

Sam Hagan Leisure (UK) Ltd.

Abbreviated Accounts
for the period ended 31st October 1998'

registered number: GB 2686607

Prepared by

James B. Kennedy & Co.,
chartered accountants
&
registered auditors

Belfast



Sam Hagan Leisure (UK) Ltd.

Abbreviated Accounts
for the period ended 31st October 1998'

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Sam Hagan Leisure (UK) Ltd.

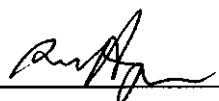
**Balance Sheet
as at 31st October 1998**

	notes	1998' £	1997' £
Fixed Assets			
Tangible assets		1,501,154	1,620,585
Current Assets			
Stocks		163,870	138,874
Debtors		270,734	198,940
Cash in bank and hand		13,713	5,943
		448,317	343,758
Creditors - Due within one year			
Loans and overdrafts	2	(183,276)	(162,932)
Other creditors		(472,281)	(357,119)
		(655,557)	(520,051)
Net Current Assets less Current Liabilities		(207,240)	(176,293)
Creditors - Due after one year		(943,062)	(1,018,409)
Provisions for Liabilities and Charges		-	(30,446)
Total Assets		350,852	395,437
Represented by			
Share capital	3	100,000	100,000
Share premium account		200,000	200,000
Reserves		50,852	95,437
Shareholders Funds		350,852	395,437

Advantage has been taken of the exemptions conferred by Part III, Schedule 8 of the Companies Act 1985, as amended, on the grounds that in the directors' opinion the company is a small company as defined.

The financial statements on pages 6 to 15 were approved by the Board of Directors on the 5th July 1999, and signed on its behalf by:

Director



**Notes to the abbreviated accounts
for the period ended 31st October 1998'**

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 accounting policies, which have been applied consistently, are set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost or valuation at acquisition, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, on a straight line, and reducing balance basis over the expected useful economic lives of the assets concerned.

The principal annual rates used for this purpose are:

	%	Method
Freehold buildings	4	Straight line
Motor vehicles	25	Straight line
Equipment, fixtures and fittings	25	Straight line

Stocks and Work-in-progress

Stocks and work in progress are valued at the lower of cost and net realisable value.

Turnover

Turnover represents the amounts received or receivable for goods and services provided to customers, excluding value added tax.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax is provided for liabilities that will probably crystallise in the future using the liability method.

Sam Hagan Leisure (UK) Ltd.

**Notes to the abbreviated accounts
for the period ended 31st October 1998'**

	1998' £	1997' £
2 Creditors - loans and overdrafts due within one year		
Bank current account	63,276	42,932
Long term loan account	120,000	120,000
Total	183,276	162,932
3 Creditors - due after one year		
Long term loan account	943,062	1,018,409
Other creditors	-	-
Total	943,062	1,018,409
<i>The company has borrowings of £1.2m which are secured by a debenture over the assets of Sam Hagan Leisure (UK) Ltd., with specific charge over Solway Holiday Village.</i>		
4 Authorised		
Ordinary shares of £1 each	75,000	75,000
'A' Ordinary shares of £1 each	25,000	25,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	75,000	75,000
'A' Ordinary shares of £1 each	25,000	25,000
	100,000	100,000

**AUDITORS' REPORT TO THE MEMBERS OF
SAM HAGAN LEISURE (UK) LTD.
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 3 to 5, together with the financial statements of the company for the year ended 31st October 1998, prepared under section 226 of the Companies Act 1985, as amended.

Respective responsibilities of directors and auditors

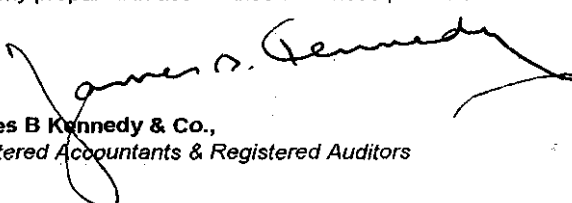
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985, as amended. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 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 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 have been 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 Companies Act 1985, as amended, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.


James B Kennedy & Co.,
Chartered Accountants & Registered Auditors

Belfast

5th July 1999'