



WELLINGTON PUB COMPANY PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2005



GERALD EDELMAN
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WELLINGTON PUB COMPANY PLC

COMPANY INFORMATION

Directors	S Nahum	(Appointed 13 October 2004)
	M Turner	(Appointed 21 September 2004)
Secretary	A Benjamin	
Company number	3406623	
Registered office	25 Harley Street London W1G 9BR	
Auditors	Gerald Edelman 25 Harley Street London W1G 9BR	
Business address	Units 1 & 2 Beechwood Place Wenman Road Thame Oxfordshire OX9 3XA	
Bankers	National Westminster Bank Plc PO Box 75 3 Cornmarket Thame Oxfordshire OX9 3YS	
Solicitors	Gosschalks Queens Gardens Hull HU1 3DZ	

WELLINGTON PUB COMPANY PLC

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WELLINGTON PUB COMPANY PLC

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2005

The directors present their report and financial statements for the period ended 31 March 2005.

Principal activities and review of the business

The principal activity of the company continued to be that of managing leased properties.

Results and dividends

The results for the period are set out on page 5.

An interim ordinary dividend was paid amounting to £4.713 million. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 January 2004:

A McIntosh	(Resigned 31 August 2004)
H Osmond	(Resigned 31 August 2004)
M Jonas	(Resigned 31 August 2004)
B F Baldock	(Resigned 31 August 2004)
T A Teichman	(Resigned 31 August 2004)
R Myers	(Resigned 31 August 2004)
S Nahum	(Appointed 13 October 2004)
D Baker	(Appointed 21 September 2004 and resigned 13 October 2004)
P Norris	(Appointed 31 August 2004 and resigned 21 September 2004)
S Hosier	(Appointed 26 August 2004 and resigned 21 September 2004)
M Turner	(Appointed 21 September 2004)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of 50p each	
	31 March 2005	1 January 2004
S Nahum	-	-
M Turner	-	-

Mr M Turner is a director of Investors in Private Capital Limited, the United Kingdom holding company. His interest in the shares of that company are shown in its own directors report.

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented approximately 25 days (2003 - 30) days' purchases.

Auditors

Gerald Edelman were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

WELLINGTON PUB COMPANY PLC

DIRECTORS' REPORT (CONTINUED) **FOR THE PERIOD ENDED 31 MARCH 2005**

Directors' responsibilities

Company law requires the directors to prepare financial statements 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements 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 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.

On behalf of the board



M Turner
Director

7 October 2005

WELLINGTON PUB COMPANY PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WELLINGTON PUB COMPANY PLC

We have audited the financial statements of Wellington Pub Company Plc on pages 5 to 20 for the period ended 31 March 2005. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom 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.

WELLINGTON PUB COMPANY PLC

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF WELLINGTON PUB COMPANY PLC

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Gerald Edelman



7 October 2005

Chartered Accountants

Registered Auditor

25 Harley Street
London
W1G 9BR

WELLINGTON PUB COMPANY PLC

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2005

		Period ended 31 March 2005 £000's	Year ended 31 December 2003 £000's
	Notes		
Turnover	2	35,160	27,148
Administrative expenses		(3,020)	(1,847)
Other operating income		661	366
Operating profit	3	32,801	25,667
Other interest receivable and similar income	4	1,313	1,061
Interest payable and similar charges	5	(18,647)	(15,786)
Profit on ordinary activities before taxation		15,467	10,942
Tax on profit on ordinary activities	6	(3,906)	(3,834)
Profit on ordinary activities after taxation		11,561	7,108
Dividends	7	(4,713)	(3,100)
Retained profit for the period	17	6,848	4,008

The profit and loss account has been prepared on the basis that all operations are continuing operations.

WELLINGTON PUB COMPANY PLC

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE PERIOD ENDED 31 MARCH 2005

	Period ended 31 March 2005 £000's	Year ended 31 December 2003 £000's
Profit for the financial period	11,561	7,108
Unrealised surplus on revaluation of properties	34,795	151,889
Total recognised gains and losses relating to the period	<u>46,356</u>	<u>158,997</u>

Note of historical cost profits and losses

	Period ended 31 March 2005 £000's	Year ended 31 December 2003 £000's
Reported profit on ordinary activities before taxation	15,467	10,942
Realisation of property revaluation gains of previous years	2,537	291
Historical cost profit on ordinary activities before taxation	<u>18,004</u>	<u>11,233</u>
Historical cost profit for the period retained after taxation, extraordinary items and dividends	<u>9,385</u>	<u>4,299</u>

WELLINGTON PUB COMPANY PLC

BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £000's	2003 £000's
Fixed assets			
Tangible assets	8 and 9	434,489	392,249
Current assets			
Debtors	10	2,944	8,992
Investments	11	-	600
Cash at bank and in hand		22,885	27,378
		<u>25,829</u>	<u>36,970</u>
Creditors: amounts falling due within one year	13	<u>(16,313)</u>	<u>(14,524)</u>
Net current assets		9,516	22,446
Total assets less current liabilities		<u>444,005</u>	<u>414,695</u>
Creditors: amounts falling due after more than one year	14	(195,149)	(210,657)
Provisions for liabilities and charges	15	(13,110)	(9,935)
		<u>235,746</u>	<u>194,103</u>
Capital and reserves			
Called up share capital	16	13	13
Revaluation reserve	17	206,442	174,184
Profit and loss account	17	29,291	19,906
Shareholders' funds - equity interests	18	<u>235,746</u>	<u>194,103</u>

The financial statements were approved by the Board on 7 October 2005


M Turner
Director

WELLINGTON PUB COMPANY PLC

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2005

	Period ended 31 March 2005 £000's	Year ended 31 December 2003 £000's
Net cash inflow from operating activities	37,876	16,303
Returns on investments and servicing of finance		
Interest received	1,275	1,076
Interest paid	(18,647)	(15,782)
Net cash outflow for returns on investments and servicing of finance	(17,372)	(14,706)
Taxation	(576)	-
Capital expenditure		
Payments to acquire tangible assets	(13,299)	(2,251)
Receipts from sales of tangible assets	8,121	5,454
Net cash (outflow)/inflow for capital expenditure	(5,178)	3,203
Equity dividends paid	(4,713)	(3,100)
Net cash inflow before management of liquid resources and financing	10,037	1,700
Financing		
Repayment of bank loans	(14,530)	(6,474)
Net cash outflow from financing	(14,530)	(6,474)
Decrease in cash in the period	(4,493)	(4,774)

WELLINGTON PUB COMPANY PLC

NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2005

1	Reconciliation of operating profit to net cash inflow from operating activities	2005	2003
		£000's	£000's
	Operating profit	32,801	25,667
	Depreciation of tangible assets	85	59
	Profit on disposal of tangible assets	(2,352)	(2,415)
	Decrease/(increase) in debtors	6,048	(6,785)
	Increase/(decrease) in creditors within one year	1,294	(223)
	Net cash inflow from operating activities	37,876	16,303

2	Analysis of net debt	1 January 2004	Cash flow	Other non- 31 March 2005 cash changes
		£000's	£000's	£000's
	Net cash:			
	Cash at bank and in hand	27,378	(4,493)	-
	Debt:			
	Debts falling due after one year	(214,591)	14,530	(252)
	Net debt	(187,213)	10,037	(177,428)

3	Reconciliation of net cash flow to movement in net debt	2005	2003
		£000's	£000's
	Decrease in cash in the period	(4,493)	(4,774)
	Amortisation of loan issue costs	(252)	(131)
	Cash outflow from decrease in debt	14,530	6,474
	Movement in net debt in the period	9,785	1,569
	Opening net debt	(187,213)	(188,782)
	Closing net debt	(177,428)	(187,213)

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties. Turnover relates to one continuing activity, leasing of public houses to independent publicans. All of the company's business is performed in the United Kingdom.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

ATM Machines	20% straight line method
Fixtures & fittings	20% straight line method
Motor vehicles	20% straight line method

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Current asset investments are stated at the lower of cost and net realisable value.

1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

1 Accounting policies (continued)

1.8 Repairs and maintenance

Expenditure on repairs and maintenance is charged to profit on the basis of costs incurred.

1.9 Capital instruments

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments, other than equity shares, is allocated to periods over the term of the instrument at a constant rate on the carrying amount.

1.10 Comparative figures

Comparative figures relate to the twelve month period to 31 December 2003.

2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Operating profit	2005 £000's	2003 £000's
	Operating profit is stated after charging:		
	Depreciation of tangible assets	85	59
	Operating lease rentals	161	72
	Auditors' remuneration	30	25
	and after crediting:		
	Profit on disposal of tangible assets	(2,352)	(2,415)
4	Investment income	2005 £000's	2003 £000's
	Bank interest	1,313	1,061
5	Interest payable	2005 £000's	2003 £000's
	On bank loans and overdrafts	4	-
	Interest on bonds	18,391	15,655
	Amortisation of loan issue costs	252	131
		18,647	15,786

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

6	Taxation	2005 £000's	2003 £000's
	Domestic current year tax		
	U.K. corporation tax	731	-
	Current tax charge	731	-
	Deferred tax		
	Origination and reversal of timing differences	3,175	3,276
	Deferred tax adjustments arising in previous periods	-	558
		3,175	3,834
		3,906	3,834
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	15,467	10,942
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2003: 30.00%)	4,640	3,283
	Effects of:		
	Non deductible expenses	58	4
	Capital allowances	(856)	(816)
	Tax losses utilised	(2,364)	(2,460)
	Profit on sale of tangible fixed assets	(705)	(725)
	Chargeable disposals	888	714
	Other tax adjustments	(930)	-
		(3,909)	(3,283)
	Current tax charge	731	-
7	Dividends	2005 £000's	2003 £000's
	Ordinary interim paid	4,713	3,100

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

8 Tangible fixed assets

	ATM Machines £000's	Fixtures & fittings £000's	Motor vehicles £000's	Total £000's
Cost				
At 1 January 2004	35	175	67	277
Additions	37	-	-	37
Disposals	-	(175)	(67)	(242)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2005	72	-	-	72
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2004	5	72	6	83
Transfer	(5)	5	-	-
On disposals	-	(100)	(13)	(113)
Charge for the period	17	23	7	47
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2005	17	-	-	17
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 March 2005	55	-	-	55
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2003	30	103	61	194
	<hr/>	<hr/>	<hr/>	<hr/>

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

9 Tangible fixed assets

	Investment properties £000's
Cost or valuation	
At 1 January 2004	392,055
Additions	13,262
Revaluation	34,795
Disposals	(5,640)
At 31 March 2005	434,472
Depreciation	
At 1 January 2004	-
Charge for the period	38
At 31 March 2005	38
Net book value	
At 31 March 2005	434,434
At 31 December 2003	392,055

The split of freehold/leasehold buildings is as follows

	Freehold £000's	Short Leasehold £000's	Long Leasehold £000's	Total £000's
Cost or valuation				
At 1 January 2004	381,231	351	10,473	392,055
Exchange differences	-	-	-	-
Additions	13,262	-	-	13,262
Revaluation	37,843	414	(3,462)	34,795
Disposals	(5,640)	-	-	(5,640)
At 31 March 2005	426,696	765	7,011	434,472
Depreciation				
At 1 January 2004	-	-	-	-
Charge for the period	-	38	-	38
At 31 March 2005	-	38	-	38
Net book value				
At 31 March 2005	426,696	727	7,011	434,434
At 31 December 2003	381,231	351	10,473	392,055

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

9 Investment properties

(continued)

The property portfolio was valued in the post balance sheet period by professionally qualified valuers Motcomb Estates Limited. The valuation was carried out in accordance with the RICS Appraisal and Valuation Manual. The director considers this valuation to be valid at the balance sheet date.

Deferred taxation has not been provided on the revaluation surplus as there is no intention to dispose of the properties. The amount of deferred tax that has not been provided on the revalued portfolio is estimated to be £41 million (2003 £41 million).

10 Debtors

	2005 £000's	2003 £000's
Trade debtors	1,196	1,222
Amounts owed by other group undertakings	580	489
Amounts owed by subsidiary undertakings	-	6,586
Other debtors	234	267
Prepayments and accrued income	934	428
	<u>2,944</u>	<u>8,992</u>

11 Current asset investments

	2005 £000's	2003 £000's
Investment in subsidiary undertakings	-	600

12 Cash at bank and in hand

Included in cash is £6million held in a liquidity reserve account. This was set up as part of the bond issue and may be used in certain specified cases of fund deficiency for payments of interest on bond issue.

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

13 Creditors: amounts falling due within one year	2005 £000's	2003 £000's
Current instalment due on bonds (note 13)	5,164	3,934
Trade creditors	1,008	140
Amounts owed to other group undertakings	-	9
Amounts owed to subsidiary undertaking	-	600
Corporation tax	155	-
Other taxes and social security costs	964	934
Other creditors	607	344
Accrued interest on subordinated debt and bond issue	2,914	3,204
Accruals and deferred income	5,501	5,359
	<hr/>	<hr/>
	16,313	14,524
	<hr/>	<hr/>

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

14 Creditors: amounts falling due after more than one year	2005 £000's	2003 £000's
Analysis of loans		
Not wholly repayable within five years:		
Class A secured fixed rate bonds at 6.735% repayable January 2029	151,489	154,506
Class B secured fixed rate bonds at 7.335% repayable January 2029	48,311	50,311
Class C secured fixed rate bonds at 11% repayable January 2029	513	9,774
	<u>200,313</u>	<u>214,591</u>
Included in current liabilities	(5,164)	(3,934)
	<u>195,149</u>	<u>210,657</u>
Loan maturity analysis		
In more than one year but not more than two years	4,897	4,668
In more than two years but not more than five years	15,930	15,144
In more than five years	176,929	193,720
	<u>197,756</u>	<u>213,532</u>
Less : Unamortised issue costs	(2,607)	(2,875)
	<u>195,149</u>	<u>210,657</u>

As security for the payment of all monies due and payable in respect of the Bonds under the trust deed, Wellington Pub Company Plc (the issuer) has entered into a Deed of Charge creating inter alia the following security:

A first fixed charge by way of a mortgage of all estates and other interests of the issuer;

An assignment by way of fixed security of the issuer's right, title, interest and benefit in and to the rental income;

An assignment by way of fixed security of the issuer's right, title, interest and benefit in and to the Assigned Documents;

An assignment by way of first fixed security of the issuer's right title, interest and benefit in and to all amounts from time to time standing to the credit of the Bank Accounts;

A first floating charge over all the property, assets and undertakings of the issuer.

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

14 Creditors: amounts falling due after more than one year

(continued)

On 2 March 1998 the company performed a bond issue for £231 million. The issue costs of £3.3 million are being amortised over the life of the bonds at a constant rate on the carrying amount.

Interest and principal payments on the Class B bonds will be subordinated to such payments on the Class A bonds so that Class B Bondholders will not be entitled to receive any payment of interest or principal unless and until all amounts of interest due or overdue and principal then due to Class A Bondholders have been paid in full.

Interest and principal payments on the Class C Bonds will be subordinated to such payments on the Class B Bonds so that Class C Bondholders will not be entitled to receive any payment of interest or principal unless and until all amounts of interest due or overdue and principal then due to Class A Bondholders and Class B Bondholders have been paid in full.

During the period, the company repaid £9,391,480 (2003 - £4,175,160) of the Class C secured fixed rate bonds, £3,098,880 (2003 - £2,299,520) of the Class A secured fixed rate bonds and £2,040,000 (2003 - £nil) of the Class B secured fixed rate bonds.

15 Provisions for liabilities and charges

	Deferred tax liability £000's
Balance at 1 January 2004	9,935
Profit and loss account	3,175
	<hr/>
Balance at 31 March 2005	13,110
	<hr/>

The deferred tax liability is made up as follows:

	2005 £000's	2003 £000's
Accelerated capital allowances	13,110	9,935
	<hr/>	<hr/>

16 Share capital

	2005 £000's	2003 £000's
Authorised		
100,000 Ordinary shares of 50p each	50	50
	<hr/>	<hr/>
Allotted, called up and fully paid		
Ordinary shares partly paid of £0.50 each	13	13
	<hr/>	<hr/>

The allotted share capital equalled 100,000 shares at £0.50 each of which 400 shares which were fully paid and 99,600 shares were partly paid at £0.125 each.

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

17 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£000's	£000's
Balance at 1 January 2004	174,184	19,906
Retained profit for the period	-	6,848
Transfer from revaluation reserve to profit and loss account	(2,537)	2,537
Revaluation during the period	34,795	-
Balance at 31 March 2005	206,442	29,291

18 Reconciliation of movements in shareholders' funds

	2005 £000's	2003 £000's
Profit for the financial period	11,561	7,108
Dividends	(4,713)	(3,100)
	6,848	4,008
Other recognised gains and losses	34,795	151,889
Net addition to shareholders' funds	41,643	155,897
Opening shareholders' funds	194,103	38,206
Closing shareholders' funds	235,746	194,103

19 Financial commitments

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2005 £000's	2003 £000's
Expiry date:		
In over five years	210	210

20 Employees

Number of employees

There were no employees during the period apart from the directors.

WELLINGTON PUB COMPANY PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2005

21 Control

The company's parent undertaking is Wellington Investments Limited. The ultimate United Kingdom holding company is Investors in Private Capital Limited. The ultimate controlling party is Landal Worldwide Corp, a company registered in the British Virgin Islands.

22 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Mr M Turner is a director of Motcomb Estates Limited, the company that carried out the valuation of the *investment properties*.