

VAUX BREWERIES (1995) LIMITED

(A wholly owned subsidiary of Whitbread plc which is incorporated in England and Wales)

Directors: T G WALKER (resigned 22nd February 2000)
C J STOREY (resigned 22nd February 2000)
A C PARKER (appointed 22nd February 2000)
R W PARKER (appointed 22nd February 2000)
G R L WINDLE (appointed 22nd February 2000)

Secretary: E A THORPE & M R BUXTON-SMITH

Registered Office: WHITBREAD HOUSE
PARK STREET WEST
LUTON
LU1 3BG

Registered Number: : 03082773

DIRECTORS' REPORT

The directors present their report and accounts for the 22 weeks ended 4th March 2000.

Directors' Interests

According to the register maintained as required by the Companies Act 1985, the beneficial interests of the directors in shares and options over the ordinary shares in the parent undertaking Whitbread PLC including shares under the Whitbread PLC share ownership scheme are as follows:

Ordinary shares

22.2.00 (date of appointment)
& 4.3.00

R W Parker	1,015
A C Parker	455
G R L Windle	18,442



Options

Details of options over the ordinary share capital of the parent undertaking are shown below. There were no movements from the date of the directors appointments to the end of the period.

Options

4.3.00

R W Parker	a.	25,400
	b.	607
A C Parker	a.	96200
	b.	3463
G R L Windle	a.	42400
	b.	1670
a.	Whitbread PLC Executive Share Option Scheme	
b.	Whitbread PLC Sharesave Scheme	

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Principal Activities and Business Review

The company acted as an employment service company for certain of the employees who work for the immediate parent company. The company ceased to trade on the 1st day of this accounting period.

On the 6th January 2000 the immediate parent company Swallow Group plc was acquired by Whitbread plc. The company changed its year end to coincide with Whitbread plc.

The company's result after tax was nil (1999: £283,118). The directors recommend that no dividend is paid (1999: nil).

Auditors

The auditors PricewaterhouseCoopers are not seeking re-appointment and a resolution to appoint Ernst & Young as auditors to the company will be proposed at the annual general meeting.

BY ORDER OF THE BOARD



SECRETARY

24 May 2000

VAUX BREWERIES (1995) LIMITED

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PROFIT AND LOSS ACCOUNT

FOR THE 22 WEEKS ENDED 4TH MARCH 2000

	<u>Notes</u>	<u>22 weeks to</u> <u>4/3/2000</u> <u>£</u>	<u>52 weeks to</u> <u>30/9/1999</u> <u>£</u>
TURNOVER	2	-	8,554,476
COST OF SALES		-	(8,147,120)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	3	-	407,356
TAX ON PROFIT ON ORDINARY ACTIVITIES	5	-	(124,238)
RETAINED PROFIT FOR THE PERIOD		-	<u>283,118</u>

Vaux Breweries (1995) Limited has no recognised gains or losses other than those above.

There is no difference between the profits reported above and those on a historical cost basis.

All activities relate to discontinued operations.

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BALANCE SHEET

AS AT 4TH MARCH 2000

	<u>Notes</u>	<u>4/3/2000</u>	<u>30/9/1999</u>
		<u>£</u>	<u>£</u>
CURRENT ASSETS			
Debtors - amount owed by parent company		1,138,008	1,137,936
CURRENT LIABILITIES			
Corporation tax payable		<u>124,345</u>	<u>124,273</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,013,663</u>	<u>1,013,663</u>
CAPITAL AND RESERVES			
Called up equity share capital	6	2	2
Profit and Loss account	7	<u>1,013,661</u>	<u>1,013,661</u>
Equity shareholders' funds	8	<u>1,013,663</u>	<u>1,013,663</u>

The financial statements were approved by the directors on 24 May 2000 and are signed on their behalf by:-

 . A C PARKER
Director

VAUX BREWERIES (1995) LIMITED

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STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by company law to ensure that accounts are prepared which give a true and fair view of the state of affairs of the company at the end of the financial year and of its results for the period to that date. The accounts must be prepared in accordance with applicable accounting standards. In addition, the directors are responsible for selecting suitable accounting policies, applying them consistently and for making judgements and estimates that are reasonable and prudent. The directors are also responsible for ensuring that adequate accounting records are maintained and that systems are in place both to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF VAUX BREWERIES (1995) LIMITED

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention, and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described above, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance. We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed. We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit 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 4th March 2000 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

VAUX BREWERIES (1995) LIMITED

(A wholly owned subsidiary of Whitbread plc which is incorporated in England and Wales)
PricewaterhouseCoopers *William Page* Newcastle upon Tyne
Chartered Accountants and Registered Auditors 7TH JUNE 2000

VAUX BREWERIES (1995) LIMITED

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NOTES ON THE ACCOUNTS **FOR THE 22 WEEKS ENDED 4TH MARCH 2000**

1. ACCOUNTING POLICIES

The main accounting policies are as follows:-

Accounting convention.

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

2. TURNOVER

Turnover arose wholly in the United Kingdom and represents value of goods and services exclusive of VAT.

3. PROFIT ON ORDINARY ACTIVITIES IS STATED AFTER CHARGING

	<u>22 weeks to</u> <u>4/3/2000</u>	<u>52 weeks to</u> <u>30/9/1999</u>
	£	£
Wages and Salaries	-	7,317,844
Social Security	-	343,939
Pension Scheme Costs	-	485,337
	=	<u>8,147,120</u>

The average number of employees during the period was nil (1999 - 688).

4. DIRECTORS EMOLUMENTS

No director received any emoluments in respect of their services to the company.

5. TAX

The tax charge on the profit for the period ended comprises the following:-

	<u>22 weeks to</u> <u>4/3/2000</u>	<u>52 weeks to</u> <u>30/9/1999</u>
	£	£
UK corporation tax at 30% (1999 - 30%)	=	<u>124,238</u>

6. CALLED UP EQUITY SHARE CAPITAL

	<u>4/3/2000</u>	<u>30/9/1999</u>
	£	£
Authorised ordinary shares of £1 each	<u>100</u>	<u>100</u>
Alloted, issued and fully paid	<u>2</u>	<u>2</u>

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NOTES ON THE ACCOUNTS

FOR THE 22 WEEKS ENDED 4TH MARCH 2000

7. **PROFIT AND LOSS ACCOUNT**

£

At 30 th September 1999	1,013,661
Result for the period	-
At 4 th March 2000	<u>1,013,661</u>

8. **RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS**

	<u>4/3/2000</u>	<u>30/9/1999</u>
	<u>£</u>	<u>£</u>
Profit for the financial period	-	283,118
Opening equity shareholders' funds	<u>1,013,663</u>	<u>730,545</u>
Closing equity shareholders' funds	<u>1,013,663</u>	<u>1,013,663</u>

9. **ULTIMATE PARENT COMPANY**

The ultimate parent company is Whitbread plc whose accounts can be obtained from Chiswell Street, London, EC1Y 4SD. The company has taken exemption from the requirement to disclose transactions with relating undertakings, whose share capital is 90% or more controlled within the group.

10. **CASH FLOW STATEMENT**

The company is a wholly owned subsidiary of Whitbread plc. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1.