

STRINGFELLOW RESTAURANTS LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD

1ST JANUARY 2000 TO 30TH JUNE 2001

Registered number : 2090397



WEST AND FOSTER

CHARTERED ACCOUNTANTS

STRINGFELLOW RESTAURANTS LIMITED

COMPANY INFORMATION

PERIOD ENDED 30TH JUNE 2001

REGISTERED NUMBER	2090397
DIRECTORS	P J Stringfellow C S Silver R Howe
SECRETARY	B H Company Secretarial Services
REGISTERED OFFICE	235 Old Marylebone Road London NW1 5QT
AUDITORS	West and Foster Chartered Accountants and Registered Auditors 96 Trippet Lane Sheffield S1 4EL
BANKERS	Barclays Bank plc 50 Pall Mall P O Box 15162 London SW1A 1QB

STRINGFELLOW RESTAURANTS LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED

30TH JUNE 2001

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STRINGFELLOW RESTAURANTS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30TH JUNE 2001

The directors present their report and the audited financial statements for the period ended 30th June 2001.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period 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;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements.
- 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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company's principal activity during the period was that of the operation of "Stringfellows" nightclub in London, including the provision of Cabaret of the Angels nights.

Principal activities of subsidiary undertakings are disclosed in note 11 to the financial statements on pages 12 and 13. Review of business is as follows:

The directors are satisfied with the performance of the company during the period and do not anticipate any significant events in the coming year.

Cabaret of the Angels Limited continued to trade profitably during the period.

PROFIT, DIVIDENDS AND APPROPRIATIONS

The results for the period are shown on the profit and loss account on page 4.

No dividends are proposed.

DIRECTORS

The directors who served during the period and their beneficial interests in the company's issued share capital were:

	Ordinary Shares of £1 each	
	30th June 2001	31st December 1999
P J Stringfellow	5000	5000
C S Silver	495,000	495,000
R Howe	-	-

The directors' interests in or contracts with the company during the period are disclosed in Notes 21 and 22 to the financial statements.

STRINGFELLOW RESTAURANTS LIMITED**DIRECTORS' REPORT FOR THE PERIOD ENDED 30TH JUNE 2001 - continued****YEAR 2000 COMPLIANCE AND THE EURO**

The company has experienced no significant computer or operating problems arising from the advent of the year 2000.

There may be problems yet to be identified but the directors are confident of being able to deal promptly with any that may occur. Costs of dealing with the year 2000 issue are expensed as incurred and are not deemed to be material.

The impact of the euro has also been considered and is not anticipated to be significant.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the period the company made various charitable donations totalling £30,020 (1999: £41,700). There are no contributions to any political parties included within this amount.

AUDITORS

The auditors, West and Foster, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report was approved by the board on 26th June 2002 and signed on its behalf by.



for B H Company Secretarial Services
Secretary

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
STRINGFELLOW RESTAURANTS LIMITED**

We have audited the financial statements of Stringfellow Restaurants Limited for the period 1st January 2000 to 30th June 2001 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on pages 8 and 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 30th June 2001 and of its loss for the period then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985, as amended.



West & Foster,
Chartered Accountants and Registered Auditors
96 Trippet Lane
Sheffield
S1 4EL

26th June 2002

STRINGFELLOW RESTAURANTS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30TH JUNE 2001**

	Note	18 Months to 30th June 2001 £	Year to 31st December 1999 £
TURNOVER	1.2, 2	7,806,105	5,347,971
Cost of sales		(3,291,615)	(1,999,363)
GROSS PROFIT		4,514,490	3,348,608
Administrative expenses		(5,082,331)	(2,748,501)
Other operating income		56,292	43,820
OPERATING (LOSS)/PROFIT	3	(511,549)	643,927
Interest receivable	6	111,959	38,120
Interest payable	7	(1,913)	(6,612)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(401,503)	675,435
Taxation on profit on ordinary activities	8	58,416	(204,807)
RETAINED (LOSS)/PROFIT FOR THE PERIOD/YEAR		(343,087)	470,628
RETAINED PROFIT BROUGHT FORWARD		1,245,293	774,665
RETAINED PROFIT CARRIED FORWARD		£902,206	£1,245,293

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the results for the above two financial periods.

The notes on pages 8 to 17 form part of these financial statements.

STRINGFELLOW RESTAURANTS LIMITED

BALANCE SHEET
AS AT 30TH JUNE 2001

	Note	30th June 2001		31st December 1999	
		£	£	£	£
FIXED ASSETS					
Intangible fixed assets	9		150,000		150,000
Tangible fixed assets	10		1,439,894		1,381,586
Investments	11		86,144		12
			1,676,038		1,531,598
CURRENT ASSETS					
Stocks	12	84,238		147,832	
Debtors	13	272,524		300,373	
Cash at bank and in hand		641,172		1,513,636	
		997,934		1,961,841	
CREDITORS : Amounts falling due within one year	14	(1,270,814)		(1,747,194)	
NET CURRENT (LIABILITIES)/ASSETS			(272,880)		214,647
TOTAL ASSETS LESS CURRENT LIABILITIES			1,403,158		1,746,245
CREDITORS : Amounts falling due after more than one year			-		-
NET ASSETS			£1,403,158		£1,746,245
CAPITAL AND RESERVES					
Called up share capital	16		500,000		500,000
Revaluation reserve			952		952
Profit and loss account			902,206		1,245,293
SHAREHOLDERS' FUNDS	17		£1,403,158		£1,746,245

The financial statements on pages 4 to 17 were approved by the board on 26th June 2002 and signed on its behalf by.



C S Silver - Director

The notes on pages 8 to 17 form part of these financial statements.

STRINGFELLOW RESTAURANTS LIMITED

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30TH JUNE 2001

	Note	18 Months to 30th June 2001 £	Year to 31st December 1999 £
Net cash inflow from operating activities (page 7)		275,827	577,292
Returns on investments and servicing of finance	18	110,046	31,508
Taxation		(196,274)	(188,000)
Capital expenditure and financial investment	18	(457,060)	(23,792)
Acquisitions and disposals	18	(2)	(2)
Cash inflow before use of liquid resources and financing		(267,463)	397,006
Financing:			
Decrease in debt	18	-	(187,638)
(Decrease)/increase in cash in the period/year		£(267,463)	£209,368

The notes on pages 8 to 17 form part of these financial statements.

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30TH JUNE 2001

	Note	18 Months to 30th June 2001 £	£	Year to 31st December 1999 £	£
RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES					
Operating (loss)/profit		(511,549)		643,927	
Depreciation of tangible fixed assets		285,445		138,245	
Decrease/(increase) in debtors		86,265		(5,200)	
Decrease/(increase) in stocks		63,594		(63,254)	
Increase/(decrease) in creditors		324,895		(136,426)	
Loss on disposal of fixed assets		27,177		-	
Net cash inflow from operating activities		£275,827		£577,292	
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS					
(Decrease)/increase in cash in the period	19	(267,463)		209,368	
Decrease in debt and lease financing	19	-		187,638	
Change in net funds resulting from cash flows		(267,463)		397,006	
Net funds at 1st January 2000	19	908,635		511,629	
Net funds at 30th June 2001	19	£641,172		£908,635	

The notes on pages 8 to 17 form part of these financial statements.

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001**1. ACCOUNTING POLICIES****1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of leasehold land and buildings and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The financial statements are prepared to a date which corresponds to the end of the last trading week in an accounting period. In relation to the current accounting period this date was 1st July 2001 (1999 - 25th December 1999).

1.2 Turnover.

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives. The rates currently in use are:

Leasehold buildings	-	Evenly over the life of the lease
Fixtures & fittings	-	20% reducing balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001

1. ACCOUNTING POLICIES - continued

1.8 Revaluation of assets

The surplus arising upon the revaluation of the company's intangible and tangible fixed assets is transferred to the company's revaluation reserve.

1.9 Unclaimed Vouchers

Vouchers can be purchased by customers for spending in the club. Unredeemed vouchers, though still legally claimable, are credited to turnover in the profit and loss account after a two year period, in order to comply with Financial Reporting Standard 5. (See note 24 - Contingent Liabilities).

1.10 Pension Costs

Pension contributions are charged to the profit and loss account in the period paid.

1.11 Investments

Other fixed asset investments are stated at cost less provision for any permanent diminution in value. For listed investments market value is based on the closing middle market price.

2. TURNOVER

The whole of the turnover is attributable to the one principal activity of the company, being that of the operation of "Stringfellows" nightclub in London, including the provision of Cabaret of the Angels nights.

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

Operating profit is stated after charging :

	18 Months to 30th June 2001 £	Year to 31st December 1999 £
Depreciation of tangible fixed assets		
- owned by the company	285,445	138,245
- held under finance leases	-	-
Auditors' remuneration	8,004	9,546
Operating lease rentals		
- other	666,875	291,899
Hire of equipment	13,577	7,723
Directors' emoluments (note 5)	912,615	252,987
Loss on disposal of fixed assets	27,177	-

4. STAFF COSTS

Staff costs, including directors' remuneration were as follows:

Wages and salaries	2,372,823	1,365,069
Social security costs	270,557	141,282
Other pension costs	498,469	-
	£3,141,849	£1,506,351

The average monthly number of employees, including directors, during the period was as follows:

	Number	Number
Office and management	12	12
Bar and restaurant staff	100	89
	112	101

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001

5. DIRECTORS' REMUNERATION

	18 Months to 30th June 2001 £	Year to 31st December 1999 £
Other emoluments	414,146	252,987
Other pension contributions	498,469	-
	£912,615	£252,987

Included in the above are emoluments, excluding pension contributions, paid to:

The chairman	£90,002	£53,334
Highest paid director	£173,108	£110,801
The accrued retirement benefits to the highest paid director are	£ -	£ -

Other directors' emoluments, excluding pension contributions, were in the following ranges:

£85,001 - £90,000	-	1
£150,001 - £155,000	1	-

6. INTEREST RECEIVABLE

Other interest receivable	£111,959	£38,120

No part of interest receivable was due from group undertakings.

7. INTEREST PAYABLE

On bank loans and overdrafts	-	5,741
On other loans	1,913	-
	1,913	5,741

On finance leases and hire purchase contracts	-	871
	£1,913	£6,612

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001

8.	TAXATION	18 Months to 30th June 2001 £	Year to 31st December 1999 £	
	Current period taxation			
	UK Corporation tax at 30% (1999 - 30.2%)	(58,416)	200,500	
	Prior periods			
	UK Corporation tax	-	4,307	
		£(58,416)	£204,807	
9.	INTANGIBLE FIXED ASSETS		Trademarks £	
	Cost or Valuation			
	At 1st January 2000		150,000	
	At 30th June 2001		150,000	
	Net Book Value			
	At 30th June 2001		£150,000	
	At 31st December 1999		£150,000	
10.	TANGIBLE FIXED ASSETS	Short Term Leasehold Land & Buildings £	Fixtures & Fittings £	Total £
	Cost or Valuation			
	At 1st January 2000	1,539,505	632,461	2,171,966
	Additions	12,413	348,922	361,335
	Disposals	-	(84,501)	(84,501)
	At 30th June 2001	1,551,918	896,882	2,448,800
	Depreciation			
	At 1st January 2000	434,130	356,250	790,380
	Charge for the period	103,180	182,265	285,445
	Disposals	-	(66,919)	(66,919)
	At 30th June 2001	537,310	471,596	1,008,906
	Net Book Value			
	At 30th June 2001	£1,014,608	£425,286	£1,439,894
	At 31st December 1999	£1,105,375	£276,211	£1,381,586

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001

10. TANGIBLE FIXED ASSETS - continued

Included above are assets held under finance leases or hire purchase contracts with net book values as follows:

	2001 £	1999 £
Fixtures, fittings and equipment	£ -	£ -

The company's short leasehold was revalued at 1st January 1994 by the directors, in conjunction with their professional advisors, on an open market value for existing use basis.

As permitted by the transitional provisions of FRS15 "Tangible Fixed Assets" the company has elected not to adopt a policy of revaluation of tangible fixed assets in future. However it will retain the carrying value of leasehold property, previously revalued, and will not update that valuation.

On the historical cost basis, land and buildings would have been included as follows:

Cost	1,405,628	1,393,215
Cumulative depreciation	(494,713)	(402,078)
Net book amount	£910,915	£991,137

11. FIXED ASSET INVESTMENTS

	Shares in Group Undertakings £	Government Stocks £	Total £
Cost			
At 1st January 2000	12	-	12
Additions	4	587,687	587,691
Disposals	(2)	(501,557)	(501,559)
At 30th June 2001	£14	£86,130	£86,144
Net Book Value			
At 30th June 2001	£14	£86,130	£86,144
At 31st December 1999	£12	£ -	£12

Investments in subsidiaries consisted of 2 Ordinary shares of £1 each in each of the following subsidiaries:

Subsidiary	Description & proportion of share capital owned	Country of incorporation or registration	Nature of business
Cabaret of the Angels Limited	Ord. 100%	UK	An agency in the leisure industry
Angels of Mayfair Limited	Ord. 100%	UK	Non Trading
Maylebone Securities Limited	Ord. 100%	UK	Non Trading
Lap Dancing Limited	Ord. 100%	UK	Non Trading
Softchoice Limited	Ord. 100%	UK	Non Trading
Angels in the City Limited	Ord. 100%	UK	Non Trading
Clearflex Limited	Ord. 100%	UK	Non Trading

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001

11. FIXED ASSET INVESTMENTS - continued

Financial Information Summary - Subsidiaries

	Aggregate capital & reserves at last accounting date £	Profit for the last financial period £
Cabaret of the Angels Limited	1,028,616	215,829
Angels of Mayfair Limited	2	-
Marylebone Securities Limited	2	-
Lap Dancing Limited	2	-
Softchoice Limited	2	-
Angels in the City Limited	2	-
Clearflex Limited	2	-

Government Stocks

Market value of government stocks is £84,695. This diminution in value is not viewed as permanent.

12. STOCKS

	2001 £	1999 £
Goods for resale	£84,238	£147,832

13. DEBTORS

Due within one year

Trade debtors	166,804	147,417
Corporation tax	58,416	-
Prepayments and accrued income	47,304	152,956
	£272,524	£300,373

14. CREDITORS: Amounts falling due within one year

Bank loans and overdrafts	-	605,001
Trade creditors	185,613	95,120
Amounts owed to group undertakings	278,156	173,156
Net obligations under finance lease and hire purchase contracts	-	-
Corporation tax	4,226	200,500
Social security and other taxes	176,880	229,529
Other creditors	256,453	244,850
Accruals and deferred income	369,486	199,038
	£1,270,814	£1,747,194

The bank overdraft is secured by an unlimited debenture over the assets of the company as well as by a charge on the company's leasehold property.

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001

15. PROVISIONS FOR LIABILITIES AND CHARGES

The additional potential liability for deferred taxation not provided was as follows:

	2001 £	1999 £
Accelerated capital allowances	<u>£34,344</u>	<u>£32,007</u>

16. CALLED UP SHARE CAPITAL

Authorised

1,000,000 Ordinary shares of £1 each	<u>£1,000,000</u>	<u>£1,000,000</u>
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Allotted, called up and fully paid

500,000 Ordinary shares of £1 each	<u>£500,000</u>	<u>£500,000</u>
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17. SHAREHOLDERS' FUNDS - ALL EQUITY

Reconciliation of movement on shareholders' funds

	2001			1999
	Share Capital £	Revaluation Reserve £	Profit & Loss Account £	Total £
Balance as at 1st January 2000	500,000	952	1,245,293	1,746,245
(Loss)/profit for the period	-	-	(401,503)	(401,503)
Balance as at 30th June 2001	<u>£500,000</u>	<u>£952</u>	<u>£843,790</u>	<u>£1,344,742</u>

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 200118. ANALYSIS OF CASH FLOWS FOR HEADINGS
NETTED IN THE CASH FLOW STATEMENT

	2001 £	1999 £
Returns on investments and servicing of finance		
Interest received	111,959	38,120
Interest paid	(1,913)	(5,741)
Interest element of finance lease rentals	-	(871)
Net cash outflow for returns on investments and servicing of finance	£110,046	£31,508
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(361,355)	(237,921)
Disposal of tangible fixed assets	-	-
Purchase of government stocks	(587,687)	-
Disposal of government stocks	491,962	-
	£(457,060)	£(23,792)
Acquisitions and disposals - group companies		
Purchase of shares	(4)	(2)
Disposal of shares	2	-
Net cash (outflow) for acquisitions and disposals	£(2)	£(2)
Financing		
Repayment of loans	-	(180,000)
Capital element of finance lease rentals	-	(7,638)
Decrease in debt	£ -	£(187,638)

19. ANALYSIS OF NET DEBT

	At 1st Jan 2000 £	Cash flow £	At 30th June 2001 £
Net cash:			
Cash at bank and in hand	1,513,636	(872,464)	641,172
Bank overdrafts	(605,001)	605,001	-
	908,635	(267,463)	641,172
Debt:			
Finance leases	-	-	-
Debt due within 1 period	-	-	-
Debt due after 1 period	-	-	-
	-	-	-
Net funds	£908,635	£(267,463)	£641,172

STRINGFELLOW RESTAURANTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001

20. COMMITMENTS

At 30th June 2001 the company had annual commitments based on current rentals under non-cancellable operating leases as follows:

	Land and buildings	
	2001	1999
	£	£
Expiry date:		
In more than 5 years	£476,500	£285,972

21. TRANSACTIONS WITH DIRECTORS

The following fees were paid to Wilder Coe, Chartered Accountants, in which C S Silver was a partner until 31st August 1999:

	1999
	£
Consultancy fees	33,334
Professional services	1,655
Accountancy	17,500
	£52,489

22. RELATED PARTY TRANSACTIONS

During the period the company paid an amount of £136,458 (1999 : £64,263) to New Leaf Productions, a partnership between the daughter of P J Stringfellow and her husband. The amount paid was in respect of graphic design and production artwork for promotional material and the purchase of computer equipment and services.

Cabaret of the Angels Limited, the company's subsidiary, charged Stringfellow Restaurants Limited a management charge of £225,000 (1999 : £150,000) for the period ended 30th June 2001.

At the balance sheet date the sum of £278,156 (1999 : £173,156) was owed to Cabaret of the Angels Limited by the company. This amount was the maximum owed during the period.

Stringfellow Restaurants Limited also acts as guarantor for Cabaret of the Angels Limited with regard to a bank loan of £314,713 (1999 : £146,951).

23. ULTIMATE CONTROLLING PARTY

The ultimate controlling party as at 30th June 2001 was C S Silver, a director of the company.

STRINGFELLOW RESTAURANTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30TH JUNE 2001****24. CONTINGENT LIABILITIES**

In order to comply with Financial Reporting Standard 5, Heavenly Pound Vouchers unclaimed are credited to the Profit and Loss Account on a periodic basis as stated in accounting policy note 1.9. However, the directors believe (on advice) that the vouchers can be redeemed at any time. Therefore, in addition to the liability included in other creditors in respect of unclaimed vouchers, the company has an additional contingent liability of approximately £319,000.