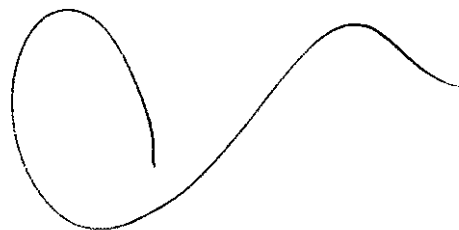
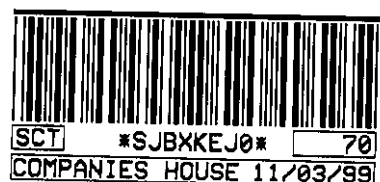


Abbreviated Financial Statements

for the year ended 31 May 1997

for

Montpelier Inns Ltd

A large, stylized handwritten signature in black ink, consisting of a large loop followed by a long, sweeping horizontal stroke that ends in a small upward flick.

Montpelier Inns Ltd

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for the year ended 31 May 1997

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Montpelier Inns Ltd

Company Information
for the year ended 31 May 1997

DIRECTORS:

Ms C Mulgrew
Ms M B O'Brien
M Couch

SECRETARY:

Macgill management services

REGISTERED OFFICE:

The School house
4 Lochend Road
Edinburgh
EH6 8BR

REGISTERED NUMBER:

151055 (Scotland)

ACCOUNTANTS:

Macgill Management Services
4 Lochend Road
Edinburgh
EH6 8BR

Montpelier Inns Ltd

Report of the Accountants to the Shareholders
on the Unaudited Financial Statements of
Montpelier Inns Ltd

The following reproduces the text of the report prepared for the purposes of Section 249A(2) of the Companies Act 1985 in respect of the company's annual financial statements, from which the abbreviated financial statements (set out on pages three to five) have been prepared.

We report on the financial statements for the year ended 31 May 1997 set out on pages one to five.

Respective responsibilities of directors and reporting accountants

As described on page three the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

Macgill Management Services

Macgill Management Services
4 Lochend Road
Edinburgh
EH6 8BR

Dated: 11/3/99

Montpelier Inns Ltd

Abbreviated Balance Sheet

31 May 1997

		31.5.97		31.5.96	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		72,852		73,742
CURRENT ASSETS:					
Stocks		1,979		2,500	
Debtors		1,000		1,000	
Cash at bank and in hand		1,210		297	
		<u>4,189</u>		<u>3,797</u>	
CREDITORS: Amounts falling due within one year		<u>44,231</u>		<u>41,736</u>	
NET CURRENT LIABILITIES:			(40,042)		(37,939)
TOTAL ASSETS LESS CURRENT LIABILITIES:			32,810		35,803
CREDITORS: Amounts falling due after more than one year			34,139		40,518
			<u>£(1,329)</u>		<u>£(4,715)</u>
CAPITAL AND RESERVES:					
Called up share capital	3		1,000		1,000
Profit and loss account			(2,329)		(5,715)
Shareholders' funds			<u>£(1,329)</u>		<u>£(4,715)</u>

The company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the year ending 31 May 1997.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

Montpelier Inns Ltd

Abbreviated Balance Sheet
31 May 1997

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:


.....
Ms. C. Mulgrew - DIRECTOR
.....
M Couch - DIRECTOR

Approved by the Board on 11/03/99.....

The notes form part of these financial statements

Montpelier Inns Ltd

Notes to the Abbreviated Financial Statements
for the year ended 31 May 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 15% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 June 1996	
and 31 May 1997	76,021
DEPRECIATION:	
At 1 June 1996	2,279
Charge for year	890
At 31 May 1997	3,169
NET BOOK VALUE:	
At 31 May 1997	72,852
At 31 May 1996	73,742

3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.5.97	31.5.96
			£	£
1,000	Ordinary	1	1,000	1,000