

Gibbs Mew Limited

Report and Accounts

30 September 2004

Registered Number 57422



Gibbs Mew Limited

Registered no: 57422

DIRECTORS

G E Tuppen

D C George

SECRETARY

D C George

AUDITORS

Ernst & Young LLP

No. 1 Colmore Square

Birmingham

B4 6HQ

REGISTERED OFFICE

3 Monkspath Hall Road

Solihull

West Midlands

B90 4SJ

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 30 September 2004.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Company did not trade during the year. The directors view the results and future prospects of the Company as satisfactory.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £nil (2003 – £9,500,000). The directors paid a final dividend of £20,431,000 (2003 - £nil).

The owners of the preference shares, Enterprise Inns plc, have waived their rights to the preference dividend for the year.

DIRECTORS

The directors of the Company during the year were:

D C George
G E Tuppen

The directors have no beneficial interest in the shares of the Company.

G E Tuppen and D C George are also directors of the ultimate parent company, Enterprise Inns plc, and their interests in the share capital of that company are shown in that company's accounts.

AUDITORS

A resolution proposing the reappointment of Ernst & Young LLP will be put to members at the Annual General Meeting.

By order of the Board



D C George
Secretary

Date: 1/2/05

STATEMENT OF DIRECTORS RESPONSIBILITIES AND RESPECT OF THE
ACCOUNTS

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 of the profit or loss of the Company for that year. 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 accounts;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GIBBS MEW LIMITED

We have audited the company's financial statements for the year ended 30 September 2004 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 10. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 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 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 as at 30 September 2004 and of its result for the year ended and have been properly prepared in accordance with the Companies Act 1985

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Birmingham

Date: 1 February 2005

Gibbs Mew Limited

PROFIT AND LOSS ACCOUNT

For the year ended 30 September 2004

	Notes	2004 £000	2003 £000
Waiver of inter-company loan	2	-	9,500
PROFIT ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION		<u>-</u>	<u>9,500</u>
Dividends	3	(20,431)	-
TRANSFER (FROM)/TO RESERVES	7	<u>(20,431)</u>	<u>9,500</u>

The Company has no recognised gains or losses for either year other than those shown in the Profit and Loss Account.


Gibbs Mew Limited

BALANCE SHEET

At 30 September 2004

	Notes	2004 £000	2003 £000
CURRENT ASSETS			
Debtors	5	29,296	49,727
NET ASSETS		<u>29,296</u>	<u>49,727</u>
CAPITAL AND RESERVES			
Called up share capital	6	3,515	3,515
Share premium	7	13,399	13,399
Capital reserve	7	125	125
Profit and loss account	7	12,257	32,688
SHAREHOLDERS' FUNDS	8	<u>29,296</u>	<u>49,727</u>
Shareholders' funds comprise:			
Equity		29,264	49,695
Non-equity		32	32
		<u>29,296</u>	<u>49,727</u>

Approved by the Board and signed on its behalf by:


D C George
Director

Date: 1/2/05

Gibbs Mew Limited

NOTES TO ACCOUNTS

At 30 September 2004

1. ACCOUNTING POLICIES

Basis of preparation

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

The Company is a wholly owned subsidiary of Enterprise Inns plc, a Company registered in England and Wales. Accordingly, consolidated accounts have not been prepared as permitted by s228 of the Companies Act 1985. The accounts therefore present information about the Company as an individual undertaking and not about its group.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements.

2. OPERATING PROFIT

Operating profit is stated after crediting:	2004	2003
	£000	£000
Waiver of inter-company loan	-	9,500

The amount due to fellow subsidiary undertakings was formally waived as the fellow group subsidiary was dissolved on 30 July 2003. There were no employees of the Company throughout the year. Directors of the Company have been remunerated by the parent company. Auditor's remuneration has been borne by the parent company.

3. DIVIDENDS

	2004	2003
	£000	£000
Final equity dividend paid to parent undertaking	20,431	-
	20,431	-

Gibbs Mew Limited

NOTES TO ACCOUNTS

At 30 September 2004

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £000	2003 £000
Factors affecting current tax charge		
Profit on ordinary activities before tax	-	9,500
Profit on ordinary activities multiplied by standard rate of corporation Tax of 30% (2002 – 30%)	-	2,850
Effect of: Non taxable income	-	(2,850)
Total current tax	-	-

5. DEBTORS

	2004 £000	2003 £000
Amounts due from group undertakings	29,296	49,727

6. SHARE CAPITAL

	Authorised, allotted, called up and fully paid	
	2004 £000	2003 £000
Equity shares:		
13,934,066 Ordinary shares of 25p each	3,483	3,483
Non-equity shares:		
31,500 3.5% cumulative preference shares of £1 each	32	32
	3,515	3,515

The rights attaching to the equity and non equity shares are as follows:

	Equity Ordinary Shares	Non-equity preference shares
Dividend	Profit participating	3.5p per share net per annum
Voting	One vote per share	Four votes per share
Winding up priority receivable	Balance remaining shared pari passu	£1 per share plus any accrued dividend

Gibbs Mew Limited

NOTES TO ACCOUNTS

At 30 September 2004

7. MOVEMENT ON RESERVES

	Share premium account £000	Capital reserve £000	Profit and loss account £000
At 1 October 2003	13,399	125	32,688
Dividends paid in the year	-	-	(20,431)
At 30 September 2004	<u>13,399</u>	<u>125</u>	<u>12,257</u>

8. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2004 £000	2003 £000
Transfer (from) / to profit and loss account in the financial year	(20,431)	9,500
	<u>(20,431)</u>	<u>9,500</u>
Opening shareholders' funds	49,727	40,227
Closing shareholders' funds	<u>29,296</u>	<u>49,727</u>

9. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption offered in FRS 8 not to disclose transactions with group companies.

10. PARENTS UNDERTAKING AND CONTROLLING PARTY

The Company's immediate, ultimate and controlling parent undertaking is Enterprise Inns plc. Copies of its group accounts, which include the results of the Company, may be obtained from 3 Monkspath Hall Road, Solihull, West Midlands, B90 4SJ.