

Heritage Projects Limited

Directors' report and accounts

For the year ended 31 January 1998

Registered number: 1732450



BINDER HAMLYN

Directors, secretary and advisors

DIRECTORS

PG Adams
Dr PV Addyman
JE Delaney
JA East, CBE
WS Ferris
DP Lang
M Magnusson, KBE

SECRETARY

S Dollond

REGISTERED OFFICE

Bowcliffe Court
Bowcliffe Hall
Bramham, Wetherby
West Yorkshire, LS23 6LP

AUDITORS

Binder Hamlyn
1 City Square
Leeds LS1 2AL

BANKERS

The Royal Bank of Scotland plc
6 Nessgate
York YO1 9FY

Directors' report

For the year ended 31 January 1998

Accounts

The directors present their report and accounts for the year ended 31 January 1998.

Directors' responsibilities

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; and
- 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 1985. 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.

Principal activities and review of the business

The company's principal activities are the provision of consultancy and development services to the leisure and tourism industries and the provision of management and marketing services to independently owned visitor and leisure attractions. The directors consider the results for the year to be satisfactory.

Results and dividends

The profit for the year after taxation amounted to £24,340. The directors do not recommend the payment of a dividend for the year ended 31 January 1998.

Directors' report (continued)

Directors

The directors during the year were as follows:

PG Adams

Dr PV Addyman

JE Delaney (appointed 28 January 1998)

JA East, CBE

WS Ferris (appointed 28 January 1998)

DP Lang

M Magnusson, KBE

JE Delaney and WS Ferris who were appointed since the last Annual General Meeting retire and, being eligible, offer themselves for re-election.

Directors' interests in shares

The directors who held office at 31 January 1998 had the following interests in the shares of the company at the beginning and end of the financial year:

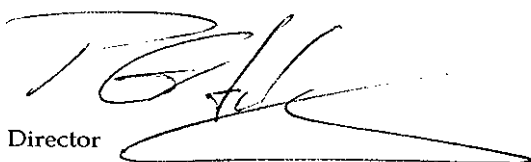
	£1 Ordinary shares, fully paid	
	1998	1997
M Magnusson, KBE	10	10

None of the other directors had an interest in the shares of the company at any time during the year under review.

Auditors

Binder Hamlyn, as a member of Andersen Worldwide, have expressed their willingness for the office of auditors in future to be fulfilled by Arthur Andersen. A resolution proposing the appointment of Arthur Andersen will be put to the Annual General Meeting.

This report was approved by the Board on 11 November 1998


Director

Andersen Worldwide

1 City Square
Leeds LS1 2AL

To the Shareholders of Heritage Projects Limited

We have audited the accounts on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

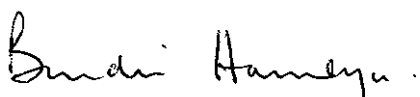
Basis of opinion

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 at 31 January 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Binder Hamlyn
Chartered Accountants and Registered Auditors
1 City Square
Leeds LS1 2AL

11 November 1998

Profit and loss account

For the year ended 31 January 1998

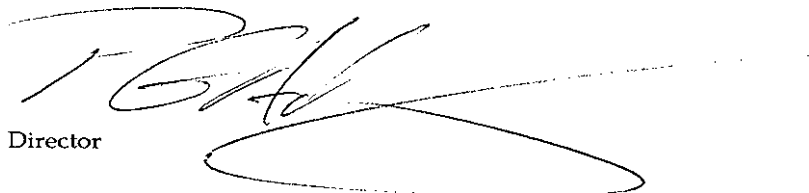
	Notes	1998 £	1997 £
Turnover		476,473	328,741
Cost of sales		(403,885)	(291,096)
Gross profit		<u>72,588</u>	<u>37,645</u>
Administrative expenses		(41,588)	(15,253)
Profit on ordinary activities before taxation	2	31,000	22,392
Tax on profit on ordinary activities	3	(6,660)	(5,411)
Profit for the year transferred to reserves	7	<u>24,340</u>	<u>16,981</u>

There were no recognised gains and losses other than the profit for the year. All the above results derive from continuing activities and there were no acquisitions in the period.

Balance sheet
as at 31 January 1998

	Notes	1998 £	1997 £
Current assets			
Debtors	4	38,041	175,958
Cash at bank		180,000	-
		<u>218,041</u>	<u>175,958</u>
Creditors: amounts falling due within one year	5	(64,029)	(46,286)
Net assets		<u>154,012</u>	<u>129,672</u>
Capital and reserves			
Called up share capital	6	100,500	100,500
Profit and loss account	7	53,512	29,172
Shareholders' funds (all equity)		<u>154,012</u>	<u>129,672</u>

The accounts on pages 5 to 8 were approved by the Board on 11 November 1998


Director

Notes to the accounts

1 Accounting policies

a) Accounting convention

These accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Turnover

Turnover consists of amounts derived from the provision of consultancy and management services to the leisure and tourism industries.

c) Cash flow statement

The company is exempt from the requirement of FRS1 to include a cash flow statement as part of its accounts as it is entitled to the exemptions available in Sections 246 to 249 of the Companies Act 1985 for small companies.

2 Profit on ordinary activities before taxation is stated after charging:

	1998 £	1997 £
Auditors' remuneration	<u>350</u>	<u>300</u>

3 Tax on profit on ordinary activities

Corporation tax	<u>6,660</u>	<u>5,411</u>
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4 Debtors

Trade debtors	38,041	61,174
Amount owed by fellow subsidiary undertaking	-	114,784
	<u>38,041</u>	<u>175,958</u>

5 Creditors: amounts falling due within one year

Payments received on account	29,358	32,569
Amounts owed to fellow subsidiary undertaking	20,768	-
Corporation tax	6,660	5,411
Other taxes and social security	3,119	4,283
Accruals and deferred income	4,124	4,023
	<u>64,029</u>	<u>46,286</u>

Notes to the accounts (continued)

6 Called up share capital

	Number	£
<i>Authorised, allotted and fully paid</i>		
£1 Ordinary shares		
1 February 1997 and 31 January 1998	<u>100,500</u>	<u>100,500</u>

7 Profit and loss account

	£
1 February 1997	
Profit for the year	29,172
31 January 1998	<u>24,340</u>
	<u>53,512</u>

8 Reconciliation of movements in shareholders' funds

	1998 £	1997 £
Profit for the financial year	24,340	16,981
Opening shareholders' funds	<u>129,672</u>	<u>112,691</u>
Closing shareholders' funds	<u>154,012</u>	<u>129,672</u>

9 Directors

No director received any remuneration during the year for their services as a director of the company.

10 Related party transactions

During the year the company incurred charges for services supplied in the ordinary course of business from Heritage Projects (Management) Limited, a fellow subsidiary undertaking at a cost of £445,473 (1997: £306,349).

Amounts owed to Heritage Projects (Management) Limited are disclosed in note 5.

11 Ultimate parent undertaking

The directors regard Heritage Projects (Guernsey) Limited, a company incorporated in Guernsey, as the company's ultimate parent undertaking.