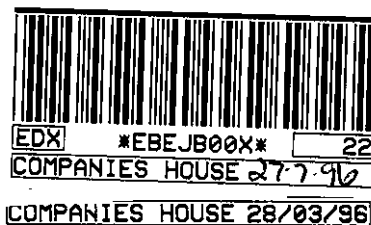


Company Number 368815

DIRECTORS' REPORT AND ACCOUNTS
BASS HOTELS AND HOLIDAYS LIMITED

30 SEPTEMBER 1995



BASS HOTELS AND HOLIDAYS LIMITED
DIRECTORS' REPORT
For the year ended 30 September 1995

The directors present their annual report on the affairs of the Company, together with the accounts and auditors' report for the year ended 30 September 1995.

PRINCIPAL ACTIVITY AND REVIEW

The Company has not traded during the year therefore no Profit and Loss Account has been prepared.

The principal activity of the company is that of a parent company to a group of subsidiaries operating hotels in the United Kingdom. No change is anticipated in the activity of the Company.

No dividend is proposed.

DIRECTORS

The following served as directors of the Company during the year :

R W Caston (resigned 9th June 1995)
L D Ritson
I C Graham
R L Jackman

DIRECTORS' INTERESTS

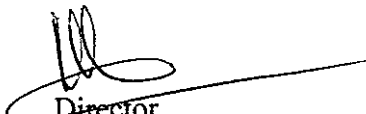
Mr Ritson, Mr Graham and Mr Jackman do not have any interests in the ordinary shares of Bass Plc.

No changes took place in the interests of directors between 30 September 1995 and the date of signature of these financial statements.

The directors had no interests in the shares of the Company or other group companies other than those mentioned above.

Bass Hotels and Holidays Limited
20 North Audley Street
London
W1Y 1WE

Approved by the Board of Directors
and signed on behalf of the Board


Director
I C Graham

Date: 22/3/96

BASS HOTELS AND HOLIDAYS LIMITED
BALANCE SHEET
30 September 1995

	NOTES	1995 £	1994 £
Fixed asset investments			
Shares in group companies - subsidiary undertakings	2	19,239,000	19,239,000
Current assets			
Amounts owed by subsidiary undertakings		16,837,864	16,837,864
Total assets less current liabilities		<u>36,076,864</u>	<u>36,076,864</u>
Creditors:			
Amounts falling due after more than one year			
Amounts owed to subsidiary undertakings		(100)	(100)
		<u>36,076,764</u>	<u>36,076,764</u>
Capital and reserves			
Called up share capital	3	24,328,944	24,328,944
Revaluation reserve	4	19,238,900	19,238,900
Profit and loss account	4	(7,491,080)	(7,491,080)
Total shareholders' funds		<u>36,076,764</u>	<u>36,076,764</u>
Shareholders' funds are attributable to:-			
Equity shareholders' funds		23,912,292	23,912,292
Non equity shareholders' funds		12,164,472	12,164,472
		<u>36,076,764</u>	<u>36,076,764</u>

Throughout the financial year ending 30 September 1995, the Company was a dormant company within the meaning of Section 250 of the Companies Act 1985 and in accordance with that Section, no auditors' report is attached to these accounts.

Signed on behalf of the Board of Directors

I C Graham

Director

J A Crane

Secretary

Date: 22/3/96

The accompanying notes are an integral part of this balance sheet.

BASS HOTELS AND HOLIDAYS LIMITED
NOTES TO ACCOUNTS
30 September 1995

1. Directors' remuneration

No remuneration was paid to the directors of the Company.

2. Fixed asset investments

	Shares in subsidiaries £
a) Movement during year	
i) Cost (or valuation):	
At 30 September 1994 and 30 September 1995	19,455,945
Provision for diminution in value:	
At 30 September 1994 and 30 September 1995	216,945
Net book value:	
At 30 September 1994 and 30 September 1995	19,239,000

The investment in Holiday Inns (UK) Limited was valued by the directors at 31 March 1978 on the basis of the current market value.

- ii) Group accounts have not been prepared because the Company is a wholly owned subsidiary of another UK company. In the opinion of the directors the value of the subsidiaries is at least equal to the amount shown above and the principal subsidiaries included therein are:

Company	Main Activity	Proportion of held shares Ordinary Shares
Holiday Inns (UK) Ltd	Hotel Operator	100%
Holiday Inns Garden Court Ltd	Non trading	100%
Holiday Inns of Tel Aviv Limited (Israel)	Non trading	100%

The subsidiaries were all incorporated in Great Britain and registered in England and Wales, except Holiday Inns of Tel Aviv Limited (Israel) which was incorporated and registered in Israel.

BASS HOTELS AND HOLIDAYS LIMITED
NOTES TO ACCOUNTS (Continued)
30 September 1995

b) Comparable amounts under the historical cost convention would be:-

At 30 September 1995	£ 100
At 30 September 1994	£ 100

3. Called up share capital

	1995 £	1994 £
Authorised:		
125,000,000 5% non cumulative preference shares of 10p each	12,500,000	12,500,000
125,000,000 ordinary shares of 10p each	<u>12,500,000</u>	<u>12,500,000</u>
	<u>25,000,000</u>	<u>25,000,000</u>
Allotted, called up and fully paid:		
121,644,721 5% non cumulative preference shares of 10p each	12,164,472	12,164,472
121,644,721 ordinary shares of 10p each	<u>12,164,472</u>	<u>12,164,472</u>
	<u>24,328,944</u>	<u>24,328,944</u>

4. Reserves	Revaluation Reserves £	Profit and Loss Account £
Reserves at beginning and end of year	<u>19,238,900</u>	<u>(7,491,080)</u>

5. Ultimate parent company

The ultimate parent company is Bass Plc, a company incorporated in Great Britain and registered in England and Wales.

The largest and smallest group in which the results of Bass Hotels and Holidays Limited and subsidiary undertakings are consolidated is that headed by Bass Plc, a company registered in England and Wales.

The consolidated accounts of Bass Plc are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.