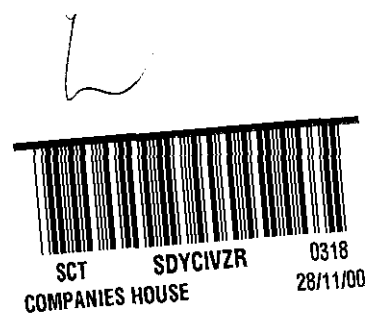


ROSYTH LEISUREPARC LIMITED**REPORTS AND FINANCIAL STATEMENTS****YEAR ENDED 29 FEBRUARY 2000**

ROSYTH LEISUREPARC LIMITED

COMPANY INFORMATION

DIRECTORS:

K C McCabe
C Di Ciacca

SECRETARY:

S McBride - resigned 31 July 2000
S McCabe - appointed 31 July 2000
C di Ciacca - appointed 31 July 2000

REGISTERED OFFICE:

Forsyth House
111 Union Street
Glasgow
G1 3TA

REGISTRATION NO:

SC184813

AUDITORS:

Ernst & Young
Lowgate House
Lowgate
HULL
HU1 1JJ

ROSYTH LEISUREPARC LIMITED

REPORTS AND FINANCIAL STATEMENTS

Year Ended 29 February 2000

Contents

- | | |
|---|-----------------------------------|
| 1 | Report of the Directors |
| 2 | Report of the Auditors |
| 3 | Balance Sheet |
| 4 | Notes to the Financial Statements |

ROSYTH LEISUREPARC LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and the financial statements for the period ended 29 February 2000

REVIEW OF THE BUSINESS

The principal activity of the company is the development and refurbishment of commercial, industrial and residential properties.

DIRECTORS AND THEIR INTERESTS

Both the directors named below have held office for the whole of the period, unless otherwise stated.

K C McCabe

C Di Ciacca

K C McCabe is a director of Scarborough Property Company plc, the ultimate parent undertaking in whose accounts his interest in the share capital of that company is shown.

In October 1996 C Di Ciacca was granted options over 800 shares of £1 each at a subscription price of £100 in the ultimate parent company Scarborough Property Company plc. These options were exercised on 29 February 2000. At the end of the year he held 800 shares (1999 - £nil) in the ultimate parent company.

There were no other interests notifiable under Section 324 of the Companies Act 1985.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires the directors to prepare financial statements for each 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;
- comply with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the accounts comply with the above requirements.

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.

YEAR 2000 COMPLIANCE

The implementation of Rosyth Leisureparc Limited's Year 2000 program was completed successfully. No disruptions to the business operations have occurred, nor are any expected to occur, as a result of the date change.

AUDITORS

Ernst & Young have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



S. McCabe

Secretary

16 November 2000

Registered office:

Forsyth House

111 Union Street

GLASGOW

G1 3TA

**REPORT OF THE AUDITORS TO THE MEMBERS OF
ROSYTH LEISUREPARC LIMITED**

We have audited the financial statements on pages 3 to 4 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 4.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

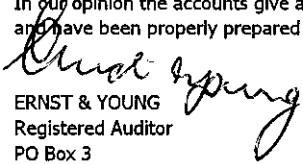
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 judgments made by the directors in 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 accounts give a true and fair view of the state of affairs of the company as at 29 February 2000 and have been properly prepared in accordance with the Companies Act 1985.


ERNST & YOUNG
Registered Auditor
PO Box 3
Lowgate House
Lowgate
Hull
HU1 1JJ

16 November 2000

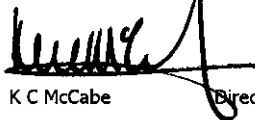
ROSYTH LEISUREPARC LIMITED

BALANCE SHEET

At 29 February 2000

	Notes	2000 £	1999 £
CURRENT ASSETS			
Stock	2	75,598	32,433
Debtors	3	8,680	-
		<u>84,278</u>	<u>32,433</u>
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	4	<u>(83,278)</u>	<u>(31,433)</u>
NET CURRENT ASSETS		<u>1,000</u>	<u>1,000</u>
 CAPITAL AND RESERVES			
Called up share capital	5	1,000	1,000
Profit & Loss account		<u>-</u>	<u>-</u>
EQUITY SHAREHOLDERS' FUNDS		<u>1,000</u>	<u>1,000</u>

Approved by the Board on 16 November 2000 and signed on its behalf by


K C McCabe Director

The notes on page 4 form part of these financial statements

ROSYTH LEISUREPARC LIMITED**NOTES TO THE FINANCIAL STATEMENTS****Year ended 29 February 2000****1 ACCOUNTING POLICIES****(a) Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Stocks and Work In Progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is based on the cost of the land and the costs incurred to date in development, including any demolition costs and interest paid in respect of borrowings to finance the relevant development.

2 STOCKS AND WORK IN PROGRESS

	2000	1999
	£	£
Development work in progress	75,598	32,433

3 DEBTORS

	2000	1999
	£	£
Other tax and social security	8,680	-

4 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2000	1999
	£	£
Trade creditors	-	16,638
Amounts owed to group undertakings	83,278	8,508
Accruals	-	6,287
	83,278	31,433

5 CALLED UP SHARE CAPITAL

	2000	1999
	£	£
Authorised:		
1000 Ordinary £1 shares	1,000	1,000
	1,000	1,000

Allotted, called up and fully paid:

	2000	1999
	£	£
1000 Ordinary £1 shares	1,000	1,000
	1,000	1,000

6 PROFIT AND LOSS ACCOUNT

The company has not traded or made any profits or losses during the year, and therefore no Profit and Loss Account has been prepared.

7 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption permitted by FRS 8 not to disclose details of transactions with other group undertakings.

8 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Teesland Development Company Limited.

The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is Scarborough Property Company plc, a company registered in Scotland.

Copies of Scarborough Property Company plc's Financial Statements can be obtained from:

Forsyth House, 111 Union Street, Glasgow, G1 3TA