



A43
COMPANIES HOUSE

APE68C6T

0171
03/07/02

**GB Holiday Parks
(Holdings) Limited**

**Annual Report
2002**

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
R C A Caston
P Mason
S J Last

Registered Auditor

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

Secretary and registered office

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

Solicitors

Macfarlanes
10 Norwich Street
London
EC4A 1BD

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 period from incorporation on 22nd February 2001 to 31st January 2002.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company was incorporated as a private limited company on 22nd February 2001. On 14th March 2001, a management buy-out of the business and certain assets of Queensborough Holdings Limited was completed and the group commenced trading with effect from that date.

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 £2,285,000. The consolidated profit and loss account is shown on page 7.

In this first period of trading, turnover has 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.

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 no dividend be paid.

FIXED ASSETS

The movements in fixed assets are set out in notes 8 and 9 to the accounts.

POST BALANCE SHEET EVENTS

On 1st March 2002, the entire issued share capital of Warden Springs Caravan Park Limited, the operators of Warden Springs Caravan Park, was acquired by a subsidiary undertaking for a consideration of £1,107,000.

On 12th April 2002, the trade and assets of Eyemouth Holiday Park were acquired by a subsidiary undertaking for a consideration of £1,993,000.

Directors' Report

Continued

DIRECTORS

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

R A Robinson	(appointed 22 February 2001, resigned 7 March 2001)
P Mason	(appointed 7 March 2001)
S J Last	(appointed 7 March 2001)
R C A Caston *	(appointed 17 April 2001)
M P East *	(appointed 31 May 2001)

* non-executive

The interests of the directors at 31st January 2002 in the ordinary share capital of the company were as follows:

Ordinary shares		
	31 st January 2002	Date of appointment
P Mason	78,750	-
S J Last	17,500	-
R C A Caston	-	-
M P East	-	-

CHARITABLE AND POLITICAL DONATIONS

No contributions were made during the period 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, 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.

Directors' Report

Continued

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 period 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 period and of the profit or loss of the group for that period.

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 period ended 31st January 2002. 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

Ernst & Young were appointed by the directors as the company's first auditor. On 28th June 2001 Ernst & Young transferred its entire business to Ernst & Young LLP a limited liability partnership incorporated under the Limited Liability Partnerships Act 2001. The directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28th June 2001. 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 R Fenn

Secretary

18th April 2002

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 period ended 31st January 2002 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.

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.

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.

Auditors' Report

Continued

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 2002 and of the profit of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP

Registered Auditor

Southampton

18th April 2002

Consolidated Profit and Loss Account

For the period from incorporation to 31st January 2002

	Notes	2002 £'000
Turnover	1 & 2	33,224
Operating profit	2	5,367
Interest receivable	6	184
Interest payable and similar changes	6	(3,266)
Profit on ordinary activities before taxation		2,285
Tax on profit on ordinary activities	7	(863)
Retained profit for the period		1,422

There are no recognised gains or losses other than the profit of £1,422,000 for the period ended 31st January 2002.

All results in the period relate to acquired activities.

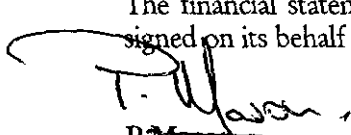
The notes on pages 11 to 25 form part of these financial statements.

Consolidated Balance Sheet

As at 31st January 2002

	Notes	2002 £'000
FIXED ASSETS		
Tangible assets	8	45,348
CURRENT ASSETS		
Stocks	10	2,543
Debtors: Amounts due within one year	11	2,756
Debtors: Amounts due after more than one year	11	500
Cash at bank and in hand		4,957
		10,756
CREDITORS		
Amounts falling due within one year	12	(12,420)
NET CURRENT LIABILITIES		(1,664)
TOTAL ASSETS LESS CURRENT LIABILITIES		43,684
CREDITORS		
Amounts falling due after more than one year	13	(41,394)
PROVISION FOR LIABILITIES AND CHARGES	16	(194)
NET ASSETS		2,096
CAPITAL AND RESERVES		
Called up share capital	17	674
Profit and loss account	18	1,422
EQUITY SHAREHOLDERS' FUNDS	19	2,096

The financial statements on pages 7 to 25 were approved by the board of directors on 18th April 2002 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 2002

	Notes	2002 £'000
FIXED ASSETS		
Investments	9	38,841
CURRENT ASSETS		
Debtors: Amounts due within one year	11	37
Cash at bank and in hand		6,310
		6,347
CREDITORS		
Amounts falling due within one year	12	(6,741)
NET CURRENT LIABILITIES		(394)
TOTAL ASSETS LESS CURRENT LIABILITIES		38,447
CREDITORS		
Amounts falling due after more than one year	13	(40,370)
NET LIABILITIES		(1,923)
CAPITAL AND RESERVES		
Called up share capital	17	674
Profit and loss account	18	(2,597)
EQUITY SHAREHOLDERS' DEFICIT		(1,923)

The financial statements on pages 7 to 25 were approved by the board of directors on 18th April 2002 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 period from incorporation to 31st January 2002

	Notes	2002 £'000
Net cash inflow from operating activities	20	7,799
Returns on investments and servicing of finance		
Interest received		184
Interest paid		(1,661)
Interest element of finance lease rentals		(112)
Issue costs of new long term loans		(756)
Net cash outflow for returns on investments and servicing of finance		(2,345)
Capital expenditure and financial investment		
Purchase of tangible fixed assets		(2,584)
Receipts from sale of tangible fixed assets		6
Net cash outflow for capital expenditure and financial investment		(2,578)
Acquisitions and disposals		
Purchase of businesses		(37,951)
Net cash acquired with subsidiary undertaking		197
Net cash outflow for acquisitions and disposals		(37,754)
Cash outflow before management of liquid resources and financing		(34,878)
Management of liquid resources		
Increase in cash placed on short-term deposit		(3,500)
Net cash outflow from management of liquid resources		(3,500)
Financing		
New shares issued		674
New loan stock		15,060
New long term borrowings		25,500
Repayments of long term borrowings		(936)
Payment of principal under finance leases		(463)
Net cash inflow from financing		39,835
Increase in cash in the period	21	1,457

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) Goodwill

Goodwill arising on acquisitions is capitalised in the balance sheet in accordance with Financial Reporting Standard 10 ("FRS10") – Goodwill and intangible assets. Amortisation of goodwill is provided on a straight line basis over a period of up to 20 years, which in the opinion of the directors is a period not exceeding the economic useful life of the asset. If a subsidiary or business is subsequently sold or closed any goodwill that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure.

(e) 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 periods is carried forward as deferred income and reported as turnover for the period 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

(f) 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 period of the lease.

If any impairment is identified, provision is made for such impairment by means of accelerated depreciation in the profit and loss account.

(g) 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.

(h) 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 the shorter of the lease period and 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.

(i) Taxation

The charge for taxation is based on the profit for the period 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

FRS 19 'Deferred Taxation' was issued on 7th December 2000 and is mandatory for periods ending on or after 23rd January 2002.

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 periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(j) Pensions

The group's contributions to the money purchase schemes arranged on behalf 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

	2002 £'000
Turnover	33,224
Cost of sales	(16,724)
Gross profit	16,500
Administrative expenses	(11,133)
Operating profit	5,367
Operating profit is after charging and (crediting):	2002 £'000
Auditors' remuneration for audit (company £22,500)	50
Auditors' remuneration for non audit services	156
Depreciation of tangible fixed assets:	
Owned	1,015
Held under finance leases	185
Gain on sale of tangible fixed assets	(2)
Operating leases:	
Hire of plant and machinery	112
Other	868

In addition, £26,000 was paid to Ernst & Young LLP for non-audit services in relation to the acquisition of Beacon Hill Caravan Park.

Notes to the Financial Statements

Continued

3. DIRECTORS' EMOLUMENTS

	2002 £'000
Remuneration paid to the directors of the holding company:	
Aggregate emoluments	341
Sums paid to third party for director's services	21
Company pension contributions to money purchase schemes	33
	395
Emoluments payable to the highest paid director are as follows:	
Aggregate emoluments	203
Company pension contributions to money purchase scheme	22

No director waived emoluments in respect of the period ended 31st January 2002.

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

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

- i) Mr Mason and Mr Last have an interest in Grand Hotel Group Limited to whom the company provides management services. During the period the value of those services totalled £39,500. At 31st January 2002 there was a balance owing from Grand Hotel Group Limited of £13,798. In addition there are other transactions in the normal course of trading between Grand Hotel Group Limited and a group company. During the period, purchases by the group company from Grand Hotel Group Limited totalled £82,825 and sales to the group company from Grand Hotel Group Limited totalled £2,284. At 31st January 2002 there was a balance owing from Grand Hotel Group Limited of £126.
- 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 period was £8,712.
- iii) During the period a payment of £25,000 for consultancy services was made to PAM Consultants Limited, a company in which Mr Mason has an interest.

Notes to the Financial Statements

Continued

- iv) 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 period was:

	2002 Number
Caravan parks	491
Corporate	44
	535

	2002 £'000
Salaries and wages including directors	5,646
Social security costs	499
Other pension costs	69
	6,214

6. INTEREST

	2002 £'000
On bank loans and overdrafts	1,676
On other loans	1,393
	3,069
Amortisation of issue costs	85
	3,154
On finance leases	112
Interest payable	3,266
Interest receivable – external	(184)
	3,082

Notes to the Financial Statements

Continued

7. TAXATION

	Note	2002 £'000
a) Analysis of tax charge in the period		
The charge based on the profit for the period comprises:		
UK Corporation tax on profit for the period		669
Total current tax		669
UK deferred tax:		
Origination and reversal of timing differences		194
Total deferred tax	16	194
Tax on profit on ordinary activities		863
b) Factors affecting tax charge for the period		
Group profit on ordinary activities before tax		2,285
Group profit on ordinary activities before tax at 30%		686
Effects of:		
Disallowed expenses and non-taxable income		178
Depreciation in excess of capital allowances		(194)
Small companies rate		(1)
Total current tax		669

8. 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						
Acquisitions	36,388	3,510	138	1,415	1,843	43,294
Additions	1,673	-	-	870	807	3,350
Reclassifications	-	-	-	-	(92)	(92)
Disposals	-	-	-	(4)	-	(4)
At 31st January 2002	38,061	3,510	138	2,281	2,558	46,548
Depreciation						
Charge for the period	390	76	9	371	354	1,200
At 31st January 2002	390	76	9	371	354	1,200
Net Book Value at 31st January 2002	37,671	3,434	129	1,910	2,204	45,348

Notes to the Financial Statements

Continued

All fixed assets are included at cost to the group.

The cost of freehold land and buildings is made up of £24,541,000 in respect of land and £13,520,000 in respect of buildings.

The net book value of plant and equipment and the caravan hire fleet includes £1,579,000 relating to assets held under finance leases. The amount charged during the period and included in depreciation and impairment for such assets is £185,000

9. INVESTMENTS

Company	Shares in subsidiary undertakings £'000
Cost	
Acquisitions	38,841

The company's subsidiary undertakings are as follows:

	Nature of business	Country of Incorporation and operation
GB Holiday Parks Limited	Caravan parks	England
GB Vacation Limited	Caravan parks	England
Church Point (Leisure) Limited (dormant)	Caravan parks	England

The company owns the whole of the ordinary share capital of each of these companies together with the preference share capital of GB Vacation Limited.

10. STOCKS

Group	2002 £'000
Stock of caravans held for resale	2,483
Goods for resale	60
	2,543

All stocks are owned by subsidiary undertakings.

Notes to the Financial Statements

Continued

11. DEBTORS

	Group 2002 £'000	Company 2002 £'000
Amounts falling due within one year:		
Trade debtors	1,350	14
Other debtors	-	14
Prepayments and accrued income	1,406	9
	2,756	37
Amounts falling due after more than one year:		
Other debtors	500	-
Total debtors	3,256	37

12. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2002 £'000	Company 2002 £'000
Loans (note 14)	1,578	1,578
Obligations under finance leases (note 15)	80	-
Trade creditors	425	5
Deposits received from customers	260	-
Amounts due to subsidiary undertakings	-	4,586
Corporation tax	669	-
Other taxation and social security	1,025	12
Other creditors	397	-
Accruals	2,647	560
Deferred income (note 1 (e))	5,339	-
	12,420	6,741

The parent company has guaranteed the bank facilities of certain subsidiaries. At 31st January 2002 £1,384,000 of subsidiary undertaking bank overdrafts were guaranteed.

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

	Group 2002 £'000	Company 2002 £'000
Loans (note 14)	40,370	40,370
Obligations under finance leases (note 15)	1,024	-
	41,394	40,370

Notes to the Financial Statements

Continued

14. LOANS

	Group 2002 £'000	Company 2002 £'000
Amounts repayable:		
In one year or less, or on demand	1,672	1,672
In more than one year but not more than two years	1,672	1,672
In more than two years but not more than five years	5,017	5,017
In more than five years	34,240	34,240
	<hr/> 42,601	<hr/> 42,601
Less: issue costs	(653)	(653)
	<hr/> 41,948	<hr/> 41,948
Less: In one year or less, or on demand (note 12)	(1,578)	(1,578)
	<hr/> 40,370	<hr/> 40,370

The loan balances wholly repayable within five years comprised:

£6,000,000 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:

£19,500,000 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 vendor loan stock 2009, repayable on 30th April 2009 at an interest rate calculated on the principal amount of stock issued and outstanding for the time being until 30th April 2006 and thereafter at 10% p.a.

£2,250,000 subordinated secured loan stock 2016, repayable on 30th April 2006 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.

£12,310,000 subordinated unsecured loan stock 2016, repayable on 30th April 2006 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.

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

Notes to the Financial Statements

Continued

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 periods to 31st July 2006. The effect of these agreements is to convert the loans during that period into fixed rate borrowing at a rate of approximately 8% p.a.

15. OBLIGATIONS UNDER FINANCE LEASES

	Group 2002 £'000	Company 2002 £'000
The maturity of these amounts is as follows:		
Amounts payable		
Within one year	157	-
In one to two years	308	-
In two to five years	763	-
	1,228	-
Less: finance charges allocated to future periods	(124)	-
	1,104	-
Finance leases are analysed as follows:		
Current obligations (note 12)	80	-
Non-current obligations (note 13)	1,024	-
	1,104	-

16. PROVISION FOR LIABILITIES AND CHARGES

	Group 2002 £'000	Company 2002 £'000
Deferred taxation		
Transfer to profit and loss account (note 7)	194	-
At 31 st January 2002	194	-
The major components of the provision for deferred taxation and the amounts not provided are as follows:		
	Provided 2002 £'000	Not Provided 2002 £'000
Group		
Accelerated capital allowances	194	-
	194	-

Notes to the Financial Statements

Continued

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.

17. SHARE CAPITAL

	2002 £'000
Authorised 1,000,000 ordinary shares of £1 each	1,000
Allotted, called up and fully paid 673,750 ordinary shares of £1 each	674
Ordinary shares of £1 in issue at 31st January 2002	674

On 14th March 2001, 673,749 ordinary shares of £1 each in the company were issued to institutional investors and management in relation to the provision of further finance to assist in the acquisition of 74 ordinary shares in GB Holiday Parks Limited.

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

18. RESERVES

Group	Profit and loss account £'000
Profit for the period	1,422
At 31st January 2002	1,422

Company	Profit and loss account £'000
Loss for the period	(2,597)
At 31st January 2002	(2,597)

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

Notes to the Financial Statements

Continued

19. RECONCILIATION OF MOVEMENTS IN CONSOLIDATED SHAREHOLDERS' FUNDS

	2002 £'000
Profit for the financial period	1,422
Issue of ordinary shares	674
Closing equity shareholders' funds	2,096

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

	2002 £'000
Operating profit	5,367
Depreciation of tangible fixed assets	1,200
Gain on sale of tangible fixed assets	(2)
Increase in stocks	(46)
Increase in operating debtors and prepayments	(3,225)
Increase in operating creditors and accruals	4,505
Net cash inflow from operating activities	7,799

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

	2002 £'000
Increase in cash in the period	1,457
Cash outflow from increase in liquid resources	3,500
Cash inflow from increase in debt and lease financing	(39,161)
Issue costs	756
Change in net debt resulting from cash flows	(33,448)
Loans and finance leases acquired with subsidiary undertakings	(801)
Loan stock issued on acquisition of subsidiary	(2,000)
Interest on loan stock included in principal	(977)
New finance leases	(766)
Amortisation of loan issue costs	(103)
Closing net debt	(38,095)

Notes to the Financial Statements

Continued

22. ANALYSIS OF NET DEBT

	Cash Flow £'000	Acquisitions £'000	Other Non Cash Changes £'000	31st Jan 2002 £'000
Cash	1,457	-	-	1,457
Short term deposit	3,500	-	-	3,500
Finance lease obligations	463	(801)	(766)	(1,104)
Long term borrowings	(23,122)	-	(1,058)	(24,180)
Loan stock	(15,746)	(2,000)	(22)	(17,768)
	(33,448)	(2,801)	(1,846)	(38,095)

23. MAJOR NON-CASH TRANSACTIONS

Finance Leases

During the period the group entered into finance lease arrangements in respect of assets with a total capital value at inception of the leases of £ 766,000 .

24. CAPITAL COMMITMENTS

	Group 2002 £'000	Company 2002 £'000
Future capital expenditure committed but not provided for	1,503	-

25. PENSION COMMITMENTS

The group contributes to the money purchase schemes arranged on behalf of certain directors and senior employees. The assets of the schemes are held separately from those of the group in an independently administered fund. There were no unpaid contributions outstanding at the period end.

26. FINANCIAL COMMITMENTS

At 31st January 2002 the group had annual commitments under non-cancellable operating leases as follows:

	Group 2002		Company 2002	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Expiring within one year	-	11	-	-
Expiring in two to five years	-	214	-	-
Expiring in over five years	80	40	-	-
	80	265	-	-

Notes to the Financial Statements

Continued

27. ACQUISITIONS

i) On 14th March 2001 the company's subsidiary, GB Holiday Parks Limited, acquired the trade and assets of 14 caravan parks from Queensborough Holdings Limited in exchange for the issue of 74 ordinary shares. On the same date GB Holiday Parks (Holdings) Limited acquired these 74 shares of GB Holiday Parks Limited from Queensborough Holdings Limited for a consideration of £36,340,926. This acquisition was satisfied by the issue of £2,000,000 of vendor loan stock, the payment of £34,320,314 of cash and deferred consideration of £20,612. The investment in GB Holiday Parks Limited has been included in the company's balance sheet at its fair value at the date of acquisition using the acquisition method of accounting.

	Book value to group £'000	Adjustments £'000	Fair value to group £'000
Net assets at date of acquisition:			
Tangible fixed assets	30,390	10,283	40,673
Stocks	2,456	(50)	2,406
Debtors	31	-	31
Cash	80	117	197
Creditors due within one year	(5,955)	-	(5,955)
Net Assets	27,002	10,350	37,352
Discharged by:			
Cash			34,320
Vendor loan notes			2,000
Deferred consideration			21
Costs associated with the acquisition			1,011
			37,352

The adjustments reflect the restatement of assets and liabilities of Queensborough Holdings Limited to their estimated fair values at the date of acquisition.

The turnover, operating profit and operating cash flows for the group in the period resulted from the acquisition.

The following information has been extracted from the records held by Queensborough Holdings Limited for the caravan parks acquired by GB Holiday Parks Limited.

	Period from 1 st February 2001 to 14th March 2001 £'000
Turnover	1,655
Operating loss	(274)
Loss before tax	(281)

Notes to the Financial Statements

Continued

There were no recognised gains and losses in the period from 1st February 2001 to the date of acquisition other than the loss of £281,000 above. The profit before taxation attributable to the caravan parks for the financial year ended 31st January 2001 was £5,026,000.

Amounts relating to taxation for periods prior to the acquisition are not available to GB Holiday Parks (Holdings) Limited and accordingly profit before taxation figures have been included above.

ii) On 30th July 2001 the company's subsidiary, GB Vacation Limited, acquired the trade and assets of Beacon Hill Caravan Park from Absper Developments Limited in exchange for the issue of 2,500,000 shares. On the same date GB Holiday Parks (Holdings) Limited acquired these 2,500,000 preference shares of GB Vacation Limited from Absper Developments Limited for a consideration of £2,500,000. This acquisition was satisfied by the payment of £2,500,000 of cash. The investment in GB Vacation Limited has been included in the company's balance sheet at its fair value at the date of acquisition using the acquisition method of accounting.

Net assets at date of acquisition:	Fair value to group £'000
Tangible fixed assets	2,621
Discharged by:	
Cash	2,500
Costs associated with the acquisition	121
	2,621

The net book values for the acquired business are not available to GB Holiday Parks (Holdings) Limited.

The turnover, operating profit and operating cash flows for the group in the period resulted from the acquisition.

The following figures have been extracted from certain financial information provided by Absper Developments Limited in respect of Beacon Hill Caravan Park:

	Year to 30 April 2001 £'000
Turnover	1,013
Operating Profit	53

28. POST BALANCE SHEET EVENTS

On 1st March 2002, the entire issued share capital of Warden Springs Caravan Park Limited, the operators of Warden Springs Caravan Park, was acquired by a subsidiary undertaking for a consideration of £1,107,000.

On 12th April 2002, the trade and assets of Eyemouth Holiday Park were acquired by a subsidiary undertaking for a consideration of £1,993,000.