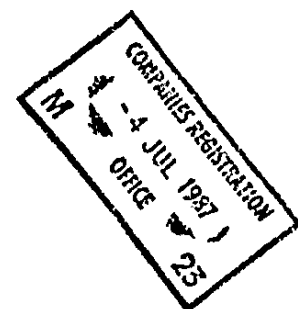


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STONE'S CHOP HOUSE LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1986



STONE'S CHOP HOUSE LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements of the company for the year ended 31 December 1986.

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.

DIRECTORS

Sir Hugh Wontner GBE., CVO (Chairman)
G R C Shepard

G R C Shepard retires by rotation and being eligible offers himself for re-election.

The interests of 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 1986 were: Nil.

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing the re-appointment of Deloitte Haskins & Sells as auditors to the company will be put to the Annual General Meeting.

Sir Hugh Wontner

Chairman
1, Savoy Hill
LONDON WC2

AUDITORS REPORT TO THE MEMBERS OF STONE'S CHOP HOUSE LIMITED

We have audited the financial statements set out on pages 3 and 4 in accordance with approved Auditing Standards.

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st December 1986 and comply with the Companies Act 1985.

Deloitte Haskins + Sells

DELOITTE HASKINS & SELLS

Chartered Accountants

12th May 1987

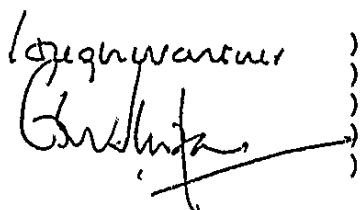
London

STONE'S CHOP HOUSE LIMITED

BALANCE SHEET AT 31ST DECEMBER 1986

	<u>Notes</u>	<u>1986</u> <u>£</u>	<u>1985</u> <u>£</u>
CREDITORS			
Amount owing to ultimate holding company falling due after more than one year		273,891	273,891
		<hr/>	<hr/>
NET LIABILITIES		<u>£(273,891)</u>	<u>£ (273,891)</u>
Financed by:			
CAPITAL AND RESERVES			
CALLED UP SHARE CAPITAL	4	10,000	10,000
		<hr/>	<hr/>
PROFIT AND LOSS ACCOUNT - deficit		(283,891)	(283,891)
		<hr/>	<hr/>
		<u>£ (273,891)</u>	<u>£ (273,891)</u>

The financial statements on pages 3 and 4 were approved by the board of directors on 12th May 1987 and are signed on its behalf by:


 Directors

STONE'S CHOP HOUSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1986

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 (1985: Nil)

4. CALLED UP SHARE CAPITAL

	<u>1986</u>	<u>1985</u>
Authorised, allotted, called up and fully paid 6,000 5% (3.5% plus credit) Non-cumulative , preference shares of 50p each	3,000	3,000
14,000 Ordinary shares of 50p each	7,000	7,000
	<u>£ 10,000</u>	<u>£ 10,000</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 a subsidiary of Trusthouse Forte PLC, but Trusthouse Forte does not control The Savoy Hotel PLC.