

Registered Number: SC 208806

**ORCHARD
INCORPORATIONS (13S)
LIMITED**

REPORT & ACCOUNTS

1 March 2007

TUESDAY



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18/12/2007

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COMPANIES HOUSE

ORCHARD INCORPORATIONS (13S) LIMITED

DIRECTORS

JAM Orr
P Findlay (*Executor for AP Doolan*)
ADM MacDonald
PC Flaum
C Elliot

SECRETARY:

Queensferry Secretaries Limited

AUDITORS

Ernst & Young LLP
400 Capability Green
Luton
LU1 3LU

REGISTERED OFFICE:

Lindsays Solicitors
Caledonian Exchange
19a Canning Street
Edinburgh
EH3 8HE
Scotland

REGISTERED NUMBER:

SC 208806

ORCHARD INCORPORATIONS (13S) LIMITED

DIRECTORS' REPORT

Accounts

The directors present their report and financial statements for the year ended 1 March 2007

Principal activities

The company did not trade during the year and the directors do not recommend the payment of a dividend (2006 £nil)

Directors

Details of directors who served during the period are as follows

JAM Orr

P Findlay (*Executor for AP Doolan*)

ADM MacDonald

N Cooper

resigned 11 September 2006

AD Pellington

resigned 1 November 2006

PC Flaum

C Elliot

appointed 11 September 2006

All fees paid to the directors as remuneration are borne by Whitbread Group PLC

Disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that

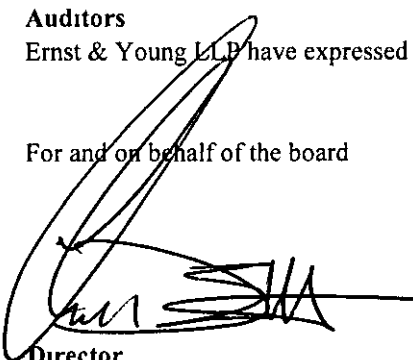
to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and

each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Ernst & Young LLP have expressed their willingness to continue in office as auditor of the company

For and on behalf of the board

A large, stylized handwritten signature in black ink, appearing to be 'JAM Orr', is written over the text 'For and on behalf of the board'.

Director

6/12/07

ORCHARD INCORPORATIONS (13S) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for the period. In preparing these 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 have responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which 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.

ORCHARD INCORPORATIONS (13S) LIMITED

INDEPENDENT AUDITORS REPORT

to the members of Orchard Incorporations (13S) Limited

We have audited the company's financial statements for the year ended 1 March 2007 which comprise the primary financial statement the Balance Sheet and related notes 1 to 6. These financial statements have been prepared under 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 auditors' 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 directors and auditors

The directors are responsible for the preparation of the Annual report and financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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 International Standards on Auditing (UK and Ireland).

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 information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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.

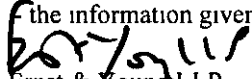
Opinion

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice and of the state of the company's affairs as at 1 March 2007,

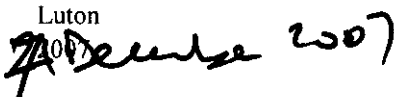
the financial statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the directors' report is consistent with the financial statements.


Ernst & Young LLP

Registered Auditor

Luton



ORCHARD INCORPORATIONS (13S) LIMITED

BALANCE SHEET

At 1 March 2007

	Notes	<u>2007</u>	<u>2006</u>
		£	£
FIXED ASSETS			
Investments	3	2,483,674	2,483,674
CREDITORS amounts falling due after more than one year			
Morrison Street Hotel Limited		<u>(2,483,574)</u>	<u>(2,483,574)</u>
TOTAL ASSETS LESS LIABILITIES		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	4	<u>100</u>	<u>100</u>
SHAREHOLDERS' FUNDS	5	<u>100</u>	<u>100</u>



Director

6/12/07

ORCHARD INCORPORATIONS (13S) LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards

Cash flow statement

As permitted by Financial Reporting Standard No 1 (revised) a cash flow statement has not been prepared as the company is a small entity based on the small companies exemption in companies legislation

Investments

Investments in financial assets are initially recognised at cost, being fair value of the consideration given and including acquisition charges associated with the investment

After initial recognition financial investments are measured at cost until the investment is disposed of or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported is included in the income statement for the period

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the year and therefore has not presented a profit and loss account

3. UNLISTED INVESTMENT

	<u>2007</u>	<u>2006</u>
	£	£
At 2 March 2006	2,483,674	2,483,674
Additions		
At 1 March 2007	<u>2,483,674</u>	<u>2,483,674</u>

The investment is 100% of the preference shares of Morrison Street Hotel Limited, a company registered in Scotland, which is also the main area of its operation

4 SHARE CAPITAL

	<u>2007</u>	<u>2006</u>
	£	£
'A' ordinary shares of £1 each	40	40
'B' ordinary shares of £1 each	60	60
	<u>100</u>	<u>100</u>

5 MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>2007</u>	<u>2006</u>
	£	£
Equity shareholders' funds at 2 March 2006	100	100
Equity shareholders' funds at 1 March 2007	<u>100</u>	<u>100</u>

6. PARENT UNDERTAKING

60% of the shareholding is held by its directors as shown in the directors report The remaining 40% of the issued share capital of the company is owned by Whitbread Group PLC