

Company Registration Number: 02939895 (England and Wales)

Zedlease Limited
Directors' Report and Financial Statements
for the period ended 31 March 1995



Zedlease Limited

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Zedlease Limited

Directors' Report for the period ended 31 March 1995

The directors present their report and the financial statements for the period ended 31 March 1995.

Principal Activities and Review of the Business

The company was incorporated on 16th June 1994. The principal activity of the company during the period was that of restaurant management under a franchise agreement.

The company intends to continue its present operations and the directors look forward to the future with confidence.

Results and Dividends

The results for the period are set out on page 4.

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £4,401 is transferred to reserves.

Directors and their Interests

The directors who served during the period and their interests in the company were as stated below.

	Class of share	Number of shares	
		1995	at date of appointment
R.Myers	Ordinary shares	-	-
K.E.D.Jones	Ordinary shares	-	-
L.I.Ross	Ordinary shares	-	-
Hallmark Registrars Limited	Ordinary shares	-	-

R.Myers, K.E.D.Jones and L.I.Ross were all appointed directors of the company on 28th June 1994. Hallmark Registrars were appointed and also resigned as directors of the company on 28th June 1994.

The directors interests in the shares of the ultimate parent undertaking are shown in the accounts of that company.

Auditors

A resolution to reappoint Mercers Bryant, Chartered Accountants and Binder Hamlyn, Chartered Accountants as joint auditors of the Company will be proposed at the Annual General Meeting.

Zedlease Limited

Directors' Report for the period ended 31 March 1995 (continued)


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 and of the profit or loss of the company for that period. 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 financial statements;
- 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.

This report was approved by the Board on


Bekay Secretaries Limited
Secretary

26 JAN 1996

Zedlease Limited
Auditors' Report
to the members of Zedlease Limited

We have audited the financial statements on pages 4 to 8 which have been prepared on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 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.

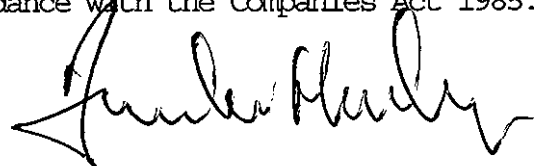
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 31 March 1995 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Mercers Bryant
Chartered Accountants
Registered Auditors
45 Crawford Place
London W1H 2AD



Binder Hamlyn
Chartered Accountants
Registered Auditors
20 Old Bailey
London EC4M 7BH

26 JAN 1996

25 JAN 1996

Zedlease Limited

Profit and Loss Account
for the period ended 31 March 1995

	Notes	1995 £
Other operating income		<u>6,401</u>
Profit on ordinary activities before taxation		6,401
Tax on profit on ordinary activities	2	<u>(2,000)</u>
Profit on ordinary activities after taxation	6	<u>£ 4,401</u>

There are no recognised gains and losses other than those passing through the profit and loss account.

Zedlease Limited

Balance Sheet as at 31 March 1995

	Notes	£	1995 £
Current Assets			
Debtors	3	6,403	
		<u>6,403</u>	
Creditors: amounts falling due within one year	4	(2,000)	
		<u>(2,000)</u>	
Net Current Assets			4,403
			<u>£ 4,403</u>
Capital and Reserves			
Called up share capital	5		2
Profit and loss account	6		4,401
			<u>4,401</u>
Equity Shareholders' Funds	7		£ 4,403
			<u>£ 4,403</u>

The financial statements were approved by the Board on 25 JAN 1996



L. Ross
Director

Zedlease Limited

Notes to the Financial Statements
for the period ended 31 March 1995

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards. All operations are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is the wholly owned subsidiary of a parent undertaking that has published consolidated financial statements.

1.2 Deferred taxation

Provision for deferred taxation is made only where a liability is likely to arise.

2. Taxation	1995 £
U.K. Current year taxation	
U.K. Corporation tax at 25%	2,000

3. Debtors	1995 £
Amounts owed by group undertaking	6,403
	£ 6,403

4. Creditors: amounts falling due within one year	1995 £
Corporation tax	2,000
	£ 2,000

Zedlease Limited

Notes to the Financial Statements for the period ended 31 March 1995

5.	Share Capital	1995 £
	Authorised	
	1,000 Ordinary shares of £1 each	1,000
		<hr/>
	Allotted, called up and fully paid	
	2 Ordinary shares of £1 each	2
		<hr/>

During the period 2 ordinary shares of £1 each were allotted and fully paid at par.

6.	Profit And Loss Account	1995 £
	Retained profit for the period	4,401
		<hr/>
	Retained profits at 31 March 1995	£ 4,401
		<hr/>

7.	Reconciliation of Movements in Shareholders' Funds	1995 £
	Profit for the financial period	4,401
	Proceeds of issue of equity shares	2
		<hr/>
	Net addition to shareholders' funds	4,403
		<hr/>
	Closing shareholders' funds	£ 4,403
		<hr/>

8. Contingent Liabilities

The company is a party to a guarantee given in respect of the group's bank facilities. The total amount outstanding at the end of the period was £2,800,000

9. Employees

Number of employees

There were no employees during the period.

Zedlease Limited

Notes to the Financial Statements
for the period ended 31 March 1995

10. Ultimate Parent Undertaking

The ultimate parent undertaking is The Pelican Group Plc, a company registered in England & Wales. The Pelican Group PLC is the parent undertaking for the largest and smallest company in the group for which group accounts are drawn up. Copies of these group accounts are available from Companies House, Crown Way, Cardiff.