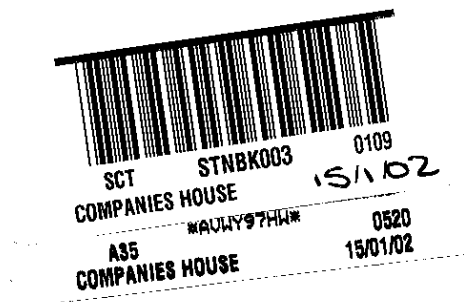


Company Number 4676 (Scotland)

DIRECTORS' REPORT AND ACCOUNTS
CENTRE HOTELS (CRANSTON) LIMITED
30 SEPTEMBER 2001

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CENTRE HOTELS (CRANSTON) LIMITED**DIRECTORS' REPORT****For the year ended 30 September 2001**

The directors present their annual report on the affairs of the Company, together with the accounts and auditors' report for the year ended 30 September 2001.

PRINCIPAL ACTIVITY AND REVIEW

The Company has not traded during the year, therefore no Profit and Loss Account has been prepared.

No dividend is proposed.

DIRECTORS

The following served as directors of the Company during the year :

L D Ritson

R L Jackman

S I Rees

DIRECTORS' INTERESTS

The following directors had an interest in the ordinary shares of Six Continents PLC (formerly Bass PLC - the ultimate parent company) at 30 September 2001.

Name of Director	Fully Paid Ordinary Shares		Under Option Granted 2000	Ordinary Shares Exercised In Year	Granted 2001	Option Price	Earliest Exercise Date
	2000	2001					
R.L.Jackman	-	-	8300	-	8300	746.00p	Feb-99
			7800	-	7800	851.50p	Feb-00
			6700	-	6700	1014.50p	Mar-01
			1300	-	1300	798.00p	Feb-02
			16600	-	16600	597.00p	Feb-03
					13800	723.00p	Mar-04
L.D. Ritson	-	-	7900	-	7900	746.00p	Feb-99
			8000	-	8000	851.50p	Feb-00
			7000	-	7000	1014.50p	Mar-01
			3100	-	3100	798.00p	Feb-02
			20700	-	20700	597.00p	Feb-03
					15000	723.00p	Mar-04


The directors had no interests in the shares of the Company or other group companies other than those mentioned above.

Centre Hotels (Cranston) Limited
107 Queensferry Road
Edinburgh
EH4 3H

By order of the Board

Secretary:

Date:


3/12/01

CENTRE HOTELS (CRANSTON) LIMITED
BALANCE SHEET
30 September 2001

	NOTES	2001 £	2000 £
Fixed asset investments			
Shares in group companies - Subsidiary undertakings	2	100	100
Current assets			
Amounts owed by group undertakings		14,021,703	14,021,703
		<hr/>	<hr/>
		14,021,803	14,021,803
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	3	5,793,030	5,793,030
Profit and loss account		8,228,773	8,228,773
		<hr/>	<hr/>
Total shareholders' funds		14,021,803	14,021,803
		<hr/>	<hr/>
Shareholders funds are attributable to:			
Equity shareholders' funds			
Non equity shareholders' funds		13,936,363	13,936,363
		85,440	85,440
		<hr/>	<hr/>
		14,021,803	14,021,803
		<hr/>	<hr/>

For the year ended 30 September 2001 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

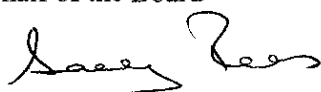
No members have required the company to obtain an audit of it's accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for:

- Ensuring the company keeps accounting records which comply with section 221;
- 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.

Signed on behalf of the Board

Director:



Date:

29/11/01

The accompanying notes are an integral part of this balance sheet.

CENTRE HOTELS (CRANSTON) LIMITED
NOTES TO ACCOUNTS
30 September 2001

1. Directors' remuneration

No remuneration was paid to the directors of the Company.

2. Shares in group undertakings

£

Cost at 30 September 2000 and 30 September 2001 100

Details of the principal subsidiary held is given below:-

Company	Main Activity	Proportion of held shares Ordinary Shares
Centre Airport Hotel (London) Limited	Non Trading	100%

In the opinion of the directors, the aggregate value of the shares in and amounts owing from the subsidiary undertakings is not less than the aggregate of the amounts at which they are stated in the company's balance sheet.

3. Called up share capital

	2001 £	2000 £
Ordinary Shares		
Authorised 60,000,000 shares of 10p each	<u>6,000,000</u>	<u>6,000,000</u>
Allotted, called up and fully paid 57,075,904 shares of 10p each	<u>5,707,590</u>	<u>5,707,590</u>
Cumulative Preference Stock		
Authorised, allotted and fully paid 7% (now 4.9% plus tax credit):		
85,440 preference stock of £1 each	<u>85,440</u>	<u>85,440</u>

CENTRE HOTELS (CRANSTON) LIMITED
NOTES TO ACCOUNTS (Continued)
30 September 2001

4. Debtors

A provision of £2,481,402 has been made in these accounts in respect of a further amount receivable from a subsidiary.

5. Ultimate parent company

The Company is a subsidiary undertaking of Six Continents PLC (formerly Bass PLC), a company incorporated in Great Britain and registered in England and Wales.

The largest and smallest group in which the results of Centre Hotels (Cranston) Limited are consolidated is that headed by Six Continents PLC (formerly Bass PLC), a company registered in England and Wales. The consolidated accounts of Six Continents PLC (formerly Bass PLC) are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.