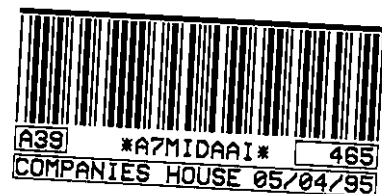


Company Number 368815

**DIRECTORS' REPORT AND ACCOUNTS**  
**BASS HOTELS AND HOLIDAYS LIMITED**  
**30 SEPTEMBER 1994**



# **BASS HOTELS AND HOLIDAYS LIMITED**

## **DIRECTORS' REPORT**

***For the year ended 30 September 1994***

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 1994.

### **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  
L D Ritson  
I C Graham  
R L Jackman

### **DIRECTORS' INTERESTS**

The directors and their families had the following beneficial interests in the ordinary shares of Bass Plc at 30 September 1993 and 30 September 1994:

	<b>FULLY PAID ORDINARY SHARES</b>		<b>ORDINARY SHARES UNDER OPTION</b>		<b>OPTION PRICE</b>	<b>EARLIEST EXERCISE DATE</b>
	<b>1993</b>	<b>1994</b>	<b>1993</b>	<b>1994</b>		
R W Caston	4,224	4,224	9,756	9,756	£4.1735	March 1990
			8,718	8,718	£4.2275	January 1992
			13,402	13,402	£4.6935	March 1993

Ordinary shares under option are held under the Bass Executive Share Option Scheme.

Fully paid ordinary shares include shares held by Trustees under the Bass Employee Profit Share Scheme.

**BASS HOTELS AND HOLIDAYS LIMITED**  
**DIRECTORS' REPORT (continued)**  
**For the year ended 30 September 1994**

**DIRECTORS' INTERESTS (continued)**


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 1994 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

25/1/95  
Date:

**BASS HOTELS AND HOLIDAYS LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**IN RELATION TO FINANCIAL STATEMENTS**  
***For the year ended 30 September 1994***

The following statement, which should be read in conjunction with the Report of the Auditors set out on page 4, is made with a view to distinguishing for shareholders the respective responsibilities of the Directors and of the Auditors in relation to the financial statements.

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

Following discussions with the Auditors, the Directors consider that, in preparing the financial statements on pages 5 to 8 inclusive, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**BASS HOTELS AND HOLIDAYS LIMITED**  
**REPORT OF THE AUDITORS**  
**TO THE MEMBERS OF BASS HOTELS AND HOLIDAYS LIMITED**  
**For the year ended 30 September 1994**

We have audited the financial statements on pages 5 to 8, which have been prepared on the basis of the accounting policies set out on page 5.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 3, the Company's Directors are responsible for the preparation of the financial statements. This responsibility includes selecting suitable accounting policies and then applying them consistently, and although the Directors have discussed the appropriateness of the accounting policies with us, it is solely their responsibility to select the accounting policies to be applied in the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements as prepared by the Directors, and to report our opinion to you.

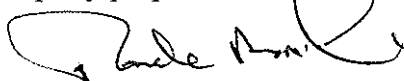
**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

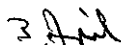
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**OPINION**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30 September 1994 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Touche Ross and Co.  
Chartered Accountants and Registered Auditors  
Hill House  
1 Little New Street  
London  
EC4A 3TR

  
January 1995

**BASS HOTELS AND HOLIDAYS LIMITED**  
**ACCOUNTING POLICIES**  
***For the year ended 30 September 1994***

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

**Basis of Accounting**

The accounts are prepared under the historical cost convention, as modified by the revaluation of investments held as fixed assets. They have been drawn up to comply with applicable accounting standards.

Group accounts have not been prepared because the Company is a wholly owned subsidiary undertaking of another UK company.

In the Company's accounts, investment in subsidiary undertakings is stated at valuation less provision for permanent diminution in value.

**BASS HOTELS AND HOLIDAYS LIMITED**  
**BALANCE SHEET**  
30 September 1994

	NOTES	1994 £	1993 £
<b>Fixed asset investments</b>			
Shares in group companies - subsidiary undertakings	2	19,239,000	19,239,000
<b>Current assets</b>			
Amounts owed by subsidiary undertakings		16,837,864	16,837,864
<b>Total assets less current liabilities</b>		<u>36,076,864</u>	<u>36,076,864</u>
<b>Creditors:</b>			
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>
<b>Capital and reserves</b>			
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 )
<b>Total shareholders' funds</b>		<u>36,076,764</u>	<u>36,076,764</u>
<b>Shareholders' funds are attributable to:-</b>			
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>

Signed on behalf of the Board of Directors

I C Graham

Director

J A Crane

Secretary

Date:

25/1/95

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

The Company has not traded during the year and accordingly has made neither profit nor loss nor any other recognised gain or loss.

**BASS HOTELS AND HOLIDAYS LIMITED**  
**NOTES TO ACCOUNTS**  
30 September 1994

**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 1993 and 30 September 1994	19,455,945
Provision for diminution in value:	
At 30 September 1993 and 30 September 1994	216,945
Net book value:	
At 30 September 1993 and 30 September 1994	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 1994

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

At 30 September 1994	£ 100
At 30 September 1993	£ 100

**3. Called up share capital**

	1994 £	1993 £
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.