

Report and Accounts

Center Parcs U.K. PLC

27 April 1997



Center Parcs U.K. PLC

Company Registration No: 2199210

DIRECTORS' REPORT

The directors have pleasure in submitting their report and accounts for the year ended 27 April 1997.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, amounted to £1,262 (1996 - loss £19). The directors do not recommend the payment of a dividend leaving £1,262 to be taken to reserves (1996 - £19 to reserves).

REVIEW OF THE BUSINESS

The company's principal activity during the period continued to be that of an investment holding company.

INVESTMENTS

Movements on investments are shown in note 6.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the period were:

H Westerlaken	(Chairman - retired 3 June 1996)
J Dalgety	(Chairman - appointed 7 June 1996)
P M M Moore	(Managing Director)
S J T Brown	(Deputy Managing Director)
J Versloot	

The company operates a directors' and officers' indemnity and insurance policy.

The interests of the directors in the 20p ordinary shares of Scottish & Newcastle plc at 28 April 1996 and 27 April 1997 are shown below:-

Beneficial Interests	Ordinary shares under Share Option Schemes				Fully Paid Ordinary Shares	
	1996	Granted during year	Exercised during year	1997	1996	1997
S J T Brown	17,954	1,503	1,093	18,364	3,993	5,386
J Dalgety	-	109,849	-	109,849	-	7,855
P M M Moore	33,988	1,863	-	35,851	4,847	1,414
J Versloot	11,143	8,480	-	19,623	1,249	986

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DIRECTORS' REPORT

DIRECTORS AND THEIR INTERESTS *(continued)*


Certain of the interests in fully paid shares include interests as participants in the Employee Profit Sharing Scheme.

Save as disclosed above no director had an interest in any other shares or debentures of Scottish & Newcastle plc or its subsidiaries.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board,



S J T Brown
Secretary

Date **2661 NOV 92**
30 JUN 1997

Registered Office:

Head Office
Eakring
Newark
Nottinghamshire
NG22 0DZ

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNT

for the period ended 27 April 1997

Company law requires the directors 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 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 accounts;
- prepare the accounts 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 to enable them to ensure that the accounts comply with the Companies Act. 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.

REPORT OF THE AUDITORS
to the members of Center Parcs U.K. PLC

We have audited the accounts on pages 6 to 11, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

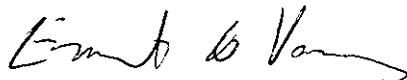
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 27 April 1997 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditor
Nottingham

Date 28 August 1997

Center Parcs U.K. PLC

PROFIT AND LOSS ACCOUNT for the year ended 27 April 1997

		<i>Year to 27 April 1997 £</i>	<i>Year to 28 April 1996 £</i>
	<i>Notes</i>		
OPERATING PROFIT	2	-	-
Profit on disposal of investment		-	750
Interest receivable	4	-	161
Interest payable		(1,373)	-
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,373)	911
Tax on profit on ordinary activities	5	111	(930)
		<hr/>	<hr/>
(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		(1,262)	(19)
Accumulated profit brought forward		117,125	117,144
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD	11	115,863	117,125
		<hr/>	<hr/>

RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses other than the loss attributable to the shareholders of £1,262 in the year ended 27 April 1997 and a loss of £19 in the year ended 28 April 1996.

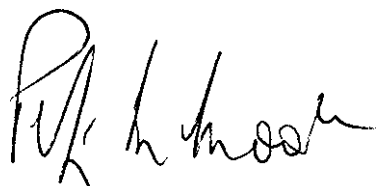
Center Parcs U.K. PLC

BALANCE SHEET at 27 April 1997

	Notes	27 April 1997 £	28 April 1996 £
FIXED ASSETS			
Investments	6	4,000,000	4,000,000
CURRENT ASSETS			
Debtors	7	11,232,694	11,232,694
CREDITORS: amounts falling due within one year	8	8,104,331	8,103,069
NET CURRENT ASSETS		3,128,363	3,129,625
TOTAL ASSETS LESS CURRENT LIABILITIES		7,128,363	7,129,625
CAPITAL AND RESERVES			
Called up share capital	10	7,012,500	7,012,500
Profit and loss account	11	115,863	117,125
	11	7,128,363	7,129,625

Director

Date 30 JUN 1997



NOTES TO THE ACCOUNTS
at 27 April 1997

1. ACCOUNTING POLICIES

Accounting standards

The accounts are prepared in accordance with applicable accounting standards.

Accounting convention

The accounts are prepared under the historical cost convention.

Group accounts

Consolidated accounts have not been prepared as the company is exempt under Section 228 of the Companies Act 1985. The company is included within the consolidated accounts of Scottish & Newcastle plc which is registered in Scotland.

Cash flow statement

The company has implemented Financial Reporting Statement 1 and has taken advantage of the exemptions therein for wholly owned subsidiaries. Accordingly it has not presented a cash flow statement.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable.

2. OPERATING PROFIT

This is stated after charging:

	<i>Year to 27 April 1997 £</i>	<i>Year to 28 April 1996 £</i>
Auditors' remuneration - audit services	-	-
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3. DIRECTORS' REMUNERATION

The directors did not receive any remuneration.

4. INTEREST RECEIVABLE

	<i>Year to 27 April 1997 £</i>	<i>Year to 28 April 1996 £</i>
Interest receivable from listed investments	-	161
	<hr/>	<hr/>

Center Parcs U.K. PLC

NOTES TO THE ACCOUNTS at 27 April 1997

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge is made up as follows:

	<i>Year to 27 April 1997 £</i>	<i>Year to 28 April 1996 £</i>
Based on the profit for the period:		
Corporation tax at % (1996 - 33%)	-	40
Corporation tax in respect of previous years	(111)	890
	<u>(111)</u>	<u>930</u>

6. INVESTMENTS

	<i>Subsidiary undertakings £</i>	<i>Listed £</i>	<i>Total £</i>
Cost at 28 April 1996 and 27 April 1997	4,000,000	-	4,000,000

The company owns the entire issued ordinary share capital, comprising ordinary shares, of Center Parcs Limited, which is registered in England. The principal activity of Center Parcs Limited is as an agent to manage the development and operation of UK holiday villages on behalf of Scottish & Newcastle plc.

The company also holds, through Center Parcs Limited, 100% of the issued share capital of two non-trading subsidiaries.

In the opinion of the directors the aggregate value of investment in subsidiary undertakings is not less than the amount at which they are stated in the accounts.

Center Parcs U.K. PLC

NOTES TO THE ACCOUNTS at 27 April 1997

7. DEBTORS

	<i>at 27 April 1997</i>	<i>at 28 April 1996</i>
	£	£
Amount due from parent undertaking	11,232,694	11,232,694

8. CREDITORS: amounts falling due within one year

	<i>at 27 April 1997</i>	<i>at 28 April 1996</i>
	£	£
Amounts owing to parent undertaking	8,104,331	7,892,328
Corporation tax	-	210,741
	<u>8,104,331</u>	<u>8,103,069</u>

9. SHARE CAPITAL

	<i>Authorised to 27 April 1997</i>	<i>Authorised to 28 April 1996</i>
	<i>Number</i>	<i>Number</i>
Ordinary shares of £1 each	30,000,000	30,000,000

	<i>Allotted and called up 27 April 1997</i>		<i>Allotted and called up 28 April 1996</i>	
	<i>Number</i>	<i>£'000</i>	<i>Number</i>	<i>£'000</i>
Fully paid:				
Ordinary shares of £1 each	7,000,002	7,000	7,000,002	7,000
Partly paid:				
Ordinary shares of £1 each	49,998	13	49,998	13
25 pence called and paid	<u>7,050,000</u>	<u>7,013</u>	<u>7,050,000</u>	<u>7,013</u>

Center Parcs U.K. PLC

NOTES TO THE ACCOUNTS at 27 April 1997

10. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share Capital £</i>	<i>Profit and Loss £</i>	<i>Total £</i>
At 30 April 1995	7,012,500	117,144	7,129,644
Loss for the year	-	(19)	(19)
At 28 April 1996	7,012,500	117,125	7,129,625
Loss for the year	-	(1,262)	(1,262)
At 27 April 1997	7,012,500	115,863	7,128,363

11. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Scottish & Newcastle plc, a company registered in Scotland.

The parent undertaking of the only group of undertakings for which group accounts are drawn up and of which the company is a member is Scottish & Newcastle plc, registered in Scotland. Copies of Scottish & Newcastle plc accounts can be obtained from Abbey Brewery, Holyrood Road, Edinburgh, EH8 8YS.