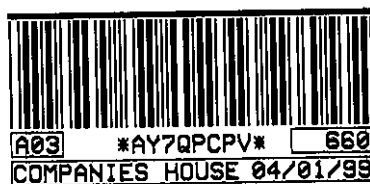


PREMIER PARTNERSHIPS (CATERING) LIMITED

**FINANCIAL STATEMENTS - 31 DECEMBER, 1997
TOGETHER WITH DIRECTORS' AND AUDITORS' REPORTS
COMPANY REGISTRATION NUMBER 2334280**



PREMIER PARTNERSHIPS (CATERING) LIMITED
FINANCIAL STATEMENTS -- 31 DECEMBER, 1997
TOGETHER WITH DIRECTORS' AND AUDITORS' REPORTS

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PREMIER PARTNERSHIPS (CATERING) LIMITED
DIRECTORS AND OTHER INFORMATION
FOR THE YEAR ENDED 31 DECEMBER, 1997

DIRECTORS

A.C.A. Eager
D. Cronin (Republic of Ireland)

SECRETARY

G. Murphy (Republic of Ireland)

REGISTERED OFFICE

Park Court
42 Chapel Street
Thatcam
Berkshire RG12 OTL

BANKERS

National Westminster Bank Plc.,
Guildford
Surrey GU1 3ZU

SOLICITORS

Charles, Lucas & Marshall
Radnor House
28 Bartholomew Street
Newbury
Berkshire RG14 5EU

AUDITORS

Arthur Andersen,
Chartered Accountants,
Andersen House,
International Financial Services Centre,
Dublin 1.

PREMIER PARTNERSHIPS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER, 1997

The Directors submit their report and the audited consolidated financial statements for the year ended 31 December, 1997.

1. Principal Activity

The Company did not trade during the year.

2. Business Review

The profit and loss account and balance sheet for the year ended 31 December, 1997 are set out on pages 7 and 8 respectively.

No dividends or transfers to reserves are recommended by the Directors.

3. Events Since the Year End

There were no significant events which occurred subsequent to 31 December, 1997 that had a material effect on these financial statements.

4. Directors

The Directors are detailed on page 1. V. Eager resigned as a Director on 11 November, 1997. D. Cronin was appointed a Director on 11 November, 1997.

5. Directors' and Secretaries' Interests

Neither the Directors nor the Secretary had an interest in the ordinary share capital of the Company at the end of the financial year.

The beneficial interests of the Directors and Secretary in the ordinary share capital of the ultimate parent company (Campbell Bewley Group Limited) at the beginning and end of the financial year was as follows:

	'A' Ordinary Shares of IR£0.10 each 1997	'A' Ordinary Shares of IR£0.10 each 1996
D. Cronin	3,000	2,350

The following options have been granted to the Directors and the Secretary under the parent company's share option scheme. These options are exercisable at the discretion of the Directors of the parent company, provided certain conditions are satisfied.

	Number of Options				Exercise Price IR£	Latest Expiry Date
	31 December, 1996	Granted during year	Exercised during year	31 December, 1997		
D. Cronin	6,000	-	-	6,000	16.50	31 Dec. '99
	-	900	-	900	12.60	31 Dec. '99
G. Murphy	6,000	-	(1,500)	4,500	8.49	31 Dec. '99
	-	450	-	450	12.60	31 Dec. '99

Save as disclosed above, none of the Directors of the Company, nor the Secretary, nor their families held shares, options or debentures in the Company or any other Group Company at 31 December, 1997 or 31 December, 1996.

6. Statement of Directors' Responsibilities

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss of the Group for that period. In preparing those financial statements, the Directors are required to:

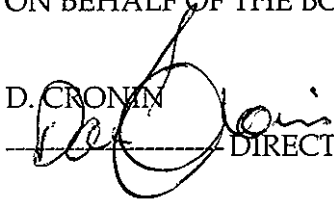
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7. Auditors

Arthur Andersen have expressed their willingness to continue in office in accordance with Section 384 (3) of the Companies Acts 1985.

ON BEHALF OF THE BOARD

D. CRONIN

DIRECTOR

18 June, 1998.

ARTHUR ANDERSEN

To the Members of Premier Partnerships (Catering) Limited

We have audited the financial statements on pages 7 to 15 which have been prepared under the accounting policies set out on pages 9 and 10.

Respective Responsibilities of the Directors and Auditors

On described on pages 3 and 4, the Directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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.

The Company is exempt from the requirements of FRS1 to include a cash flow statement as part of its financial statements because it is a wholly owned subsidiary of a company which publishes a cash flow statement.

ARTHUR ANDERSEN

Opinion

In our opinion the financial statements give a true and fair view of the Company's state of affairs as at 31 December, 1997 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act, 1985.



Chartered Accountants and Registered Auditor

Dublin

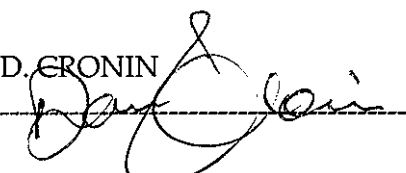
18 June, 1998.

PREMIER PARTNERSHIPS (CATERING) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER, 1997

	Notes	1997	17 Months to 31 December, 1996
		£	£
Turnover		-	1,203,303
Cost of sales		-	(580,771)
		-----	-----
Gross Profit		-	622,532
Operating costs		-	(514,437)
		-----	-----
Operating profit		-	108,095
Interest receivable and similar income		-	110
Interest payable and similar charges		-	(83)
		-----	-----
Profit on Ordinary Activities before Taxation		-	108,122
Tax on profit on ordinary activities		-	-
		-----	-----
Profit on Ordinary Activities after Taxation		-	108,122
		-----	-----
Profit and Loss Account, beginning of year		40,503	(67,619)
Goodwill written off during the year		(61,678)	-
		-----	-----
Profit and Loss Account, end of period		(21,175)	40,503
		=====	=====

The accompanying notes and statement of accounting policies are an integral part of this profit and loss account.

There were no recognised gains or losses other than the profit for the financial year.

D. CRONIN
 Director


Approved by the Directors on 18 June, 1998.

PREMIER PARTNERSHIPS (CATERING) LIMITED
BALANCE SHEET - 31 DECEMBER, 1997

	Notes	1997 £	1996 £
Fixed Assets			
Intangible assets		-	61,678
Tangible assets		-	10,698
		<hr/>	<hr/>
		-	72,376
Current Assets			
Stocks		-	24,416
Debtors		43,827	113,279
Cash at bank and in hand		-	2,419
		<hr/>	<hr/>
		43,827	140,114
Creditors: Amounts falling due within one year		-	(106,985)
		<hr/>	<hr/>
Net Current Assets		43,827	33,129
		<hr/>	<hr/>
Net Assets		43,827	105,505
		<hr/>	<hr/>
Capital and Reserves			
Called up share capital		4,502	4,502
Share premium account		40,500	40,500
Other reserves		20,000	20,000
Profit and loss account		(21,175)	40,503
		<hr/>	<hr/>
Total Shareholders' Funds - all equity		43,827	105,505
		<hr/>	<hr/>

The accompanying notes and statement of accounting policies are an integral part of this balance sheet.

D. CRONIN

D. CRONIN


Director

Approved by the Directors on 18 June, 1998.

PREMIER PARTNERSHIPS (CATERING) LIMITED
STATEMENT OF ACCOUNTING POLICIES

The significant accounting policies adopted by the Company are set out below. All of the policies have been applied consistently throughout the year and the preceding year.

a) Basis of Preparation

The financial statements have been prepared under the historical cost convention and are stated in pounds Sterling. The Company is exempt from the requirements of FRS1 to include a cash flow statement as part of its financial statements because it is a wholly owned subsidiary of a company which publishes a cash flow statement.

b) Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated on a straight line method for all asset categories except motor vehicles, for which depreciation is calculated on the reducing balance method. It aims to write down the cost of tangible assets over their expected useful lives as follows:

Plant and Machinery	15%
Fixtures and fittings	20%
Motor vehicles	15%

c) Stocks

Stocks are stated at the lower of cost and net realisable value.

Cost comprises purchase price including transport and handling costs, less trade discounts, calculated on a first-in first-out basis.

Net realisable value means estimated selling price (less trade discounts) less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

d) Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts and value added tax.

e) Taxation

Corporation tax is provided on taxable profits at current rates.

Deferred taxation arises from differences in the timing of the recognition of items, principally depreciation, in the financial statements and by the taxation authorities. It is provided, using the liability method, on timing differences which will probably reverse, at the rates of tax likely to be in force at the time of reversal.

f) Foreign currencies

Transaction denominated in foreign currencies are recorded in the local currency at actual exchange rates at the date of the transaction or, where appropriate, at the rates of exchange in related forward exchange contracts. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange prevailing at the balance sheet date or, where appropriate, the rates of exchange in related forward exchange contracts. Gains and losses arising from changes in exchange rates subsequent to the dates of transactions are included as exchange gains or losses in the profit and loss account.

g) Leases

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the company ('finance leases') are capitalised. The capital element of the related rental obligations is included in creditors. The interest element of the rental obligations is charged to the profit and loss account so as to produce a constant periodic rate of charge in proportion to the capital balances outstanding.

Rentals in respect of all other leases ('operating leases') are charged to the profit and loss account as incurred.

PREMIER PARTNERSHIPS (CATERING) LIMITED
NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER, 1997

1. Ownership and Operations

The Company is incorporated in the United Kingdom and is a wholly owned subsidiary of Effective Partnerships Limited. The ultimate parent company is Campbell Bewley Group Limited, a company incorporated in the Republic of Ireland. The smallest and largest group in which the results of the Company are consolidated is Effective Partnerships Limited and Campbell Bewley Group Limited respectively.

The Company did not trade during the year.

The Company is a party to the bank facilities of the Campbell Bewley Group, which are secured by a specific mortgage debenture over all premises and a first fixed and floating charge over all assets of the Group, supported by cross guarantees from all Group companies.

2. Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

3. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	1997	17 Months to 31 December, 1996
	£	£
Staff costs (Note 4)	-	479,254
Auditors' remuneration	-	1,230
	===	=====

4. Directors and Employees

Staff costs including directors' emoluments

	1997	17 Months to 31 December, 1996
	£	£
Wages and salaries	-	441,106
Social security costs	-	38,148
	-----	-----
	-	479,254
	=====	=====

Average monthly number employed including
executive directors

	Number	Number
Administration staff	-	2
Other	-	44
	----	----
	-	46
	==	==
	£	£

Directors

Directors' emoluments

Other emoluments

-	-
----	----
-	-
===	===

5. Taxation

The company has no liability for taxation.

6. Intangible Fixed Assets

	Goodwill
	£
At 1 January, 1997	61,678
Written off during year	(61,678)

At 31 December, 1997	-
	=====

7. Tangible Fixed Assets

	Freehold Property	Furniture & Equipment	Total Assets
	£	£	£
Cost			
1 January 1997	38,781	23,362	62,143
Transfer to parent company	(38,781)	(23,362)	(62,143)
	-----	-----	-----
31 December, 1997	-	-	-
	-----	-----	-----
Depreciation			
1 January 1997	30,945	20,501	51,466
Transfer to parent company	(30,945)	(20,501)	(51,466)
	-----	-----	-----
At 31 December, 1997	-	-	-
	-----	-----	-----
Net Book Value			
At 31 December, 1997	-	-	-
	=====	=====	=====
At 1 January, 1997	7,837	2,861	10,698
	=====	=====	=====

8. Stocks	1997	1996
	£	£
Consumable stock	-	9,457
General stock	-	14,959
	-----	-----
	-	24,416
	=====	=====
9. Debtors	1997	1996
	£	£
Amounts falling due within one year		
Trade debtors	-	7,798
Other debtors and prepayments	-	105,281
	-----	-----
	-	113,279
	=====	=====
10. Creditors: Amounts falling due within one year	1997	1996
	£	£
Bank overdraft	-	40,459
Trade creditors	-	37,545
Other taxation and social security	-	27,381
Accruals and deferred income	-	1,600
	-----	-----
	-	106,985
	=====	=====
11. Share Capital	1997	1996
	£	£
Authorised		
45,020 shares of £1 each	45,020	45,020
	=====	=====
Allotted, called up and fully paid		
4,502 shares of £1 each	4,502	4,502
	=====	=====

12. Reconciliation of Movements in Shareholders' Funds

	1997	1996
	£	£
Profit for the financial period	-	108,122
Goodwill written off during year		-
Opening shareholders' funds		(2,617)
	-----	-----
Closing shareholders' funds	43,827	105,505
	=====	=====