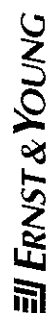


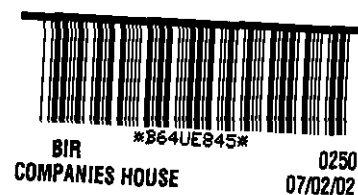
Inn Business (Marr) Limited

Report and Accounts

19 August 2000

Registered Number: 3171064

 ERNST & YOUNG



Inn Business (Marr) Limited

Registered Number: 3171064

DIRECTORS

S D Lambert

R E Bell

SECRETARY

R E Bell

AUDITORS

Ernst & Young LLP

One Colmore Row

Birmingham

B3 2DB

BANKERS

Barclays Bank PLC

15 Colmore Row

Birmingham

B3 2EP

SOLICITORS

Slaughter & May

35 Basinghall Street

London

EC2V 5DB

REGISTERED OFFICE

107 Station Street

Burton-on-Trent

Staffordshire

DE14 1BZ

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the 46 week period ended 19 August 2000.

RESULTS AND DIVIDENDS

The company did not trade during the period and accordingly no profit and loss account has been prepared.

No dividends were paid during the period (period ended 30 September 1999 - nil). The directors do not propose a dividend in respect of the period (period ended 30 September 1999 - nil).

PRINCIPAL ACTIVITIES, TRADING REVIEW AND FUTURE DEVELOPMENTS

The company did not trade throughout the period but there were balance sheet movements due to the fact that the company repaid its intercompany creditor and loaned cash to another group company. The company is anticipated to remain dormant for the foreseeable future.

DIRECTORS

The directors of the company during the period, none of whom had any interest in the ordinary share capital of the company or of any other group company, were:

S D Lambert

R E Bell

(appointed 19 June 2000)

AUDITORS

Due to the acquisition of the Inn Business Group by the Punch Group on 9 September 1999 BDO Stoy Hayward resigned as the company's auditors and Ernst & Young were appointed in their place.

On 28 June 2001, Ernst & Young, the Company's auditor, transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001. A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

By order of the Board



R E Bell
Secretary

5 February 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INN BUSINESS (MARR) LIMITED

We have audited the company's financial statements for the period ended 19 August 2000 which comprise the Balance Sheet and the related notes 1 to 10. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Companies Act 1985. 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 with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

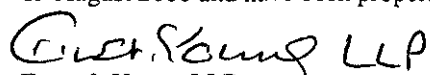
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 affairs of the company as at 19 August 2000 and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered Auditor
Birmingham

5 February 2002

Inn Business (Marr) Limited

BALANCE SHEET

At 19 August 2000

		19 August 2000	30 September 1999
	Note	£000	£000
CURRENT ASSETS			
Debtors	4	198	-
Cash at bank and in hand		132	510
		<u>330</u>	<u>510</u>
CREDITORS: amounts falling due within one year	5	-	(180)
NET CURRENT ASSETS		<u>330</u>	<u>330</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>330</u>	<u>330</u>
CAPITAL AND RESERVES			
Called up share capital	6	-	-
Profit and loss account		330	330
EQUITY SHAREHOLDERS' FUNDS	7	<u>330</u>	<u>330</u>

The financial statements were approved by the Board on 5 February 2002 and signed on its behalf by:

S D Lambert
Director



Inn Business (Marr) Limited

NOTES TO THE ACCOUNTS

at 19 August 2000

1. ACCOUNTING POLICIES

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

Cash flow

The company has taken advantage of the exemption conferred under FRS1 not to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of an EU parent, in whose financial statements a consolidated cash flow statement is prepared.

2. PROFIT AND LOSS ACCOUNT

No transactions undertaken during the period or the proceeding period were in relation to the company's profit and loss account. Accordingly no profit and loss account has been presented.

3. INFORMATION REGARDING THE COMPANY, ITS DIRECTORS, EMPLOYEES AND AUDITORS

The company had no employees during the period (period ended 30 September 1999 – nil). None of the directors received any remuneration from the company in the period (period ended 30 September 1999 – nil). The remuneration has been borne by a fellow group company.

The auditors received no remuneration from the company in the period (period ended 30 September 1999 – nil). Auditors remuneration has been borne by a fellow group company.

4. DEBTORS

	19 August 30 September	
	2000	1999
	£000	£000
Amounts due from group undertakings	198	-
All amounts shown under debtors fall due for payment within one year.		

5. CREDITORS: amounts falling due within on year

	19 August 30 September	
	2000	1999
	£000	£000
Amounts due to group companies	-	180

6. SHARE CAPITAL

Authorised, allotted, called up and fully paid: 1 ordinary share of £1.

Inn Business (Marr) Limited

NOTES TO THE ACCOUNTS

at 19 August 2000

7. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Share capital £000</i>	<i>Profit and loss account £000</i>	<i>Total shareholders' Funds £000</i>
30 September 1999 and at 19 August 2000	-	330	330

8. FINANCIAL COMMITMENTS

There were no financial commitments contracted for at the balance sheet date.

9. ULTIMATE PARENT UNDERTAKING

The largest group in which the results of the company are consolidated is that headed by Punch Group Limited, incorporated in England and Wales. The consolidated accounts of Punch Group Limited may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The smallest group in which the results of the company are consolidated is that headed by Punch Pub Company (IB) Limited, the company's immediate parent undertaking. The consolidated accounts of this company may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

10. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption not to disclose any transactions with entities that are part of the group as it is a wholly-owned subsidiary and consolidated financial statements are publicly available.