Registered number
553321

Reel Leisure Limited

Abbreviated Accounts

31 December 2003

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A46 0443
COMPANIES HOUSE 18/06/04

Independent auditors' report to Reel Leisure Limited under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the full accounts of the company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and 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 to report our opinion to you.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the full accounts, 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 full accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Ogden Townsend Limited
Registered auditors

46 Clare Drive
Macclesfield
Cheshire
SK10 2TX

7 May 2004

Reel Leisure Limited
Abbreviated Balance Sheet
as at 31 December 2003

	Notes		2003 £		2002 £
Fixed assets					
Intangible assets	2		105,000		120,000
Tangible assets	3		1,696,902		1,691,412
Investments	4		3,200		3,200
			1,805,102		1,814,612
Current assets					
Debtors		71,087		54,012	
Cash at bank and in hand		53,124		52,960	
		124,211		106,972	
Creditors: amounts falling due within one year		(565,164)		(468,315)	
Net current liabilities			(440,953)		(361,343)
Total assets less current liabilities			1,364,149		1,453,269
Creditors: amounts falling due after more than one year			(324,291)		(415,570)
Provisions for liabilities and charges			(6,006)		(15,143)
Net assets			1,033,852		1,022,556
Capital and reserves					
Called up share capital	6		208,000		208,000
Revaluation reserve			104,153		104,153
Profit and loss account			721,699		710,403
Shareholders' funds			1,033,852		1,022,556

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

D. L. Rhodes-Bell
Director
Approved by the board on 7 May 2004

Reel Leisure Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2003

1 Accounting policies

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover
Turnover represents the invoiced value of services supplied by the company, net of value added tax.

Depreciation
Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Goodwill	10% straight line
Leasehold property	Over the remaining life of the lease
Gaming machines	25% reducing balance
Fixtures and fittings	20% reducing balance
Motor vehicles	25% reducing balance

Deferred taxation
Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Leasing and hire purchase commitments
Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Reel Leisure Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2003

2 Intangible fixed assets	£
Cost	
At 1 January 2003	150,000
At 31 December 2003	150,000
Amortisation	
At 1 January 2003	30,000
Provided during the year	15,000
At 31 December 2003	45,000
Net book value	
At 31 December 2003	105,000
At 31 December 2002	120,000

3 Tangible fixed assets	£
Cost or valuation	
At 1 January 2003	2,594,876
Additions	279,690
Disposals	(157,450)
At 31 December 2003	2,717,116
Depreciation	
At 1 January 2003	903,464
Charge for the year	185,510
On disposals	(68,760)
At 31 December 2003	1,020,214
Net book value	
At 31 December 2003	1,696,902
At 31 December 2002	1,691,412

Goodwill is being written off in equal annual instalments over its estimated economic life of 10 years.

4 Investments

	£
Cost	
At 1 January 2003	3,200
At 31 December 2003	3,200

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Star Automatics Limited	England and Wales	Ordinary	100

The above company is a dormant company. The accounts have not been consolidated into the group accounts of Reel Leisure Limited as the directors consider that this would be of no benefit due to the dormant nature of the subsidiary.

The reserves of Star Automatics Limited at the balance sheet date stood at £14,396 (2002 - £14,396).

5 Loans

	2003 £	2002 £
Creditors include:		
Amounts falling due for payment after more than five years	151,217	151,163
Secured bank loans	378,770	272,648

6 Share capital

	2003 £	2002 £
Authorised:		
Ordinary shares of £1 each	20,000	20,000
8% preference shares of £1 each	200,000	200,000
	220,000	220,000

	2003 No	2002 No	2003 £	2002 £
Allotted, called up and fully paid:				
Ordinary shares of £1 each	8,000	8,000	8,000	8,000
8% preference shares of £1 each	200,000	200,000	200,000	200,000
	208,000	208,000	208,000	208,000

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

No other rights are attached to the shares.