



SADWILL TAVERNS LIMITED

Report and Financial Statements

1 May 1999

Deloitte & Touche
10-12 East Parade
Leeds
LS1 2AJ





REPORT AND FINANCIAL STATEMENTS 1999

CONTENTS	Page
Directors' report	1
Auditors' report	2
Balance sheet	3
Notes to the accounts	4

**DIRECTORS' REPORT**

The directors present their annual report and the audited accounts for the year ended 1 May 1999.

ACTIVITIES

The company did not trade during the year and has not traded since the year end.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the year were as follows:

O G W Smith

H R W Smith

Neither director had any interest in the share capital of the company. The interests of the directors in the share capital of the ultimate parent company are shown in the accounts of that company.

CLOSE COMPANY STATUS

In the opinion of the directors, the company is a close company for taxation purposes.

AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

DIRECTORS' RESPONSIBILITIES

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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

Approved by the Board of Directors
and signed on behalf of the Board

N P SCARR

Secretary

29 July 1999



SADWILL TAVERNS LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 3 and 4 which have been prepared under the accounting policies set out on page 4.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 the company's affairs as at 1 May 1999 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and
Registered Auditors

29 July 1999



BALANCE SHEET
1 May 1999

	Note	1999 £	1998 £
CREDITORS: amounts falling due after one year			
Amount due to ultimate parent company		(104,236)	(104,236)
CAPITAL AND RESERVES			
Called up share capital	2	500	500
Profit and loss account		(104,736)	(104,736)
TOTAL EQUITY SHAREHOLDERS' FUNDS		(104,236)	(104,236)

These financial statements were approved by the Board of Directors on 29 July 1999.

Signed on behalf of the Board of Directors

H.R.W. Smith

H R W SMITH

Director



NOTES TO THE ACCOUNTS
Year ended 1 May 1999

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

2. CALLED UP SHARE CAPITAL

	1999	1998
	£	£
Authorised		
500 ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>
Called up, allotted and fully paid		
500 ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>

3. ACTIVITIES

The company has not traded and has made neither profit nor loss during the financial year or during the previous financial year. There were no other recognised gains or losses and no movements in shareholders' funds during the financial year or during the previous financial year.

4. ULTIMATE PARENT COMPANY

In the opinion of the directors the company's ultimate parent company and controlling entity is Bassenthwaite Brewing Limited, a company registered in England and Wales.