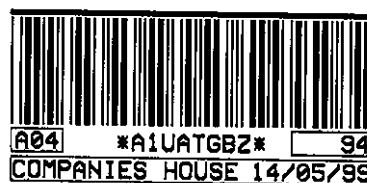


REGISTERED IN ENGLAND
COMPANY NO 2978673

A & R LEISURE LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31st AUGUST 1998



LARKING GOWEN
CHARTERED ACCOUNTANTS
NORWICH

A & R LEISURE LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31st AUGUST 1998

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Auditors' report to A & R Leisure Limited under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of A & R Leisure Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31st August 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



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Larking Gowen
Registered Auditors
Norwich

30th October 1998

A & R LEISURE LIMITED**ABBREVIATED BALANCE SHEET****AS AT 31st AUGUST 1998**

	Notes	1998 £	1997 £
Fixed assets			
Investments	2.	666,977	666,977
Current assets			
Debtors - falling due within one year		497,709	499,250
- falling due after more than one year	3.	2,631,051	2,639,271
		<u>3,128,760</u>	<u>3,138,521</u>
Creditors: amounts falling due within one year	4.	<u>557,656</u>	<u>638,662</u>
Net current assets		<u>2,571,104</u>	<u>2,499,859</u>
Total assets less current liabilities		<u>3,238,081</u>	<u>3,166,836</u>
Creditors: amounts falling due after more than one year	4.	<u>(2,397,994)</u>	<u>(2,626,708)</u>
Net assets		<u>840,087</u>	<u>540,128</u>
Capital and reserves			
Called up share capital	5.	53,462	53,462
Share premium account		726,365	726,365
Profit and loss account		60,260	(239,699)
Equity and non-equity shareholders' funds		<u>840,087</u>	<u>540,128</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 28th October 1998 and signed on its behalf by:


S. Bloomfield
Director

A & R LEISURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31st AUGUST 1998

1. Accounting policies

The significant accounting policies used in the preparation of these financial statements are:

a. Basis of accounting

The financial statements are prepared under the historical cost convention.

b. Exemption from preparing group accounts

The company has taken advantage of the exemption available to small and medium-sized groups not to produce group financial statements. Accordingly the financial statements here presented are for the company, and not the group headed by that company.

c. Deferred taxation

Deferred taxation is provided using the liability method on timing differences between the tax and accounting treatments where these are likely to crystallise in the foreseeable future.

d. Cash flow statement

A cash flow statement is not included as part of these financial statements in view of the company falling outside the scope of Financial Reporting Standard No. 1.

2. Fixed assets

Investments
£

Cost

At 1st September 1997 and 31st August 1998

666,977

Net book value at 31st August 1997 and 31st August 1998

666,977

3. Debtors

1998
£

1997
£

Amounts falling due after more than one year:

Amounts owed by subsidiary undertakings

2,631,051

2,639,271

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31st AUGUST 1998

4. Creditors	1998 £	1997 £
Repayable by instalments wholly or partly in more than five years	-	2,373,438
Instalments falling due after more than five years	-	435,938

The bank loan is secured by a specific charge over the freehold land owned by the group and a fixed and floating charge over all the other assets. In conjunction with this there is a reciprocal composite cross guarantee with the other group companies.

5. Called up share capital	1998 £	1997 £
Authorised		
Equity: 20,770 ordinary 'A' shares of 10p each	2,077	2,077
1,730 ordinary 'B' shares of 10p each	173	173
Non-equity: 12,116 cumulative convertible participating preferred ordinary shares of 10p each	1,212	1,212
500,000 cumulative redeemable preference shares of 10p each	50,000	50,000
Allotted, called up and fully paid		
Equity: 20,770 ordinary 'A' shares of 10p each	2,077	2,077
1,730 ordinary 'B' shares of 10p each	173	173
Non-equity: 12,116 cumulative convertible participating preferred ordinary shares of 10p each	1,212	1,212
500,000 cumulative redeemable preference shares of 10p each	50,000	50,000

6. Transactions with directors	£
During the year the company made payments to the directors as follows:	
R.G. Wells	
Consultancy fees	2,125
R.J. Lincoln	
Accountancy fees	3,975
S. Bloomfield	
Consultancy fees	14,270
Travel expenses	2,245