

COMPANY REGISTRATION NUMBER 06061765

Dome Holdings Limited

Consolidated Financial Statements and Directors' Report

31 March 2013

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Dome Holdings Limited

Financial Statements

Year Ended 31 March 2013

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Dome Holdings Limited

Officers and Professional Advisers

The Board of Directors

Brad Altberger
David Boden
Nigel Brewster
Alan Casteldine
Michael Clark
Alex Fortescue
David Vaughan
Sarah Williams

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

Dome Holdings Limited

The Directors' Report

Year Ended 31 March 2013

The directors present their report and the financial statements of the group for the year ended 31 March 2013

Principal activities and business review

The principal activity of the group is the operation of holiday parks, generating revenue from the provision of holiday accommodation, the sale of holiday homes and from the associated retail and services income. The individual company acts as a holding company for the group.

The main trading activities of the group take place through Park Resorts Limited. The group owns and operates 37 holiday parks, which are each located in prime coastal locations. Additionally, 2 other parks are operated under a management agreement. The 39 parks provide over 21,000 holiday homes and touring pitches, and a comprehensive range of leisure facilities including swimming pools, clubs and entertainment complexes.

A summary of the group's key financial performance indicators, compared to 2012 are as follows.

	2013 £m	2012 £m	Change
Turnover	173.8	178.8	(3%)
Gross margin	105.9	102.7	3%
Underlying EBITDA	32.4	32.1	1%
Non-recurring items	(1.8)	-	-
Operating profit before depreciation & exceptional items	30.6	32.1	(5%)

The Directors are pleased to report a record year and continued growth in underlying EBITDA (earnings before interest, tax, depreciation, amortisation and non-recurring items) performance, despite challenging economic market conditions and the poor weather through the trading season.

Turnover for the group decreased by 3%, primarily due to a 4% fall in the volume of holiday home sales sold and the effect of the poor summer weather. However, gross margin increased by 3% due to procurement benefits and an increased focus on the holiday home sales conversion.

Underlying EBITDA increased by 1% driven by the margin improvement, notwithstanding incremental cost increases as a result of the poor weather (utilities), and further investment in the infrastructure of the business (people and parks). During the year, the group also incurred a number of non-recurring costs resulting from a review of some accounting estimates, the management succession process and loss on disposal of assets.

In 2012, exceptional items amounted to £33,669,000 as a result of a property revaluation. There were no such exceptional items in 2013.

Trading for the first quarter of the financial year ended 31 March 2014 has been satisfactory, although the general economic climate may hold back further growth.

Dome Holdings Limited

The Directors' Report

Year Ended 31 March 2013

Results and dividends

The group's results for the year are set out in the profit and loss account on page 9

The group had net assets employed of £7,413,000 as at 31 March 2013 (2012 £11,986,000)

The directors do not recommend the payment of an ordinary share dividend (2012 £nil).

Financial restructuring

In August 2012 the Directors commenced discussions with relevant parties to possible solutions for the group's requirement to refinance its debt, and on 5 August 2013 the group completed a successful financial restructuring, the practical effects of which include

- Funds managed or advised by Electra Partners (including Electra Private Equity Partners 2006 Scottish LP and third party investors) will become the single biggest shareholders of the company
- All banking facilities have been extended to 31 December 2017
- The banking facilities and related covenants have been amended to ensure that the management team has the financial resources to operate the business and make investment decisions in the most effective way

Under the amended and restated debt structure the total debt has remained the same at £352.8m, however £40.2m of the Term B and C existing loan has been converted to unsecured Loan Notes. Additionally, as part of the restructuring, the business has plans and the financial resources to invest up to £60m of capital expenditure over the next four years. The focus of this investment will be the core estate. A new covenant package reflecting the business plan has been implemented and agreed from the date of refinancing.

The Directors view the successful financial restructuring as a very positive step forward in securing the financial stability of the group. It also demonstrates the shareholders' support of the management team and its plans. The financial restructuring has put a structure in place that enables the business to be operated effectively, makes funding available for investment and allows underperforming assets to be disposed. With Electra's support, a clear plan, and a strong team, the Directors are confident that the group is well positioned to deliver stable, sustainable growth over the next few years.

Other than the comments above, the Directors are not aware, at the date of this report, of any likely, major changes in the group's activities in the next year.

Principal risks and uncertainties

The principal risk to the business is if there is a further deterioration in the underlying economic climate in the United Kingdom. However, to date underlying tariff volumes and caravan sales have been satisfactory during 2013 so there is currently no indication of any deterioration having a detrimental effect on the business.

The group's activities expose it to a number of financial risks including credit risk, interest rate risk and liquidity risk. The group's activities do not expose it to significant commodity price risk.

Dome Holdings Limited

The Directors' Report

Year Ended 31 March 2013

Credit risk

The group's principal financial assets are bank balances and cash, trade debtors and other receivables. The group's credit risk is primarily attributable to trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. The group has no significant concentration of credit risk with exposure spread over a large range of customers. The credit risk of liquid funds is limited because counterparties are banks with high credit ratings assigned by international credit agencies.

Interest rate risk

The group's exposure to interest rate risk is managed by the use of interest rate swaps which cover the term of the external loans.

Liquidity risk

The group's ultimate parent undertaking and subsidiaries have arranged long and short term debt facilities in order to ensure sufficient funds are available for ongoing operations and future developments. The ability of the group to operate within these facilities and comply with the associated covenants is described above.

Directors

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

Brad Altberger
Nigel Brewster (appointed 18 September 2012)
Alan Castledine
Daniel Cavanagh (resigned 5 August 2013)
Robert Sewell (resigned 31 December 2012)
Jeremy Sharman (resigned 22 January 2013)
David Vaughan

The following Directors were appointed on 5 August 2013 as a result of the financial restructuring:

David Boden
Michael Clark
Alex Fortescue
Sarah Williams

Going concern

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

Following the Financial restructuring set out above, the Directors are of the opinion that the group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within its borrowing facilities and comply with its revised banking covenants.

The group is subject to a number of risks and uncertainties which arise as a result of the current economic environment.

Dome Holdings Limited

The Directors' Report

Year Ended 31 March 2013

Going concern *(continued)*

In determining that the group is a going concern these risks, which are described in the principal risks and uncertainties section, have been considered by the Directors

Political and charitable contribution

The group made no political contributions during the year (2012 £nil) Donations to local charities amounted to £350 (2012 £1,158)

Disabled employees

The group 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 group'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

Employee involvement

The group 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 group 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

Auditors

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

- 1) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- 2) The director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

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

Registered office
3 Bunhill Row
London
EC1Y 8YZ

Signed on behalf of the directors



Director
David Vaughan

Approved by the directors on 29 August 2013

Dome Holdings Limited

Statement of Directors' Responsibilities

Year Ended 31 March 2013

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 the group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the 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 group and to prevent and detect fraud and other irregularities.

Dome Holdings Limited

Independent Auditor's Report to the Shareholders of Dome Holdings Limited Year Ended 31 March 2013

We have audited the financial statements of Dome Holdings Limited for the year ended 31 March 2013 on pages 9 to 30. 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 (APB'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 group's and parent company's affairs as at 31 March 2013 and of the group's loss 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Dome Holdings Limited

Independent Auditor's Report to the Shareholders of Dome Holdings Limited Year Ended 31 March 2013

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

**Mike Woodward (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
58 Clarendon Road
Watford
Hertfordshire
WD17 1DE**

30 AUG 2013

Dome Holdings Limited
Group Profit and Loss Account
Year Ended 31 March 2013

	Note	2013 £000	2012 £000
Group turnover	2	173,859	178,802
Cost of sales		(67,979)	(76,040)
Gross profit		105,880	102,762
Administrative expenses		(86,019)	(114,988)
Other operating income	3	1,193	1,245
		21,054	(10,981)
Operating profit before depreciation & exceptional items			
		30,552	32,058
Depreciation		(9,498)	(9,370)
Exceptional items	4	-	(33,669)
Operating profit/(loss)		21,054	(10,981)
Interest receivable and similar income	7	26	30
Interest payable and similar charges	8	(25,653)	(26,710)
Loss on ordinary activities before taxation		(4,573)	(37,661)
Tax on loss on ordinary activities	9	-	-
Loss for the financial year	10	(4,573)	(37,661)

All of the activities of the group are classed as continuing

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 14 to 30 form part of these financial statements.

Dome Holdings Limited

Group Statement of Total Recognised Gains and Losses

Year Ended 31 March 2013

	2013	2012
	£000	£000
Loss for the financial year	(4,573)	(37,661)
Net unrealised surplus on revaluation of properties	—	5,194
Total recognised losses and gains relating to the financial year	<u>(4,573)</u>	<u>(32,467)</u>

The notes on pages 14 to 30 form part of these financial statements


Dome Holdings Limited

Group Balance Sheet

31 March 2013

	Note	2013 £000	2012 £000
Fixed assets			
Tangible assets	11	<u>403,545</u>	<u>403,458</u>
Current assets			
Stocks	12	10,228	10,663
Debtors	13	16,053	16,637
Cash at bank		<u>10,415</u>	<u>8,367</u>
		36,696	35,667
Creditors Amounts falling due within one year	15	<u>(67,844)</u>	<u>(62,449)</u>
Net current liabilities		<u>(31,148)</u>	<u>(26,782)</u>
Total assets less current liabilities		372,397	376,676
Creditors Amounts falling due after more than one year	16	<u>(363,479)</u>	<u>(362,871)</u>
Provisions for liabilities	17	<u>(1,505)</u>	<u>(1,819)</u>
Net assets employed		<u>7,413</u>	<u>11,986</u>
Financed by:			
Called-up share capital	20	1,918	1,918
Preference share capital	20	165,088	165,088
Profit and loss account	21	(164,787)	(160,214)
Revaluation reserve	21	<u>5,194</u>	<u>5,194</u>
Total financing		<u>7,413</u>	<u>11,986</u>

These financial statements were approved by the directors and authorised for issue on 29 August 2013 and are signed on their behalf by


David Vaughan
Director

Company Registration Number. 06061765

The notes on pages 14 to 30 form part of these financial statements.

Dome Holdings Limited

Company Balance Sheet

31 March 2013

	Note	2013 £000	2012 £000
Fixed assets			
Investments	14	-	-
Current assets			
Debtors (due after more than year)	13	169,028	170,543
Cash at bank		4	4
		<u>169,032</u>	<u>170,547</u>
Creditors Amounts falling due after more than one year	16	(77,676)	(79,191)
Total assets less liabilities		<u>91,356</u>	<u>91,356</u>
Net assets employed		<u>91,356</u>	<u>91,356</u>
Financed by:			
Called-up share capital	20	1,918	1,918
Preference share capital	20	165,088	165,088
Profit and loss account	21	(75,650)	(75,650)
Total financing		<u>91,356</u>	<u>91,356</u>

These financial statements were approved by the directors and authorised for issue on 29 August 2013 and are signed on their behalf by


David Vaughan
Director

Company Registration Number 06061765

The notes on pages 14 to 30 form part of these financial statements.

Dome Holdings Limited

Group Cash Flow

Year Ended 31 March 2013

	Note	2013 £000	2012 £000
Net cash inflow from operating activities	22(i)	34,700	32,051
Returns on investments and servicing of finance	22(ii)	(23,885)	(24,538)
Capital expenditure and financial investment	22(iii)	(9,752)	(9,919)
Cash outflow before management of liquid resources and financing		1,063	(2,406)
Management of liquid resources		-	4
Financing	22(iv)	985	3,699
Increase in cash		<u>2,048</u>	<u>1,297</u>

Reconciliation of net cash flow to movement in net debt

		2013 £000	2012 £000
Increase in cash in the period		2,048	1,297
Net cash inflow from increase in debt		(985)	(3,699)
Change in net debt resulting from cash flows		1,063	(2,402)
Amortisation of issue costs		(2,160)	(2,160)
Movement in net debt in the year	22(v)	(1,097)	(4,562)
Net debt at the start of the year	22(v)	(356,936)	(352,374)
Net debt at the end of the year	22(v)	<u>(358,033)</u>	<u>(356,936)</u>

The notes on pages 14 to 30 form part of these financial statements.

Dome Holdings Limited

Notes to the Financial Statements

Year Ended 31 March 2013

1. Accounting policies

Basis of accounting

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

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

Balance sheet format

The group has adopted a balance sheet presentation format of the consolidated and company balance sheets which presents a total for net assets employed and presents creditors falling due after more than one year below this in arriving at total financing. The management consider that this format reflects the current financial position of the group because creditors falling due after more than one year are part of the long-term financing of the group.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary undertakings drawn up to 31 March each year. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

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 an approved finance provider agreement. Owners' rents are recognised on a straight line basis over the 12 month period to which invoiced amounts relate, and is normally treated as a deferred income which are released at the time of recognition for the future periods. Hiring and touring income is recognised in full when holidays are taken. Retail and other income are recognised at the point of sale.

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

1. Accounting policies (Continued)

Tangible 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, other than freehold land, 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

Freehold buildings	-15-50 years
Leasehold land and buildings	-shorter of the unexpired period of the lease or 50 years
Plant & machinery	-3 to 20 years
Fixtures & fittings	-7 to 15 years
Caravans	-10 years
Motor vehicles	-5 years

The carrying amounts of the group'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

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

Investments

Except as stated below, fixed asset investments are shown at cost less provision for impairment

In the company balance sheet, for investment in subsidiaries acquired for consideration, including the issues of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

1. Accounting policies (Continued)

Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand

Financial guarantee contracts

Where the company enters into financial guarantee contracts to the indebtedness of other companies within its group, the company considers these to be insurance arrangements, and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee

Classification of financial instruments issued by the group

Following the adoption of FRS 25, financial instruments issued by the group are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions

a) they included no contractual obligations on the company (or group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company (or group), and

b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company exchanging a fixed amount of cash or other financial assets for a fixed number of its own instruments

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own equity instruments or is derivative that will be settled by the company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. The finance cost on the financial liability component is correspondingly higher over the life of the instruments

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movements in shareholders' funds

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

Going concern

The group's business activities and the factors likely to affect its future development, performance and position are set in the business review in the Directors' report

Following the Financial Restructuring, as set out in the Director's report and Post Balance Sheet Events note, the Directors have prepared profit and cash flow projections for the group for the period ending twelve months from the date of approval of these Financial Statements, taking account of potential changes in trading performance. These projections indicate that the group will have adequate cash resources to meet its obligations as they fall due. The projections also indicate that the group will be able to operate within its restated borrowing facilities which became effective on 5 August 2013 and comply with its revised banking covenants as part of the new agreement.

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

At the date of approval of these Financial Statements, after reviewing the financial projections and facilities available, the directors consider that the group has adequate resources to continue in operational existence for the next twelve months and the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and Financial Statements.

Buyback provision

The group underwrites an element of finance arrangements entered into by customers in order to fund caravan purchases. Amounts are provided to cover the expected value of future obligations under these arrangements.

Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the profit and loss account using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year to which they arise.

Derivative financial instruments

The group uses derivative financial instruments to reduce exposure to interest rate movements. The group does not hold or issue derivative instruments for speculative purposes.

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 not recognised when fixed assets are revalued unless by the balance sheet date, there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold

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

Group relief is applied across the group and in the current year, payments between group companies will be made for the relief received

2. Segmental information

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

3. Other operating income

	2013 £000	2012 £000
Other operating income	1,193	1,245

The income for both years relates to fees receivable for the management of two parks not owned within the group

Dome Holdings Limited

Notes to the Financial Statements *(Continued)*

Year Ended 31 March 2013

4. Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting):

	2013 £000	2012 £000
Depreciation of owned fixed assets	9,498	9,370
Loss/(Profit) on disposal of fixed assets	167	(2)
Operating lease costs:		
- Land and buildings	2,143	2,043
- Other	35	69
Amortisation of issue costs	2,160	2,160
Exceptional costs - impairment loss on revaluation of properties	<u>—</u>	<u>33,669</u>

	2013 £000	2012 £000
Auditor's remuneration - audit of the company financial statements	13	13
The audit of the group's subsidiaries pursuant to legislation	<u>85</u>	<u>72</u>

5. Particulars of employees

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

	2013 No	2012 No
Directors	5	6
Permanent	704	679
Seasonal	<u>1,319</u>	<u>1,223</u>
	<u>2,028</u>	<u>1,908</u>

The aggregate payroll costs were

	2013 £000	2012 £000
Wages and salaries	33,051	31,562
Social security costs	<u>2,459</u>	<u>2,498</u>
	<u>35,510</u>	<u>34,060</u>

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

6. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	2013 £000	2012 £000
Remuneration receivable	<u>777</u>	<u>662</u>

The aggregate of emoluments and amounts receivable by the highest paid director was £224,000 (2012 £222,000) No pension contributions were made by the group in respect of the highest paid director (2012 £nil) There were no directors' accrued benefits into a defined contribution scheme (2012 £nil)

7. Interest receivable

	2013 £000	2012 £000
Bank interest receivable	<u>26</u>	<u>30</u>

8. Interest payable and similar charges

	2013 £000	2012 £000
Interest payable on bank borrowings	23,493	24,550
Amortisation of issue costs	<u>2,160</u>	<u>2,160</u>
	<u>25,653</u>	<u>26,710</u>

9. Taxation on ordinary activities

The tax assessed on the loss on ordinary activities for the year is lower (2012 lower) than the standard rate of corporation tax in the UK of 24% (2012 26%)

	2013 £000	2012 £000
Loss on ordinary activities before taxation	<u>(4,573)</u>	<u>(37,661)</u>
Current tax at 24% (2012 26%)	(1,097)	(9,792)
Expenses not deductible for tax purposes	619	727
Capital allowances for period in excess of depreciation	1,631	1,581
Income not chargeable for tax purposes	(194)	(274)
Impairment loss on revaluation of land and buildings	-	8,754
Utilised tax losses	(879)	(955)
Movement in other timing differences	<u>(80)</u>	<u>(41)</u>
Total current tax	<u>-</u>	<u>-</u>

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

9. Taxation on ordinary activities (continued)

A deferred tax asset of £3,484,000 (2012 £4,767,000) in respect of tax losses has not been recognised on the grounds that there is insufficient evidence that the asset will be recovered. The asset would be recovered if Park Resorts Ltd, a group company, generated suitable net taxable income in future periods

Deferred tax assets of £12,857,000 (2012 £12,414,000) in respect of decelerated capital allowances and £346,000 (2012 £445,000) 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 assets would be recovered if the group generates suitable taxable profits in future periods

Factors that may affect future tax charges

In the 2012 and 2013 Budgets, the Chancellor announced a reduction in the main rate of corporation tax from 24% to 21%, to be phased in over three years as follows

With effect from 1 April 2013 - 23%

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 23% was substantively enacted on 3 July 2012, and therefore the recognised and unrecognised deferred tax assets have been calculated at this rate

The further reductions to 21% and 20% were not substantively enacted by the date of the signing of these financial statements and therefore have not been reflected in the deferred tax calculations for this period

10. Profit attributable to members of the parent company

As permitted by S408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these accounts.

The profit dealt with in the financial statements of the parent company was £nil (2012 £nil)

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

11. Tangible fixed assets

Group	Freehold land and buildings £000	Leasehold land and buildings £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
Cost or valuation					
At 1 April 2012(restated)	374,508	9,777	62,592	8,013	454,890
Additions	1,580	143	8,900	781	11,404
Disposals	(269)	—	(4,624)	—	(4,893)
At 31 March 2013	375,819	9,920	66,868	8,794	461,401
Depreciation					
At 1 April 2012(restated)	9,708	1,660	35,114	4,950	51,432
Charge for the year	2,102	471	6,204	721	9,498
On disposals	(66)	—	(3,008)	—	(3,074)
At 31 March 2013	11,744	2,131	38,310	5,671	57,856
Net book value					
At 31 March 2013	364,075	7,789	28,558	3,123	403,545
At					
31 March 2012(restated)	364,800	8,117	27,478	3,063	403,458

Included in freehold land buildings is land with a value of £282,288,000 (2012 £282,282,000) which had conducted an independent property valuation by GVA Hotels and Leisure in June 2012 and is not depreciated

12. Stocks

	2013 £000	2012 £000
Stock of caravans held for resale	8,941	9,265
Goods for resale	1,287	1,398
	10,228	10,663

There is no material difference between the balance sheet value of stocks and their replacement cost

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

13. Debtors

	Group 2013 £000	Group 2012 £000	Company 2013 £000	Company 2012 £000
Trade debtors	12,052	12,192	—	—
Prepayments and accrued income	4,001	4,445	—	—
	<u>16,053</u>	<u>16,637</u>	<u>—</u>	<u>—</u>

The debtors below represent amounts falling due after more than one year.

	Group 2013 £000	Group 2012 £000	Company 2013 £000	Company 2012 £000
Amounts owed by group undertakings	—	—	<u>169,028</u>	<u>170,543</u>

14. Investments

The investments held in subsidiary undertakings are documented below

Subsidiary undertakings	Principal activity	Class of Share	Percentage of shares Held	
			Group	Company
Dome Bidco Limited	Investment	Ordinary	-	100%
Dome Opco Limited	Dormant	Ordinary	-	100%
Skipsea Sands Holiday Park Limited	Dormant	Ordinary	100%	-
Dome Structureco Limited	Intermediate holding company	Ordinary	100%	-
Dome Propco Limited	Provision of assets	Ordinary	100%	-
Park Resorts Group Limited	Dormant	Ordinary	100%	-
Beach Finance Bond Limited	Dormant	Ordinary	100%	-
Beach Mezzanine Limited	Dormant	Ordinary	100%	-
GB Holiday Parks (Holdings) Limited	Dormant	Ordinary	100%	-
Park Resorts Holdings Limited	Dormant	Ordinary	100%	-
GB Holiday Parks Limited	Operation of holiday parks	Ordinary	100%	-
Church Point (Leisure) Limited	Dormant	Ordinary	100%	-
Park Resorts Limited	Operation of holiday parks	Ordinary	100%	-
Park Resorts UK Limited	Dormant	Ordinary	100%	-
Park Resorts Transport Limited	Provision of transport services	Ordinary	100%	-
Valley Farm Camping Ground Limited	Dormant	Ordinary	100%	-

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

15. Creditors: Amounts falling due within one year

	Group 2013 £000	Group 2012 £000	Company 2013 £000	Company 2012 £000
Bank loans	4,969	2,469	—	—
Payments received on account	32,751	30,456	—	—
Trade creditors	15,459	13,253	—	—
PAYE and social security	1,216	1,337	—	—
Accruals and deferred income	13,449	14,934	—	—
	<u>67,844</u>	<u>62,449</u>	<u>—</u>	<u>—</u>

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

	Group 2013 £000	Group 2012 £000	Company 2013 £000	Company 2012 £000
Bank loans (repayable < 2years)	345,699	343,539	—	—
Amounts owed to group undertakings	—	—	59,896	59,896
Loan Notes	17,780	19,295	17,780	19,295
Reorganisation Provisions	—	37	—	—
	<u>363,479</u>	<u>362,871</u>	<u>77,676</u>	<u>79,191</u>

The bank loans above include the issue costs of £2,159,576 (2012 £4,319,153). At the balance sheet date, these are being amortised over the remaining life of the loans

In August 2013, the group completed a financial restructuring where the terms of the current facilities were amended and repayment extended to 31 December 2017. Further details are included in note 24 under Post Balance Sheet Events

The interest payable on loans is an aggregate measure calculated with reference to a contracted loan margin (ranging from 1 15% - 4 5%) depending on the facility and the LIBOR rate relevant to the interest year. The borrowings are secured on the operating assets and property of the group

During the year, Loan Notes were held by management and Dome Finance Sarl, which is controlled by GI Partners Fund II LP and GI Partners Side Fund II LP. The Loan Notes have a zero interest rate, and are redeemable in either 2016 or 2018. As part of the financial restructuring which completed in August 2013, £15,000,000 of Loan Notes were converted to Ordinary Class A shares. For further details on this refer to note 24 on Post Balance Sheet Events.

The group has entered into two interest rate swaps to manage its exposure to interest rate movements on its bank loans. The swaps were entered into on 19 March 2007, and 8 October 2007. The fair value liability of the swaps at the balance sheet date were £16,954,045, and £959,307 respectively, which were based on a bank valuation, and are not included at fair value in the financial statements

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

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

The interest rate swaps contract with principal amounts of £275,561,291, and £15,471,518, respectively, and have fixed interest payments at rates ranging from 5.53% to 5.6% until April 2014 and have floating rate receipts at LIBOR

17. Provisions for liabilities

Group	2013 £000	2012 £000
Buyback provision		
At beginning of year	1,819	1,825
Charged in the year	1,015	1,040
Utilised in the year	(1,329)	(1,046)
At end of year	<u>1,505</u>	<u>1,819</u>

The buyback provision is the estimated cost of buyback agreements on finance arrangements and is based on the historical level of repossessions. Finance agreements are for an average period of 7 years.

18. Commitments under operating leases

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as set out below

Group	2013 Land and buildings £000	2013 Other Items £000	2012 Land and buildings £000	2012 Other items £000
Operating leases which expire:				
Within 1 year	191	-	26	-
Within 2 to 5 years	-	35	185	35
After more than 5 years	<u>1,999</u>	<u>-</u>	<u>1,919</u>	<u>-</u>
	<u>2,190</u>	<u>35</u>	<u>2,130</u>	<u>35</u>

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

19. Related party transactions

During the year the company was controlled by GI Partners Fund II LP. Other than the Loan Notes, as disclosed in note 16, there are no loans from the ultimate controlling party or its associated companies or management at the year end, nor have there been at any time during the year. There have been no loans to directors during the year under review and no trading with any other companies associated with GI Partners Fund II LP.

During the year the company purchased and sold caravans at a market value for an aggregate sum of £65,170 and £907,569 respectively (2012: £107,964 and £762,505) from Golden Sands Holiday Camp (Rhyl) Ltd, a company of which Mr D Vaughan and Mr R Sewell are shareholders and directors. The debtor balance at 31 March 2013 was £57,423 (2012: £425,564) and the creditor balance was £nil (2012: £nil).

20. Share capital

Allotted, called up and fully paid:

	Group and company	
	2013	2012
	£000	£000
1,895,482 Ordinary Class A shares of £1 each	1,896	1,896
2,001,985 Ordinary Class B shares of £0.01 each	20	20
204,354 Deferred shares of £0.01 each	2	2
Ordinary share capital	1,918	1,918
165,088,062 Preference shares of £1 each	<u>165,088</u>	<u>165,088</u>

In July 2013, the company converted £15,000,000 of Loan Notes into Ordinary Share Capital at par, and in August 2013 the company adopted new Articles of Association which reduced the Preference share dividend to 1% (previously 12%). For further details on this refer to note 24 on Post Balance Sheet Events.

The rights of the classes of shares are:

(i) Income – The profits available for distribution are distributed firstly to the Preference shareholders and then to the A Ordinary shareholders up to a threshold amount. Thereafter the distribution is to the B Ordinary shareholders. A deferred share shall have no right to receive any distribution or dividend.

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

20. Share capital (continued)

(ii) Voting – At a general meeting of the group on a show of hands every A and B Ordinary shareholder shall have one vote for every ordinary share they hold A deferred share shall have no right to vote

21. Reconciliation of shareholders' funds and movement on reserves

Group	Share capital £000	Revaluation reserve £000	Profit and loss account £000	Total share holders' funds £000
At 31 March 2012	1,918	5,194	(160,214)	(153,102)
Loss for the year	–	–	(4,573)	(4,573)
At 31 March 2013	<u>1,918</u>	<u>5,194</u>	<u>(164,787)</u>	<u>(157,675)</u>

Company	Share capital £000	Profit and loss account £000	Total share holders' funds £000
At 31 March 2012	1,918	(75,650)	(73,732)
At 31 March 2013	<u>1,918</u>	<u>(75,650)</u>	<u>(73,732)</u>

22. Notes to the cash flow statement

(i) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities

	2013 £000	2012 £000
Operating profit/(loss)	21,054	(10,981)
Exceptional impairment loss on revaluation of properties	–	33,669
Depreciation	9,498	9,370
Loss/(profit) on disposal of fixed assets	167	(2)
Decrease in stocks	435	2,097
Decrease/(increase) in debtors	584	(4,145)
Increase in creditors	3,276	2,049
Decrease in provisions	(314)	(6)
Net cash inflow/(outflow) from operating activities	<u>34,700</u>	<u>32,051</u>

(ii) Returns on investments and servicing of finance

	2013 £000	2012 £000
Interest received	26	30
Interest paid	(23,911)	(24,568)
Net cash outflow from returns on investments servicing of finance	<u>(23,885)</u>	<u>(24,538)</u>

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

22. Notes to the cash flow statement (Continued)

(iii) Capital expenditure and financial investment

	2013 £000	2012 £000
Payments to acquire tangible fixed assets	(11,404)	(12,082)
Receipts from sale of fixed assets	<u>1,652</u>	<u>2,163</u>
Net cash outflow for capital expenditure and financial investment	<u>(9,752)</u>	<u>(9,919)</u>

(iv) Financing

	2013 £000	2012 £000
Repayment of Loan Notes	(1,515)	(1,801)
Increase of bank loans	<u>2,500</u>	<u>5,500</u>
Net cash (outflow)/inflow from financing	<u>985</u>	<u>3,699</u>

(v) Analysis of changes in net debt

	At 1 Apr 2012 £000	Cash flows £000	At 31 Mar 2013 £000
Net cash.			
Cash in hand and at bank	(8,367)	(2,048)	<u>(10,415)</u>
Debt			
Debt due within 1 year	2,469	2,500	4,969
Debt due after 1 year	<u>362,834</u>	<u>645</u>	<u>363,479</u>
	<u>365,303</u>	<u>3,145</u>	<u>368,448</u>
Net debt	<u>356,936</u>	<u>1,097</u>	<u>358,033</u>

23. Capital commitments

Amounts contracted for by the group but not provided in the financial statements amounted to £37,000 (2012: £493,000)

Dome Holdings Limited

Notes to the Financial Statements (Continued)

Year Ended 31 March 2013

24. Post Balance Sheet Events

Financial restructuring

On 5 August 2013, the group completed a financial restructure, whereby funds managed or advised by Electra Partners (including Electra Private Equity Partners 2006 Scottish LP and third party investors) became the single biggest shareholders of the company. All banking facilities have been extended to 31 December 2017.

Details of the Financial Restructuring are set out in the Directors' report.

As part of the restructuring the group also made the following debt/equity adjustments:

On the debt structure

Of the £352.8m of Senior debt, £40.2m has been converted to unsecured Payment in Kind (PIK) notes. These Loan Notes are created from existing B (£22m) and C (£18.2m) tranche debt. The PIK notes have a redemption date of 31 March 2018. The loan principal of these tranches of debt will no longer be a secured debt, but an unsecured loan note. There will be no cash interest payments and associated interest will accrue at a rate of 6%.

The debt extension has resulted in an increase to the associated interest rate. The interest payable on loans is an aggregate measure calculated with reference to a contracted loan margin (ranging from 3.1% - 4.5%) depending on the facility plus the LIBOR rate relevant to the interest year.

On the equity structure

The group converted £15,000,000 of C Loan Notes into Ordinary Share Capital at par, and adopted new Articles of Association. The new Articles reduce the preference share dividend to 1% (previously 12%). However the historical 12% dividend accrued on preference shares will not be impacted as a result of a change to the new dividend rate of 1%. In addition the nominal amount of preference shares will be payable before any accrued dividend is paid on the preference shares. The £1 A Ordinary shares have been re-designated Ordinary shares.

Following the restructure Electra Private Equity Partners 2006 Scottish LP owns 8,267,274 of the £1 nominal value Ordinary shares, equating to 48.9% of the group. Dome Capital Sarl owns 3,277,727 of the Ordinary shares, equating to 19.4%. The remaining Ordinary shares are owned by management and other investors, equating to 5,350,499 shares, being 31.7% of the total Ordinary shares.

As a result of the restructure the number of preference shares has remained the same at 165,088,062. Electra Private Equity Partners 2006 Scottish LP has 68,311,186 preference shares, being 41.4% of the total preference shares. Dome Finance Sarl has reduced its preference share holding to nil, with Dome Capital Sarl now holding 52,212,864 preference shares, resulting in an ownership of 31.6%. The remaining preference shares are owned by management and other investors, equating to 44,564,012 shares, being 27% of the total preference shares.

Dome Holdings Limited

Notes to the Financial Statements *(Continued)*

Year Ended 31 March 2013

24. Post Balance Sheet Events *(continued)*

All B ordinary shares of £0.01 each within the group, totalling 2,001,985 shares, have been reallocated as deferred shares as part of the restructure, increasing the number of deferred shares to 2,206,340

The Loan Notes held by management, disclosed in note 16, have been amended so that repayment is due no earlier than 2018.

The financial restructuring supports the financial stability of the group for the foreseeable future.

25. Ultimate parent company

During the year, the company was jointly owned by Dome Capital Sarl, a company registered in Luxembourg and Dome Guarantee Limited, a company registered in Jersey. The ultimate controlling party during the year was GI Partners Fund II LP, a limited partnership established under the law of Delaware, USA. Dome Holdings Limited is not consolidated at a higher level