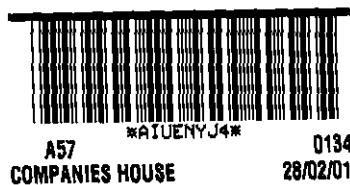


STANLEY CASINOS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

30 APRIL 2000



COMPANY REGISTRATION NUMBER: 1519689

STANLEY CASINOS LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and audited accounts for the 52 weeks ended 30 April 2000.

1 PRINCIPAL ACTIVITY

The principal activity of the Company is the management of casinos.

2 BUSINESS REVIEW AND RESULTS

During the year the Company acquired 100% of the share capital of Annabel's Casino Limited, Bimbo Restaurants Limited and Lilland Limited, which operate casinos in Leicester, Coventry and Bristol respectively, for £4.56 million.

The trading for the period has resulted in a profit after taxation of £7,459,791 (1999 - £7,703,481). The Directors have paid an interim dividend of £5,000,000 (1999 - £Nil). The Directors do not recommend the payment of a final dividend (1999 - £5,000,000).

The Directors expect the past level of activity will be sustained for the foreseeable future.

3 DIRECTORS

Directors who have served during the period are:

T A Lowry
K Peat
P Perrin-Jacquet
A M Riddy
L Steinberg
G W Gibson (resigned 8 October 1999)
G C Revill (resigned 31 December 1999)

Mr P Collis was appointed a Director on 8 June 2000. None of the Directors held any interests in the share capital of the Company during the period.

The interests of the Directors, who are also Directors of Stanley Leisure plc, in the share capital of the ultimate parent undertaking Stanley Leisure plc, are shown in the Report and Accounts of that company. The interests of other Directors are shown below:

Ordinary shares of 25p each in Stanley Leisure plc.

	<u>30 April 2000</u> Number	<u>2 May 1999</u> Number
P Perrin-Jacquet	1,410	1,874
K Peat	10,170	2,400

STANLEY CASINOS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

3 DIRECTORS (Continued)

The following options have been granted and are outstanding to these Directors in respect of Stanley Leisure plc;

	Number at 2 May 1999	Options exercised	Options granted/ (lapsed)	Number at 30 April 2000	Exercise price p	Earliest date exercisable	Expiry date
P Perrin-Jacquet	15,000	-	-	15,000	190.5	25.02.98	27.02.05
	1,036	(1,036)	-	-	133.2	01.10.99	01.04.00
	-	-	1,181	1,181	164.0	01.05.03	31.10.03
K Peat	7,770	(7,770)	-	-	133.2	01.10.99	01.04.00
	2,887	-	(2,887)	-	239.0	01.04.02	01.10.02
	-	-	10,289	10,289	164.0	01.05.05	31.10.05

The market price of the shares at 30 April 2000 was 181.5p (2 May 1999 - 252.5p) and the range during the financial period was 181.0p to 299.5p. All the above options were exercised on 6 October 1999, when the market price was 257.5p, giving rise to gains of £1,288 by P Perrin-Jacquet and £9,658 by K Peat.

4 EMPLOYEES

The Company is committed to a policy of equal opportunity in matters relating to employment, training and career development of employees and is opposed to any form of less favourable treatment afforded on the grounds of disability, sex, race or religion.

The Company recognises the importance of ensuring all employees are kept informed of the Company's performance, activities and future plans.

5 DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the accounts on pages 5 to 16, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the accounts comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are required to prepare the accounts on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

STANLEY CASINOS LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

6 PAYMENT OF SUPPLIERS

It is the policy of the Company to agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard written terms to individually negotiated contracts. Payments are normally made in accordance with these terms and conditions, provided that they have also been complied with by the supplier. At 30 April 2000 the Company trade creditors represented 45 days of purchases (2 May 1999 – 45 days).

7 ADOPTION OF FRS 15 TANGIBLE FIXED ASSETS

The Company implemented the provisions of FRS 15 in the year which resulted in an increased depreciation charge in respect of properties from £NIL in 1999 to £254,569 in the current year.

8 AUDITORS

Members of the Company have passed elective resolutions to dispense with the holding of an Annual General Meeting and the annual appointment of auditors.

By Order of the Board

S J GOULBOURNE
Secretary

S J Goulbourne

27 February 2001

REPORT OF THE AUDITORS TO THE MEMBERS OF STANLEY CASINOS LIMITED

We have audited the financial statements on pages 5 to 16.

Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

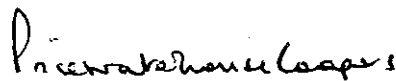
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 judgements made by the Directors in the 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 financial statements give a true and fair view of the state of the Company's affairs at 30 April 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Manchester

27 February 2001

STANLEY CASINOS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 30 APRIL 2000

	<u>30 April 2000</u> £	<u>2 May 1999</u> £
TURNOVER (Note 1)	52,326,955	49,695,489
Cost of sales	<u>(41,409,925)</u>	<u>(37,627,891)</u>
GROSS PROFIT	10,917,030	12,067,598
Administrative expenses	(634,831)	(526,834)
Provision against carrying value of fixed assets	-	(500,000)
Other operating income	<u>511,935</u>	<u>205,031</u>
OPERATING PROFIT	10,794,134	11,245,795
Net interest receivable (Note 5)	<u>57,544</u>	<u>93,837</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 2)	10,851,678	11,339,632
Taxation on profit on ordinary activities (Note 6)	<u>(3,391,887)</u>	<u>(3,636,151)</u>
PROFIT FOR THE FINANCIAL PERIOD	7,459,791	7,703,481
Dividends (Note 7)	<u>(5,000,000)</u>	<u>(5,000,000)</u>
RETAINED PROFIT TRANSFERRED TO RESERVES (Note 16)	<u>2,459,791</u>	<u>2,703,481</u>

The results for the period relate to a single class of continuing activities - the operation of casinos established in the United Kingdom.

There is no material difference between the reported profit before taxation and the historical cost profit before taxation.

The Company has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 8 to 16 form part of these financial statements.

STANLEY CASINOS LIMITED

BALANCE SHEET – 30 APRIL 2000

	30 April 2000 £	2 May 1999 £
FIXED ASSETS		
Tangible assets (Note 8)	102,343,495	98,689,731
Investments (Note 9)	<u>8,209,728</u>	<u>3,649,728</u>
	110,553,223	102,339,459
CURRENT ASSETS		
Stocks (Note 10)	457,165	302,713
Debtors (Note 11)	27,440,449	20,141,212
Cash at bank and in hand	<u>1,712,866</u>	<u>2,339,795</u>
	29,610,480	22,783,720
CREDITORS - Amounts falling due within one year (Note 12)	<u>(73,456,346)</u>	<u>(61,125,626)</u>
NET CURRENT LIABILITIES	<u>(43,845,866)</u>	<u>(38,341,906)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	66,707,357	63,997,553
CREDITORS - Amounts falling due after more than one year (Note 13)	(207,831)	(108,017)
PROVISIONS FOR LIABILITIES AND CHARGES (Note 14)	<u>(516,525)</u>	<u>(366,326)</u>
	65,983,001	63,523,210
CAPITAL AND RESERVES		
Called up share capital (Note 15)	50,000	50,000
Revaluation reserve (Note 16)	20,109,304	20,109,304
Profit and loss account (Note 16)	<u>45,823,697</u>	<u>43,363,906</u>
EQUITY SHAREHOLDERS' FUNDS	<u>65,983,001</u>	<u>63,523,210</u>

APPROVED BY THE BOARD ON 27 February 2001



A M Riddy
DIRECTOR

The notes on pages 8 to 16 form part of these financial statements.

STANLEY CASINOS LIMITED

**RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS
FOR THE 52 WEEKS ENDED 30 APRIL 2000**

	<u>30 April 2000</u>	<u>2 May 1999</u>
	£	£
Profit for the financial year	7,459,791	7,703,481
Dividends	<u>(5,000,000)</u>	<u>(5,000,000)</u>
Net addition to shareholders' funds	2,459,791	2,703,481
Opening equity shareholders' funds	<u>63,523,210</u>	<u>60,819,729</u>
Closing equity shareholders' funds	<u>65,983,001</u>	<u>63,523,210</u>

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2000

1 ACCOUNTING POLICIES

(a) Accounting convention

The accounts have been prepared under the historical cost convention, modified by the revaluation of certain properties and licences, and in accordance with applicable accounting standards.

(b) Accounting year end

Accounts are prepared for the period ending on the Sunday nearest to 30 April. For the current year this Sunday was 30 April 2000.

(c) Turnover

Turnover represents gross gaming yield from casino gaming activities and amounts receivable for goods and services provided exclusive of Value Added Tax.

All of the Company's turnover arises within the United Kingdom and the Directors are of the opinion that it is derived from one class of activity.

(d) Fixed assets and depreciation

The Company's properties are carried at an open market, existing use valuation including the benefit of casino licences. The Company's properties are revalued by professionally qualified external valuers every five years. The last revaluation was at 3 May 1998. Net revaluation surpluses are credited to Reserves.

No depreciation is provided on land. Depreciation on other assets is calculated so as to write off the cost or valuation of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned, at the following rates:

Freehold & Long leasehold properties	2% per annum on a straightline basis
Short leasehold properties	Over the term of the associated lease on a straightline basis

In view of the high residual values of casino licences, properties are reviewed annually for potential impairment.

Leasehold property improvements	Amortised over the shorter of the lease term or 50 years on a straight line basis.
Fixtures and fittings	15-25% per annum on a reducing balance basis
Motor vehicles	25% per annum on a straight line basis

(e) Goodwill

Purchased goodwill is capitalised and amortised over its estimated useful life. Prior to 3 May 1998 goodwill was written off to reserves in the year in which it arose.

(f) Stocks

Stocks are stated at the lower of cost and estimated net realisable value.

(g) Operating leases and hire purchase commitments

The cost of operating leases is charged to the profit and loss account as incurred.

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2000 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

Assets obtained under hire purchase contracts are capitalised 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 agreement.

(h) Taxation

Corporation tax is provided on the assessable profits of the Company at the appropriate rates in force.

Provision is made for taxation deferred at the anticipated future rates in respect of taxation liabilities deferred to the extent that they are expected to reverse in the foreseeable future.

(i) Cashflow statement

In accordance with FRS1 (Revised) the Company has not prepared a cashflow statement as a consolidated cashflow statement is included within the accounts of its ultimate parent undertaking.

(j) Pensions

The Company participates in two pension schemes operated by the ultimate parent undertaking. Contributions to the defined benefit scheme are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives with the Group. All other contributions are charged to the profit and loss account as incurred.

(k) Related party transactions

The Company has taken advantage of the exemption allowed by FRS 8 not to disclose related party transactions with undertakings controlled within the Group.

(l) Investments

Investments in subsidiaries are stated at cost less provision for any impairment in value.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting):

	<u>2000</u> £	<u>1999</u> £
Depreciation		
- owned assets	1,280,310	785,579
- assets under finance leases	118,690	109,283
- provision against carrying value	-	500,000
Auditors' remuneration	39,475	41,600
Gaming duty	3,351,727	3,095,967
Operating leases - land and buildings	725,376	596,611
- plant & machinery	285,406	263,494
Rents receivable	(202,581)	(199,005)
(Profit)/loss on disposal of fixed assets	(309,084)	19,890
Contribution to QUEST (Note 3)	386,803	-
	<hr/>	<hr/>

Depreciation includes £254,569 (1999 - £NIL) in respect of properties.

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2000 (CONTINUED)

3 EMPLOYEES AND STAFF COSTS

	<u>2000</u> Number	<u>1999</u> Number
The average number of persons employed by the Company was:	1,990	1,943
	<hr/>	<hr/>
	<u>2000</u> £	<u>1999</u> £
Employee costs (including directors) were as follows:		
Wages and salaries	23,042,575	20,616,851
Social security costs	1,706,844	1,662,688
Other pension costs	<u>394,748</u>	<u>266,819</u>
	25,144,167	22,546,358
	<hr/>	<hr/>

In September 1999, the ultimate holding company, Stanley Leisure plc, established a Qualifying Employee Share Ownership Trust ("the QUEST") in order to distribute ordinary shares in Stanley Leisure plc on the exercise of options under the Stanley Leisure plc 1996 Inland Revenue Approved Savings Related Share Option Scheme. The trustee of the QUEST is a fellow subsidiary of the ultimate holding Company. All employees of the Company, including Directors of the Company, are potential beneficiaries under the QUEST.

During the year the company contributed £386,803 to the QUEST.

4 DIRECTORS' EMOLUMENTS

	<u>2000</u> £	<u>1999</u> £
Aggregate emoluments	225,863	227,902
	<hr/>	<hr/>
Highest paid director	<u>2000</u> £	<u>1999</u> £
Total emoluments	124,054	106,730
	<hr/>	<hr/>
Defined benefit scheme		
Accrued pension at end of year	39,700	35,000
	<hr/>	<hr/>

Certain Directors were remunerated by other Group companies for their services as Group Executives.

Retirement benefits are accruing to three Directors (1999 – three) under the defined benefit scheme.

Share options in the ultimate parent undertaking, Stanley Leisure plc are shown in the Report of the Directors.

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL (CONTINUED)

5 NET INTEREST RECEIVABLE

	<u>2000</u> £	<u>1999</u> £
Interest payable:		
Bank overdrafts	(2,345)	(6,075)
Hire purchase agreements	(30,692)	(29,671)
Other	-	(2,500)
	(33,037)	(38,246)
Interest receivable:		
Short term deposits	18,970	47,966
Other	71,611	84,117
	90,581	132,083
Net interest receivable	57,544	93,837

6 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<u>2000</u> £	<u>1999</u> £
Corporation tax at 30.0% (1999 – 30.9%) on profits for the period		
- current period	3,241,688	3,531,717
- prior period	-	(53,566)
Deferred tax		
- current period	121,252	149,143
- prior period	28,947	8,857
	3,391,887	3,636,151

7 DIVIDENDS

	<u>2000</u> £	<u>1999</u> £
Dividends – proposed (1999 - £100 per share)	-	5,000,000
Dividends – paid (£100 per share)	5,000,000	-
	5,000,000	5,000,000

STANLEY CASINOS LIMITED

NOTES TO ACCOUNTS – 30 APRIL 2000 (CONTINUED)

8 TANGIBLE FIXED ASSETS

	Freehold and associated licences	Long leasehold & associated licences	Short leasehold & associated licences	Leasehold improve- ments	Fixtures and fittings	Motor vehicles	Plant and machinery	Total
	£	£	£	£	£	£	£	£
COST OR VALUATION								
At 2 May 1999	50,833,435	11,635,989	29,653,038	2,863,528	11,270,397	455,295	1,227,053	107,938,735
Additions	3,083,330	-	-	152,323	1,759,843	223,258	91,922	5,310,676
Reclassification	1,173,222	-	(1,173,222)	-	-	-	-	-
Disposals	-	(144,229)	-	-	(161,407)	(248,277)	-	(553,913)
As at 30 April 2000	55,089,987	11,491,760	28,479,816	3,015,851	12,868,833	430,276	1,318,975	112,695,498
At cost	3,083,330	-	-	3,015,851	12,868,833	430,276	1,318,975	20,717,265
Valuation 1998	52,006,657	11,491,760	28,479,816	-	-	-	-	91,978,233
As at 30 April 2000	55,089,987	11,491,760	28,479,816	3,015,851	12,868,833	430,276	1,318,975	112,695,498
DEPRECIATION								
At 2 May 1999	1,000,000	-	-	1,665,553	5,965,879	172,898	444,674	9,249,004
Charge for the period	208,515	17,177	28,877	77,048	824,549	118,690	124,144	1,399,000
Disposals	-	(2,875)	-	-	(121,293)	(171,833)	-	(296,001)
As at 30 April 2000	1,208,515	14,302	28,877	1,742,601	6,669,135	119,755	568,818	10,352,003
NET BOOK AMOUNT								
At 30 April 2000	53,881,472	11,477,458	28,450,939	1,273,250	6,199,698	310,521	750,157	102,343,495
At 2 May 1999	49,833,435	11,635,989	29,653,038	1,197,975	5,304,518	282,397	782,379	98,689,731

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2000 (CONTINUED)

8 TANGIBLE FIXED ASSETS (CONTINUED)

External interest charges of £71,611 (1999 £73,696) have been capitalised within freehold and associated licences in the period.

The amount of assets held under hire purchase agreements included in the total above corresponds to the amount relating to motor vehicles.

The Company's properties were revalued by Dunlop Heywood, Consultant Surveyors, at 3 May 1998, in accordance with the RICS Appraisal and Valuation Manual, on an open market value and fully operational basis for their existing use, including the benefit of casino licences.

Properties which are included at a valuation would have been included on an historical cost basis as follows:

	<u>2000</u>	<u>1999</u>
	£	£
Cost of properties and associated licences	74,952,259	72,013,158
Accumulated depreciation	<u>(1,251,694)</u>	<u>(1,000,000)</u>
	<u>73,700,565</u>	<u>71,013,158</u>

9 FIXED ASSET INVESTMENTS

Investments in subsidiaries at cost

	£
At 2 May 1999	3,649,728
Additions	<u>4,560,000</u>
At 30 April 2000	<u>8,209,728</u>

The following subsidiaries and their voting rights were wholly owned either directly or indirectly by the Company at 30 April 2000:

	<u>Activity</u>	<u>Country of registration</u>
Casino Martell Limited	Dormant	Scotland
Rex Leisure Limited	Dormant	England
Hazelman Limited	Dormant	England
Firegate Limited	Dormant	England
Churchstirling Limited	Dormant	England
Annabel's Casino Limited	Casino operators	England
Bimbo Restaurants Limited	Casino operators	England
Lilland Limited	Casino operators	England

Group accounts have not been prepared as Stanley Casinos Limited is a wholly owned subsidiary of an undertaking incorporated in the United Kingdom, therefore financial information is presented for the Company as an individual undertaking. In the Directors' opinion the value of the aggregate investment in each subsidiary is not less than the amount at which it is stated in these accounts.

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2000 (CONTINUED)

10 STOCKS

	<u>2000</u> £	<u>1999</u> £
Goods for resale	157,626	159,469
Stationery and consumables	<u>299,539</u>	<u>143,244</u>
	457,165	302,713
	<hr/>	<hr/>

11 DEBTORS

	<u>2000</u> £	<u>1999</u> £
Trade debtors	112,895	8,787
Amounts owed by group undertakings	26,760,007	19,680,790
Prepayments and accrued income	<u>567,547</u>	<u>451,635</u>
	27,440,449	20,141,212
	<hr/>	<hr/>

12 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2000</u> £	<u>1999</u> £
Bank overdraft	82,460	-
Trade creditors	981,393	803,563
Amounts owed to group undertakings	62,890,380	47,398,212
Taxation and social security	7,847,039	6,104,579
Accruals and deferred income	1,569,395	1,649,390
Dividends payable	-	5,000,000
Obligations under hire purchase agreements	<u>85,679</u>	<u>169,882</u>
	73,456,346	61,125,626
	<hr/>	<hr/>

13 CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2000</u> £	<u>1999</u> £
Obligations under hire purchase agreements	<u>207,831</u>	<u>108,017</u>
	<hr/>	<hr/>

The obligations payable under hire purchase agreements are as follows:

Within one year	85,679	169,882
Between one and two years	121,822	47,365
Between two and five years	<u>86,009</u>	<u>60,652</u>
	293,510	277,899
	<hr/>	<hr/>

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2000 (CONTINUED)

14 PROVISIONS FOR LIABILITIES AND CHARGES

Amounts provided for deferred taxation and potential deferred taxation liabilities are:

	<u>Provided</u>		<u>Potential</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	£	£	£	£
Accelerated capital allowances	516,525	366,326	728,997	571,665

The movements during the year on the deferred taxation account are as follows:

	£
At 2 May 1999	366,326
Profit and loss account	121,252
Adjustments in respect of prior periods	<u>28,947</u>
At 30 April 2000	<u>516,525</u>

No provision has been made for potential capital gains tax payable of £6,350,000 (1999 - £6,350,000) which would be payable in the event of the properties being disposed of at their revalued amounts as there is no intention to dispose of the properties in the foreseeable future.

15 CALLED UP SHARE CAPITAL

	<u>Authorised</u>	<u>Allotted and fully paid</u>
	£	£
The share capital at 30 April 2000 and 2 May 1999 was:		
Ordinary shares of £1 each	50,000	50,000

16 RESERVES

	<u>Profit and loss account</u>	<u>Revaluation reserve</u>
	£	£
At 2 May 1999	43,363,906	20,109,304
Retained profit for the period	<u>2,459,791</u>	-
At 30 April 2000	<u>45,823,697</u>	<u>20,109,304</u>

Goodwill in aggregate of £317,154 (1999 - £317,154) has been charged against reserves in prior years.

STANLEY CASINOS LIMITED

NOTES TO THE ACCOUNTS – 30 APRIL 2000 (CONTINUED)

17 OPERATING LEASE COMMITMENTS

The Company has short term operating lease commitments in respect of plant and machinery, all of which terminate within one year. The rentals payable under the leases in the next year are £250,000 (1999 - £239,000).

The Company has operating lease commitments in respect of certain land and buildings on short and long term leases. The rentals payable under the leases in the next year are as follows:

	<u>2000</u> £	<u>1999</u> £
Date of lease termination:		
Within one year	44,850	-
Between one and five years	-	44,850
Expiring after five years	<u>618,675</u>	<u>620,488</u>
	663,525	665,338

18 CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the accounts at 30 April 2000 amounted to £3,048,372 (1999 - £44,000).

19 CONTINGENT LIABILITIES

The Company acts as a joint guarantor in respect of a revolving credit facility arranged with a consortium of banks for the benefit of Stanley Leisure plc. At 30 April 2000 the loan outstanding amounted to £175,500,000 (1999 - £74,500,000).

20 PENSION COMMITMENTS

The Company is a member of two pension schemes operated by the ultimate parent undertaking, a defined contribution scheme and a defined benefit scheme.

The defined benefit scheme (the Stanley Leisure 1988 Retirement Benefit Scheme) provides benefits based on final pensionable earnings, and contributions to the scheme are determined by a qualified actuary on the basis of triannual valuations using the attained aged normal valuation method across the group as a whole.

The details of the most recent valuation are disclosed in the notes to the accounts of the ultimate parent undertaking, Stanley Leisure plc.

21 ULTIMATE PARENT UNDERTAKING

Stanley Leisure plc, a company registered in England, is the ultimate controlling party and parent undertaking of the largest and smallest group of undertakings for which group accounts are drawn up and of which the Company is a member.

Copies of the accounts of Stanley Leisure plc may be obtained from the Company Secretary, Stanley House, 151 Dale Street, Liverpool, L2 2JW.