

Directors' Report for the Year Ended 2 May 1999

The accounts for the year are attached.

The company has not traded during the year and accordingly it has made neither a profit nor a loss. No Profit or Loss Account has therefore been prepared.

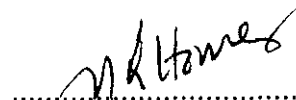
The following served as Directors during (and, unless otherwise indicated, throughout) the year:-

	<i>Appointed</i>	<i>Resigned</i>
N R Homer		
L Miller	14 April 1999	
M J Pearey		14 April 1999

The Directors' interests in shares of Scottish & Newcastle plc (including options granted under the terms of the United Kingdom employee share schemes to subscribe for ordinary shares) at 3 May 1998 (\*or appointment, if later) and 2 May 1999 were as follows:-

	<u>2 May 1999</u>		<u>3 May 1998</u>	
	<u>Shares</u>	<u>Options</u>	<u>Shares</u>	<u>Options</u>
N R Homer	3,738	3,165	3,562	3,165
L Miller *	1,752	2,444	1,752	2,444

By Order of the Board



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N R Homer  
Secretary  
20 May 1999



**LONDON PUB-RESTAURANTS LIMITED**

Company No.: 170127

**BALANCE SHEET** As at 2 May 1999

	<u>1999</u> <u>£</u>	<u>1998</u> <u>£</u>
Current Assets		
Debtors : Amount due from immediate holding company	530,000	530,000
Total Assets less Current Liabilities	<u>530,000</u>	<u>530,000</u>
Capital and Reserves		
Called up share capital	200,000	200,000
Reserves	<u>330,000</u>	<u>330,000</u>
	<u>530,000</u>	<u>530,000</u>

## 1. Share Capital

	Authorised	Issued 1999	1998
Ordinary shares of £1 each	400,000	-	-
Ordinary stock of £1 each	200,000	20,000	20,000

The company's assets fall under a floating charge which secures the debenture stocks of its intermediate company, Cleveland Place Holdings PLC.

2. **Holding Companies**

The company is a subsidiary undertaking of Huggins and Company, Limited, a company registered in England. The ultimate holding company is Scottish & Newcastle plc, a company registered in Scotland. The company is also included within the group accounts of Cleveland Place Holdings PLC, a company registered in England.

Group accounts for both Cleveland Place Holdings PLC and Scottish & Newcastle plc can be obtained from Scottish & Newcastle plc, 50 East Fettes Avenue, Edinburgh, EH4 1RR.

Signed on behalf of the Board



N R Homer Director  
20 May 1999