

GB Holiday Parks Limited
Directors' Report and Financial Statements
31 March 2014

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GB Holiday Parks Limited

Financial Statements

Year Ended 31 March 2014

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GB Holiday Parks Limited

Officers and Professional Advisers

The Board of Directors

David Boden
Nigel Brewster
Alan Castledine
Michael Clark
David Vaughan

Company secretary

T & H Secretarial Services (Park Resorts) Limited

Registered office

3 Bunhill Row
London
EC1Y 8YZ

Auditor

KPMG LLP
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

Bankers

HSBC
PO Box 1888
Coventry
CV3 9WN

Solicitors

Trowers & Hamlins LLP
3 Bunhill Row
London
EC1Y 8YZ

GB Holiday Parks Limited

Strategic Report

Year Ended 31 March 2014

Principal activities and business review

The principal activity of the company is the operation of Whitley Bay Holiday Park which generates revenue from the provision of holiday accommodation, the sale of holiday homes and from the associated retail and services income. The directors expect this activity to continue for the foreseeable future.

Results and dividends

The company's results for the year comprised turnover of £6,658,000 (2013: £5,884,000) and profit for the financial year of £1,036,000 (2013: £657,000). The company had net assets of £97,131,000 as at 31 March 2014 (2013: £96,095,000). These are the financial key performance indicators that the directors use to monitor the performance of the business.

The directors do not recommend the payment of a dividend (2013: £nil).

Principal risks and uncertainties

The principal risk to the business is a return to a deteriorating underlying economic climate in the United Kingdom. However, to date, underlying tariff volumes and caravan sales have been stable during 2014, so there is currently no indication of any deterioration having a detrimental effect on the business. The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk which are explained below.

The company does not use financial derivatives nor do its activities expose it to significant commodity price risk.

In terms of the recoverability of intercompany receivables, there is a letter of support from the parent company, Dome Holdings Limited, which guarantees all group intercompany loans.

Credit risk

The company's principal financial assets are amounts owed by group undertakings, to which the company's credit risk is primarily attributable. The credit risk is limited because there is a letter of support from the parent company, Dome Holdings Limited, which guarantees all group intercompany loans.

Cash flow risk

Funding has been arranged by the company's parent undertaking and subsidiaries. Therefore, the company is not exposed to interest rate risk.

Liquidity risk

The company's parent undertaking has arranged long and short term debt facilities in order to ensure sufficient funds are available for ongoing operations and future developments. An inter-group agreement is in place to enable the company to gain access to these funds if necessary.

GB Holiday Parks Limited

Strategic Report *(Continued)*

Year Ended 31 March 2014

Going concern

The company's business activities and the factors likely to affect its future development, performance and position are set out in the business review above.

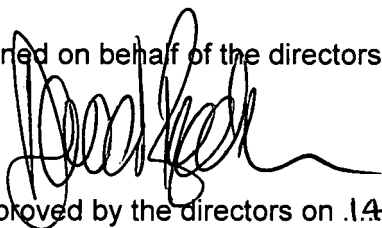
The company is reliant on its parent company, Dome Holdings Limited, to support the recoverability of its investments and intercompany receivables. The directors of the company have written confirmation from Dome Holdings Limited that it will continue to provide the necessary financial support to the company for a period of no less than 12 months from the date of approval of these financial statements.

On 5 August 2013, Dome Holdings Limited completed a successful financial restructuring and funds managed or advised by Electra Partners (including Electra Private Equity Partners 2006 Scottish LP and third party investors) became the single biggest shareholder of the group. All banking facilities have been extended to 31 December 2017. The directors are confident that the successful financial restructuring has secured the financial stability of the group. Further information regarding the refinancing is included in the accounts of Dome Holdings Limited which may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The company is subject to a number of risks and uncertainties which arise as a result of the current economic environment. In determining that the company is a going concern these risks, which are described in the principal risks and uncertainties section, have been considered by the directors.

After reviewing the financial projections referred to above, the availability of group support and the facilities available, the directors consider that the company has adequate resources to continue in operational existence for the next 12 months and the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Signed on behalf of the directors



David Boden

Director

Approved by the directors on 14 July 2014.

GB Holiday Parks Limited

Directors' Report

Year Ended 31 March 2014

The directors present their report and the financial statements of the company for the year ended 31 March 2014.

Directors

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

David Boden	(Appointed 5 August 2013)
Nigel Brewster	
Alan Castledine	
Michael Clark	(Appointed 5 August 2013)
David Vaughan	

Employee involvement

The company recognises that the contribution made by its employees is crucial to its success. Substantial investment is therefore made in the training, development and motivation of staff with particular attention to ensuring customer satisfaction and the achievement of high standards of service. The company endorses the application of equal opportunities policies to provide fair and equitable conditions for all employees regardless of sex, family status, religion, creed, colour, ethnic origin, age, disability or sexual orientation. Where employees become disabled in the course of their employment, they will continue to be employed, wherever practicable, in the same job or, if this is not practicable, every effort will be made to find an alternative job and provide appropriate training.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Political and charitable donations

During the year the company did not make any political or charitable donations (2013: £nil).

GB Holiday Parks Limited

Directors' Report

Year Ended 31 March 2014

Auditor

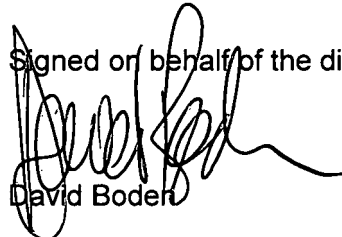
Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed so KPMG LLP will therefore continue in office.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
3 Bunhill Row
London
EC1Y 8YZ

Signed on behalf of the directors



David Boden

Director

Approved by the directors on 14 July 2014.

GB Holiday Parks Limited

Statement of Directors' Responsibilities in Respect of the Annual Report, Strategic Report, The Directors' Report and The Financial Statements

Year Ended 31 March 2014

The directors are responsible for preparing the Annual Report, Strategic Report, 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 Practise).

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 for that period. In preparing each of the 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 UK 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 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 its 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.

GB Holiday Parks Limited

Independent Auditor's Report to the Members of GB Holiday Parks Limited

Year Ended 31 March 2014

We have audited the financial statements of GB Holiday Parks Limited for the year ended 31 March 2014 on pages 9 to 18. 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 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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, and express an opinion on, 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 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 March 2014 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

GB Holiday Parks Limited

Independent Auditor's Report to the Members of GB Holiday Parks Limited

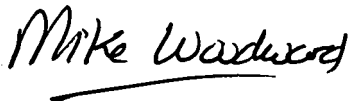
(Continued)

Year Ended 31 March 2014

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.



MIKE WOODWARD (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE

15 JULY 2014

GB Holiday Parks Limited

Profit and Loss Account

Year Ended 31 March 2014

	Note	2014 £000	2013 £000
Turnover*	2	6,658	5,884
Cost of sales*		(2,590)	(2,292)
Gross profit		4,068	3,592
Administrative expenses		(3,032)	(2,935)
Profit on ordinary activities before taxation		1,036	657
Tax on profit on ordinary activities	5	–	–
Profit for the financial year		<u>1,036</u>	<u>657</u>

* Turnover and Cost of sales have been restated for the year ended 31 March 2013 to reflect the change in accounting for holiday homes taken in part-exchange, fully described in the turnover accounting policy. The effect of this change has been to reduce both turnover and cost of sales by £491,000. Gross profit remains unchanged.

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 12 to 18 form part of these Financial Statements.

GB Holiday Parks Limited

Note of Historical Cost Profits and Losses

Year Ended 31 March 2014

	2014 £000	2013 £000
Reported profit on ordinary activities before taxation	1,036	657
Difference between historical cost depreciation charge and the actual charge calculated on the revalued amount	<u>78</u>	<u>49</u>
Historical cost profit on ordinary activities before taxation	<u>1,114</u>	<u>706</u>
Historical cost profit for the year after taxation	<u>1,114</u>	<u>706</u>

The notes on pages 12 to 18 form part of these Financial Statements.

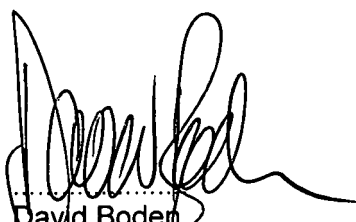
GB Holiday Parks Limited

Balance Sheet

31 March 2014

	Note	2014 £000	2013 £000
Fixed assets			
Tangible assets	6	<u>3,281</u>	<u>3,408</u>
Non-current assets			
Debtors	8	<u>94,521</u>	<u>93,129</u>
Current assets			
Stocks	7	284	247
Debtors	8	640	892
Cash at bank		9	6
		<u>933</u>	<u>1,145</u>
Creditors: Amounts falling due within one year	9	<u>(1,114)</u>	<u>(1,097)</u>
Net current assets / (liabilities)		<u>(181)</u>	<u>48</u>
Total assets less current liabilities		<u>97,621</u>	<u>96,585</u>
Creditors: Amounts falling due after more than one year	10	<u>(490)</u>	<u>(490)</u>
Net assets		<u><u>97,131</u></u>	<u><u>96,095</u></u>
Capital and reserves			
Share capital	12	—	—
Share premium account	13	36,341	36,341
Revaluation reserve	13	1,868	1,946
Profit and loss account	13	58,922	57,808
Shareholders' funds	13	<u><u>97,131</u></u>	<u><u>96,095</u></u>

These accounts were approved by the directors and authorised for issue on 14 July 2014, and are signed on their behalf by:



David Boden
Director

Company Registration Number: 04166268

The notes on pages 12 to 18 form part of these Financial Statements.

GB Holiday Parks Limited

Notes to the Financial Statements

Year Ended 31 March 2014

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of properties and in accordance with applicable accounting standards.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of preparation

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.

The largest and smallest group in which the results of the company are consolidated is that headed by Dome Holdings Limited. The company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with the entities which form part of the group (or investees of the group qualifying as related parties). The consolidated Financial Statements of Dome Holdings Limited, within which this company is included, can be obtained from the address given in note 15.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the Financial Statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

Caravan sales are recognised at the point of sale subject to either full cash receipt or a signed third party finance agreement. Owners' rents are recognised on a straight line basis over the 12 month period to which invoiced amounts relate. Hiring and touring income is recognised in full when holidays are taken. Retail and other income are recognised at the point of sale.

Where the company agrees to take caravans from owners in part-exchange towards the cost of new caravans, the value attributed to the caravan being traded-in may be in excess of its book value, effectively a form of discount. This excess amount has previously been included in turnover. The company has amended this policy so that the excess over book value of the caravan being traded-in is instead deducted from Cost of sales, which brings the group into alignment with other operators in the industry. Turnover and Cost of sales for the year ended 31 March 2013 have been restated to reflect this policy, resulting in a reduction of £491,000 in both figures, but no change in gross margin.

GB Holiday Parks Limited

Notes to the Financial Statements

Year Ended 31 March 2014

1. Accounting policies *(continued)*

Fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provisions for impairments. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

No depreciation is provided on freehold land.

Depreciation 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:

Leasehold property	-	Over the life of the lease
Plant & machinery	-	3 to 20 years
Fixtures, fittings, tools and equipment	-	7 to 15 years

The carrying amounts of the company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

During the year the rate of depreciation on hire fleet and staff fleet caravans was adjusted to reflect more accurately the shorter economic life of the interior element of these caravans, which the company considers to be five years. This resulted in an additional charge for the year of £82,000, included in the depreciation charge shown in note 3 and note 6.

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value of caravan stock is determined with reference to trade published guides. A provision is made for obsolete, slow moving or defective items where required.

Leases

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.

2. Turnover

All turnover is derived from the company's principal activity. All operations occurred within the United Kingdom.

GB Holiday Parks Limited

Notes to the Financial Statements

Year Ended 31 March 2014

3. Operating profit

Operating profit is stated after charging:

	2014 £000	2013 £000
Depreciation of owned fixed assets	386	295
Operating lease costs:		
- plant and equipment	1	1
- other	<u>875</u>	<u>842</u>

Fees payable to the company's auditors for the audit of the company's financial statements amount to £8,000 (2013: £8,000). The audit fee is borne by a fellow subsidiary undertaking and is not recharged to the company.

4. Particulars of employees

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

	2014 No	2013 No
Permanent	16	15
Seasonal	<u>34</u>	<u>36</u>
	<u>50</u>	<u>51</u>

The aggregate payroll costs of the above were:

	2014 £000	2013 £000
Wages and salaries (including bonuses and commissions)	990	838
Social security costs	<u>18</u>	<u>52</u>
	<u>1,008</u>	<u>890</u>

The costs of the directors are included in the accounts of Park Resorts Limited in the current year. There was no charge made to this company for the services of the directors (2013: £nil).

GB Holiday Parks Limited

Notes to the Financial Statements

Year Ended 31 March 2014

5. Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 23% (2013: 24%).

	2014 £000	2013 £000
Profit on ordinary activities before taxation	<u>1,036</u>	<u>657</u>
Current tax at 23% (2013: 24%)	238	158
Expenses not deductible for tax purposes	23	23
Depreciation in excess of capital allowances	60	45
Movements in other timing differences	7	-
Transfer pricing adjustment	1,570	1,626
Income not charged to corporation tax	(6)	(11)
Group relief claimed for no payment	(1,898)	(1,841)
Unutilised tax losses	6	-
Total current tax	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

Deferred tax assets of £799,228 (2013: £816,215) in respect of decelerated capital allowances and £20,087 (2013: £13,845) in respect of other timing differences have not been recognised on the grounds that there is insufficient evidence that the assets will be recoverable. The asset would be recovered if the group generates suitable taxable profits in future periods.

In the 2014 Budget, the Chancellor announced a reduction in the main rate of corporation tax from 23% to 20%, to be phased in as follows:

With effect from 1 April 2014 - 21%

With effect from 1 April 2015 - 20%

Deferred tax is measured by reference to the rates which are enacted or substantively enacted at the balance sheet date. The reduction in the corporation tax rate to 20% was substantively enacted on 3 July 2013, and therefore the recognised and unrecognised deferred tax assets have been calculated at this rate.

GB Holiday Parks Limited

Notes to the Financial Statements

Year Ended 31 March 2014

6. Tangible fixed assets

	Leasehold land and buildings £000	Plant and machinery £000	Fixtures fittings tools and equipment £000	Total £000
Cost				
At 1 April 2013	3,106	1,620	228	4,954
Additions	46	267	5	318
Disposals	—	(77)	—	(77)
At 31 March 2014	3,152	1,810	233	5,195
Depreciation				
At 1 April 2013	474	914	158	1,546
Charge for the year	101	267	18	386
On disposals	—	(18)	—	(18)
At 31 March 2014	575	1,163	176	1,914
Net book value				
At 31 March 2014	2,577	647	57	3,281
At 31 March 2013	2,632	706	70	3,408

Fixed assets are stated at cost, except land and buildings which are stated at revalued amounts where appropriate.

7. Stocks

	2014 £000	2013 £000
Stock of caravans held for resale	264	214
Goods for resale	20	33
	284	247

8. Debtors

	2014 £000	2013 £000
Amounts owed by group undertakings – non-current assets	94,521	93,129
Trade debtors	401	477
Prepayments and accrued income	239	415
	95,161	94,021

GB Holiday Parks Limited

Notes to the Financial Statements

Year Ended 31 March 2014

9. Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Deferred Income	840	712
Trade creditors	45	–
Accruals and other creditors	229	385
	<u>1,114</u>	<u>1,097</u>

In the prior year the balance sheet included a provision of £60,000 disclosed separately, for the estimated cost of buyback agreements on finance arrangements. This item is now included in accruals and other creditors as management considers this to be a more appropriate accounting treatment.

10. Creditors: Amounts falling due after more than one year

	2014 £000	2013 £000
Amounts owed to group undertakings	<u>490</u>	<u>490</u>

There is no requirement to repay the intercompany borrowings until December 2017, and there is no security or interest accrued on these loans.

11. Commitments under operating leases

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	2014		2013	
	Land and buildings £000	Other Items £000	Land and buildings £000	Other Items £000
Operating leases which expire:				
Within 2 to 5 years	-	1	-	1
After more than 5 years	<u>875</u>	<u>-</u>	<u>871</u>	<u>-</u>
	<u>875</u>	<u>1</u>	<u>871</u>	<u>1</u>

12. Share capital

Allotted, called up and fully paid:

	2014 £	2013 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

GB Holiday Parks Limited

Notes to the Financial Statements

Year Ended 31 March 2014

13. Reconciliation of members' funds and movement on reserves

	Share premium account £000	Revaluation reserve £000	Profit and loss account £000	Total members' funds £000
Balance brought forward	36,341	1,946	57,808	96,095
Profit for the year	—	—	1,036	1,036
Transfer to Profit and loss account	—	(78)	78	—
Balance carried forward	<u>36,341</u>	<u>1,868</u>	<u>58,922</u>	<u>97,131</u>

14. Post balance sheet events

Since the balance sheet date, the company has changed its accounting reference date to 31 December. The next annual report and financial statements will be prepared for the nine months ending 31 December 2014.

15. Ultimate controlling party

The company is a subsidiary undertaking of Park Resorts Group Limited, a company registered in England and Wales. The directors do not consider the company to have an ultimate parent company.

The largest and smallest group in which the results of the company are consolidated is that headed by Dome Holdings Limited, incorporated in England and Wales. The consolidated financial statements are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.