opening shareholders' funds	784	819	-	-
<b>Closing shareholders' funds</b>	<b>86</b>	<b>19</b>	<b>784</b>	<b>819</b>

**21 Contingent liabilities**

The company has guaranteed the overdrafts of its subsidiaries; the amount outstanding at the year end was £nil.

**22 Commitments**

- (a) Capital commitments at the end of the financial year for which no provision has been made, are as follows:

	Group and company	
	2000 £000	1999 £000
Contracted not incurred	1,313	534
Authorised not yet contracted	226	897

- (b) Annual commitments under non-cancellable operating leases are as follows:

	2000		1999	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Operating leases which expire:				
Within one year	-	362	-	450
In the second to fifth years inclusive	-	652	-	1,100
Over five years	-	1,150	-	1,250
	-	2,164	-	2,800

## Notes (continued)

### 23 Pension scheme

Certain of the group's employees are members of defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension charge represents pension contributions payable by the group to the funds and amounted to £149,000 (1999: £48,000). Amounts outstanding at the year end amounted to £nil (1999: £nil).

### 24 Analysis of cash flows

	2000 £000	1999 £000
<b>Returns on investment and servicing of finance</b>		
Interest received	89	293
Interest paid	(3,865)	(2,473)
	<u>(3,776)</u>	<u>(2,180)</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(2,075)	(912)
Disposals	2,224	(2,039)
	<u>149</u>	<u>(2,951)</u>
<b>Financing</b>		
Issue of ordinary share capital	-	1,000
Debt due after more than on year:		
New secure loan	-	53,900
Debenture unsecured loan	-	22,100
	<u>-</u>	<u>77,000</u>
<b>Acquisitions and disposals</b>		
Payments to acquire subsidiary undertaking	(127)	-
Net overdraft acquired with subsidiary	(1,987)	-
Payments to acquire other businesses	(5,312)	(74,039)
Net cash acquired with other businesses	116	580
	<u>(7,310)</u>	<u>(73,459)</u>

### 25 Analysis of net debt

	At beginning of year £000	Cash flow £000	At end of year £000
Cash in hand, at bank	3,841	(3,439)	402
Overdrafts	-	(3,617)	(3,617)
	<u>3,841</u>	<u>(7,056)</u>	<u>(3,215)</u>
Debt due after one year	(76,000)	-	(76,000)
Total	<u>(72,159)</u>	<u>(7,056)</u>	<u>(79,215)</u>

## Notes (continued)

### 26 Related party disclosures

#### *Hemway Limited*

Hemway Limited has provided legal, property and accountancy support together with the services of Mr EM Kilby and Ms K Revitt as non-executive directors of the company. Hemway Limited has been paid a fee of £150,000 for these services. Hemway Limited is owned by the family interests of Mr TJ Hemmings.

#### *West Manor Limited*

West Manor Limited owns 60% of the share capital of the group. It holds £13,260,00 of the debenture unsecured loan notes.

#### *Sea Life Centre (Blackpool) Limited*

The group has a 50% holding in Sea Life Centre (Blackpool) Limited. The company leases a property to Sea Life Centre (Blackpool) Limited. Charges under this lease in the year ended 31 March 2000 amounted to £184,000.

The company provides accounting and administration services for Sea Life Centre (Blackpool) Limited. Charges in the year ended 31 March 2000 amounted to £15,000.

### 27 Ultimate controlling party

The ultimate controlling party are the family interests of Mr TJ Hemmings.

### 28 Ultimate parent company

The company is a subsidiary undertaking of West Manor Limited which is the ultimate parent company incorporated in Jersey.

The consolidated accounts of this company are not available to the public. No other group accounts include the results of the company.