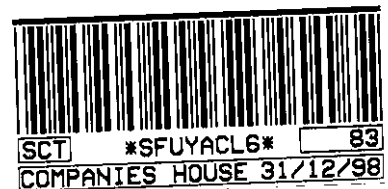


ABBREVIATED FINANCIAL STATEMENTS
FOR THE PERIOD 30 JANUARY 1997 TO 28 FEBRUARY 1998
FOR
STEPPING STONE RESTAURANT LIMITED



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for the Period 30 January 1997 to 28 February 1998**

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STEPPING STONE RESTAURANT LIMITED

COMPANY INFORMATION
for the Period 30 January 1997 to 28 February 1998

DIRECTORS:	A Maclean E Maclean
SECRETARY:	Allan Maclean
REGISTERED OFFICE:	Uachdar Isle of Benbecula HS7 5LY
REGISTERED NUMBER:	171908 (Scotland)
ACCOUNTANTS:	Mann Judd Gordon Chartered Accountants 26 Lewis Street Stornoway Isle of Lewis HS1 2JF
BANKERS:	Bank of Scotland Balivanich Isle of Benbecula

STEPPING STONE RESTAURANT LIMITED**ABBREVIATED BALANCE SHEET**
28 February 1998

	Notes	£	£
FIXED ASSETS:			
Tangible assets	2		257,374
CURRENT ASSETS:			
Stocks		3,625	
Cash in hand		192	
		<u>3,817</u>	
CREDITORS: Amounts falling due within one year		<u>191,959</u>	
NET CURRENT LIABILITIES:			<u>(188,142)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			69,232
ACCRUALS AND DEFERRED INCOME:			<u>69,503</u>
			<u>£(271)</u>
CAPITAL AND RESERVES:			
Called up share capital	3		10,000
Profit and loss account			<u>(10,271)</u>
Shareholders' funds			<u>£(271)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ending 28 February 1998.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

E Maclean - DIRECTOR

Approved by the Board on 17 December 1998

The notes form part of these financial statements

STEPPING STONE RESTAURANT LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Period 30 January 1997 to 28 February 1998

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts have been prepared on a going concern basis, despite the excess of liabilities over assets at the end of the period under review, and the loss incurred in the period, as a substantial part of the company's liabilities comprises loans from directors for which immediate repayment will not be required.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

Turnover comprises the value of sales made during the period, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost
Plant and machinery etc	- 10% on cost

Stocks

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

2. TANGIBLE FIXED ASSETS

	Total
	<u>£</u>
COST:	
Additions	266,924
	<u>266,924</u>
At 28 February 1998	
DEPRECIATION:	
Charge for period	9,550
	<u>9,550</u>
At 28 February 1998	
NET BOOK VALUE:	
At 28 February 1998	<u><u>257,374</u></u>

3. CALLED UP SHARE CAPITAL

Authorised:			
Number:	Class:	Nominal value:	£
500,000	Ordinary	£1	<u><u>500,000</u></u>
Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	£
10,000	Ordinary	£1	<u><u>10,000</u></u>

10,000 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

STEPPING STONE RESTAURANT LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Period 30 January 1997 to 28 February 1998

4. TRANSACTIONS WITH DIRECTORS

At 28 February 1998 the company had received loans from directors amounting to £54,900, and loans of £37,100 from a small self administered pension scheme of which the directors are trustees. These loans are unsecured and did not attract any interest charge during the period.

5. RELATED PARTY DISCLOSURES

At 28 February 1998 £8,493 was due to Maclean's Bakery (Benbecula) Limited, a company of which the directors are shareholders and directors.