

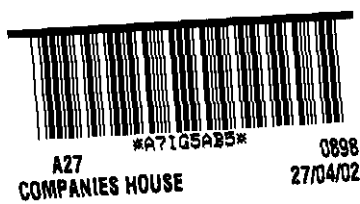
BEDE INTERMEDIATE COMPANY PLC

Report and Financial Statements

Period ended 29 September 2001

Registered Number: 4154919

 ERNST & YOUNG



Bede Intermediate Company plc

DIRECTORS REPORT

for the period ended 29 September 2001

The Directors present their report on the affairs of the Company, together with the financial statements and report of the auditors, for the period ended 29 September 2001.

Principal activities, business review, results and dividends

The company was incorporated on 6 February 2001. The principal activity of the Company is to hold an investment in Voyager Pub Group Holdings Limited. The Company changed its accounting reference date to 30 September on 7 February 2001.

The retained loss of £951 has been transferred to reserves.

Directors and their interests

The following served as Directors of the Company during the period:

Huntsmoor Nominees Limited	(Appointed 6 February 2001, resigned 7 February 2001)
Huntsmoor Limited	(Appointed 6 February 2001, resigned 7 February 2001)
M Fresson	(Appointed 7 February 2001)
R Punja	(Appointed 7 February 2001, resigned 1 August 2001)
M C Johnson	(Appointed 7 February 2001, resigned 20 March 2001)
M L Simpson	(Appointed 7 February 2001, resigned 1 August 2001)
C M Rowlinson	(Appointed 1 August 2001)
F S Duncan	(Appointed 20 March 2001, resigned 19 December 2001)

None of the Directors had any interest in the shares of the Company during the period.

Supplier payment policy

The company does not have any external trade creditors.

Contracts and Arrangements

No Director was materially interested in any contract of significance to the Company's business.

Auditors

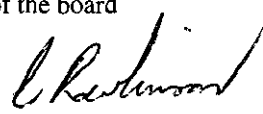
Ernst & Young LLP were appointed auditors in the period, Ernst & Young LLP have expressed their willingness to continue in office as auditors, and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Liability insurance for Company officers

As permitted by section 310 (3) of the Companies Act 1985, the Company has maintained insurance cover for the Directors against liabilities in relation to the Company.

On behalf of the board

Director


COLIN ROWLINSON

Dated

25/2/02

Bede Intermediate Company plc

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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, and
- 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.

REPORT OF THE AUDITORS to the shareholders of Bede Intermediate Company plc

We have audited the company's financial statements for the period ended 29 September 2001 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 14. 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 29 September 2001 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Birmingham

Dated

25 February 2002

Bede Intermediate Company plc

PROFIT AND LOSS ACCOUNT

for the period ended 29 September 2001

	<i>Notes</i>	<i>235 days ended 29 September 2001 £</i>
OPERATING LOSS		-
Interest receivable and similar income	3	14,116,110
Interest payable and similar charges	4	(14,116,202)
Loss on ordinary activities before and after taxation		(92)
Dividends (including dividends and other appropriations in respect of non-equity shares)	5	(859)
RETAINED LOSS FOR THE PERIOD	11	(951)

The Company has no recognised gains and losses during the period other than the losses above and therefore no separate statement of total recognised gains and losses has been presented.

The notes 1 to 14 form an integral part of these financial statements.


Bede Intermediate Company plc

BALANCE SHEET

at 29 September 2001

	Notes	29 September 2001 £
FIXED ASSETS		
Investments	6	-
CURRENT ASSETS		
Debtors: amounts falling due after more than one year	7	250,116,110
Debtors: amounts falling due within one year	7	12,500
		<u>250,128,610</u>
CREDITORS: amounts falling due within one year	8	(92)
NET CURRENT ASSETS		<u>250,128,518</u>
CREDITORS: amounts falling due after more than one year	9	(250,116,110)
NET ASSETS		<u>12,408</u>
CAPITAL AND RESERVES		
Share capital	10	12,500
Profit and loss account	11	(92)
Total shareholders' funds		<u>12,408</u>
Total shareholders funds are represented by:		
Shareholders' funds allocated to non-equity	11	13,359
Shareholders' funds allocated to equity	11	(951)
		<u>12,408</u>

Signed on behalf of the Board


 Director COLIN ROBINSON
 Dated 25/2/02

The notes 1 to 14 form an integral part of these financial statements.

Bede Intermediate Company plc

NOTES TO THE FINANCIAL STATEMENTS

at 29 September 2001

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, are set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention. They have been drawn up to comply with applicable UK accounting standards.

Cash flow

In accordance with FRS 1 (Revised) these financial statements do not include a cash flow statement as the Company is a wholly owned subsidiary of Angel Street Capital Limited whose financial statements include a consolidated cash flow statement.

Consolidation

The financial statements contain information about the individual Company and do not contain consolidated financial information as the parent of a group. The company is exempt from preparing group accounts under S.228 of Companies Act 1985 since the company is a wholly subsidiary undertaking of another UK company.

2. OPERATING EXPENSES

The Company has no employees apart from the directors who receive no emoluments from the Company.

The audit costs for this company are borne by Voyager Pub Group Limited.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	235 days ended 29 September 2001 £
Interest receivable on £236,000,000 zero coupon loan notes	14,116,110
	<u>14,116,110</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	235 days ended 29 September 2001 £
Interest accrued on £236,000,000 zero coupon loan notes	14,116,110
Bank charges	92
	<u>14,116,202</u>

Bede Intermediate Company plc

NOTES TO THE FINANCIAL STATEMENTS

at 29 September 2001

5. DIVIDENDS

235 days ended
29 September
2001
£

Dividends on non-equity shares:

Appropriations in respect of cumulative preference shares 859

6. INVESTMENTS

29 September
2001
£

One ordinary share of £0.01 in Voyager Pub Group Holdings Limited 0.01

The one ordinary share held in Voyager Pub Group Holdings Limited represents the entire ordinary issued share capital of that company.

7. DEBTORS

29 September
2001
£

Debtors: amounts falling due after more than one year

Amounts due from fellow group undertakings 250,116,110

Debtors: amounts falling due within one year

Amounts due from fellow group undertakings 12,500

On 23 March 2001, Voyager Pub Group Holdings Limited entered into an agreement with the company for the creation of a facility of up to £250,000,000 in relation to zero coupon unsecured notes due 2006.

On 26 March 2001, the company issued loan notes with an aggregate value of £236,000,000 redeemable on 27 March 2006 for a value of £416,170,910. The interest receivable for those loan notes has been calculated on the net proceeds paid and the total amount receivable. This benefit has been allocated to the profit and loss account over the term of the loan notes at a constant rate.

Bede Intermediate Company plc

NOTES TO THE FINANCIAL STATEMENTS

at 29 September 2001

8. CREDITORS: amounts falling due within one year

	29 September 2001 £
Bank overdraft	92
	<u>92</u>

9. CREDITORS: amounts falling due after more than one year

	29 September 2001 £
Zero coupon loan notes due within two to five years	250,116,110
	<u>250,116,110</u>

On 23 March 2001, Bede Intermediate Company PLC entered into an agreement with Nomura International PLC for the creation of a facility of up to £250,000,000 in relation to zero coupon unsecured notes due 2006.

On 26 March 2001, loan notes with an aggregate value of £236,000,000 were issued which will be redeemed on 27 March 2006 for a value of £416,170,910. The interest expense for these loan notes has been calculated as the difference between the net proceeds received and the total amount payable. This cost has been allocated to the profit and loss account over the term of the loan notes at a constant rate.

The remaining £14,000,000 of the original facility was cancelled with effect from 5 April 2001.

10. SHARE CAPITAL

	29 September 2001 £
<i>Authorised:</i>	
100 ordinary shares of £0.01 each	1.00
50,000 cumulative redeemable preference shares of £1.00 each	50,000.00
	<u>50,001.00</u>
<i>Allotted:</i>	
2 ordinary shares of £0.01 each	0.02
Cumulative redeemable preference shares of £1.00 each	50,000.00
	<u>50,000.02</u>
<i>Called up and paid up share capital:</i>	
2 ordinary shares of £0.01 each	0.02
50,000 cumulative £1 preference shares at 25p	12,500.00
	<u>12,500.02</u>

On 5 February 2001, 2 ordinary shares of £0.01 were issued at par for cash.

Bede Intermediate Company plc

NOTES TO THE FINANCIAL STATEMENTS

at 29 September 2001

10. SHARE CAPITAL - *continued*

On the 15 March 2001 the company issued 50,000 cumulative redeemable preference shares of £1 each which were called up and partly paid up in cash to £0.25 to Bede Holding Company Limited.

The cumulative redeemable preference shares are entitled to a dividend level of 12% per annum accruing on a daily basis. On a return of capital on a winding up, the holders shall be entitled to £1 per share in preference to all other shareholders, payable 30 June and 31 December. Holders of these shares do not have the right to vote at meetings.

11. MOVEMENT IN SHAREHOLDERS' FUNDS AND RESERVES

	Share Capital £	Profit and loss account £	Total £
At 6 February 2001	-	-	-
Issue of preference shares	12,500	-	12,500
Loss for period	-	(951)	(951)
Appropriation in respect of cumulative redeemable preference shares	-	859	859
At 29 September 2001	12,500	(92)	12,408

Shareholders funds allocated to non-equity

	29 September 2001 £
Non-equity share capital	12,500
Cumulative dividend not yet declared (see note 5)	859
	13,359

Shareholders funds allocated to equity

Equity share capital	-
Profit and loss reserve	(92)
Cumulative dividend due to non-equity shareholders	(859)
	(951)

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 8 not to disclose details of the related party transactions required by the standard on the grounds that consolidated accounts of the ultimate parent company are publicly available.

NOTES TO THE FINANCIAL STATEMENTS

at 29 September 2001

13. ULTIMATE PARENT UNDERTAKING

The Company is a subsidiary undertaking of Bede Holding Company Limited, a company registered in England and Wales.

The only group in which the results of Bede Intermediate Company plc are consolidated is that headed by Angel Street Capital Limited, a company registered in England and Wales. Copies of Angel Street Capital Limited consolidated accounts are available at Carmelite, 50 Victoria Embankment, Blackfriars, London, EC1Y 4DX.

14. CONTROLLING PARTY

The Nomura Group of Companies, of which Nomura International plc is the principal UK subsidiary, has the ability to exercise a controlling influence over the company through the Nomura Group's holding of warrants to subscribe for ordinary shares of Angel Street Holdings plc, a subsidiary undertaking of Angel Street Capital Limited.