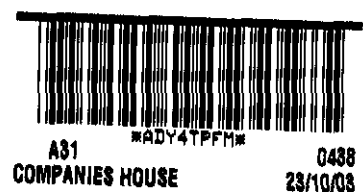


MAX'S RESTAURANT LIMITED
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2002

Company Registration Number 4434749

HARGREAVES, BROWN & BENSON
Chartered Accountants & Registered Auditors
2 Derby Street
Colne
Lancashire
BB8 9AD



MAX'S RESTAURANT LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

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MAX'S RESTAURANT LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	J.J. Raggett V. O'Hana
Company secretary	S. Dovey
Registered office	2 Derby Street COLNE Lancashire BB8 9AD
Auditors	Hargreaves, Brown & Benson Chartered Accountants & Registered Auditors 2 Derby Street Colne Lancashire BB8 9AD

MAX'S RESTAURANT LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

The directors present their report and the financial statements of the company for the period from 9th May 2002 to 31st December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company was incorporated and commenced trading on 9th May 2002. The principal activity of the company during the year was that of restaurateurs.

The directors consider the result for the period and the position of the company at the end of the period to be unsatisfactory.

RESULTS AND DIVIDENDS

The trading results for the period, and the company's financial position at the end of the period are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the period were as follows:

J.J. Raggett	(Appointed 13th May 2002)
V. O'Hana	(Appointed 10th October 2002)
Instant Companies Limited	(Served from 9th May 2002 to 13th May 2002)
M. Tollman	(Served from 13th May 2002 to 1st July 2002)
B.G. Tollman	(Served from 13th May 2002 to 10th October 2002)

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the financial statements of the parent company.

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 at the end of the period and of the profit or loss for the period then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 7 to 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

MAX'S RESTAURANT LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

AUDITORS

A resolution to re-appoint Hargreaves, Brown & Benson as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors



S. DOVEY
Company Secretary

Approved by the directors on 21st July 2003

MAX'S RESTAURANT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 on page 2.

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 the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

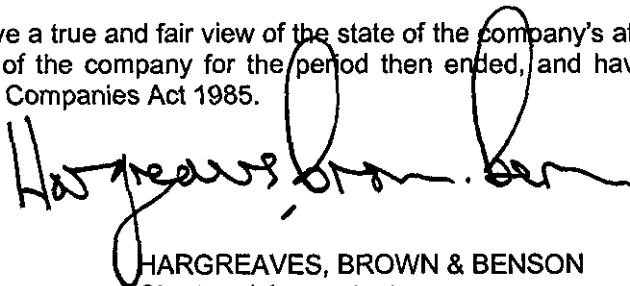
BASIS OF AUDIT OPINION

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 the company's affairs as at 31st December 2002 and of the loss of the company for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



2 Derby Street
Colne
Lancashire
BB8 9AD
22nd July 2003

HARGREAVES, BROWN & BENSON
Chartered Accountants
& Registered Auditors

MAX'S RESTAURANT LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

	Note	Period from 9 May 02 to 31 Dec 02 £
TURNOVER	2	381,958
Cost of sales		525,542
GROSS LOSS		<u>(143,584)</u>
Administrative expenses		61,488
OPERATING LOSS	3	<u>(205,072)</u>
Interest payable	5	52,871
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(257,943)</u>
Tax on loss on ordinary activities	6	(77,383)
LOSS FOR THE FINANCIAL PERIOD		<u><u>(180,560)</u></u>

The company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 7 to 12 form part of these financial statements.

MAX'S RESTAURANT LIMITED

BALANCE SHEET

31ST DECEMBER 2002

	Note	£
FIXED ASSETS		
Tangible assets	7	1,192,969
CURRENT ASSETS		
Stocks	8	13,815
Debtors	9	139,598
Cash at bank and in hand		115,447
		<u>268,860</u>
CREDITORS: Amounts falling due within one year	10	<u>215,807</u>
NET CURRENT ASSETS		<u>53,053</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,246,022</u>
CREDITORS: Amounts falling due after more than one year	11	1,426,581
		<u>(180,559)</u>
CAPITAL AND RESERVES		
Called-up equity share capital	15	1
Profit and Loss Account		<u>(180,560)</u>
DEFICIENCY	16	<u>(180,559)</u>

These financial statements were approved by the directors on the 21st July 2003 and are signed on their behalf by:

J.J. Raggett

The notes on pages 7 to 12 form part of these financial statements.

MAX'S RESTAURANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 10% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

MAX'S RESTAURANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, 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 where the replacement assets are sold;

* provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

* 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 taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted 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.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	Period from 9 May 02 to 31 Dec 02 £
United Kingdom	<u>381,958</u>

3. OPERATING LOSS

Operating loss is stated after charging:

	Period from 9 May 02 to 31 Dec 02 £
Directors' emoluments	-
Depreciation	77,757
Auditors' remuneration	
- as auditors	2,238
Operating lease costs:	
Land and buildings	<u>58,331</u>

MAX'S RESTAURANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial period amounted to:

	Period from 9 May 02 to 31 Dec 02
	No.
Number of management staff	5
Number of other staff - services	22
	<u>27</u>

The aggregate payroll costs of the above were:

	Period from 9 May 02 to 31 Dec 02
	£
Wages and salaries	176,326
Social security costs	12,411
	<u>188,737</u>

5. INTEREST PAYABLE

	Period from 9 May 02 to 31 Dec 02
	£
Other similar charges payable	<u>52,871</u>

6. TAX ON LOSS ON ORDINARY ACTIVITIES

Taxation

Deferred tax:

Decrease in deferred tax provision (note 12)

Capital allowances

Losses

(23,327)

(54,056)

Total deferred tax (note 12)

(77,383)

Tax on loss on ordinary activities

(77,383)

MAX'S RESTAURANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

7. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
COST	
Additions	1,270,726
At 31st December 2002	<u>1,270,726</u>
DEPRECIATION	
Charge for the period	77,757
At 31st December 2002	<u>77,757</u>
NET BOOK VALUE	
At 31st December 2002	<u>1,192,969</u>

8. STOCKS

	31 Dec 02 £
Finished goods	<u>13,815</u>

9. DEBTORS

	31 Dec 02 £
Trade debtors	180
VAT recoverable	59,915
Prepayments and accrued income	2,120
Deferred taxation (Note 12)	77,383
	<u>139,598</u>

10. CREDITORS: Amounts falling due within one year

	31 Dec 02 £
Trade creditors	30,184
Amounts owed to group undertakings	118,041
Other creditors including taxation and social security:	
PAYE and social security	7,476
Accruals and deferred income	60,106
	<u>215,807</u>

11. CREDITORS: Amounts falling due after more than one year

	31 Dec 02 £
Amounts owed to group undertakings	<u>1,426,581</u>

MAX'S RESTAURANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

12. DEFERRED TAXATION

	Period from 9 May 02 to 31 Dec 02
	£
The movement in the deferred taxation account during the period was:	
Profit and Loss Account movement arising during the period	(77,383)
Balance carried forward	<u>(77,383)</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	Period from 9 May 02 to 31 Dec 02
	£
Excess of taxation allowances over depreciation on fixed assets	23,327
Tax losses available	54,056
	<u>77,383</u>

13. COMMITMENTS UNDER OPERATING LEASES

At 31st December 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings
	£
Operating leases which expire:	
Within 2 to 5 years	<u>100,000</u>

14. RELATED PARTY TRANSACTIONS

Advantage is taken of the exemption from disclosure of transactions and balances with entities that are part of the group, as the information is included in the publicly available consolidated financial statements of Chesterfield (Mayfair) Limited.

MAX'S RESTAURANT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 9TH MAY 2002 TO 31ST DECEMBER 2002

15. SHARE CAPITAL

Authorised share capital:

100 Ordinary shares of £1 each

Allotted, called up and fully paid:

Ordinary share capital

Issue of ordinary shares

31 Dec 02

£

100

31 Dec 02

£

—

1

1

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Loss for the financial period

New equity share capital subscribed

Net reduction to funds

Closing shareholders' equity deficit

31 Dec 02

£

(180,560)

1

(180,559)

(180,559)