

**Directors' Report for the Year Ended 28 April 2002**

The accounts for the year are attached.

The company has not traded during the year and accordingly it has made neither a profit nor a loss. No Profit or Loss Account has therefore been prepared.

The following served as Directors during (and, unless otherwise indicated, throughout) the year:

	<i><b>Appointed</b></i>	<i><b>Resigned</b></i>
G G M Izatt		
Scottish & Newcastle Breweries (Services) Ltd		

The Directors' interests in shares of Scottish & Newcastle plc (including options granted under the terms of the United Kingdom employee share schemes to subscribe for ordinary shares) at 30 April 2000 and 29 April 2001 were as follows:

	<i><b>28 April 2002</b></i>		<i><b>29 April 2001</b></i>	
	<i>Shares</i>	<i>Options</i>	<i>Shares</i>	<i>Options</i>
G G M Izatt	28,018	84,531	27,171	65,537
Scottish & Newcastle Breweries (Services) Ltd	-	-	-	-

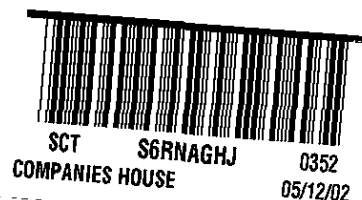
By Order of the Board



M Stevens

Secretary

28 November 2002



**Balance Sheet as at 28 April 2002**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
CURRENT ASSETS		
DEBTORS: Amounts due by Scottish & Newcastle plc	950,000	950,000
NET ASSETS	<u>950,000</u>	<u>950,000</u>

**CAPITAL AND RESERVES**

SHARE CAPITAL – See note 2	<u>950,000</u>	<u>950,000</u>
	<u>950,000</u>	<u>950,000</u>

For the year ended 28 April 2002 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records which comply with section 221;
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year; and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

**Notes to the Accounts**

1. The ultimate holding company is Scottish & Newcastle plc, a company incorporated in Scotland.
2. The detail of the Share Capital is as follows:

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
<u>Authorised</u>		
1,000,000 Ordinary Shares of £1 fully paid	1,000,000	1,000,000
<u>Allotted</u>		
- Fully Paid Up		
900,000 Ordinary Shares of £1 fully paid	900,000	900,000
- Partly Paid		
100,000 Ordinary Shares of £1 each – 50p paid	<u>50,000</u>	<u>50,000</u>
	<u>950,000</u>	<u>950,000</u>

Signed on behalf of the Board

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G G M Izatt

Director

Edinburgh

28 November 2002