Leisure Parcs Limited

Directors' report and consolidated financial statements

Registered number 03127502

31 March 2007

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2007

Principal activities

During the year the group's principal activity was owner and operator of leisure attractions and other leisure assets

Business review

The directors are satisfied with the performance during the year, in a difficult trading environment and against a background of inflationary pressures on costs The directors believe the group is well placed going forward

Principal risks and uncertainties

The principal uncertainties associated with this business are the number of visitors to the group's attractions and the general level of discretionary income The directors believe that these present both risks and opportunities to the business

Performance and development during the year including key performance indicators

The directors monitor performance through the production of a detailed annual budget and comparison of results against this budget Additionally the directors monitor key performance indicators to ensure they are within acceptable parameters, these include

- Admission numbers and income for key leisure attractions
- Gross profit percentage return on sales
- Operating profit return on sales
- Cash generated from operating activities

Position at the end of the year

The group has a sound financial base and sufficient financial resources to meet the business's requirements

Results and dividends

The profit for the year is £269,000 *(2006 £2,849,000)* and has been transferred to reserves The directors do not recommend the payment of a dividend *(2006 £nil)*

Directors and directors' interests

The directors who held office during the year were as follows

Mr CJ Hemmings (appointed 14 September 2006)
Ms K Revitt
Mr ML Widders
Mr CJ Sullivan
Mr DT Chapman (resigned 31 December 2006)

Directors' report (continued)

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 £1,000 *(2006 £nil)*

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming annual general meeting

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

By order of the board

ML Widders
Director

97 Church Street
Blackpool
FY1 1HL

30 July 2007

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)

The financial statements are required by law to 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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

KPMG

KPMG LLP
Edward VII Quay
Navigation Way
Preston
PR2 2YF
United Kingdom

Independent auditor's report to the members of Leisure Parcs Limited

We have audited the group and parent company financial statements (the "financial statements") of Leisure Parcs Limited for the year ended 31 March 2007 which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the reconciliation of operating profit to net cash flow from operating activities, the reconciliation of net cash flow to movement in net debt and the related notes 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 auditor's 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

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities on page 3

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 whether in our opinion the information given in the directors' report is consistent with the financial statements

In addition we report to you if, in our opinion, 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 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and 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

Independent auditor's report to the members of Leisure Parcs Limited *(continued)*

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 31 March 2007 and of the group's profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

KPMG LLP
KPMG LLP
Chartered Accountants
Registered Auditor

30/7/2007

Consolidated profit and loss account
for the year ended 31 March 2007

	Note	2007 £000	2006 £000
Turnover	1	**15,327**	26,842
Cost of sales		**(1,847)**	(3,725)
Gross profit		**13,480**	23,117
Administrative expenses		**(13,254)**	(24,003)
Other operating income		**1,261**	2,719
Operating profit		**1,487**	1,833
Share of operating profit of associated undertaking		**195**	211
Profit on the disposal of fixed assets		**33**	3,922
Profit on ordinary activities before interest		**1,715**	5,966
Interest receivable and similar income	5	**96**	9
Interest payable and similar charges	6	**(1,721)**	(3,488)
Profit on ordinary activities before taxation	2	**90**	2,487
Tax on profit on ordinary activities	7	**179**	362
Retained profit for the year		**269**	2,849

All of the above relate to continuing operations

Statement of total recognised gains and losses
for the year ended 31 March 2007

There were no recognised gains or losses other than those shown in the profit and loss account for both the current and prior year

Consolidated balance sheet
at 31 March 2007

	Note	2007 £000	2007 £000	2006 £000	2006 £000
Fixed assets					
Intangible assets	*9*		25		37
Tangible assets	*10*		44,026		46,567
Investments	*12*		745		904
			44,796		47,508
Current assets					
Stocks	*13*	310		314	
Debtors	*14*	2,479		2,150	
Cash at bank and in hand		4,014		681	
		6,803		3,145	
Creditors amounts falling due within one year	*15*	(6,862)		(6,130)	
Net current liabilities			(59)		(2,985)
Total assets less current liabilities			44,737		44,523
Creditors amounts falling due after more than one year	*16*		(38,100)		(38,100)
Provisions for liabilities and charges	*17*		(28)		(83)
Net assets			6,609		6,340
Capital and reserves					
Called up share capital	*18*		1,000		1,000
Profit and loss account	*19*		5,609		5,340
Equity shareholders' funds	*20*		6,609		6,340

These financial statements were approved by the board of directors on 30 July 2007 and were signed on its behalf by

ML Widders
Director

Company balance sheet
at 31 March 2007

	Note	2007 £000	2007 £000	2006 £000	2006 £000
Fixed assets					
Tangible assets	*11*		**40,918**		43,739
Investments	*12*		**1,140**		1,821
Long term loan to subsidiary undertaking			**1,989**		1,989
			44,047		47,549
Current assets					
Stocks	*13*	**281**		298	
Debtors	*14*	**2,707**		2,328	
Cash at bank and in hand		**3,960**		670	
		6,948		3,296	
Creditors: amounts falling due within one year	*15*	**(6,168)**		(6,491)	
Net current assets/(liabilities)			**780**		(3,195)
Total assets less current liabilities			**44,827**		44,354
Creditors. amounts falling due after more than one year	*16*		**(38,100)**		(38,100)
Provisions for liabilities and charges	*17*		**-**		-
Net assets			**6,727**		6,254
Capital and reserves					
Called up share capital	*18*		**1,000**		1,000
Profit and loss account	*19*		**5,727**		5,254
Equity shareholders' funds	*20*		**6,727**		6,254

These financial statements were approved by the board of directors on 30 July 2007 and were signed on its behalf by

ML Widders
Director

Consolidated cash flow statement

for the year ended 31 March 2007

	Note	**2007**	2006
		£000	£000
Cash flow from operating activities		**1,988**	5,412
Dividends received from associate		**300**	-
Returns on investments and servicing of finance	*24*	**(1,694)**	(3,582)
Taxation		**119**	96
Capital expenditure and financial investment	*24*	**1,159**	34,967
Financing	*24*	**-**	(34,400)
Increase in cash in the year		**1,872**	2,493

All amounts relate to continuing operations

Reconciliation of operating profit to net cash flow from operating activities

for the year ended 31 March 2007

	2007	2006
	£000	£000
Operating profit	**1,487**	1,833
Depreciation and amortisation charges	**1,427**	3,930
Decrease in stock	**4**	247
(Increase)/decrease in debtors	**(270)**	518
Decrease in creditors	**(660)**	(1,116)
Net cash inflow from operating activities	**1,988**	5,412

Reconciliation of net cash flow to movement in net debt

for the year ended 31 March 2007

		2007	2006
		£000	£000
Increase in cash in the year		**1,872**	2,493
Cash out flow from repayment of loan		**-**	34,400
Movement in net debt in the year		**1,872**	36,893
Net debt at the beginning of the year		**(37,716)**	(74,609)
Net debt at the end of the year	*25*	**(35,844)**	(37,716)

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 2007 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 consolidation 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 the directors estimate of the useful life The directors consider each acquisition separately for the purpose of determining amortisation periods Goodwill capitalised to date is amortised over a period between 5 and 10 years Any excess of the fair value of separable net assets acquired over the fair value of consideration given (negative goodwill) is recognised and disclosed 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

Turnover

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

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

Notes *(continued)*

1 Accounting policies *(continued)*

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

Pensions

The group makes employer contributions to a defined contribution pension schemes on behalf of 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 Full provision is made without discounting for deferred taxation

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

2 Profit on ordinary activities before taxation

	2007	2006
	£000	£000
Profit on ordinary activities before taxation is stated	**90**	2,487
after charging		
Auditors' remuneration		
Audit - Group	**8**	30
- Company	**37**	24
Other services – fees paid to the auditors and their associates	**28**	32
Depreciation	**1,415**	3,918
Amortisation of goodwill	**12**	12
Operating lease rentals		
Plant and machinery	**26**	36
after crediting		
Property rents receivable	**1,261**	2,719
Release of fair value provision	**509**	-
Profit on the sale of fixed assets	**32**	3,922

Notes *(continued)*

3 Remuneration of directors

	2007	2006
	£000	£000
Directors' emoluments	**49**	195
Company contributions to defined contribution pension schemes	**4**	14

The aggregate emoluments of the highest paid director were £49,000 *(2006 £126,000)* and company pension contributions of £4,000 *(2006 £9,000)* were made to a defined contribution scheme on his behalf

	2007	2006
	£000	£000
Retirement benefits are accruing to the following number of directors under Defined contribution schemes	**1**	2

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	
	2007	2006
Operational	**333**	505
Administration and management	**100**	142
	433	647

The aggregate payroll costs of these persons were as follows

	2007	2006
	£000	£000
Wages and salaries	**4,263**	7,746
Social security costs	**307**	504
Other pension costs	**83**	131
	4,653	8,381

5 Interest receivable and similar income

	2007	2006
	£000	£000
Bank interest	**96**	9

Notes *(continued)*

6 Interest payable and similar charges

	2007 £000	2006 £000
On bank loans and overdrafts	**1,178**	2,894
On loan notes	**543**	594
	1,721	3,488

7 Taxation

	2007 £000	2006 £000
UK corporation tax at 30% - current year	**-**	-
Adjustment in relation to prior period	**(178)**	(118)
	(178)	(118)
Movement on deferred taxation		
- current year	**6**	(299)
- in respect of prior year	**(61)**	-
	(55)	(299)
	(233)	(417)
Attributable to associate undertaking		
Corporation tax at 30% *(2006 30%)*	**54**	55
	(179)	(362)

	2007 £000	2006 £000
Profit on ordinary activities before taxation	**90**	2,487
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% *(2006 30%)*	**27**	746
Effects of		
Non-qualifying depreciation	**-**	359
Capital allowances (in excess of)/less than depreciation	**(65)**	690
Expenses not deductible for tax purposes and non-taxable income	**102**	(437)
Profit on disposals not taxable	**-**	(1,898)
Losses carried back	**-**	229
Losses carried forward	**41**	374
Effects of associated company	**(5)**	(8)
Other short term timing differences	**5**	-
Adjustment in relation to prior period	**(178)**	(118)
Utilisation of tax losses	**(51)**	-
Current tax credit for the period	**(124)**	(63)

Notes *(continued)*

8 Company result for the financial year

Leisure Parcs Limited has not presented its own profit and loss account as permitted by Section 230 of the Companies Act 1985 The profit for the financial year dealt with in the accounts of the holding company, Leisure Parcs Limited, is £473,000 *(2006 £2,815,000)*

9 Intangible assets

Goodwill	**Group goodwill arising on acquisitions**
Group	**£000**
Cost or valuation	
At 1 April 2006 and at 31 March 2007	121
Amortisation	
At 1 April 2006	84
Charge for the year	12
At 31 March 2007	96
Net book value	
At 31 March 2007	**25**
At 1 April 2006	37

10 Tangible fixed assets - group

	Land and buildings					
	Freehold land and buildings £000	**Improvements to freehold properties £000**	**Plant and equipment £000**	**Motor vehicles £000**	**Assets in the course of construction £000**	**Total £000**
Cost						
At beginning of year	45,229	3,931	6,967	40	-	56,167
Additions	-	806	223	5	30	1,064
Disposals	(2,643)	(205)	(450)	(36)	-	(3,334)
At end of year	42,586	4,532	6,740	9	30	53,897
Depreciation						
At beginning of year	3,139	1,240	5,196	25	-	9,600
Charge for year	355	412	645	3	-	1,415
Disposals	(658)	(65)	(397)	(24)	-	(1,144)
At end of year	2,836	1,587	5,444	4	-	9,871
Net book value						
At 31 March 2007	**39,750**	**2,945**	**1,296**	**5**	**30**	**44,026**
At 31 March 2006	42,090	2,691	1,771	15	-	46,567

The cost of freehold land and buildings includes £7,670,000 *(2006 £8,331,000)* of non-depreciable assets

Notes *(continued)*

11 Tangible fixed assets - company

	Land and buildings: Freehold land and buildings £000	Land and buildings: Improvements to freehold properties £000	Plant and equipment £000	Motor vehicles £000	Total £000
Cost					
At beginning of year	42,965	3,454	6,610	37	53,066
Additions	-	487	175	5	667
Disposals	(2,643)	(205)	(450)	(36)	(3,334)
At end of year	40,322	3,736	6,335	6	50,399
Depreciation					
At beginning of year	3,077	1,181	5,046	23	9,327
Charge for year	342	342	611	3	1,298
Disposals	(658)	(65)	(397)	(24)	(1,144)
At end of year	2,761	1,458	5,260	2	9,481
Net book value					
At 31 March 2007	**37,561**	**2,278**	**1,075**	**4**	**40,918**
At 31 March 2006	39,888	2,273	1,564	14	43,739

The cost of freehold land and buildings includes £7,169,000 *(2006 £7,831,000)* of non-depreciable assets

Notes *(continued)*

12 Investments

Group	Participating interests £000	Total £000
At 1 April 2006	904	904
Share of results	141	141
Share of dividend	(300)	(300)
At 31 March 2007	**745**	**745**

	£000
Share of turnover of participating interest	900
Share of assets	
Share of fixed assets	503
Share of current assets	491
	994
Share of liabilities	
Liabilities due within one year or less	(249)
Share of net assets	745

Company	Participating interests £000	Interest in subsidiary undertaking £000	Total £000
Cost and net book value			
At 1 April 2006	912	909	1,821
Disposal	(681)	-	(681)
At 31 March 2007	231	909	1,140

Principal operating subsidiary and associated undertakings included in the consolidated accounts are as follows

	Country of incorporation	Principal activity	Class and percentage
Subsidiary undertakings			
Louis Tussauds Waxworks (Blackpool) Limited	United Kingdom	Leisure	ordinary 100%
Activeclaim Limited	United Kingdom	Dormant	ordinary 100%
The Blackpool Tower Company Limited	United Kingdom	Dormant	ordinary 100%
Interests in associated undertakings			
Sea Life Centre (Blackpool) Limited	United Kingdom	Leisure	ordinary 50%

13 Stocks

	2007		2006	
	Group £000	**Company £000**	Group £000	Company £000
Goods for resale	**310**	**281**	314	298

Notes *(continued)*

14 Debtors

	2007 Group £000	2007 Company £000	2006 Group £000	2006 Company £000
Trade debtors	**990**	**990**	508	507
Amounts owed by subsidiary undertakings	**-**	**235**	-	240
Amounts owed by undertakings in which the company has a participating interest	**60**	**60**	55	55
Corporation tax	**214**	**214**	155	155
Prepayments and accrued income	**1,106**	**1,089**	1,084	1,065
Other debtors	**109**	**119**	348	306
	2,479	**2,707**	2,150	2,328

Company other debtors contains a deferred tax asset of £18,000 (*2006 £nil*)

15 Creditors: amounts falling due within one year

	2007 Group £000	2007 Company £000	2006 Group £000	2006 Company £000
Bank overdraft and loans	**1,758**	**1,095**	297	-
Trade creditors	**726**	**713**	865	850
Amounts owed to group undertakings	**-**	**2**	-	681
Taxation and social security	**72**	**67**	94	91
Accruals and deferred income	**1,202**	**1,193**	1,327	1,324
Other creditors	**3,104**	**3,098**	3,547	3,545
	6,862	**6,168**	6,130	6,491

16 Creditors: amounts falling due after more than one year

	Group and Company 2007 £000	Group and Company 2006 £000
Debenture loans	**18,100**	18,100
Bank loans	**20,000**	20,000
	38,100	38,100

	2007 £000	2006 £000
Analysis of debt:		
Debt can be analysed as falling due		
In one year or less, or on demand	**1,758**	297
Between one and two years	**2,000**	-
Between two and five years	**26,000**	28,000
In five years or more	**10,100**	10,100
	39,858	38,397

Notes *(continued)*

16 Creditors: amounts falling due after more than one year (continued)

Amounts repayable in more than five years	Group and Company 2007 £000	2006 £000
Debenture loans	**10,100**	8,100
	10,100	8,100

The unsecured loan notes 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 of the loan notes was at the rate of £2,000,000 per annum from December 2004 to December 2014 Repayments have now been deferred until December 2008 at £2,000,000 per annum from December 2008 to December 2013 A final repayment of £6,100,000 will occur in December 2014

Since the year end further repayments of the bank loan have been deferred from June 2007 until June 2009 Starting in June 2009, five quarterly instalments of £375,000 will be paid followed by a final repayment of £18,125,000 in September 2010 Prior to this the bank term loan was repayable in quarterly instalments from December 2004 to September 2010 The interest rate is charged at base rate plus a margin of 1 25% The bank has a legal charge over all heritable properties and cross guarantees from all group companies

17 Provisions for liabilities and charges

	Deferred taxation £000
Group	
At start of year	83
Credit to the profit and loss account in the year	(55)
At end of year	28

The elements of deferred taxation are as follows

	2007 £000	2006 £000
Losses carried forward	**(61)**	-
Other timing differences	**(71)**	-
Capital allowances in excess of depreciation	**160**	83
	28	83

Notes *(continued)*

17 Provisions for liabilities and charges *(continued)*

Company	Deferred taxation £000
At start of year	-
Credit to the profit and loss account in the year	(18)
At end of year	(18)

The elements of deferred taxation are as follows	2007 £000	2006 £000
Other timing differences	(71)	-
Capital allowances in excess of depreciation	53	-
	(18)	-

The deferred tax asset is held within other debtors

18 Called up share capital

	2007 £000	2006 £000
Authorised		
1,000,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1,000,000 ordinary shares of £1 each	1,000	1,000

19 Reserves - profit and loss account

	Group £000	Company £000
At 31 March 2006	5,340	5,254
Retained profit for the year	269	473
At 31 March 2007	5,609	5,727

20 Reconciliation of movements in shareholders' funds

	2007		2006	
	Group £000	Company £000	Group £000	Company £000
Profit for the financial year	269	473	2,849	2,815
Net addition to shareholders' funds	269	473	2,849	2,815
Opening shareholders' funds	6,340	6,254	3,491	3,439
Closing shareholders' funds	6,609	6,727	6,340	6,254

Notes *(continued)*

21 Contingent liabilities

The company has guaranteed the overdrafts of its subsidiaries, the amount outstanding at the year end was £663,000 *(2006 £297,000)*

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	
	2007	2006
	£000	£000
Contracted not incurred	**209**	395
Authorised not yet contracted	**235**	129

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

	Plant and machinery	
	2007	2006
	£000	£000
Operating leases which expire		
Within one year	**165**	224
In the second to fifth years inclusive	**576**	438
Over 5 years	**70**	410
	811	1,072

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 £83,000 *(2006 £128,000)* Amounts outstanding at the year end amounted to £10,000 *(2006 £nil)*

24 Analysis of cash flows

	2007	2006
	£000	£000
Returns on investment and servicing of finance		
Interest received	**96**	9
Interest paid	**(1,790)**	(3,591)
	(1,694)	(3,582)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	**(1,064)**	(2,171)
Disposals	**2,223**	37,138
	1,159	34,967
Financing		
Repayment of debt	**-**	(34,400)

Notes *(continued)*

25 Analysis of net debt

	At beginning of year £000	Cash flow £000	Non cash movements £000	At end of year £000
Cash in hand, at bank	681	3,333	-	4,014
Overdrafts	(297)	(1,461)	-	(1,758)
	384	1,872	-	2,256
Debt due after one year	(38,100)	-	-	(38,100)
Total	(37,716)	1,872	-	(35,844)

26 Related party disclosures

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 2007 amounted to £215,000 *(2006 £215,000)*

The company provides accounting and administration services for Sea Life Centre (Blackpool) Limited Charges in the year ended 31 March 2007 amounted to £15,000 *(2006 £15,000)*

A balance of £60,000 *(2006 £55,000)* was owed by the Sea Life Centre to the group at the year end

Hemway Limited

Hemway Limited has provided legal, property and accountancy support together with the services of Ms K Revitt, Mr C Hemmings and Mr M L Widders as directors of the company Hemway Limited has been paid a fee of £110,000 *(2006 £210,000)* for these services At the year end a balance of £36,000 *(2006 nil)* was due by the group to Hemway Limited

Crown Leisure Limited

During the year the group paid an amount of £1,096,000 *(2006 £5,154,000)* to Crown Leisure Limited This payment represents a share of amusement machine income in accordance with an agreement negotiated at arms length

The family interests of Mr TJ Hemmings are shareholders in the ultimate parent company of Leisure Parcs Limited, Hemway Limited and Crown Leisure Limited

27 Ultimate parent company

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

West Manor Limited owns 60% of the share capital of the group and holds £10,860,000 *(2006 £10,860,000)* of the unsecured loan notes

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

28 Ultimate controlling party

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