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ROSSNOW LEISURE (ABERDEEN) LIMITED
(Company Number: SC058024)

ABBREVIATED ACCOUNTS

31 MARCH 2001



Anderson Anderson & Brown
Chartered Accountants

ROSSNOW LEISURE (ABERDEEN) LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES

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Company law requires the director to prepare accounts 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 accounts, the director is required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether or not applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and,
- (d) prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enables him to ensure that the accounts comply with the Companies Act 1985. He is 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.

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**AUDITORS' REPORT TO ROSSNOW LEISURE (ABERDEEN) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 7 together with the full accounts of the company prepared under Section 226 of the Companies Act 1985 for the period ended 31 March 2001.

Respective responsibilities of director and auditors

The director is 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 the company's entitlement to deliver abbreviated accounts and whether or not the abbreviated accounts have been properly prepared in accordance with those provisions.

Basis of opinion

We have carried out the procedures we considered necessary to discharge our responsibilities set out above. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full accounts.

Fundamental uncertainty

In forming our opinion, we have considered the disclosure in Note 1 of the accounts concerning the existence of a net current liability position of the company. In view of the significance of this we consider it should be drawn to your attention but our opinion is not qualified in this respect.

Unqualified opinion on the abbreviated accounts

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Companies Act 1985 in respect of the period ended 31 March 2001 and the abbreviated accounts on pages 3 to 7 have been properly prepared in accordance therewith.

Anderton Anderson & Brown

Registered Auditors
Aberdeen

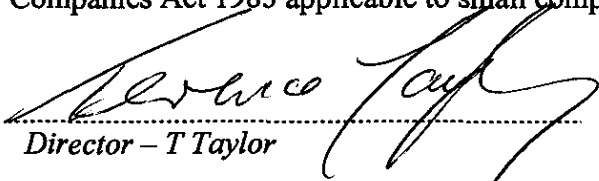
11 JANUARY 2002.

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ROSSNOW LEISURE (ABERDEEN) LIMITED
ABBREVIATED BALANCE SHEET – 31 MARCH 2001

	Note	31 March 2001 £	31 July 2000 £
FIXED ASSETS			
Tangible assets	3	<u>1,763,092</u>	<u>1,803,008</u>
CURRENT ASSETS			
Debtors (£40,346 due after one year (2000 - £47,846))		108,060	268,988
Cash at bank and in hand		<u>119</u>	<u>119</u>
		108,179	269,107
CREDITORS: amounts falling due within one year	4	<u>258,372</u>	<u>459,019</u>
NET CURRENT LIABILITIES		<u>(150,193)</u>	<u>(189,912)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,612,899	1,613,096
CREDITORS: amounts falling due after more than one year	5	1,408,164	1,416,269
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation		-	928
		<u>£ 204,735</u>	<u>£ 195,899</u>
CAPITAL AND RESERVES			
Called up share capital	6	113,336	113,336
Share premium account		221,665	221,665
Revaluation reserve		1,041,791	1,044,104
Profit and loss account		<u>(1,172,057)</u>	<u>(1,183,206)</u>
SHAREHOLDER'S FUNDS		<u>£ 204,735</u>	<u>£ 195,899</u>

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


 Director – T Taylor

11/1/02. Date

ROSSNOW LEISURE (ABERDEEN) LIMITED
NOTES ON THE ABBREVIATED ACCOUNTS – 31 MARCH 2001

1. FUNDAMENTAL UNCERTAINTY

The company has net current liabilities of £150,193 at 31 March 2001. However, the director has been successful in leasing the property and has secured an appropriate funding package. The accounts are therefore prepared on a going concern basis.

2. ACCOUNTING POLICIES

(a) *Basis of accounts preparation*

The accounts are prepared under the historical cost convention, as modified to incorporate the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

(b) *Fixed assets*

All fixed assets are initially recorded at cost. Investment properties are revalued periodically and the aggregate surplus or deficit is transferred to a revaluation reserve.

(c) *Depreciation*

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset as follows:

Investment properties	period of the lease
Motor vehicles	25% reducing balance
Finance leases	period of the lease

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on these assets is transferred annually from the revaluation reserve to the profit and loss reserve.

(d) *Deferred taxation*

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise.

ROSSNOW LEISURE (ABERDEEN) LIMITED
NOTES ON THE ABBREVIATED ACCOUNTS – 31 MARCH 2001

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2. ACCOUNTING POLICIES (continued)

(e) *Leasing and hire purchase commitments*

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are 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 payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

(f) *Pensions*

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

3. TANGIBLE FIXED ASSETS

	£
COST OR VALUATION	
At 31 July 2000	1,820,796
Disposals	(38,995)
At 31 March 2001	<u>1,781,801</u>
DEPRECIATION	
At 31 July 2000	17,788
Charge for period	4,170
Relating to disposals	(3,249)
At 31 March 2001	<u>18,709</u>
Net book values at:	
31 March 2001	<u>£ 1,763,092</u>
31 July 2000	<u>£ 1,803,008</u>

The net book value of motor vehicles includes an amount of £Nil (2000 - £35,746) in respect of assets held under finance leases and hire purchase contracts.

ROSSNOW LEISURE (ABERDEEN) LIMITED
NOTES ON THE ABBREVIATED ACCOUNTS – 31 MARCH 2001

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3. TANGIBLE FIXED ASSETS (continued)

The historical cost of investment properties is as follows:

At 31 July 2000 and 31 March 2001	<u>£ 879,920</u>
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Cumulative depreciation based on cost:

At 31 July 2000	<u>£ 57,766</u>
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At 31 March 2001	<u>£ 59,682</u>
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The investment properties were valued in February 1998, by the then directors, at an open market value for existing use. The director believes that the property values have not changed materially between February 1998 and 31 March 2001.

4. SECURITY

Included within creditors at 31 March 2001 is a bank overdraft of £59,152.

The Bank of Scotland holds letters of guarantee for £70,000 from Mr T Taylor and £85,000 from Mr and Mrs J Snowdon, together with a postponed standard security over property owned by Mr and Mrs J Snowdon.

5. LOANS

	31 March 2001 £	31 July 2000 £
Creditors include:		
<i>Loans not wholly repayable within five years:</i>		
Within five years	244,898	102,868
In more than five years	1,163,266	1,306,311
	<u>£ 1,408,164</u>	<u>£ 1,409,179</u>

The loan from Northern Rock Commercial Finance is secured over the leasehold property together with a bond and floating charge over the remaining assets. Northern Rock Commercial Finance also has a personal guarantee from the director and the right of postponement of the director's loan.

The loan attracts interest at 2.25% over the three monthly LIBOR rate. The loan is repayable in full by May 2025.

ROSSNOW LEISURE (ABERDEEN) LIMITED
NOTES ON THE ABBREVIATED ACCOUNTS – 31 MARCH 2001

6. CALLED UP SHARE CAPITAL

31 March 2001 & 31 July 2000

Authorised: Ordinary shares of £1 each	£ 1,000,000
Allotted, called up and fully paid: Ordinary shares of £1 each	£ 113,336

7. TRANSACTIONS WITH DIRECTORS

Throughout the period the company had the following transactions with directors.

Related party	Transaction	£	Balance due to/(by) Rossnow Leisure £
Metrixx Ltd, a company of which T Taylor is a director	Management fees	20,725	-
T Taylor, Director	Director's loan interest	4,088	(4,088)
	Movements in director's loan account	(42,665)	(17,335)
Mr & Mrs J Snowdon	Loan account repaid	(177,576)	15,000