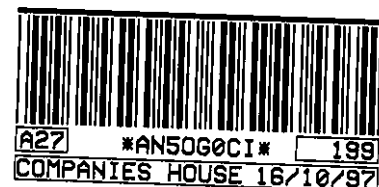


Registered Number 270630

JAMES EDWARD LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER, 1996



JAMES EDWARD LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements of the company for the year ended 31st December 1996.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company did not trade during the year and the directors do not therefore recommend the payment of a dividend. The company manages the business of James Edward on behalf of The Savoy Hotel PLC.

DIRECTORS

A Beaven	
S Bodley-Scott	Retired 31.12.96
A J Fort	Appointed 11.10.96
R Pajares	Appointed 11.10.96

Mr R Pajares and Mr AJ Fort, having been appointed since the last AGM, retire and being eligible offer themselves for re-election.

The interests of the directors, other than directors of the ultimate holding company, in the shares and debentures of the company, its fellow subsidiary companies and its ultimate holding company at 1 January and 31 December 1996 were:

	1 January <u>1996</u>	31 December <u>1996</u>
(a) The company	Nil	Nil
(b) Fellow subsidiaries	Nil	Nil
(c) The Savoy Hotel PLC - the ultimate holding company		
Mr A Beaven		
Beneficial		
A Ordinary shares of 10p each	181	181

BY ORDER OF THE BOARD



M R France
Secretary,
1 Savoy Hill
LONDON WC2R 0BP
Registered in England No: 270630


JAMES EDWARD LIMITED

BALANCE SHEET AT 31ST DECEMBER 1996

	Notes	1996 £	1995 £
ASSETS			
DEBTORS			
Amount owed by ultimate holding company falling due after more than one year		<u>100</u>	<u>100</u>
NET ASSETS		<u>£ 100</u>	<u>£ 100</u>
Financed by:			
CAPITAL AND RESERVES			
CALLED UP SHARE CAPITAL	4	<u>100</u>	<u>100</u>
		<u>£ 100</u>	<u>£ 100</u>

The company was dormant (within the meaning of section 250 of the Companies Act 1985) throughout the year ended 31st December 1996.

The financial statements on pages 2 and 3 were approved by the board of directors on 19th September 1997 and are signed on its behalf by:



A J Fort
Director

JAMES EDWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1996

1. ACCOUNTING POLICY - BASIS OF ACCOUNTING

These financial statements have been prepared on the historical cost basis of accounting.

2. TRADING

The company did not trade during the year.

3. DIRECTORS' EMOLUMENTS

No remuneration was paid to any director during the year
(1995 : Nil)

4. CALLED UP SHARE CAPITAL

	1996	1995
Authorised, allotted, called up and fully paid: 100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>

5. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is The Savoy Hotel PLC, which is incorporated in Great Britain.

Under the terms of the Companies Act 1985, The Savoy Hotel PLC is not a subsidiary of Forte PLC.