

Declaration in relation to assistance for the acquisition of shares

Pursuant to section 155(6) of the Companies Act 1985

Company number

5327103

* PARKMORE HOTEL LIMITED

XWe JEREMY PETER LEEDS OF 8 RESTMORE AVENUE, GUISELEY, LS20 9DG
and
LOUISE KAREN LEEDS OF 8 RESTMORE AVENUE, GUISELEY, LS20 9DG

~~xxxxxx~~ [I/we (sole director/the directors)] of the above company do solemnly and sincerely declare that:

The business of the company is:

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XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

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(c) something other than the above

The company is proposing to give financial assistance in connection with the acquisition of shares in the [company] ~~XXXXXXXXXXXXXXXXXXXX~~ _____

Limited ~~XXXXXXXX~~

The assistance is for the purpose of [that acquisition] XXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX.

The number and class of the shares acquired or to be acquired is: 1,000 Ordinary Share of £1
each _____

Post room

THURSDAY



AHJZT097

A54

29/03/2007

564

COMPANIES HOUSE

The assistance is to be given to: (note 2) Please see appendix 1

Please do not
write in this
margin

Please complete
legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

Please see appendix 2

The person who ~~XXXXXXXXXX~~ [will acquire] the shares is:

delete as
appropriate

J A Hotels Limited (Company Number: 5889018)

The principal terms on which the assistance will be given are:

Please see appendix 3

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is within 8 weeks of the date hereof

* delete either (a) or (b) as appropriate

~~X~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) ~~We~~ We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

(b) XX
XX
XX (note 3)

And ~~X~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at

Declarants to sign below

1 CITY SQUARE, WROX

on

Day	Month	Year
15	03	2007

before me

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.

5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Appendix 1

To accompany Statutory Declaration Form 155(6)a given by Parkmore Hotel Limited
(Company Number 5327103) (the "**Company**")

The assistance is to be given to:

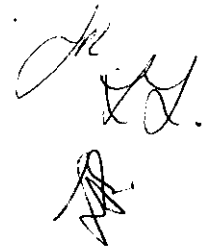
1. J A Hotels Limited (Company Number: 5889018), whose registered office is at 8 Restmore Avenue, Guiseley, Leeds, West Yorkshire LS20 9DG ("**J A Hotels**").

Appendix 2

To accompany Statutory Declaration Form 155(6)a given by the Company

The entering into by the Company of the documents or transactions listed and described below (or any documents referred to therein or relating thereto) as the same may be amended, increased, novated and/or replaced, varied, supplemented or substituted from time to time, which will be entered into, directly or indirectly, in connection with a transfer of the whole of the issued share capital of the Company by the present shareholders to J A Hotels (the "**Acquisition**"):

1. The entering into by the Company, J A Hotels and the Alliance & Leicester Commercial Bank plc (the "**Bank**") of an unlimited guarantee (the "**Bank Guarantee**") in favour of the Bank pursuant to which the Company will guarantee to the Bank all monies, liabilities and obligations of J A Hotels.
2. The entering into by the Company of a debenture (creating fixed and floating charges over all of the Company's assets and undertakings) in favour of the Bank (the "**Bank Debenture**").
3. The granting by the Company in favour of the Bank the first legal charge (the "**First Legal Charge**") over Parkmore Hotel, 636 Yarm Road, Eaglescliffe, TS16 0DH whose title numbers are CE59794 and CE82396 (the "**Property**").
4. The granting by the Company in favour of the Sellers a second legal charge (the "**Second Legal Charge**") over the Property.
5. The entering into by the Company of a deed of assignment to assign the benefit of a life assurance policy over the life of Jeremy Leeds to the Bank (the "**Assignment**").
6. The entering into by the Company, J A Hotels, the Bank, Brian Reed of 632 Yarm Road, Eaglescliffe, Stockton on Tees, TS16 0PQ, Catherine Reed of 632 Yarm Road, Eaglescliffe, Stockton on Tees, TS16 0PQ, and Colin Reed of Maidens Green Farm, Maidens Green, Windsor, Berkshire SL4 4SR (the "**Sellers**"), of an intercreditor deed setting out the priority of the security granted by the above documents (the "**Intercreditor Deed**").
7. The transfer by the Company to the Sellers of a Honda CRV motor vehicle, registration number *NU 04 GKG* for a consideration of £ 7,500.



Appendix 3

To accompany Statutory Declaration Form 155(6)a given by the Company

Principal terms on which the assistance will be given are:

1. By entering into the Bank Guarantee, the Company guarantees (in the terms contained therein) the payment of all present and future liabilities and obligations of J A Hotels owed to the Bank.
2. By entering into the Bank Debenture, the Company grants fixed and floating charges over all its assets and undertakings present and future in favour of the Bank (in the terms contained therein) as security for the Company's present and future liabilities and obligations owed to the Bank and which could be used to discharge liabilities incurred by J A Hotels for the purpose of the Acquisition.
3. By entering into the First Legal Charge, the Company grants the first legal charge over the Property.
4. By entering into the Second Legal Charge, the Company grants a legal charge over the Property.
5. By entering into the Intercreditor Deed, the Company acknowledges the priority of the security granted by the above documents and gives certain covenants and undertakings to the Bank as set out in the Intercreditor Deed.
6. By entering into the Assignment, the Company assigns the benefit of a life assurance policy over the life of Jeremy Leeds.
7. In entering into the various documents referred to above the Company is entering into obligations and assuming liabilities, giving security and granting guarantees in connection with the Acquisition and may in the future be called upon pursuant to any of the documents referred to in this statutory declaration to discharge obligations and / or liabilities arising in connection with the Acquisition.

The Directors
Parkmore Hotel Limited
636 Yarm Road
Eaglescliffe
Stockton on Tees
TS16 0DH

**Garbutt
Elliott**

CHARTERED ACCOUNTANTS

2 STABLE COURT • BEECHWOODS
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**Auditors' report to the directors of Parkmore Hotel Limited ("the Company")
pursuant to section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors dated 15 March 2007 in connection with the proposal that the Company should give financial assistance in connection with the purchase of the entire issued ordinary share capital of the Company.

Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in section 156(2) of the Companies Act is unreasonable in all the circumstances.

Garbutt & Elliott Limited

Garbutt & Elliott Limited
Registered Auditors

15 March 2007



Also at: ARABESQUE HOUSE • MONKS CROSS DRIVE • HUNTINGTON • YORK YO32 9GW

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