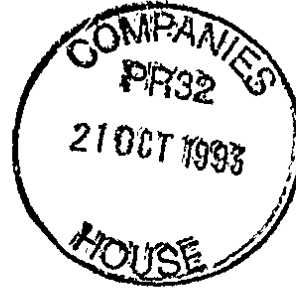


FOLEY LODGE HOTELS plc

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

for the 13 months ended  
31 March 1993



Company No. 2233431

FOLEY LODGE HOTELS plc

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FOLEY LODGE HOTELS plc

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**DIRECTORS**

A B M Good FIPR (Chairman)  
R P Smithson MCIMA (Managing Director)  
H W Biggs BA  
D J Corbett NDA  
Sarah M Corbett  
M Morris FCCA

**SECRETARY**

Sarah M Corbett

**REGISTERED OFFICE**

Foley Lodge Hotel  
Stockcross  
Newbury  
Berkshire RG16 8JU

**AUDITORS**

BDO Binder Hamlyn  
Sundial House  
Cheap Street  
Newbury  
Berkshire RG14 5DH

**BANKERS**

National Westminster Bank PLC  
15 Bishopsgate  
London EC2P 2AP

**SOLICITORS**

Cole and Cole  
Buxton Court  
3 West Way  
Oxford OX2 0SZ

FOLEY LODGE HOTELS plc**DIRECTORS' REPORT**  
for the 13 months ended 31 March 1993**FINANCIAL STATEMENTS**

The directors present their report and group financial statements for the 13 months ended 31 March 1993.

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 period. In preparing those financial statements, the directors are required to

- (1) select suitable accounting policies and then apply them consistently;
- (2) make judgements and estimates that are reasonable and prudent; and
- (3) 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.

**PRINCIPAL ACTIVITY**

The group's principal activity is the development and management of country house hotels.

**REVIEW OF THE BUSINESS**

The 13 month period has been difficult for all hotel businesses, Foley Lodge Hotels plc have been no exception. The loss for the period after taxation amounted to £399,469 which will be added to the accumulated deficit at the beginning of the period. The directors are unable to propose a dividend.

Foley Lodge Hotels plc have, however, successfully re-structured the finance of the company by means of a rights issue which raised £336,354 and the bank converted £1 million of loan and overdraft to 1,000,000 £1 convertible redeemable preference shares (see notes 9, 10, 14 and 17).

The directors are satisfied that these arrangements resulting from long negotiation provide the company with future stability.

**FIXED ASSETS**

Details of movements in fixed assets during the period are set out in Note 6 to the financial statements. The market value of freehold property is not materially different from its net book value.

**FUTURE DEVELOPMENTS**

The directors have prepared tight management and financial targets which will be strictly adhered to in the coming year.

FOLEY LODGE HOTELS plc**DIRECTORS' REPORT**  
for the 13 months ended 31 March 1993 (continued)**DIRECTORS**

The directors during the period were as follows:

A B M Good  
R P Smithson  
H W Biggs  
D J Corbett  
Sarah M Corbett  
M Morris

**DIRECTORS' INTERESTS IN SHARES**

The directors who held office at 31 March 1993 had the following interests in the shares of the company at the beginning and end of the period:

	'A'		'B'		'C'	
	£1 Ordinary shares	£1 Ordinary shares	£1 Ordinary shares	£1 Ordinary shares	10p ordinary shares	10p ordinary shares
	1993	1992	1993	1992	1993	1992
A B M Good	-	-	40,000	40,000	160,000	-
R P Smithson	55,000	55,000	-	-	120,000	-
H W Biggs	116,266	116,266	-	-	454,000	-
D J Corbett	97,970	97,970	-	-	345,044	-
Sarah M Corbett	91,739	91,739	-	-	366,956	-
M Morris	-	-	13,333	13,333	50,000	-

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the period the company made charitable donations in the UK of £nil (1992:£252). The company made no political donations in the period (1992: £nil)

**AUDITORS**

In accordance with Section 384 of the Companies Act 1985, a resolution proposing that BDO Binder Hamlyn be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 19 August 1993

  
D J Corbett  
Director

**AUDITORS' REPORT****to the members of Foley Lodge Hotels plc**

We have audited the financial statements on pages 9 to 23 which have been prepared on the basis of the accounting policies set out on page 13.

**Respective responsibilities of directors and auditors**

As described on page 6 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 consider 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 at 31 March 1993 and of its loss for the thirteen month period then ended and have been properly prepared in accordance with the Companies Act 1985.

*BDO Binder Hamlyn*

Chartered Accountants  
Registered Auditors  
19 August 1993

FOLEY LODGE HOTELS plc**GROUP PROFIT AND LOSS ACCOUNT**  
for the 13 months ended 31 March 1993

	Notes	13 months ended 31 March 1993 £	12 months ended 29 February 1992 £
Turnover	2	1,717,364	2,056,840
Cost of materials used		(305,119)	(431,891)
Staff costs	21	(516,310)	(582,071)
Depreciation of tangible fixed assets		(196,210)	(180,595)
Other operating charges		(570,045)	(509,943)
		<hr/>	<hr/>
Operating profit	3	129,680	352,340
Interest payable and similar charges	4	(491,185)	(533,601)
		<hr/>	<hr/>
Loss on ordinary activities before and after taxation		(361,505)	(181,261)
Extraordinary charges, net of taxation	5	(37,964)	-
		<hr/>	<hr/>
Loss for the financial period	15	£(399,469)	£(181,261)
		<hr/>	<hr/>

FOLEY LODGE HOTELS plcGROUP BALANCE SHEET  
as at 31 March 1993

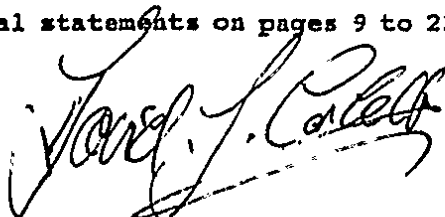
	Notes	31 March 1993	29 February 1992
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	6	4,041,841	4,226,743
<b>CURRENT ASSETS</b>			
Stocks		19,568	18,894
Debtors	8	133,675	209,059
Cash at bank and in hand		283,447	909
		<u>436,690</u>	<u>228,862</u>
CREDITORS: amounts falling due within one year	9	(317,493)	(874,570)
<b>Net current assets/(liabilities)</b>		<u>119,197</u>	<u>(645,708)</u>
<b>Total assets less current liabilities</b>		<u>4,161,038</u>	<u>3,581,035</u>
CREDITORS: amounts falling due after more than one year	10	(2,723,024)	(3,059,906)
<b>Net assets</b>		<u>£1,438,014</u>	<u>£521,129</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	2,734,895	1,398,541
Share premium account	15	153,587	173,587
Profit and loss account	15	(1,450,468)	(1,050,999)
		<u>£1,438,014</u>	<u>£521,129</u>

FOLEY LODGE HOTELS plcCOMPANY BALANCE SHEET  
as at 31 March 1993

	Notes	31 March 1993	29 February 1992
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	6	4,041,841	4,226,743
Investments	7	192,308	192,308
		<hr/>	<hr/>
		4,234,149	4,419,051
<b>CURRENT ASSETS</b>			
Stocks		19,568	18,894
Debtors	8	133,675	721,596
Cash at bank and in hand		283,447	909
		<hr/>	<hr/>
		436,690	741,399
CREDITORS: amounts falling due within one year	9	(509,801)	(1,579,415)
		<hr/>	<hr/>
Net current liabilities		(73,111)	(838,016)
		<hr/>	<hr/>
Total assets less current liabilities		4,161,038	3,581,035
CREDITORS: amounts falling due after more than one year	10	(2,723,024)	(3,059,906)
		<hr/>	<hr/>
Net assets		£1,438,014	£521,129
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	2,734,895	1,398,541
Share premium account	15	153,587	173,587
Profit and loss account	15	(1,450,468)	(1,050,999)
		<hr/>	<hr/>
		£1,438,014	£521,129
		<hr/>	<hr/>

The financial statements on pages 9 to 23 were approved by the Board on 19 August 1993.

D J Corbett  
Director



## FOLEY LODGE HOTELS plc

CASH FLOW STATEMENT  
for the 13 months ended 31 March 1993

	Notes	£	13 months ended 31 March 1993 £	£	12 months ended 29 February 1992 £	£
Net cash inflow from operating activities	16		259,215		508,927	
Returns on investments and servicing of finance	--					
Interest paid		(387,756)		(427,633)		
Interest element of finance lease rental payments		(110,461)		(116,531)		
Net cash outflow from returns on investments and servicing of finance			(498,217)		(544,164)	
Investing activities						
Purchase of tangible fixed assets	6	(11,308)		-		
Net cash outflow in respect of rights issue and refinancing costs		(57,964)		-		
Net cash outflow from investing activities			(69,272)		-	
Net cash outflow before financing			(308,274)		(35,237)	
Financing						
Issue of ordinary share capital for cash through rights issue	18	336,354		1,500		
New medium term loan		-		490,000		
Capital element of finance lease rental payments	18	(77,137)		(53,339)		
Net cash inflow from financing			259,217		438,161	
(Decrease)/increase in cash and cash equivalents	17		£(49,057)		£402,924	

FOLEY LODGE HOTELS plc**NOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993****1. ACCOUNTING POLICIES****Accounting convention**

The financial statements are prepared under the historical cost convention.

**Basis of consolidation**

The group financial statements consolidate the financial statements of Foley Lodge Hotels plc and all its subsidiary undertakings to 31 March each year.

No profit and loss account for Foley Lodge Hotels plc has been presented as permitted by Section 230 of the Companies Act 1985.

**Turnover**

Turnover represents amounts receivable for goods and services provided in the UK net of trade discounts, VAT and other sales related taxes.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets, other than freehold property, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Motor vehicles	25%
Fixtures and fittings	20%
Equipment	5%

Depreciation is not provided on freehold property because it is the Group's practice to maintain this asset in a continual state of sound repair and to extend and make improvements thereto from time to time and, accordingly, the directors consider that the life of this asset is so long and residual value, based on the directors' current estimates of market value, so high that its depreciation is insignificant. Any permanent diminution in the value of freehold property is charged to the profit and loss account as it arises.

**Investments**

Investments in subsidiary undertakings are stated at cost less provision for permanent diminution in value.

**Leasing and hire purchase commitments**

Assets obtained under leases and hire purchase contracts which result in the transfer to the company of substantially all the risks and rewards of ownership (finance leases) are capitalised as tangible fixed assets at the estimated present value of underlying lease payments and are depreciated in accordance with the above policy. Obligations under such agreements are included in creditors net of finance charges allocated to future periods. The finance element of the rental payment is charged to the profit and loss account over the period of each lease or hire purchase contract so as to produce a constant periodic rate of charge on the outstanding balance of the net obligation in each period.

Rentals paid under other leases (operating leases) are charged against income on a straight line basis over each lease term.

FOLEY LODGE HOTELS plcNOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 1. ACCOUNTING POLICIES (continued)

## Stocks

Stocks represents consumables and are stated at the lower of purchase cost and net realisable value which represents estimated selling prices.

## Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

## Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

## 2. TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The directors consider that there is only one class of business and that the only market is the UK.

## 3. OPERATING PROFIT is stated after charging:

	13 months ended 31 March 1993 £	12 months ended 29 February 1992 £
Depreciation: owned fixed assets	48,509	46,118
Depreciation: assets under finance leases	147,701	134,477
Operating lease rentals		
- motor vehicles	14,225	21,156
- hire of equipment	37,953	56,886
Auditors' remuneration		
- audit work	17,500	20,000
- non audit work	2,935	-

FOLEY LODGE HOTELS plcNOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

4. INTEREST PAYABLE AND SIMILAR CHARGES	13 months ended 31 March 1993 £	12 months ended 29 February 1992 £
On loan and overdraft repayable:		
within 5 years not by instalments	73,046	80,894
within 5 years by instalments	296,111	-
wholly or partly in more than 5 years	-	327,326
	<hr/>	<hr/>
	369,157	408,220
On finance leases:		
terminating within 5 years	110,461	115,181
terminating after 5 years	-	1,350
	<hr/>	<hr/>
	479,618	524,751
Bank charges and arrangement fee	9,615	1,731
Credit card commission	1,952	7,119
	<hr/>	<hr/>
	£491,185	£533,601
	<hr/>	<hr/>

Bank charges and credit card commission are included in other operating costs in the 1992 financial statements. The amounts shown as prior year comparatives have been reclassified because the directors have chosen to classify these costs as part of interest payable and similar charges for the period ended 31 March 1993.

## 5. EXTRAORDINARY CHARGES

Costs associated with refinancing both before and after the effects of taxation	57,964	-
Deducted from share premium account	(20,000)	-
	<hr/>	<hr/>
	£37,964	£-
	<hr/>	<hr/>

FOLEY LODGE HOTELS plcNOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 6. TANGIBLE FIXED ASSETS

## Group and company summary

	Freehold property £	Equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
1 March 1992	3,458,042	509,165	775,679	8,770	4,751,656
Additions	--	-	11,308	-	11,308
31 March 1993	3,458,042	509,165	786,987	8,770	4,762,964
Depreciation					
1 March 1992	-	152,748	364,955	7,210	524,913
Charge for the period	-	25,458	169,192	1,560	196,210
31 March 1993	-	178,206	534,147	8,770	721,123
Net book value					
Owned assets	3,458,042	330,959	67,586	-	3,856,587
Leased assets	-	-	185,254	-	185,254
31 March 1993	£3,458,042	£330,959	£252,840	£-	£4,041,841
Net book value					
Owned assets	3,458,042	356,417	79,329	-	3,893,788
Leased assets	-	-	331,395	1,560	332,955
29 February 1992	£3,458,042	£356,417	£410,724	£1,560	£4,226,743

The value of land included within freehold property is £450,000 (1992:£450,000) based on a current directors' valuation.

FOLEY LODGE HOTELS plcNOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 7. FIXED ASSET INVESTMENTS

## Investment in subsidiary undertakings

	Shares £
Cost	
1 March 1992 and 31 March 1993	460,000
Provision for diminution in value	
1 March 1992 and 31 March 1993	(267,692)
Net book value	
31 March 1993	£192,308
29 February 1992	£192,308

The subsidiary undertakings are Sarah and Mary Limited and Foley Lodge Limited. Both are registered in England and Wales and Foley Lodge Hotels plc wholly owns their £1 Ordinary shares.

Sarah and Mary Limited and Foley Lodge Limited were both dormant throughout the period.

## 8. DEBTORS

	Group		Company	
	31 March 1993	29 February 1992	31 March 1993	29 February 1992
	£	£	£	£
Trade debtors	132,175	193,093	132,175	193,093
Other debtors	1,500	11,710	1,500	11,710
Prepayments and accrued income	-	4,256	-	4,256
Dividend receivable	-	-	-	512,537
	£133,675	£209,059	£133,675	£721,596

FOLEY LODGE HOTELS plcNOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 9. CREDITORS: amounts falling due within one year

	Group		Company	
	31 March 1993 £	29 February 1992 £	31 March 1993 £	29 February 1992 £
Bank overdraft	-	468,405	-	468,405
Payments received on account	23,431	22,160	23,431	22,160
Obligations under finance leases (Note 12)	126,558	66,813	126,558	66,813
Trade creditors	96,489	168,070	96,489	168,070
Amounts owed to subsidiary undertakings	-	-	192,308	704,845
Other taxes and social security costs	46,127	107,471	46,127	107,471
Other creditors	1,388	454	1,388	454
Accruals and deferred income	23,500	41,197	23,500	41,197
	<u>£317,493</u>	<u>£874,570</u>	<u>£509,801</u>	<u>£1,579,415</u>

The bank overdraft is secured by a legal mortgage over the company's freehold property.

## 10. CREDITORS: amounts falling due after more than one year

	Group and company	
	31 March 1993 £	29 February 1992 £
Bank loan (Notes 11 and 14)	2,400,000	2,600,000
Obligations under finance leases (Note 12)	<u>323,024</u>	<u>459,906</u>
	<u>£2,723,024</u>	<u>£3,059,906</u>

## 11. LOAN

## (a) Analysis

## Secured bank loan

7.5% fixed - repayable in full on 31 March 1996  
(1992:1.5% above Libor - repayable in annual  
instalments by 2004)

£2,400,000      £2,600,000

## (b) Maturity

## Bank loan

The loan is wholly repayable within five years.

## (c) Security

The loan is secured by a legal charge on the freehold property.

FOLEY LODGE HOTELS plcNOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 12. OBLIGATIONS UNDER FINANCE LEASES

The net obligation under finance leases is repayable as follows:

	Group and company	
	31 March 1993	29 February 1992
	£	£
In one year or less	126,558	66,813
Between one and five years	323,024	456,145
In five years or more	-	3,761
	<hr/>	<hr/>
	£449,582	£526,719
	<hr/>	<hr/>

## 13. PROVISIONS FOR LIABILITIES AND CHARGES

## Deferred tax

There is no potential deferred tax liability at the balance sheet date (1992: £nil):

Group and company	Provided		Potential	
	31 March 1993	29 February 1992	31 March 1993	29 February 1992
	£	£	£	£
Accelerated capital allowances	168,509	97,340	168,509	97,340
Other timing differences	(67,332)	(49,386)	(67,332)	(49,386)
Tax losses available	(101,177)	(47,954)	(101,177)	(47,954)
	<hr/>	<hr/>	<hr/>	<hr/>
	£-	£-	£-	£-
	<hr/>	<hr/>	<hr/>	<hr/>

Other timing differences and tax losses available shown are restricted to amounts required to offset the potential liability arising from accelerated capital allowances.

## 14. CALLED UP SHARE CAPITAL

(a) Authorised	31 March 1993		29 February 1992	
	Number	£	Number	£
£1 Ordinary "A" shares	1,000,000	1,000,000	1,000,000	1,000,000
£1 Ordinary "B" shares	1,000,000	1,000,000	1,000,000	1,000,000
10p Ordinary "C" shares	6,000,000	600,000	-	-
£1 Ordinary "D" shares	1,000,000	1,000,000	-	-
£1 cumulative convertible redeemable 8% preference shares	1,000,000	1,000,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

## FOLEY LODGE HOTELS plc

NOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 14. CALLED UP SHARE CAPITAL (continued)

(b) Allotted and fully paid	31 March 1993		29 February 1992	
	Number	£	Number	£
£1 Ordinary "A" shares	859,000	859,000	859,000	859,000
£1 Ordinary "B" shares	539,541	539,541	539,541	539,541
10p Ordinary "C" shares	3,363,544	336,354	-	-
£1 Ordinary "D" shares	-	-	-	-
£1 cumulative convertible redeemable 8% preference- shares	1,000,000	1,000,000	-	-
	<u>5,762,085</u>	<u>£2,734,895</u>	<u>1,398,541</u>	<u>£1,398,541</u>

The cumulative convertible redeemable 8% preference shares are redeemable between 1 April 1996 and 31 March 2001, and are to be converted into "D" Ordinary shares. The holders of these shares are not entitled to a dividend until 1 April 2001.

## (c) Changes during the period

As part of the refinancing the company undertook a rights issue whereby four 10 pence Ordinary "C" shares were offered for each one existing "A" or "B" Ordinary share, a total of 3,363,544 shares were issued at nominal value. In addition, 1,000,000 £1 convertible redeemable 8% preference shares were issued in return for a reduction in the company's overdraft of £800,000 (note 17) and in the bank loan of £200,000 (note 18).

## 15. RESERVES

	Share Premium £	Profit & Loss Account £
(a) Group		
1 March 1992	173,587	(1,050,999)
Loss for financial period	-	(399,469)
Costs of share issue	(20,000)	-
	<u>£153,587</u>	<u>£(1,450,468)</u>
31 March 1993		
(b) Company		
1 March 1992		(1,050,999)
Loss for financial period		(399,469)
		<u>£(1,450,468)</u>
31 March 1993		

## FOLEY LODGE HOTELS plc

NOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 15. RESERVES (continued)

## (c) Loss for the period - Group

31 March 1993	29 February 1992
£	£

The loss for the period as reported in the group profit and loss account was attributable to:

Parent company	(399,469)	(188,992)
Subsidiary undertakings	-	7,731
	<u>£(399,469)</u>	<u>£(181,261)</u>

## 16. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

13 months ended 31 March 1993	12 months ended 29 February 1992
£	£

Operating profit	129,680	352,340
Depreciation	196,210	180,595
(Increase)/decrease in stocks	(674)	2,390
Decrease in debtors	75,384	105,368
Decrease in creditors	(141,385)	(131,766)
	<u>£259,215</u>	<u>£508,927</u>

Net cash inflow from operating activities

<u>£259,215</u>	<u>£508,927</u>
-----------------	-----------------

## 17. CASH AND CASH EQUIVALENTS

## Balance of cash and cash equivalents

31 March 1993	29 February 1992
£	£

Cash at bank and in hand	283,447	909
Bank overdraft	-	(468,405)
	<u>£283,447</u>	<u>£(467,496)</u>

## Change in the balance of cash and cash equivalents

Beginning of period	(467,496)	(870,420)
Net cash (outflow)/inflow for period	(49,057)	402,924
Reduction in bank overdraft on conversion to preference shares	800,000	-
	<u>£283,447</u>	<u>£(467,496)</u>

End of period

<u>£283,447</u>	<u>£(467,496)</u>
-----------------	-------------------

FOLEY LODGE HOTELS plcNOTES TO THE FINANCIAL STATEMENTS  
for the 13 months ended 31 March 1993 (continued)

## 18. ANALYSIS OF CHANGES IN FINANCING DURING THE PERIOD

	Share capital (including lease premium)	Loans and finance obligations
	£	£
1 March 1992	1,572,128	3,126,719
Bank overdraft converted to preference shares	800,000	-
Loans converted to preference shares	200,000	(200,000)
Issue of ordinary share capital through rights issue	336,354	-
Capital element of finance lease rental payments	-	(77,137)
Cost of share issue netted against share premium account	(20,000)	-
31 March 1993	<u>£2,888,482</u>	<u>£2,849,582</u>

## 19. FINANCIAL COMMITMENTS

## Operating leases

At the balance sheet date the group had annual commitments under non-cancellable operating leases for equipment fixtures and fittings as follows:

	31 March 1993	29 February 1992
	£	£
Expiry date:		
Within one year	4,111	10,191
Between two and five years	1,368	9,831
	<u>£5,479</u>	<u>£20,022</u>

## 20. DIRECTORS

## (a) Emoluments

The emoluments of directors of the company were:

	13 months ended 31 March 1993	12 months ended 29 February 1992
	£	£
Emoluments as executives (including pension contributions and benefits in kind)	64,987	76,230
Compensation for loss of office	-	22,084
	<u>£64,987</u>	<u>£98,314</u>

## (b) Bandings

Emoluments disclosed above (excluding pension contributions) include amounts paid to:

The Chairman	Nil	Nil
The highest-paid director	<u>£41,914</u>	<u>£54,992</u>

FOLEY LODGE HOTELS plc**NOTES TO THE FINANCIAL STATEMENTS**  
for the 13 months ended 31 March 1993 (continued)**20. DIRECTORS (continued)****(b) Bandings (continued)**

Directors' emoluments (excluding pension contributions) were in the following ranges:	13 months ended 31 March 1993	12 months ended 29 February 1992
	Number	Number
£0 - £ 5,000	4	4
£15,001 - £20,000	1	1
£20,001 - £25,000	-	1
£40,001 - £45,000	1	-
£50,001 - £55,000	-	1

**21. EMPLOYEES****(a) Number of employees**

The average weekly number of persons (including directors) employed by the group during the period was:

	Number	Number
Administration and management	5	5
Sales and marketing	4	3
Operational	42	56
	<u>51</u>	<u>64</u>

In addition to the above permanent employees, the group also employed an average of 7 (1992:8) part-time employees.

**(b) Employment costs**

The costs of permanent and part-time employees for the period (including directors) amounted to:

	13 months ended 31 March 1993	12 months ended 29 February 1992
	£	£
Wages and salaries	462,403	524,733
Social security costs	39,397	42,524
Other pension costs	4,638	3,000
	<u>506,438</u>	<u>570,257</u>
Temporary agency staff costs	9,872	11,814
	<u>£536,310</u>	<u>£582,071</u>