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AMENDED .

Report and Accounts

Center Parcs U.K. PLC

3 May 1999



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COMPANIES HOUSE

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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 2 May 1999.

RESULTS AND DIVIDENDS

The company was dormant throughout the year. The directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

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

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the period were:

J Dalgety	(Chairman)
P M M Moore	(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 3 May 1998 and 2 May 1999 are shown below:-

Beneficial Interests	Ordinary shares under Share Option Schemes				Fully Paid Ordinary Shares	
	1998	Granted during year	Exercised during year	1999	1998	1999
J Dalgety	109,849	23,860	-	133,709	27,740	31,519
P M M Moore	38,837	3,437	-	42,274	4,688	3,170
J Versloot	11,763	2,021	-	13,784	986	5,873

Center Parcs U.K. PLC

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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.

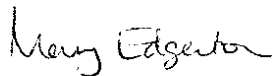
YEAR 2000 COMPLIANCE

The company have considered the risks and uncertainties associated with the Year 2000 problem and consider that there are no matters to address as the company does not trade.

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,



Secretary

29 November 1999

Registered Office:

Head Office
Eakring
Newark
Nottinghamshire
NG22 0DZ

Center Parcs U.K. PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNT for the year ended 2 May 1999

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 10, 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 2 May 1999 have been properly prepared in accordance with the Companies Act 1985.



Registered Auditor
Nottingham

Date 29 November 1999

Center Parcs U.K. PLC

PROFIT AND LOSS ACCOUNT for the year ended 2 May 1999

	<i>Notes</i>	<i>Year to 2 May 1999 £</i>	<i>Year to 3 May 1998 £</i>
OPERATING PROFIT		-	-
Interest payable		-	-
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities		-	-
		<hr/>	<hr/>
(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
Accumulated profit brought forward		115,863	115,863
		<hr/>	<hr/>
RETAINED PROFIT CARRIED FORWARD	7	115,863	115,863
		<hr/> <hr/>	<hr/> <hr/>

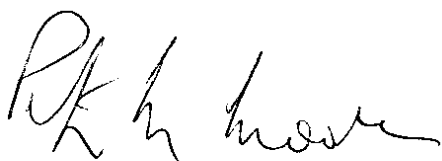
RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses other than the result for the year shown above.

Center Parcs U.K. PLC

BALANCE SHEET at 2 May 1999

	<i>Notes</i>	<i>2 May 1999 £</i>	<i>3 May 1998 £</i>
FIXED ASSETS			
Investments	3	4,000,000	4,000,000
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	4	11,232,694	11,232,694
		<hr/>	<hr/>
CREDITORS: amounts falling due within one year	5	8,104,331	8,104,331
		<hr/>	<hr/>
NET CURRENT ASSETS		3,128,363	3,128,363
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,128,363	7,128,363
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	7	7,012,500	7,012,500
Profit and loss account	7	115,863	115,863
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS	7	7,128,363	7,128,363
		<hr/>	<hr/>



Director

29 November 1999

Center Parcs U.K. PLC

NOTES TO THE ACCOUNTS at 2 May 1999

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.

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.

Group accounts

Consolidated accounts have not been prepared as the company is exempt under Section 228 of the Companies Act 1985. These accounts therefore, present information about the company as an individual undertaking not as a group. The company is included within the consolidated accounts of Scottish & Newcastle plc which is registered in Scotland.

2. DIRECTORS' REMUNERATION

The directors did not receive any remuneration. All remuneration costs were paid under a management agreement by Scottish and Newcastle PLC.

3. INVESTMENTS

	<i>Subsidiary undertakings</i>	<i>Listed</i>	<i>Total</i>
	£	£	£
Cost at 2 May 1999 and 3 May 1998	4,000,000	-	4,000,000
	<hr/>	<hr/>	<hr/>

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 2 May 1999

4. DEBTORS

	<i>at 2 May 1999 £</i>	<i>at 3 May 1998 £</i>
Amount due from parent undertaking	11,232,694	11,232,694

5. CREDITORS: amounts falling due within one year

	<i>at 2 May 1999 £</i>	<i>3 May 1998 £</i>
Amounts owing to parent undertaking	8,104,331	8,104,331
	<u>8,104,331</u>	<u>8,104,331</u>

6. SHARE CAPITAL

	<i>Authorised to 2 May 1999 Number</i>	<i>Authorised to 3 May 1998 Number</i>
Ordinary shares of £1 each	30,000,000	30,000,000

	<i>Allotted and called up 2 May 1999</i>		<i>Allotted and called up 3 May 1998</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	-	-	-	-
25 pence called and paid	49,998	13	49,998	13
	<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 2 May 1999

7. RECONCILIATION OF SHARHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share Capital £</i>	<i>Profit and Loss £</i>	<i>Total £</i>
At 2 May 1999 and 3 May 1998	7,012,500	115,863	7,128,363
	<hr/>	<hr/>	<hr/>

8. 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 50 East Fettes Avenue, Edinburgh, EH4 1RR.