

REEL LEISURE LIMITED
ABBREVIATED FINANCIAL
STATEMENTS
31 DECEMBER 2000



BKR HAINES WATTS
Chartered Accountants & Registered Auditors
Bridge House
157 Ashley Road
Hale, Altrincham
Cheshire
WA14 2UT

REEL LEISURE LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2000

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REEL LEISURE LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31 December 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of the directors and the auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Bridge House
157 Ashley Road
Hale, Altrincham
Cheshire
WA14 2UT

20/1/01

BKR Haines Watts
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& Registered Auditors

REEL LEISURE LIMITED

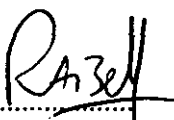
ABBREVIATED BALANCE SHEET

31 DECEMBER 2000

	Note	2000 £	£	1999 £	£
Fixed assets	2				
Tangible assets			1,526,231		1,663,258
Investments			<u>3,200</u>		<u>3,200</u>
			1,529,431		1,666,458
Current assets					
Debtors		56,813		45,416	
Cash at bank and in hand		<u>32,452</u>		<u>63,057</u>	
		89,265		108,473	
Creditors: Amounts falling due within one year		<u>(328,377)</u>		<u>(461,633)</u>	
Net current liabilities			(239,112)		(353,160)
Total assets less current liabilities			<u>1,290,319</u>		<u>1,313,298</u>
Creditors: Amounts falling due after more than one year			<u>(306,519)</u>		<u>(351,990)</u>
			<u>983,800</u>		<u>961,308</u>
Capital and reserves					
Called-up share capital	3		208,000		208,000
Revaluation reserve			(9,188)		(9,188)
Profit and Loss Account			<u>784,988</u>		<u>762,496</u>
Shareholders' funds			<u>983,800</u>		<u>961,308</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 20-9-01, and are signed on their behalf by:


 R A Bell

The notes on pages 3 to 4 form part of these financial statements.

REEL LEISURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% on cost
Gaming Machines	- 25% reducing balance
Fixtures & Fittings	- 20% reducing balance
Motor Vehicles	- 25% reducing balance

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

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.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

REEL LEISURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2000

2. Fixed assets

	Tangible Fixed Assets £	Investments £	Total £
Cost or valuation			
At 1 January 2000	2,280,878	3,200	2,284,078
Additions	117,589	-	117,589
Disposals	(203,586)	-	(203,586)
At 31 December 2000	<u>2,194,881</u>	<u>3,200</u>	<u>2,198,081</u>
Depreciation			
At 1 January 2000	617,620	-	617,620
Charge for year	163,923	-	163,923
On disposals	(112,893)	-	(112,893)
At 31 December 2000	<u>668,650</u>	<u>-</u>	<u>668,650</u>
Net book value			
At 31 December 2000	<u>1,526,231</u>	<u>3,200</u>	<u>1,529,431</u>
At 31 December 1999	<u>1,663,258</u>	<u>3,200</u>	<u>1,666,458</u>

3. Share capital

Authorised share capital:

	2000 £	1999 £
20,000 Ordinary shares of £1.00 each	20,000	20,000
200,000 Preference shares of £1.00 each	200,000	200,000
	<u>220,000</u>	<u>220,000</u>

Allotted, called up and fully paid:

	2000		1999	
	No.	£	No.	£
Ordinary shares	8,000	8,000	8,000	8,000
Preference shares	200,000	200,000	200,000	200,000
	<u>208,000</u>	<u>208,000</u>	<u>208,000</u>	<u>208,000</u>

Preference shares represent 8% cumulative redeemable preference shares, redeemable at par, at the companies option, on or after 7 May 2001.

No other rights are attached to the shares.