



**GB Holiday Parks
(Holdings) Limited**

**Annual Report
2004**

6 Leylands Park, Nobs Crook, Colden Common
Winchester, Hampshire SO21 1TH

Tel: 0870 4429296 Fax: 023 8069 6088

GB Holiday Parks (Holdings) Limited
Directors and advisers

Directors

M P East
D G Hawkins
P Mason
S J Last

Secretary and registered office

N P Fenn
6 Leylands Park
Nobs Crook
Colden Common
Winchester
Hampshire
SO21 1TH

Registered Auditor

Ernst & Young LLP
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

Solicitors

Blake Lapthorn Linnell
New Court
1 Barnes Wallis Road
Segensworth
Fareham
Hampshire
PO15 5UA

Bankers

Barclays Bank Plc
50 Pall Mall
London
SW1A 1QA

Company Registration No

4166295

Directors' Report

The directors present their annual report and the audited group financial statements for the year ended 31st January 2004.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company is a holding company and all trading activities are carried on by its principal trading subsidiaries.

The principal activity of the group is the operation of holiday caravan parks.

The group profit on ordinary activities before taxation was £3,983,000 (2003 - £2,987,000). The consolidated profit and loss account is shown on page 7.

Turnover has again exceeded budget with encouraging growth from all income streams. This strong performance in turnover combined with good cost control have enabled the group to produce an excellent result and places the group in a strong position to take advantage of any opportunities which may arise in the future.

During the year, the group acquired two parks; Seathorne and Eastfield Caravan Parks at Withernsea, East Yorkshire. They have together been renamed Withernsea Holiday Village and both have been successfully integrated into the group and have traded satisfactorily since acquisition.

FUTURE DEVELOPMENTS

The directors aim to achieve substantial growth in the business both organically and by acquisition. Opportunities for the latter are constantly under review.

DIVIDENDS

The directors recommend that a dividend of £2,200,000 (2003 - Nil) be paid.

FIXED ASSETS

The movements in fixed assets are set out in notes 9 and 10 to the accounts.

Directors' Report

Continued

DIRECTORS

The directors during the year and subsequently were as follows:-

P Mason

S J Last

M P East *

A J Miller * (resigned 26th September 2003)

D G Hawkins * (appointed 26th September 2003)

* non-executive

The interests of the directors at 31st January 2004 in the ordinary share capital of the company were as follows:

	Ordinary shares	
	31st January 2004	31 st January 2003 or date of appointment
P Mason	78,750	78,750
S J Last	43,749	43,749
M P East	-	-
D G Hawkins	770 *	-

* Beneficially owned through RBDC Administrator Limited

CHARITABLE AND POLITICAL DONATIONS

No contributions were made during the year by the group to charitable causes or for political purposes.

HEALTH, SAFETY AND THE ENVIRONMENT

The board is aware of its responsibilities on all matters relating to health, safety and the environment. Directors and senior executives monitor performance and assist with the education and training of employees on health, safety and environmental matters with the objective of meeting or exceeding the requirements of relevant regulations.

EMPLOYMENT MATTERS

The employment policies of the group embody the principles of equal opportunity and are designed to meet the needs of the different businesses. The full involvement of all employees, both full time and part time,

Directors' Report

Continued

in the performance of the business is actively encouraged. The group communicates with employees through briefing meetings and newsletters. The group recognises the need for suitable training.

The group also recognises its obligations towards disabled persons and applications from them for employment are given full and fair consideration. Training and career progression are available for the disabled as for any other member of the staff. Whenever possible every endeavour is made to assist existing employees who have become disabled to continue their employment.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that year.

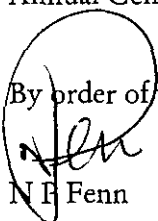
The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st January 2004. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

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

AUDITORS

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

By order of the Board



N F Fenn

Secretary

22nd April 2004

6 Leylands Park

Nobs Crook

Colden Common

Winchester

Hampshire

SO21 1TH

Auditors' Report

Independent Auditors' Report to the Members of GB Holiday Parks (Holdings) Limited

We have audited the group's financial statements for the year ended 31st January 2004 which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and the related notes 1 to 28. These financial statements have been prepared on the basis of the accounting policies set out therein.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, 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 group 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 United Kingdom 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 group's circumstances, consistently applied and adequately disclosed.

Auditors' Report

Continued

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 affairs of the company and of the group as at 31st January 2004 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP

Registered Auditor

Southampton

22nd April 2004

Consolidated Profit and Loss Account

For the year ended 31st January 2004

	Notes	2004 £'000	2003 £'000
Turnover			
Continuing operations		45,590	41,006
Acquisitions		1,349	-
Total Turnover	1 & 2	46,939	41,006
Operating profit			
Continuing operations	2	7,478	6,616
Acquisitions	2	342	-
Total operating profit		7,820	6,616
Interest receivable	6	154	167
Interest payable	6	(3,991)	(3,796)
Profit on ordinary activities before taxation		3,983	2,987
Tax on profit on ordinary activities	7	(1,475)	(1,110)
Profit on ordinary activities after taxation		2,508	1,877
Dividend	8	(2,200)	-
Retained profit for the year		308	1,877

There are no recognised gains or losses other than the profit for the year of £2,508,000 (2003 - £1,877,000).

The notes on pages 11 to 25 form part of these financial statements.

Consolidated Balance Sheet

As at 31st January 2004

	Notes	2004 £'000	2003 £'000
FIXED ASSETS			
Tangible assets	9	57,427	50,444
CURRENT ASSETS			
Stocks	11	4,510	4,018
Debtors: Amounts due within one year	12	2,135	2,992
Debtors: Amounts due after more than one year	12	-	500
Cash at bank and in hand		4,990	4,094
		11,635	11,604
CREDITORS			
Amounts falling due within one year	13	(19,500)	(15,110)
NET CURRENT LIABILITIES		(7,865)	(3,506)
TOTAL ASSETS LESS CURRENT LIABILITIES		49,562	46,938
CREDITORS			
Amounts falling due after more than one year	14	(44,510)	(42,464)
PROVISION FOR LIABILITIES AND CHARGES	17	(745)	(475)
NET ASSETS		4,307	3,999
CAPITAL AND RESERVES			
Called up share capital	18	700	700
Profit and loss account	19	3,607	3,299
EQUITY SHAREHOLDERS' FUNDS	20	4,307	3,999

The financial statements on pages 7 to 25 were approved by the board of directors on 22nd April 2004 and signed on its behalf by:


P Mason
Director


S J Last
Director

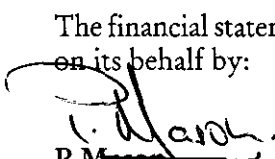
The notes on pages 11 to 25 form part of these financial statements

Company Balance Sheet

As at 31st January 2004

	Notes	2004 £'000	2003 £'000
FIXED ASSETS			
Investments	10	38,841	38,841
CURRENT ASSETS			
Debtors: Amounts due within one year	12	7,717	14
Cash at bank and in hand		6,731	3,428
		14,448	3,442
CREDITORS			
Amounts falling due within one year	13	(7,241)	(5,381)
NET CURRENT ASSETS/ (LIABILITIES)		7,207	(1,939)
TOTAL ASSETS LESS CURRENT LIABILITIES		46,048	36,902
CREDITORS			
Amounts falling due after more than one year	14	(44,261)	(41,730)
NET ASSETS/(LIABILITIES)		1,787	(4,828)
CAPITAL AND RESERVES			
Called up share capital	18	700	700
Profit and loss account	19	1,087	(5,528)
EQUITY SHAREHOLDERS' FUNDS/(DEFICIT)		1,787	(4,828)

The financial statements on pages 7 to 25 were approved by the board of directors on 22nd April 2004 and signed on its behalf by:


P Mason
Director


S J Last
Director

The notes on pages 11 to 25 form part of these financial statements

Consolidated Cash Flow Statement

For the year ended 31st January 2004

	Notes	2004 £'000	2003 £'000
Net cash inflow from operating activities	21	11,520	8,897
Returns on investments and servicing of finance			
Interest received		144	167
Interest paid		(2,929)	(2,302)
Interest element of finance lease rentals		(66)	(89)
Issue costs of new long term loans		(117)	(58)
Net cash outflow for returns on investments and servicing of finance		(2,968)	(2,282)
Taxation			
Corporation tax paid		(979)	(1,071)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(4,013)	(2,925)
Receipts from sale of tangible fixed assets		24	9
Net cash outflow for capital expenditure and financial investment		(3,989)	(2,916)
Acquisitions and disposals			
Purchase of businesses	28	(4,082)	(3,043)
Net cash acquired with new businesses		-	4
Net cash outflow for acquisitions and disposals		(4,082)	(3,039)
Cash outflow before management of liquid resources and financing		(498)	(411)
Management of liquid resources			
Increase in cash placed on short-term deposit		(500)	-
Net cash outflow from management of liquid resources		(500)	-
Financing			
New shares issued		-	26
New long term borrowings		3,750	1,750
Repayments of long term borrowings		(1,672)	(1,672)
Payment of principal under finance leases		(684)	(556)
Net cash inflow/(outflow) from financing		1,394	(452)
Increase/(decrease) in cash in the year	22	396	(863)

The notes on pages 11 to 25 form part of these financial statements

Notes to the Financial Statements

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important group accounting policies is set out below. The directors consider that the accounting policies set out below are suitable, have been consistently applied and are supported by reasonable and prudent judgements and estimates.

(a) Basis of accounting

The financial statements are prepared under the historical cost convention.

(b) Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings, all of which are made up to 31st January. The results of subsidiaries sold or acquired are included in the consolidated profit and loss account up to, or from, the date effective control passes. Intra group sales and profits are eliminated on consolidation. On acquisition of a subsidiary, all the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. All changes to those assets and liabilities, and the resulting gains and losses, that arise after the group has gained control of the subsidiary, are charged to the post acquisition profit and loss account.

(c) Investments

Investments are included at cost, less any provision necessary for impairment in value.

(d) Turnover

Turnover, which excludes value added tax, comprises the total amount derived from the value of goods and services supplied and rental income. Income which has been invoiced or received for future years is carried forward as deferred income and reported as turnover for the year to which it relates.

The group's turnover is wholly attributable to the operation of holiday caravan parks and arises solely in the United Kingdom.

Notes to the Financial Statements

Continued

(e) Tangible fixed assets and depreciation

The cost of fixed assets is their purchase cost to the group together with any incidental costs of acquisition.

Depreciation is provided on tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful economic life on a straight-line basis. The principal annual rates used for this purpose are:-

Freehold buildings	2%
Caravan hire fleet	10%
Plant	2% to 20%
Office equipment	33.3%
Motor vehicles	20% to 33.3%

Freehold land is not depreciated. Leasehold property is amortised over the shorter of 50 years or the remaining period of the lease.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

(f) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost includes transport and handling costs.

Cost is normally determined on a first in, first out basis except for caravans held for resale which are dealt with individually. Where necessary, provision is made for obsolete, slow moving and defective stocks.

(g) Finance and operating leases

Leasing agreements which transfer to the group substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the profit and loss account. Assets held under finance leases are depreciated over their useful lives.

Payments in respect of operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

(h) 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.

Notes to the Financial Statements

Continued

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, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions:

- provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets with no likely subsequent roll over and/or available capital losses.
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(i) Pensions

The group's contributions to the individual personal pension plans arranged for the benefit of certain directors and other employees are charged to the profit and loss account in the year in which they are payable.

2. OPERATING PROFIT

	Continuing £'000	Acquisitions £'000	2004 Total £'000	2003 Total £'000
Turnover	45,590	1,349	46,939	41,006
Cost of sales	(24,879)	(675)	(25,554)	(22,037)
Gross profit	20,711	674	21,385	18,969
Administrative expenses	(13,233)	(332)	(13,565)	(12,353)
Operating profit	7,478	342	7,820	6,616

Notes to the Financial Statements

Continued

	2004 £'000	2003 £'000
Operating profit is after charging and (crediting):		
Auditors' remuneration for audit (company £3,000 (2003 : £Nil))	33	23
Auditors' remuneration for non audit services	2	14
Depreciation of tangible fixed assets:		
Owned	1,540	1,388
Held under finance leases	241	185
Gain on sale of tangible fixed assets	(24)	(1)
Operating leases:		
Hire of plant and machinery	219	162
Other	1,096	1,044

3. DIRECTORS' EMOLUMENTS

	2004 £'000	2003 £'000
Remuneration paid to the directors of the company:		
Aggregate emoluments	371	355
Sums paid to third parties for directors' services	43	12
Company pension contributions to money purchase schemes	46	47
	460	414
Emoluments payable to the highest paid director are as follows:		
Aggregate emoluments	202	218
Company pension contributions to money purchase scheme	24	29

No director waived emoluments in respect of the year ended 31st January 2004.

The number of directors for whom payments to money purchase schemes were made was two. (2003 – two).

Notes to the Financial Statements

Continued

4. DIRECTORS' INTERESTS IN CONTRACTS AND TRANSACTIONS WITH RELATED PARTIES

- i) Mr Mason has an interest in and is a director of PAM Consulting Limited who provided consultancy services. The value of these services during the year was £25,000 (2003 : £Nil).
- ii) There is an agreement dated 18th May 2001 between the company, Eastcastle Management Group Limited and Mr East whereby Eastcastle Management Group Limited agrees to provide the services of Mr East as a non-executive chairman of the company. The value of these services during the year was £18,000 (2003 - £12,000).
- (iii) The company has taken advantage of the exemption available under Financial Reporting Standard 8 ("FRS 8") – Related Party Disclosures, not to disclose transactions with other group companies on the grounds that these are eliminated on consolidation.

5. STAFF COSTS AND EMPLOYEE INFORMATION

The average monthly number of persons (including executive directors) employed by the group during the year was:

	2004 Number	2003 Number
Caravan parks	469	443
Corporate	53	48
	522	491

	2004 £'000	2003 £'000
Salaries and wages including directors	8,286	7,019
Social security costs	722	599
Other pension costs	98	83
	9,106	7,701

6. INTEREST

	2004 £'000	2003 £'000
On bank loans and overdrafts	1,955	1,903
On other loans	1,866	1,706
	3,821	3,609
Amortisation of loan issue costs	104	98
	3,925	3,707
On finance leases	66	89
Interest payable	3,991	3,796
Bank interest receivable – external	(154)	(167)
	3,837	3,629

Notes to the Financial Statements

Continued

7. TAXATION

	Note	2004 £'000	2003 £'000
a) Analysis of tax charge in the year			
The charge based on the profit for the year comprises:			
UK Corporation tax on profit for the year		1,193	861
Adjustments in respect of previous period		12	(32)
Total current tax		1,205	829
UK deferred tax:			
Origination and reversal of timing differences		270	281
Total deferred tax	17	270	281
Tax on profit on ordinary activities		1,475	1,110
b) Factors affecting tax charge for the year			
Group profit on ordinary activities before tax		3,983	2,987
Group profit on ordinary activities before tax at 30%		1,195	896
Effects of:			
Disallowed expenses and non-taxable income		268	219
Capital allowances in excess of depreciation		(270)	(254)
Adjustments to tax in respect of previous period		12	(32)
Total current tax		1,205	829

8. DIVIDEND

	2004 £'000	2003 £'000
Final dividend proposed of £3.143 per share (2003 – Nil)	2,200	-

Notes to the Financial Statements

Continued

9. TANGIBLE FIXED ASSETS

Group	Freehold Land and Buildings £'000	Long Leasehold Property £'000	Short Leasehold Property £'000	Plant and equipment £'000	Caravan Hire Fleet £'000	Total £'000
Cost						
At 1 st February 2003	43,156	3,510	138	3,390	2,935	53,129
Acquisitions	4,363	-	-	17	-	4,380
Additions	2,132	426	-	1,321	658	4,537
Reclassifications	(18)	-	-	38	(262)	(242)
Disposals	-	-	-	-	-	-
At 31 st January 2004	49,633	3,936	138	4,766	3,331	61,804
Depreciation						
At 1 st February 2003	906	162	19	821	777	2,685
Charge for the year	616	92	10	591	472	1,781
Reclassifications	(1)	-	-	4	(92)	(89)
Disposals	-	-	-	-	-	-
At 31 st January 2004	1,521	254	29	1,416	1,157	4,377
Net Book Value						
At 31 st January 2004	48,112	3,682	109	3,350	2,174	57,427
At 31 st January 2003	42,250	3,348	119	2,569	2,158	50,444

All fixed assets are included at cost to the group.

The cost of freehold land and buildings is made up of £33,129,000 (2003 - £27,222,000) in respect of land and £16,504,000 (2003 - £15,701,000) in respect of buildings.

The net book value of plant and equipment and the caravan hire fleet includes £1,493,000 (2003 - £1,721,000) relating to assets held under finance leases. The amount charged during the year and included in depreciation for such assets is £241,000 (2003 - £185,000).

Reclassifications shown in caravan hire fleet represent transfers to stock available for resale.

Notes to the Financial Statements

Continued

10. INVESTMENTS

Shares in
subsidiary undertakings
£'000

Company	
Cost	
At 1 st February 2003 and 31st January 2004	38,841

The company's subsidiary undertakings are as follows:

	Percentage of equity held by GB Holiday Parks (Holdings) Ltd	Subsidiary Undertaking	Country of Incorporation and operation
GB Holiday Parks Limited	100	-	England
GB Vacation Limited (Non-trading)	100	-	England
Church Point (Leisure) Limited (dormant)	100	-	England
Warden Springs Caravan Park Limited (Non-trading)	-	100	England

The company also owns the whole of the preference share capital of GB Vacation Limited.

All trading subsidiary undertakings are engaged in the operation of caravan parks.

11. STOCKS

Group	2004 £'000	2003 £'000
Stock of caravans held for resale	4,424	3,798
Goods for resale	86	220
	4,510	4,018

All stocks are owned by subsidiary undertakings.

12. DEBTORS

	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
Amounts falling due within one year:				
Trade debtors	1,021	2	1,598	-
Other debtors	133	8	-	3
Amounts due from subsidiary undertakings	-	7,686	-	-
Prepayments and accrued income	981	21	1,394	11
	2,135	7,717	2,992	14
Amounts falling due after more than one year:				
Other debtors	-	-	500	-
Total debtors	2,135	7,717	3,492	14

Notes to the Financial Statements

Continued

13. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
Loans (note 15)	1,873	1,873	1,581	1,581
Obligations under finance leases (note 16)	467	-	142	-
Trade creditors	1,910	2	1,289	11
Deposits received from customers	770	-	439	-
Amounts due to subsidiary undertakings	-	2,470	-	3,186
Corporation tax	664	-	438	24
Other taxation and social security	1,181	25	1,246	15
Other creditors	781	-	524	-
Accruals	2,337	671	3,372	564
Deferred income (note 1 (d))	7,317	-	6,079	-
Proposed dividend	2,200	2,200	-	-
	19,500	7,241	15,110	5,381

The parent company has guaranteed the bank facilities of certain subsidiaries. At 31st January 2004 £1,784,000 (2003 - £Nil) of subsidiary undertaking bank overdrafts were guaranteed.

The bank overdrafts are secured by fixed and floating charges over certain of the group's assets.

14. CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
Loans (note 15)	44,261	44,261	41,730	41,730
Obligations under finance leases (note 16)	249	-	734	-
	44,510	44,261	42,464	41,730

15. LOANS

	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
Amounts repayable:				
In one year or less, or on demand	1,968	1,968	1,672	1,672
In more than one year but not more than two years	1,968	1,968	1,818	1,818
In more than two years but not more than five years	5,906	5,906	5,455	5,455
In more than five years	36,918	36,918	34,979	34,979
	46,760	46,760	43,924	43,924
Less: issue costs	(626)	(626)	(613)	(613)
	46,134	46,134	43,311	43,311
Less: In one year or less, or on demand (note 13)	(1,873)	(1,873)	(1,581)	(1,581)
	44,261	44,261	41,730	41,730

Notes to the Financial Statements

Continued

The loan balances wholly repayable within five years comprised:

£2,150,000 (2003 - £3,650,000) bank term loan at 2.25% over Libor with capital repayments at six-monthly intervals on 31st January and 31st July each year until 31st July 2005.

The loan balances wholly or partly repayable in more than five years comprised:

£23,819,000 (2003 - £20,991,000) bank term loans at rates between 1.875% and 2.0% over Libor with capital repayments at six-monthly intervals on 31st January and 31st July each year until 31st January 2016.

£2,500,000 (2003 - £2,609,000) vendor loan stock 2009, repayable on 30th April 2009 at an interest rate during the year of 3%, until 30th April 2006 and thereafter at 10% p.a.

£2,707,000 (2003 - £2,576,000) subordinated secured loan stock 2016, repayable on 30th April 2016 at an interest rate of 10% p.a. until 30th April 2009 and thereafter at rates increasing from 11% p.a. to 15% p.a.

£14,811,000 (2003 - £14,098,000) subordinated unsecured loan stock 2016, repayable on 30th April 2016 at an interest rate of 10% p.a. until 30th April 2009 and thereafter at rates increasing from 11% p.a. to 15% p.a.

£750,000 (2003 - £Nil) unsecured loan stock 2016 repayable on 30th April 2016 at an interest rate of 10% p.a. until 30th April 2009 and thereafter at rates increasing from 11% p.a. to 15% p.a.

During the year £912,000 of interest was rolled up on the loan stock.

The bank term loans, vendor loan stock 2009 and subordinated secured loan stock 2016 are secured by a composite guarantee and debenture giving fixed and floating charges over the properties and assets and by a standard security agreement, inter-creditor deed, composite accounting agreement and an assignment of the key-man insurance policies covering the directors and senior managers.

The company has entered into interest rate swap agreements covering interest on the Libor loans for the years to 31st July 2006. The effect of these agreements is to convert the loans during that year into fixed rate borrowing at a rate of approximately 8% p.a.

Notes to the Financial Statements

Continued

16. OBLIGATIONS UNDER FINANCE LEASES

	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
The maturity of these amounts is as follows:				
Amounts payable				
Within one year	497	-	197	-
In one to two years	167	-	518	-
In two to five years	94	-	235	-
	758	-	950	-
Less: finance charges allocated to future years	(42)	-	(74)	-
	716	-	876	-
Finance leases are analysed as follows:				
Current obligations (note 13)	467	-	142	-
Non-current obligations (note 14)	249	-	734	-
	716	-	876	-

17. PROVISION FOR LIABILITIES AND CHARGES

	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
Deferred taxation				
At 1 st February 2003	475	-	194	-
Transfer to profit and loss account (note 7)	270	-	281	-
At 31 st January 2004	745	-	475	-

The major components of the provision for deferred taxation and the amounts not provided are as follows:

	Provided 2004 £'000	Not Provided 2004 £'000	Provided 2003 £'000	Not Provided 2003 £'000
Group				
Accelerated capital allowances	745	-	475	-
	745	-	475	-

The current rate of corporation tax of 30% has been used to calculate the amount of deferred taxation. Provision has been made for all deferred taxation assets and liabilities in respect of accelerated capital allowances, short term timing differences and tax losses carried forward, arising from transactions and events recognised in the financial statements of the current year.

Notes to the Financial Statements

Continued

18. SHARE CAPITAL

	2004 £'000	2003 £'000
Authorised 1,000,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid 699,999 ordinary shares of £1 each	700	700
Ordinary shares of £1 in issue at 31st January 2004	700	700

Details of directors' interests in ordinary shares of the company are shown in the directors' report on pages 2 to 4.

19. RESERVES

Group	Profit and loss account £'000
At 1 st February 2003	3,299
Profit for the year	2,508
Dividend	(2,200)
At 31st January 2004	3,607

Company	Profit and loss account £'000
At 1 st February 2003	(5,528)
Profit for the year	8,815
Dividend	(2,200)
At 31st January 2004	1,087

In accordance with s230(4) Companies Act 1985 no profit and loss account has been presented for the company.

20. RECONCILIATION OF MOVEMENTS IN CONSOLIDATED SHAREHOLDERS' FUNDS

	2004 £'000	2003 £'000
Profit for the financial year	2,508	1,877
Dividend	(2,200)	-
Issue of ordinary shares	-	26
	308	1,903
Opening equity shareholders' funds	3,999	2,096
Closing equity shareholders' funds	4,307	3,999

Notes to the Financial Statements

Continued

21. RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2004 £'000	2003 £'000
Operating profit	7,820	6,616
Depreciation of tangible fixed assets	1,781	1,573
Gain on sale of tangible fixed assets	(24)	(1)
Increase in stocks	(339)	(1,368)
Decrease/(increase) in operating debtors and prepayments	1,248	(219)
Increase in operating creditors and accruals	1,034	2,296
Net cash inflow from operating activities	11,520	8,897

22. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2004 £'000	2003 £'000
Increase/(decrease) in cash in the year	396	(863)
Cash outflow from increase in liquid resources	500	-
Cash (inflow)/outflow from increase in debt and lease financing	(1,394)	478
Loan issue costs	117	58
Change in net debt resulting from cash flows	(381)	(327)
Interest on loan stock included in principal	(867)	(1,245)
New finance leases	(524)	(328)
Amortisation of loan issue costs	(104)	(98)
Other	109	-
Movement in net debt	(1,767)	(1,998)
Opening net debt	(40,093)	(38,095)
Closing net debt	(41,860)	(40,093)

Notes to the Financial Statements

Continued

23. ANALYSIS OF NET DEBT

	31 st January 2003 £'000	Cash Flow £'000	Other Non Cash Changes £'000	31 st January 2004 £'000
Cash	594	396	-	990
Short term deposit	3,500	500	-	4,000
	4,094	896	-	4,990
Finance lease obligations	(876)	684	(524)	(716)
Long term borrowings	(24,271)	(1,226)	(77)	(25,574)
Loan stock	(19,040)	(735)	(785)	(20,560)
	(40,093)	(381)	(1,386)	(41,860)

24. MAJOR NON-CASH TRANSACTIONS

Finance Leases

During the year the group entered into finance lease arrangements in respect of assets with a total capital value at inception of the leases of £524,000 (2003 - £328,000).

Loan Stock

During the year £867,000 of interest was rolled up on the loan stock.

25. CAPITAL COMMITMENTS

	Group 2004 £'000	Company 2004 £'000	Group 2003 £'000	Company 2003 £'000
Future capital expenditure committed but not provided for	2,861	-	2,208	-

Included in the capital expenditure committed above is £1,239,000 in respect of assets to be purchased under finance leases.

26. PENSION COMMITMENTS

The group contributes to the individual personal pension plans arranged for the benefit of certain directors and senior employees. The assets of these plans are held separately from those of the group in independently administered funds. There were no unpaid contributions outstanding at the year end.

Notes to the Financial Statements

Continued

27. FINANCIAL COMMITMENTS

At 31st January 2004 the group had annual commitments under non-cancellable operating leases as follows:

	Group 2004		Company 2004		Group 2003		Company 2003	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Expiring within one year	-	9	-	-	-	12	-	-
Expiring in two to five years	91	266	-	-	83	160	-	-
Expiring in over five years	1,029	-	-	-	948	-	-	-
	1,120	275	-	-	1,031	172	-	-

28. ACQUISITIONS

On 27th March 2003 the Company's subsidiary GB Holiday Parks Limited acquired the trade and assets of Seathorne and Eastfield Caravan Parks. These have been included in the accounts of GB Holiday Parks Limited at their fair values at date of acquisition using the acquisition method of accounting.

Net assets at date of acquisition	Fair value to group £'000
Tangible fixed assets	4,380
Creditors due within one year	(298)
Net Assets	4,082
Discharged by:	
Cash	3,766
Costs associated with the acquisition	316
	4,082

Book values have not been made available to the group and accordingly the fair value table includes a breakdown of amounts paid and fair value of assets and liabilities acquired.

The business acquired has been integrated into the group and it is not practical to attribute cash flows to it. Furthermore such cash flows are not material.

Figures for periods prior to acquisition have not been made available and therefore no disclosure is made.