

Bede Intermediate Company Limited

(Registered Number: 4154919)

Annual Report

For the Year Ended 30 September 2003



Bede Intermediate Company Limited

Directors' Report for the Year Ended 30 September 2003

The directors present their report together with the audited financial statements of the company for the year ended 30 September 2003.

Principal activities

The principal activity of the company is to act as a holding company and will continue to do so for the foreseeable future.

Results for the year

For the year to 30 September 2003, the company is reporting a profit before tax of £nil (year ended 30 September 2002: £nil).

Dividend

No dividend on ordinary shares has been paid during the year (year ended 30 September 2002: £nil) and the directors do not recommend the payment of a final dividend on ordinary shares (year ended 30 September 2002: £nil).

Directors

The directors who held office during the year and since the end of the year were:

K Honeywood

G Turner

A Winning

None of the directors who held office during the period had any disclosable interest in the shares of the company.

Going concern

The directors continue to adopt the going concern basis in preparing the accounts. This is because the directors, after making enquiries and following a review of the group's budget for the next financial year, including cash flows and borrowing facilities, consider that the group has adequate resources to continue in operation for the foreseeable future.

Auditors

Following the resignation of Ernst & Young LLP on 15 July 2003, PricewaterhouseCoopers LLP have been appointed as auditors to the company with effect from 21 July 2003. The company has passed an elective resolution to allow PricewaterhouseCoopers LLP to continue in office.

By Order of the Board



Director

G TURNER

15/11/03

Bede Intermediate Company Limited

Statement of 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; 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.

The directors are also responsible for the maintenance and integrity of the Group's websites, over which uncertainty regarding legal requirements is compounded as information published on the internet is accessible in many countries with different legal requirements relating to the preparation and dissemination of financial statements.

Independent Auditors' Report to the Members of Bede Intermediate Company Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion has been prepared for, and only for, the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

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 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. The other information comprises only the directors' report.

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.

**Independent Auditors' Report to the Members of Bede
Intermediate Company Limited** (Continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

15 January 2004

Bede Intermediate Company Limited

Profit and Loss Account for the year ended 30 September 2003

		Year ended 30 September 2003 £'000	Year ended 30 September 2002 £'000
	Note		
Operating profit	2	-	-
Profit on disposal of tangible fixed assets		-	-
Interest receivable and similar income	5	-	13,712
Interest payable and similar charges	5	-	(13,712)
Profit on ordinary activities before taxation		-	-
Taxation		-	-
Dividends (including dividends and other appropriations in respect of non-equity shares)	9	(1)	(1)
Loss for the financial year		(1)	(1)

All of the operations of the company are continuing.

There is no difference between the results for the year as stated and the results under the historical cost convention.

The notes on pages 8 to 11 form part of these financial statements.

Bede Intermediate Company Limited

Statement of Total Recognised Gains and Losses for the Year Ended 30 September 2003

	Year ended 30 September 2003 £'000	Year ended 30 September 2002 £'000
(Loss) for the financial year	(1)	(1)
Revaluation of investments in subsidiaries	7,588	145,586
Total recognised gains and losses in the year	7,587	145,585

The notes on pages 8 to 11 form part of these financial statements.

Bede Intermediate Company Limited

Balance Sheet as at 30 September 2003

		Year ended 30 September 2003 £'000	Year ended 30 September 2002 £'000
	Note		
Fixed assets			
Investments	6	129,127	121,539
Current assets			
Debtors	7	12	12
Cash at bank		-	-
		12	12
Creditors: amounts falling due within one year		-	-
Net current assets		12	12
Net assets		129,139	121,551
Capital and reserves			
Called up share capital	8	12	12
Revaluation reserve	9	129,127	121,539
Profit and loss account	9	-	-
Total Shareholders' funds		129,139	121,551

Total Shareholders funds are represented by :

Shareholders' funds allocated to non equity interests	16	15
Shareholders' funds allocated to equity interests	129,123	121,536
	129,139	121,551

Approved by the Board on 15/1/04

A. W. P. N. G.

Director

A. W. P. N. G.

The notes on pages 8 to 11 form part of these financial statements.

Bede Intermediate Company Limited

Notes to the Accounts – 30 September 2003

1 Accounting policies

(1) Basis of preparation

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, and in accordance with applicable Accounting Standards in the United Kingdom.

The directors consider that the accounting policies set out below are suitable and have been both consistently applied and are supported by reasonable and prudent judgements and estimates. The company has taken advantage of the exemption from preparing consolidated financial statements under section 228(2) of the Companies Act 1985, as it is a wholly owned subsidiary of The Unique Pub Company Limited.

(2) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

FRS 19 'Deferred Taxation' was issued on 7 December 2000 and is mandatory for years ending on or after 23 January 2002.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only when the replacement assets are sold; and
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxation profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(3) Cash flow

In accordance with FRS1 (Revised) these financial statements do not include a cash flow statement as the Company is a wholly owned subsidiary undertaking of The Unique Pub Company Limited whose financial statements include a consolidated cash flow statement and are publicly available.

Bede Intermediate Company Limited

Notes to the Accounts – 30 September 2003

1 Accounting policies (Continued)

(4) Related party disclosures

The company has taken advantage of the exemption under FRS 8 – Related Party Transactions not to disclose related party transactions between wholly-owned group companies on the grounds that the consolidated accounts of the ultimate parent company are publicly available.

(5) Investments

Investments in subsidiaries are carried at not more than the underlying net asset values of the individual subsidiaries.

The company has taken advantage of the exemption under S228(2) of the Companies Act 1985 not to prepare group accounts as it is a wholly-owned subsidiary of The Unique Pub Company Limited.

2 Loss on ordinary activities before taxation

The audit fees of the company for the year ended 30 September 2003 of £3,000 (year ended 30 September 2002: £3,000) are borne by another group company

3 Directors' emoluments

During the current and prior years the directors received no emoluments from the company.

4 Employees

The company had no employees during the current or prior years

5 Interest

	Year ended 30 September 2003 £'000	Year ended 30 September 2002 £'000
Interest Receivable		
Interest receivable on loan note from subsidiary company	-	13,712
	-	13,712
Interest Payable		
Interest on loans with parent undertaking	-	13,712
	-	13,712

Bede Intermediate Company Limited

Notes to the Accounts – 30 September 2003

6 Investments

Subsidiary Undertakings

	Shares at Cost £'000	Revaluation to net asset value £'000	Total £'000
At 30 September 2002	-	121,539	121,539
Movement in the year	-	7,588	7,588
At 30 September 2003	-	129,127	129,127

The company holds one ordinary share (cost 1 pence) in Voyager Pub Group Holdings Limited representing the entire ordinary share capital of that company. Voyager Pub Group Holdings Limited is a holding company registered in England and Wales.

The investment in subsidiary undertakings is stated at the net asset values of the subsidiaries.

7 Debtors

	2003 £'000	2002 £'000
Amounts owed by group companies	12	12

8 Called up share capital

	2003 £	2002 £
Authorised		
100 ordinary shares of £0.01 each	1	1
50,000 cumulative redeemable preference shares of £1 each	50,000	50,000
	50,001	50,001
	2003 £'000	2002 £'000
Allotted, called up and fully paid		
2 ordinary shares of £0.01 each	-	-
50,000 cumulative redeemable preference shares of £1 each (part paid)	12	12
	12	12

Bede Intermediate Company Limited

Notes to the Accounts – 30 September 2003

8 Called up share capital (continued)

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

On 15 March 2001 the company issued 50,000 cumulative redeemable preference shares of £1 each which were called up and partly paid 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.

9 Movement in shareholders' funds and reserves

	Share capital £'000	Revaluation reserve £'000	Profit & loss account £'000	Total £'000
At 30 September 2002	12	121,539	-	121,551
Retained loss for the year	-	-	(1)	(1)
Revaluation of investment in subsidiaries	-	7,588	-	7,588
Appropriation in respect of cumulative redeemable preference shares	-	-	1	1
At 30 September 2003	12	129,127	-	129,139

10 Ultimate parent company

The company's immediate parent company is Bede Holding Company Limited a company registered in England and Wales whose principal place of business is at Mill House, Aylesbury Road, Thame, Oxford OX9 3AT. The Unique Pub Company Limited, a company registered in England and Wales, heads the largest group for which consolidated accounts are drawn up. These consolidated accounts are available at Mill House, Aylesbury Road, Thame, Oxford OX9 3AT.

11 Controlling party

The company is ultimately owned and controlled by funds managed by Cinven; these funds control 52.6% of the issued share capital.