
SILVER SKI HOLIDAYS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2001



SILVER SKI HOLIDAYS LIMITED

Company Information

Directors	B Sill L Silver L Silver
Secretary	Mrs H Naylor
Company Number	1897706 (England & Wales)
Registered Office	17 Gun Wharf 124 Wapping High Street London E1W 2NJ
Auditors	N Tree FCA Chartered Accountant & Registered Auditor 17 Gun Wharf, 124 Wapping High Street London E1W 2NJ

SILVER SKI HOLIDAYS LIMITED

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2001

The directors present their report and the financial statements for the year ended 30 April 2001.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit or loss of the company and group 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;
- state whether applicable accounting standards have been followed, 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 are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year after taxation, amounted to £216,734 (2000 - £292,565) .

A dividend was paid in the year and Mr Silver had waived his entitlement to those dividends.

Principal activities and review of business

The group's principal activity during the period was tour operators specialising in package ski holidays in the French Alps. Subsidiary companies own property in France which is used for the purposes of the group's business.

The Group had another successful year of trading. Carter and Bailey Limited was acquired in the year. That company is a stadia operator and the directors believe that this acquisition will assist in raising the profile of the group.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were :

	<u>shares of £NIL each</u>		<u>Ordinary shares of £1 each</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
B Sill	-	-	10,000	10,000
L Silver	-	-	40,000	40,000

Year 2000 compliance

The Company has undertaken a review of the likely impact of the Year 2000 issue on the company's systems and business. Where necessary , appropriate work has been undertaken to upgrade systems and the director accordingly believes the Company is now Year 2000 compliant in relation to its own systems. We have not experienced any Y2K problems in the period 1 January 2000 to date of this report.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2001

Euro

The company has many years of experience of dealing with foreign currency fluctuations given the business operations which are undertaken in France and consider that monetary union will not have any adverse cost implications for the company. Full monetary union including Great Britain would be beneficial.

Auditors

The auditors, N Tree FCA Chartered Accountant & Registered Auditor, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 23 August 2001 and signed on its behalf.



Mrs H Naylor
Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF SILVER SKI HOLIDAYS LIMITED

We have audited the financial statements on pages 4 to 19 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

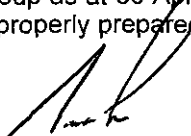
Basis of opinion

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 group'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 affairs of the company and of the group as at 30 April 2001 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



N Tree FCA Chartered Accountant & Registered Auditor

17 Gun Wharf, 124 Wapping High Street
London
E1W 2NJ

23 August 2001

SILVER SKI HOLIDAYS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 30 April 2001

	Note	2001 £	2000 £
TURNOVER Existing		3,672,551	3,539,138
Acquired		158,047	-
Total	1,2	<u>3,830,598</u>	<u>3,539,138</u>
Cost of sales		<u>(2,624,088)</u>	<u>(2,534,889)</u>
GROSS PROFIT		1,206,510	1,004,249
Selling and distribution costs		(202,169)	(206,895)
Administrative expenses		(674,696)	(409,695)
Other operating income		40,324	-
Other operating charges		<u>(9,243)</u>	<u>7,819</u>
OPERATING PROFIT Continuing operations		413,412	395,478
Acquired operations		<u>(52,686)</u>	<u>-</u>
OPERATING PROFIT	3	360,726	395,478
Loss on disposal of tangible fixed assets		<u>(2,712)</u>	<u>(1,203)</u>
		358,014	394,275
Amounts written off investments		(21,586)	-
Interest receivable	6	3,150	2,843
Interest payable	7	<u>(19,438)</u>	<u>(10,784)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		320,140	386,334
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	8	<u>(103,406)</u>	<u>(93,769)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		216,734	292,565
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	10	216,734	292,565
DIVIDENDS	9	<u>(17,500)</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR		199,234	292,565
RETAINED PROFIT BROUGHT FORWARD		<u>1,408,465</u>	<u>1,115,900</u>
RETAINED PROFIT CARRIED FORWARD		<u>£ 1,607,699</u>	<u>£ 1,408,465</u>

All amounts relate to continuing operations. The analysis between existing operations and acquired operations is disclosed in Note 2.

There were no recognised gains and losses for 2001 or 2000 other than those included in the profit and loss account.

The notes on pages 9 to 19 form part of these financial statements.

SILVER SKI HOLIDAYS LIMITED

CONSOLIDATED BALANCE SHEET
As at 30 April 2001

	Note	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible fixed assets	11		2,279,171		1,689,008
DEBTORS: due after more than one year	13		-		-
CURRENT ASSETS					
Debtors	14	111,969		70,833	
Cash at bank and in hand		76,782		300,744	
		<u>188,751</u>		<u>371,577</u>	
CREDITORS: amounts falling due within one year	15	(509,004)		(284,526)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(320,253)</u>		<u>87,051</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,958,918</u>		<u>1,776,059</u>
CREDITORS: amounts falling due after more than one year	16		(52,437)		(68,812)
NET ASSETS			<u>£ 1,906,481</u>		<u>£ 1,707,247</u>
CAPITAL AND RESERVES					
Called up share capital	17		50,000		50,000
Revaluation reserve	18		248,782		248,782
Profit and loss account			<u>1,607,699</u>		<u>1,408,465</u>
SHAREHOLDERS' FUNDS - All equity	19		<u>£ 1,906,481</u>		<u>£ 1,707,247</u>

The financial statements were approved by the board on 23 August 2001 and signed on its behalf



LG Silver

Director

The notes on pages 9 to 19 form part of these financial statements.

SILVER SKI HOLIDAYS LIMITED

COMPANY BALANCE SHEET
As at 30 April 2001

	Note	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible fixed assets	11		83,279		89,274
Investments	12		1,083,941		391,605
DEBTORS: due after more than one year	13		-		-
CURRENT ASSETS					
Debtors	14	12	415,824	409,858	
Cash at bank and in hand			19,022	297,810	
			<u>434,846</u>	<u>707,668</u>	
CREDITORS: amounts falling due within one year	15		(542,062)	(316,962)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(107,216)</u>		<u>390,706</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 1,060,004</u>		<u>£ 871,585</u>
CAPITAL AND RESERVES					
Called up share capital	17		50,000		50,000
Profit and loss account			1,010,004		821,585
SHAREHOLDERS' FUNDS - all equity	19		<u>£ 1,060,004</u>		<u>£ 871,585</u>

The financial statements were approved by the board on 23 August 2001 and signed on its behalf



LG Silver

Director

The notes on pages 9 to 19 form part of these financial statements.

SILVER SKI HOLIDAYS LIMITED

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 30 April 2001

	Note	2001 £	2000 £
Net cash inflow from operating activities (Page 8)		308,406	424,063
Returns on investments and servicing of finance	20	(16,288)	(7,941)
Taxation		(102,747)	(66,787)
Capital expenditure and financial investment	20	(664,239)	(51,713)
Equity dividends paid		(17,500)	-
Cash (outflow)/inflow before use of liquid resources and financing		(492,368)	297,622
Financing:	20		
Issue of shares		-	-
Decrease in debt		(19,325)	(49,979)
Decrease in debt		(19,325)	(49,979)
(Decrease)/increase in cash in the period		£ (511,693)	£ 247,643

The notes on pages 9 to 19 form part of these financial statements.

SILVER SKI HOLIDAYS LIMITED

CONSOLIDATED CASH FLOW STATEMENT INFORMATION
For the year ended 30 April 2001

	Note	£	2001 £	£	2000 £
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES					
Operating profit			360,726		395,478
Depreciation of tangible fixed assets			49,778		30,893
Increase in debtors			(41,136)		(49,517)
(Decrease)/increase in creditors			(60,962)		47,209
Net cash inflow from operating activities			£ 308,406		£ 424,063
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT					
	21				
(Decrease)/increase in cash in the period			(511,693)		247,643
Cash inflow from (decrease)/increase in debt and lease financing			19,325		49,979
Change in net debt resulting from cash flows			(492,368)		297,622
Net debt at 1 May 2000			195,025		(102,597)
Net debt at 30 April 2001			£ (297,343)		£ 195,025

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

1.2 Basis of Consolidation

The group financial statements consolidate the financial statements of Silver Ski Holidays Limited and all its subsidiary undertakings drawn up to the 30 April 2001. Intra-group transactions are eliminated on consolidation and all figures relate to external transactions only. Foreign taxes borne by overseas subsidiaries are reported by financial year to the 31 December preceding the financial year end.

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the group, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	NIL%	
Leasehold buildings	-	1%	based on lease term
Plant and machinery	-	25%	reducing balance
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance
Leasehold improvements	-	10%	reducing balance

All the freehold properties owned by the group are holiday chalet properties situated in the French Alps, used in the tour operator business. Chalet Le Key was independently valued by Leon Collombe, Geometre Expert in April 1996, and Chalet Bon Coin was independently valued by C Mairouri, Atelier D'Architecture in June 1994. Chalet Champagne was valued on acquisition in the year ended 30 April 1995. Chalet Bon Neige was independently valued on acquisition in 1995. Chalet Topaz was independently valued on acquisition in 1999. All valuations are on an open market existing use basis and the directors consider that the valuations reflect the current values. Freehold properties are let on annual operating leases to Silver Ski Holidays Limited. No depreciation is provided on the freehold land and buildings owned by the Group, as it is the group's policy to maintain its properties in such condition that the value to the business of the property as a whole is not impaired by the passage of time. As a consequence, any element of depreciation would, in the opinion of the directors, be immaterial. The maintenance costs are charged to the profit and loss account in the year incurred. This accounting treatment, which is a departure from the statutory requirement is, in the opinion of the directors, necessary to provide a true and fair view.

1.5 Goodwill

Goodwill arising on consolidation is written off to profit and loss account on acquisition.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.8 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.9 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

2. SEGMENTAL ANALYSIS

An analysis of turnover by class of business is given below:

	2001 £	2000 £
Ski Tour operator - existing operations	3,672,551	3,539,138
Race track / stadia operator - acquired operations	158,047	-
Total	£ 3,830,598	£ 3,539,138

A geographical analysis of turnover is as follows:

	2001 £	2000 £
United Kingdom	158,047	-
Europe	3,672,551	3,539,138
	£ 3,830,598	£ 3,539,138

An analysis of profit before tax by class of business is given below:

	2001 £	2000 £
Tour operators- existing operations	372,826	386,334
Stadia operators- acquired operations	(52,686)	-
Total	£ 320,140	£ 386,334

All profit before tax arose within the United Kingdom

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001 £	2000 £
Depreciation of tangible fixed assets		
- owned by the company	49,778	26,259
- held under finance leases and hire purchase contracts	-	4,634
Audit fees	19,500	19,250
Auditors' remuneration - non-audit services	1,224	480
Write of of goodwill arising on consolidation	25,520	-
Foreign exchange differences	9,243	(7,788)
	<u> </u>	<u> </u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2001 £	2000 £
Wages and salaries	322,636	278,117
Social security costs	14,209	10,484
	<u> </u>	<u> </u>
	£ 336,845	£ 288,601
	<u> </u>	<u> </u>

The average monthly number of employees, including directors, during the year was as follows:

	2001	2000
Office and administration	13	7
Field Support	58	58
Stadia management	6	-
	<u> </u>	<u> </u>
	77	65
	<u> </u>	<u> </u>

5. DIRECTORS' REMUNERATION

	2001 £	2000 £
Aggregate emoluments	38,231	28,284
	<u> </u>	<u> </u>
	£ 38,231	£ 28,284
	<u> </u>	<u> </u>

6. INTEREST RECEIVABLE

	2001 £	2000 £
Other interest receivable	£ 3,150	£ 2,843
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

7. INTEREST PAYABLE

	2001 £	2000 £
On bank loans and overdrafts	19,438	10,784
	<u>£ 19,438</u>	<u>£ 10,784</u>

8. TAXATION

	2001 £	2000 £
Current year taxation		
UK Corporation Tax at 30% (2000 - 30%)	72,589	76,614
Overseas taxation	26,143	10,863
	<u>98,732</u>	<u>87,477</u>
Prior years		
UK corporation tax	4,674	6,292
	<u>£ 103,406</u>	<u>£ 93,769</u>

If provision had been made for deferred taxation on the basis of the full potential liability, the taxation charge would have been increased by £60,454 (2000 - £62,196). No deferred tax is provided on the difference between the revalued book value of freehold properties and original book cost, because there is a reasonable probability that no liability will crystallise in the near future. A contingent liability in respect of deferred tax not provided, assuming no rollover reliefs or other tax deferrals would exist in the amounts as follows £60,454 (2000 - £62,196): as follows:

Property revaluations	<u>£ 60,454</u>	<u>£ 62,196</u>
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9. DIVIDENDS

	2001 £	2000 £
Ordinary - interim paid	<u>17,500</u>	<u>-</u>

10. PROFIT FOR THE FINANCIAL YEAR

As permitted by Section 230 of the Companies Act 1985, the profit and loss of the company is not presented as part of these financial statements.

The consolidated profit for the financial year of £216,734 (2000 - £292,565) includes £205,919 (2000 - £170,714) which is dealt with in the financial statements of the company.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

11. TANGIBLE FIXED ASSETS

<u>Group</u>	<u>Land & Buildings £</u>	<u>Plant & Machinery £</u>	<u>Fixtures & Fittings £</u>	<u>Motor Vehicles £</u>	<u>Long Leasehold Property £</u>	<u>Total £</u>
Cost or valuation						
At 1 May 2000	1,599,734	12,000	61,092	201,663	7,341	1,881,830
Additions	-	36,209	6,600	18,053	581,791	642,653
Disposals	-	-	-	(4,900)	-	(4,900)
At 30 April 2001	1,599,734	48,209	67,692	214,816	589,132	2,519,583
Depreciation						
At 1 May 2000	-	3,000	45,854	136,627	7,341	192,822
Charge for year	-	9,793	5,459	20,087	14,439	49,778
On disposals	-	-	-	(2,188)	-	(2,188)
At 30 April 2001	-	12,793	51,313	154,526	21,780	240,412
Net Book Value						
At 30 April 2001	£ 1,599,734	£ 35,416	£ 16,379	£ 369,342	£ 567,352	£ 2,279,171
At 30 April 2000	£ 1,599,734	£ 9,000	£ 15,238	£ 65,036	£ 14,682	£ 1,689,008

Included in land and buildings is freehold land and buildings valued at £1,599,734 (2000 - £1,599,734) which is not depreciated.

Included above are assets held under finance leases or hire purchase contracts as follows:

	<u>2001 £</u>	<u>2000 £</u>
Motor vehicles	£ -	£ 14,169

On the historical cost basis, land and buildings would have been included as follows:

	<u>2001 £</u>	<u>2000 £</u>
Cost	1,940,084	1,350,952
Cumulative depreciation	(21,780)	(7,341)
Net book amount	£ 1,918,304	£ 1,343,611

All the freehold properties owned by the group are holiday chalet properties situated in the French Alps, used in the tour operator business. Chalet Le Key was independently valued by Leon Collombe, Geometre Expert in April 1996, and Chalet Bon Coin was independently valued by C Mairouri, Atelier D'Architecture in June 1994. Chalet Champagne was valued on acquisition in the year ended 30 April 1995. Chalet Bon Neige was independently valued on acquisition in 1995. Chalet Topaz was independently valued on acquisition in 1999. All valuations are on an open market existing use basis and the directors consider that the valuations reflect the current values. Freehold properties are let on annual operating leases to Silver Ski Holidays Limited.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

<u>Company</u>	<u>Leasehold Land & Buildings</u>	<u>Plant & Machinery</u>	<u>Fixture & Equipment</u>	<u>Motor Vehicles</u>		<u>Total</u>
	£	£	£	£	£	£
Cost or valuation						
At 1 May 2000	7,341	12,000	61,092	201,663	-	282,096
Additions	-	-	6,600	17,875	-	24,475
Disposals	-	-	-	(4,900)	-	(4,900)
At 30 April 2001	7,341	12,000	67,692	214,638	-	301,671
Depreciation						
At 1 May 2000	7,341	3,000	45,854	136,627	-	192,822
Charge for year	-	2,250	5,459	20,049	-	27,758
On disposals	-	-	-	(2,188)	-	(2,188)
At 30 April 2001	7,341	5,250	51,313	154,488	-	218,392
Net Book Value						
At 30 April 2001	£ -	£ 6,750	£ 16,379	£ 60,150	-	£ 83,279
At 30 April 2000	£ -	£ 9,000	£ 15,238	£ 65,036	-	£ 89,274

Included above are assets held under finance leases or hire purchase contracts as follows:

	<u>2001</u>	<u>2000</u>
	£	£
Motor vehicles	£ -	£ 14,169

12. FIXED ASSET INVESTMENTS

<u>Company</u>	<u>Shares in Group Undertakings</u>	<u>Loans to Group Undertakings</u>	<u>Other Investments</u>	<u>Total</u>
	£	£	£	£
Cost				
At 1 May 2000	287,051	104,554	-	391,605
Additions	175,000	517,336	-	692,336
At 30 April 2001	462,051	621,890	-	1,083,941
Net Book Value				
At 30 April 2001	£ 462,051	£ 621,890	£ -	£ 1,083,941
At 30 April 2000	£ 287,051	£ 104,554	£ -	£ 391,605

Investments include an investment in a subsidiary, Valsarock Limited, comprising a holding of 100% of its issued ordinary capital.

Investments include an investment in a subsidiary, SCI Topaz a company registered in France, comprising a holding of 100% of its issued ordinary capital.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

Investments include an investment in a subsidiary, SCI Bon Nieve a company registered in France, comprising a holding of 100% of its issued ordinary capital.

Details of the investments, all of which are held by Silver Ski Holidays Limited or a wholly owned subsidiary, where the group holds more than 20% of the nominal value of any class of share capital are as follows:

Name of company	Country of incorporation	Holding	Proportion Held	Nature of business
Valsarock Limited	UK	100 ord. shares	100%	property ownership
SCI Bon Nieve	France	209107 ord. shares	100%	property ownership
SCI Topz	France	15000 ord. shares	100%	property ownership
Carter & Bailey Ltd	UK	1000 ord. shares	100%	track /stadia operator

Carter and Bailey Limited was acquired on 14 July 2000 with effect from 1 July 2000. The purchase comprised 100% of the share capital of that company.

Net assets at date of acquisition

	Book value £	Adjustments Revaluation £	Other £	Fair value to group £
Leasehold interests	282,051	197,005	-	479,056
Plant and machinery	20,766	-	-	20,766
Motor vehicles	178	-	-	178
Net assets	<u>302,995</u>	<u>197,005</u>	<u>-</u>	<u>500,000</u>
Debts assumed				(325,000)
				<u>£ 175,000</u>

Discharged by:

Cash price paid on completion	175,000
	<u>£ 175,000</u>

Results prior to acquisition

to the date of acquisition	£ -
Preceding financial year ended 30 June 2000	<u>£ (24,754)</u>

Results post acquisition

From date of acquisition to 30 April 2001 in the consolidated accounts	<u>£ (52,686)</u>
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13. DEBTORS

	2001 £	2000 £
Due after more than one year		

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

	2001	2000
<u>Company</u>	£	£
Amounts owed by group undertakings	303,855	339,025
Other debtors	20,000	20,000
	£ 323,855	£ 359,025
14. DEBTORS		
Due within one year	2001	2000
	£	£
<u>Group</u>		
Other debtors	20,000	20,000
Prepayments and accrued income	91,969	50,833
	£ 111,969	£ 70,833
	2001	2000
<u>Company</u>	£	£
Prepayments and accrued income	91,969	50,833
	£ 91,969	£ 50,833
15. CREDITORS:		
Amounts falling due within one year	2001	2000
<u>Group</u>	£	£
Bank loans and overdrafts	321,688	33,957
Net obligations under finance lease and hire purchase contracts	-	2,950
Trade creditors	38,333	2,500
Corporation tax	77,273	76,614
Social security and other taxes	23,420	2,769
Other creditors	18,909	18,909
Accruals and deferred income	29,381	146,827
	£ 509,004	£ 284,526
	2001	2000
<u>Company</u>	£	£
Bank loans and overdrafts	296,092	-
Net obligations under finance lease and hire purchase contracts	-	2,950
Trade creditors	38,333	2,500
Amounts owed to group undertakings	113,728	95,325
Corporation tax	52,888	52,455
Social security and other taxes	2,612	2,769
Other creditors	18,909	18,909
Accruals and deferred income	19,500	142,054
	£ 542,062	£ 316,962

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

16. CREDITORS:**Amounts falling due after more than one year**

	2001	2000
<u>Group</u>	£	£
Bank loans and overdrafts	52,437	68,812
	<u>£ 52,437</u>	<u>£ 68,812</u>

Group

2001
£

2000
£

Included within the above are amounts falling due as follows:

In 2 - 5 years:

Loan instalments	52,437	68,812
	<u>2001</u>	<u>2000</u>

17. CALLED UP SHARE CAPITAL

	2001	2000
	£	£
Authorised		
50,000 ordinary shares of £1 each	£ 50,000	£ 50,000
Authorised, allotted, called up and fully paid		
50,000 ordinary shares of £1 each	£ 50,000	£ 50,000

18. RESERVES

	<u>Group</u>	<u>Company</u>
	£	£
Revaluation Reserve		
At 1 May 2000	248,782	-
At 30 April 2001	<u>£ 248,782</u>	<u>£ -</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
<u>Group</u>	£	£
Profit for the year	216,734	292,565
Dividends	(17,500)	-
	<u>199,234</u>	<u>292,565</u>
Opening shareholders' funds	1,707,247	1,414,682
Closing shareholders' funds	<u>£ 1,906,481</u>	<u>£ 1,707,247</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

Company	2001	2000
	£	£
Profit for the year	188,419	170,714
Opening shareholders' funds	871,585	700,871
Closing shareholders' funds	<u>£ 1,060,004</u>	<u>£ 871,585</u>

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT	2001	2000
	£	£
Returns on investments and servicing of finance		
Interest received	3,150	2,843
Interest paid	(19,438)	(10,784)
Net cash outflow for returns on investments and servicing of finance	<u>£ (16,288)</u>	<u>£ (7,941)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(642,653)	(51,713)
Loans made to group undertakings	(21,586)	-
Net cash outflow for capital expenditure	<u>£ (664,239)</u>	<u>£ (51,713)</u>
Financing		
Repayment of loans	(16,375)	(43,154)
Capital element of finance lease rentals	(2,950)	(6,825)
Decrease in debt	<u>(19,325)</u>	<u>(49,979)</u>
Net cash outflow from financing	<u>£ (19,325)</u>	<u>£ (49,979)</u>

21. ANALYSIS OF NET DEBT	At	Cash flow	Other	At
	1 May 2000	£	changes	30 Apr 2001
	£		£	£
Net cash:				
Cash at bank and in hand	300,744	(223,962)		76,782
Bank overdrafts	(33,957)	(287,731)		(321,688)
	<u>266,787</u>	<u>(511,693)</u>		<u>(244,906)</u>
Debt:				
Finance leases	(2,950)	2,950	-	-
Debt due after 1 year	(68,812)	16,375	-	(52,437)
	<u>(71,762)</u>	<u>19,325</u>	<u>-</u>	<u>(52,437)</u>
Net debt	<u>£ 195,025</u>	<u>£ (492,368)</u>	<u>£ -</u>	<u>£ (297,343)</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 April 2001

22. OTHER COMMITMENTS

At 30 April 2001 there were annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2001	2000
	£	£
<u>Group</u>		
Expiry date:		
Within 1 year	751,221	733,922
In more than 5 years	34,152	-
<u>Company</u>		
Expiry date:		
Within 1 year	886,572	855,173

23. TRANSACTIONS WITH DIRECTORS

Within creditors due within one year is £13,500 (2000-£13,500) due to Mr Silver. This has no specified terms of repayment and is non interest bearing.

24. RELATED PARTIES

The Company rents properties from subsidiary companies :Valsarock Limited and in the year ended 30 April 2001 the rent charged was £101,816 (2000-£109,043), SCI Bon Neige and in the year ended 30 April 2001 the rent charged was £11,868 (2000-£12,710), SCI Topaz and in the year ended 30 April 2001 the rent charged was £21,667 (2000-£29,498).

25. ULTIMATE CONTROLLING PARTY

Mr Silver controls the company by virtue of his shareholding.