

**REGISTRARS COPY**

**PETTYCUR BAY HOLIDAY PARK LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**



Milne, Craig & Corson  
Chartered Accountants  
and Registered Auditors  
Abercorn House  
79 Renfrew Road  
Paisley  
PA3 4DA

**PETTYCUR BAY HOLIDAY PARK LIMITED**

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FOR THE YEAR ENDED 28TH FEBRUARY 2005**

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**PETTYCUR BAY HOLIDAY PARK LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

<b>DIRECTORS:</b>	T Wallace Mrs. M Wallace A J Wallace T J Wallace
<b>SECRETARY:</b>	Mrs. M Wallace
<b>REGISTERED OFFICE:</b>	Pettycur Bay Holiday Park Limited Kinghorn Fife KY3 9YE
<b>REGISTERED NUMBER:</b>	SC88900 (Scotland)
<b>AUDITORS:</b>	Milne, Craig & Corson Chartered Accountants and Registered Auditors Abercorn House 79 Renfrew Road Paisley PA3 4DA
<b>BANKERS:</b>	The Royal Bank of Scotland 23/25 Rosslyn Street Kirkcaldy KY1 3HA
<b>SOLICITORS:</b>	James Thomson and Son 52A High Street Kirkcaldy Fife KY1 LJ

**PETTYCUR BAY HOLIDAY PARK LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

The directors present their report with the financial statements of the company for the year ended 28th February 2005.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the operation of holiday parks at Pettycur Bay and Kinghorn, Fife.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

No dividends will be distributed for the year ended 28th February 2005.

**DIRECTORS**

The directors during the year under review were:

T Wallace  
Mrs. M Wallace  
A J Wallace  
T J Wallace

The beneficial interests of the directors holding office on 28th February 2005 in the issued share capital of the company were as follows:

	28.2.05	1.3.04
<b>Ordinary A shares £1 shares</b>		
T Wallace	7,500	7,500
Mrs. M Wallace	7,500	7,500
A J Wallace	7,500	7,500
T J Wallace	7,500	7,500
<b>Ordinary B shares £1 shares</b>		
T Wallace	-	-
Mrs. M Wallace	-	-
A J Wallace	10,000	10,000
T J Wallace	10,000	10,000

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company made charitable contributions of £1,898.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**PETTYCUR BAY HOLIDAY PARK LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**AUDITORS**

The auditors, Milne, Craig & Corson, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'A J Wallace', written in a cursive style.

A J Wallace - Director

16th December 2005

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF  
PETTYCUR BAY HOLIDAY PARK LIMITED**

We have audited the financial statements of Pettycur Bay Holiday Park Limited for the year ended 28th February 2005 on pages five to fourteen. These financial statements have been prepared under the historical cost convention and 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 on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom 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 Report of the Directors 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 company is not disclosed.

We read the Report of the Directors 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 company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28th February 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Milne, Craig & Corson  
Chartered Accountants  
and Registered Auditors  
Abercorn House  
79 Renfrew Road  
Paisley  
PA3 4DA

16th December 2005

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	Notes	2005 £	2004 £
<b>TURNOVER</b>	2	4,850,136	4,168,398
Cost of sales		<u>2,226,088</u>	<u>1,848,467</u>
<b>GROSS PROFIT</b>		2,624,048	2,319,931
Administrative expenses		<u>1,341,409</u>	<u>1,374,811</u>
		1,282,639	945,120
Other operating income		<u>106,350</u>	<u>(20,775)</u>
<b>OPERATING PROFIT</b>	4	1,388,989	924,345
Interest receivable and similar income	5	<u>71,127</u>	<u>43,864</u>
		1,460,116	968,209
Interest payable and similar charges	6	<u>22,819</u>	<u>23,239</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,437,297	944,970
Tax on profit on ordinary activities	7	<u>468,732</u>	<u>289,934</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>968,565</u>	<u>655,036</u>
<b>RETAINED PROFIT FOR THE YEAR</b>		<u><u>968,565</u></u>	<u><u>655,036</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**BALANCE SHEET  
28TH FEBRUARY 2005**

	Notes	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible assets	8	3,387,186	3,388,047
<b>CURRENT ASSETS</b>			
Stocks	9	1,062,378	775,536
Debtors	10	119,182	138,572
Cash at bank and in hand		1,393,918	781,667
		<u>2,575,478</u>	<u>1,695,775</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	1,784,013	1,876,212
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>791,465</u>	<u>(180,437)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,178,651	3,207,610
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	14	83,372	80,896
		<u>4,095,279</u>	<u>3,126,714</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	50,000	50,000
Profit and loss account	16	4,045,279	3,076,714
<b>SHAREHOLDERS' FUNDS</b>	18	<u>4,095,279</u>	<u>3,126,714</u>

**ON BEHALF OF THE BOARD:**



Director

Approved by the Board on 16th December 2005

The notes form part of these financial statements



**PETTYCUR BAY HOLIDAY PARK LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	Notes	2005 £	2004 £
<b>Net cash inflow from operating activities</b>	1	994,296	167,123
<b>Returns on investments and servicing of finance</b>	2	48,308	20,625
<b>Taxation</b>		(297,302)	(54,187)
<b>Capital expenditure</b>	2	(149,307)	(88,233)
<b>Increase in cash in the period</b>		<u>595,995</u>	<u>45,328</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
<b>Increase in cash in the period</b>		<u>595,995</u>	<u>45,328</u>
<b>Change in net funds resulting from cash flows</b>		<u>595,995</u>	<u>45,328</u>
<b>Movement in net funds in the period</b>		595,995	45,328
<b>Net funds at 1st March</b>		<u>781,667</u>	<u>736,339</u>
<b>Net funds at 28th February</b>		<u><u>1,377,662</u></u>	<u><u>781,667</u></u>

The notes form part of these financial statements

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2005 £	2004 £
Operating profit	1,388,989	924,345
Depreciation charges	150,168	144,186
(Increase)/Decrease in stocks	(286,842)	113,393
Decrease in debtors	19,390	17,346
Decrease in creditors	(277,409)	(1,032,147)
<b>Net cash inflow from operating activities</b>	<u>994,296</u>	<u>167,123</u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2005 £	2004 £
<b>Returns on investments and servicing of finance</b>		
Interest received	71,127	43,864
Interest paid	(22,819)	(23,239)
<b>Net cash inflow for returns on investments and servicing of finance</b>	<u>48,308</u>	<u>20,625</u>
 <b>Capital expenditure</b>		
Purchase of tangible fixed assets	(149,307)	(88,233)
<b>Net cash outflow for capital expenditure</b>	<u>(149,307)</u>	<u>(88,233)</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.3.04 £	Cash flow £	At 28.2.05 £
Net cash:			
Cash at bank and in hand	781,667	612,251	1,393,918
Bank overdraft	-	(16,256)	(16,256)
	<u>781,667</u>	<u>595,995</u>	<u>1,377,662</u>
 Total	<u>781,667</u>	<u>595,995</u>	<u>1,377,662</u>

The notes form part of these financial statements

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- at variable rates on reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**2. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2005 £	2004 £
United Kingdom	4,850,136	4,168,398
	<u>4,850,136</u>	<u>4,168,398</u>

**3. STAFF COSTS**

	2005 £	2004 £
Wages and salaries	449,370	401,932
Social security costs	33,337	26,126
	<u>482,707</u>	<u>428,058</u>

The average monthly number of employees during the year was as follows:

	2005	2004
Administration	3	4
Park	4	4
Bar/Leisure/Restaurant	52	44
	<u>59</u>	<u>52</u>

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	2005	2004
	£	£
Hire of plant and machinery	6,127	20,852
Depreciation - owned assets	150,168	144,186
Auditors remuneration	8,000	4,480
	<u>          </u>	<u>          </u>
Directors' emoluments	<u>          </u>	<u>          </u>

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2005	2004
	£	£
Deposit account interest	71,127	43,864
	<u>          </u>	<u>          </u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2005	2004
	£	£
Bank interest	2	-
Interest on other loans	22,817	23,239
	<u>          </u>	<u>          </u>
	<u>22,819</u>	<u>23,239</u>

**7. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2005	2004
	£	£
Current tax:		
UK corporation tax	454,645	285,690
Over/under provision in prior year	11,611	(1,531)
	<u>          </u>	<u>          </u>
Total current tax	466,256	284,159
Deferred tax	2,476	5,775
	<u>          </u>	<u>          </u>
Tax on profit on ordinary activities	<u>468,732</u>	<u>289,934</u>

UK corporation tax has been charged at 30% (2004 - 30%).

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**7. TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2005 £	2004 £
Profit on ordinary activities before tax	<u>1,437,297</u>	<u>944,970</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 - 30%)	431,189	283,491
Effects of:		
Disallowed expenses and non-taxable income	29,228	22,441
Capital allowances in excess of depreciation	(5,773)	(4,271)
Adjustments in respect of previous periods	11,612	(1,531)
Others	-	(15,971)
Current tax charge	<u>466,256</u>	<u>284,159</u>

**8. TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Totals £
<b>COST</b>			
At 1st March 2004	3,516,736	1,115,772	4,632,508
Additions	<u>45,447</u>	<u>103,860</u>	<u>149,307</u>
At 28th February 2005	<u>3,562,183</u>	<u>1,219,632</u>	<u>4,781,815</u>
<b>DEPRECIATION</b>			
At 1st March 2004	537,501	706,960	1,244,461
Charge for year	<u>71,243</u>	<u>78,925</u>	<u>150,168</u>
At 28th February 2005	<u>608,744</u>	<u>785,885</u>	<u>1,394,629</u>
<b>NET BOOK VALUE</b>			
At 28th February 2005	<u>2,953,439</u>	<u>433,747</u>	<u>3,387,186</u>
At 29th February 2004	<u>2,979,235</u>	<u>408,812</u>	<u>3,388,047</u>

**9. STOCKS**

	2005 £	2004 £
Finished goods	<u>1,062,378</u>	<u>775,536</u>

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005	2004
	£	£
Trade debtors	64,606	103,247
Other debtors	9,277	-
Prepayments and accrued income	45,299	35,325
	<u>119,182</u>	<u>138,572</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005	2004
	£	£
Bank loans and overdrafts (see note 12)	16,256	-
Trade creditors	342,798	410,470
Tax	454,644	285,690
Social security and other taxes	44,655	65,768
VAT	10,337	-
Other creditors	573,328	666,897
Directors loans	256,483	400,568
Accruals and deferred income	85,512	46,819
	<u>1,784,013</u>	<u>1,876,212</u>

Included within Other Creditors is a loan from the company's pension scheme of £303,058 (2004: £303,058) on which interest is charged at 3% over base. This loan is repayable on demand.

**12. LOANS**

An analysis of the maturity of loans is given below:

	2005	2004
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>16,256</u>	<u>-</u>

**13. SECURED DEBTS**

The following secured debts are included within creditors:

	2005	2004
	£	£
Bank overdraft	<u>16,256</u>	<u>-</u>

The overdraft is secured by a standard security over the Holiday Park Complex extending to forty three acres at Pettycur Bay, Burntisland and by a bond and floating charge over the assets of the company.

**14. PROVISION FOR LIABILITIES AND CHARGES**

	2005	2004
	£	£
Deferred tax	<u>83,372</u>	<u>80,896</u>

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**14. PROVISION FOR LIABILITIES AND CHARGES - continued**

	Deferred tax £
Balance at 1st March 2004	80,896
Profit and loss account	2,476
	<hr/>
Balance at 28th February 2005	83,372
	<hr/>

**15. CALLED UP SHARE CAPITAL**

Authorised: Number:	Class:	Nominal value:	2005 £	2004 £
50,000	Ordinary A shares	£1	50,000	50,000
50,000	Ordinary B shares	£1	50,000	50,000
			<hr/>	<hr/>
			100,000	100,000
			<hr/>	<hr/>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005 £	2004 £
30,000	Ordinary A shares	£1	30,000	30,000
20,000	Ordinary B shares	£1	20,000	20,000
			<hr/>	<hr/>
			50,000	50,000
			<hr/>	<hr/>

**16. RESERVES**

	Profit and loss account £
At 1st March 2004	3,076,714
Retained profit for the year	968,565
	<hr/>
At 28th February 2005	4,045,279
	<hr/>

**17. RELATED PARTY DISCLOSURES**

During the year, the company sold caravans to Leven Beach Caravan Park, an unincorporated undertaking of which two of the directors are the proprietors. The value of the caravan sales was £485,965 (2004:£125,337). The company also purchased caravans from Leven Beach Caravan Park totalling £36,606 (2004:2,000).

During the year Pettycur Bay Holiday Park Limited charged £90,000 (2004:£80,000) to Leven Beach Caravan Park for services provided. At 28 February 2005 the company owed Leven Beach Caravan Park £384,789 (2004:£368,765).

At the year end the company owed £303,058 (2004:£303,058) to its Pension Scheme. Interest is charged at 3% over base on loan.

**PETTYCUR BAY HOLIDAY PARK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

**18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2005	2004
	£	£
Profit for the financial year	968,565	655,036
Net addition to shareholders' funds	968,565	655,036
Opening shareholders' funds	3,126,714	2,471,678
Closing shareholders' funds	4,095,279	3,126,714
Equity interests	4,095,279	3,126,714