

# **WHITBREAD HOTELS LIMITED**

## **REPORT & ACCOUNTS**

**1 March 2003**



Registered number 1033592

# WHITBREAD HOTELS LIMITED

**DIRECTORS:** A C Parker  
G R L Windle  
S P Lambert

**SECRETARY:** E A Thorpe (appointed 25 September 2002)  
M Buxton-Smith (resigned 25 September 2002)

**AUDITORS:** Ernst & Young LLP  
Becket House  
1 Lambeth Palace Road  
London  
SE1 7EU

**REGISTERED OFFICE:** Whitbread House  
Park Street West  
Luton  
LU1 3BG

**REGISTERED NUMBER:** 1033592

## **DIRECTORS' REPORT**

### **Accounts**

The Directors submit to the shareholders their report and accounts for the year ended 1 March 2003.

### **Principal activity and review of business development**

The principal activity of the company during the year was the operation of twelve hotels in the United Kingdom. These hotels have a city centre location and operate under a franchise agreement with Marriott International. The company also has a laundry facility for a number of the hotels and third parties.

The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future, and have therefore used the going concern basis for preparing the accounts.

On 31 January 2003, as part of a wider Whitbread PLC project, the company bought back 133,518,004 (nominal value - £133,518,004) of its deferred shares in issue for a consideration of £1. In accordance with the company's articles of association these shares were then cancelled.

### **Post balance sheet event**

On 2 March 2003 the trade and assets of Marriott Hotel County Hall, The Brewery, Hollins Hall Hotel & Country Club, Worsley Park Hotel & Country Club, Oakley House and London Heathrow Marriott Hotel were transferred to Whitbread Hotels Limited. The results of these properties will be included within the 2003/04 accounts.

### **Results and dividends**

The profit for the year after tax amounted to £14,694,686 (2001/2 - £11,558,305). The directors do not recommend the payment of a dividend (2001/02 - £822.293 per share on the ordinary shares).

### **Supplier payment policy**

Since purchases of goods and services are dealt with through the parent undertaking, Whitbread Group PLC, the company does not have any trade creditors. It is not, therefore, appropriate to disclose the number of days taken to pay creditors. For invoices paid by Whitbread Group PLC, the company adheres to the payment terms which have been agreed with a supplier. Where payment terms have not been specifically agreed, it is the company's policy to settle invoices close to the end of the month following the month of invoicing. Adherence to these terms is dependent upon suppliers sending accurate and adequately detailed invoices to the correct address on a timely basis.

### **Employment of disabled persons**

The company's policy is that, wherever it is practicable and reasonable within existing legislation, all employees, including disabled persons, are treated in the same way in matters relating to employment, training, career development and promotion. Every effort is made to retain and assist any individuals disabled during their employment. Full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

### **Employee involvement**

The board recognises the importance of employees being fully informed of events which directly affect them and their working conditions and to this end regular meetings are held with them. The involvement of employees in the success of the business is further encouraged through participation in the employee share option scheme of the ultimate parent undertaking.

### **Directors**

The Directors of the company at the year end are listed on page 1.

### **Directors' interests**

According to the register maintained as required under the Companies Act 1985, the beneficial interests of the directors in shares and options over the ordinary shares in the holding company, Whitbread PLC, including shares under the Whitbread PLC Share Ownership Scheme are as follows:

**DIRECTORS' REPORT****Directors' interests (continued)**

<b>Ordinary shares</b>	<b><u>1 March 2003</u></b>	<b><u>2 March 2002</u></b>
A C Parker	17,028	11,949
G R L Windle	14,488	13,987
S P Lambert	-	-

**Options over ordinary shares**

During the year the following movements in options over the ordinary share capital of the holding company, Whitbread PLC, took place:-

	<b>Options held</b>	<b>Options granted</b>		<b>Options exercised/ (Options lapsed)</b>		<b>Options held</b>
	<b><u>at 2.3.02</u></b>	<b><u>Number</u></b>	<b><u>Price (p)</u></b>	<b><u>Number</u></b>	<b><u>Price (p)</u></b>	<b><u>at 1.3.03</u></b>
A C Parker	a 196,200	50,000	641.0	-	-	246,200
	b 3,839	-	-	-	-	3,839
	c 39,438	20,634	-	(19,738)	-	40,334
G R L Windle	a 51,300	20,000	641.0	-	-	71,300
	b 3,858	744	441.2	(590)	-	4,012
S P Lambert	a 22,000	22,000	641.0	-	-	44,000
	b 2,345	-	-	-	-	2,345

(a) the Executive Share Option Scheme

(b) the Savings Related Share Option Scheme

(c) the Long Term Incentive Plan

Details of the performance criteria for the Long Term Incentive Plan are set out in the Whitbread PLC annual report and accounts for 2002/03

**Donations**

During the year the company contributed £10,669 (2001/02 - £5,227) for charitable purposes.

**Auditors**

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

By order of the board



SECRETARY

7 August 2003

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN  
RELATION TO FINANCIAL STATEMENTS**

The following statement, which should be read in conjunction with the auditors' statement of their responsibilities set out on page 5, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the accounts.

The directors are required by the Companies Act 1985 to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the accounts on pages 6 to 13 the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable Accounting Standards have been followed. The accounts have been prepared on a going concern basis.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT**

**to the members of Whitbread Hotels Limited**

We have audited the company's financial statements for the year ended 1 March 2003 which comprise the Profit and Loss Account, Balance Sheet, Accounting Policies and related notes 1 to 18. These financial statements have been prepared on the basis of 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**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

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.

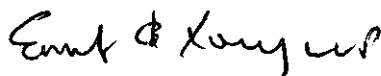
**Basis of audit opinion**

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 at 1 March 2003 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
London



2003

# WHITBREAD HOTELS LIMITED

## PROFIT AND LOSS ACCOUNT

<u>Year ended 1 March 2003</u>	<u>Notes</u>	<u>2002/3</u> £	<u>2001/2</u> £
<b>TURNOVER</b>		<b>96,169,279</b>	96,773,105
Cost of sales		<u>(66,774,671)</u>	<u>(69,207,562)</u>
<b>GROSS PROFIT</b>		<b>29,394,608</b>	27,565,543
Administrative expenses		<u>(6,743,330)</u>	<u>(7,857,985)</u>
<b>OPERATING PROFIT</b>	1	<b>22,651,278</b>	19,707,558
<b>Non-operating items</b>			
Loss on disposal of fixed asset		<u>-</u>	<u>(2,036,113)</u>
<b>PROFIT BEFORE TAX</b>		<b>22,651,278</b>	17,671,445
Tax	3	<u>(7,956,592)</u>	<u>(6,113,140)</u>
<b>PROFIT AFTER TAX</b>		<b>14,694,686</b>	11,558,305
Ordinary dividends	4	<u>-</u>	<u>(10,949,652)</u>
<b>RETAINED PROFIT FOR THE YEAR</b>	12	<u><b>14,694,686</b></u>	<u>608,653</u>

There are no gains and losses recognised during the year other than those in the profit and loss account.

There is no difference between the profit on ordinary activities before tax and the retained profit for the period stated above, and their historical cost equivalents.

All activities of the company are continuing during the year.

# WHITBREAD HOTELS LIMITED

## BALANCE SHEET

1 March 2003

	Notes	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible assets	5	214,850,309	214,409,281
Investments	6	42,161,143	42,161,143
		<u>257,011,452</u>	<u>256,570,424</u>
<b>CURRENT ASSETS</b>			
Stocks	7	1,592,086	1,358,091
Debtors	8	56,810,722	34,882,420
Cash at bank and in hand		76,068	66,796
		<u>58,478,876</u>	<u>36,307,307</u>
<b>CREDITORS - amounts falling due within one year</b>	9	<u>(16,188,585)</u>	<u>(7,902,699)</u>
<b>NET CURRENT ASSETS</b>		<u>42,290,291</u>	<u>28,404,608</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>299,301,743</u>	<u>284,975,032</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	10	<u>(19,891,298)</u>	<u>(20,259,273)</u>
<b>TOTAL ASSETS LESS LIABILITIES</b>		<u><u>279,410,445</u></u>	<u><u>264,715,759</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	84	133,518,088
Capital redemption reserve	12	133,518,004	-
Revaluation reserve	12	24,877,421	25,253,735
Other reserves - non-distributable	12	42,127,984	42,127,984
Profit and loss account	12	78,886,952	63,815,952
<b>SHAREHOLDERS' FUNDS</b>		<u><u>279,410,445</u></u>	<u><u>264,715,759</u></u>
<b>SHAREHOLDERS' FUNDS CONSIST OF:</b>			
Equity shareholders' funds	13	279,410,445	131,197,755
Non-equity shareholders' funds		-	133,518,004
		<u><u>279,410,445</u></u>	<u><u>264,715,759</u></u>

Director

*G. W. Smith*  
2d August

2003



## **ACCOUNTING POLICIES**

### **Accounting convention**

The accounts are prepared under the historical cost convention as modified by the revaluation of property, and in accordance with applicable Accounting Standards. In accordance with the exemption granted by s228 Companies Act 1985, the company does not prepare consolidated group accounts. Consolidated group accounts are drawn up by the parent undertaking, Whitbread PLC.

### **Tangible fixed assets**

Prior to the adoption of FRS15 in the 1999/2000 financial year, properties were regularly revalued on a cyclical basis. Since the adoption of FRS15, the group policy has been not to revalue its properties. Consequently the transitional provisions of FRS15 have been applied and, while previous valuations have been retained, they have not been updated. Details of the last revaluations are given in note 5. Other fixed assets are stated at cost. Gross interest incurred on the financing of major projects are capitalised until the time that they are available for use.

Depreciable fixed assets are written off on a straight line basis over their estimated useful lives as follows:

- Freehold land is not depreciated.
- Freehold buildings are depreciated to their estimated residual values over periods up to 50 years.
- Leasehold properties are depreciated to their estimated residual values over the shorter of 50 years, their estimated useful lives and their remaining lease periods.
- Retail furniture, fixtures and equipment are depreciated over 4 to 25 years.
- Motor vehicles are depreciated over 4 to 10 years.

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of the fixed assets below depreciated historical cost is charged to the profit and loss account. Profits and losses on disposal of fixed assets reflect the difference between net selling price and net book value at the date of disposal.

### **Stocks**

Stocks are valued at the lower of cost and net realisable value.

### **Turnover**

Turnover is the value of goods and services sold, within the UK, as part of the company's continuing ordinary activities after deducting sales based taxes.

### **Leases**

Rental payments in respect of operating leases are charged against operating profit on a straight line basis over the period of the lease.

### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not been reversed by the balance sheet date. Deferred tax is not recognised when an asset is sold if it is more likely than not that the taxable gain will be rolled over. Deferred tax assets are recognised to the extent that they are regarded as recoverable. Provisions for deferred tax are not discounted. Deferred tax assets and liabilities are calculated using tax rates that are expected to apply in periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

### **Cashflow**

As permitted by Financial Reporting Standard No.1 (revised) a cashflow has not been prepared as the company is a wholly owned subsidiary of a European Community parent.

### **Comparative amounts**

Comparative amounts are restated where necessary to conform to current presentation.

**NOTES TO THE ACCOUNTS****1. PROFIT AND LOSS ACCOUNT DETAILS**

	<u>2002/3</u>	<u>2001/2</u>
	£	£
Auditors' remuneration	-	-
Depreciation (note 5)	8,032,160	9,643,019
Hire of plant and machinery	978,567	908,341
Operating lease rentals - land and buildings	2,663,733	2,574,960
- plant and machinery	<u>664,078</u>	<u>641,567</u>

**2. STAFF COSTS**

Other costs of sales, including staff costs, are incurred by the parent undertaking and recharged to the company on an arms length basis. No director received any remuneration from the company during the year.

**3. TAXATION**

	<u>2002/3</u>	<u>2001/2</u>
	£	£
<b>Current tax on losses for the year</b>		
U.K. Corporation Tax	6,776,420	3,435,907
Adjustments to UK Corporation Tax for earlier periods	1,548,147	-
<b>Total current tax</b>	<u>8,324,567</u>	<u>3,435,907</u>
<b>Deferred tax</b>		
Timing differences	1,180,172	2,677,233
Adjustments to deferred tax in respect of prior years	(1,548,147)	-
<b>Total deferred tax</b>	<u>(367,975)</u>	<u>2,677,233</u>
<b>Total tax charge</b>	<u>7,956,592</u>	<u>6,113,140</u>
<b>Factors affecting the tax charge for the year</b>		
Profit before tax	<u>22,651,278</u>	<u>17,671,445</u>
Tax at current UK Corporation tax rate of 30% (2001 - 30%)	6,795,383	5,301,434
Effect of:		
Capital allowances in excess of related depreciation	(1,170,752)	(2,922,771)
Depreciation not in deferred tax	461,836	-
Share of Cymric Partnership tax	479,952	-
Loss on disposal of fixed assets not qualifying for tax relief	-	610,833
Adjustments to UK Corporation Tax for earlier periods	1,548,147	-
Other disallowable amounts	210,001	446,411
	<u>8,324,567</u>	<u>3,435,907</u>

**4. ORDINARY DIVIDENDS**

	<u>2002/3</u>	<u>2001/2</u>
	£	£
Interim	-	10,949,652
	<u>-</u>	<u>10,949,652</u>

In the year ended 2 March 2002, a property was sold whereby the proceeds went to a parent company, Whitbread Group PLC. This represented a dividend in specie.

# NOTES TO THE ACCOUNTS

## 5. TANGIBLE FIXED ASSETS

	Retail		Administration and logistics		Total
	Land & buildings £	Furniture, fixtures & equipment £	Land & buildings £	Furniture, fixtures & equipment £	
Gross amounts 2 March 2002	164,293,917	109,183,262	-	-	273,477,179
Additions	1,029,912	6,406,336	10,561	70,485	7,517,294
Reclassifications	538	(538)	-	-	-
Transfers from other group companies	949,494	6,400	-	-	955,894
Gross amounts 1 March 2003	166,273,861	115,595,460	10,561	70,485	281,950,367
Depreciation 2 March 2002	(5,729,454)	(53,338,444)	-	-	(59,067,898)
Depreciation for the year	(1,934,520)	(6,096,986)	(151)	(503)	(8,032,160)
Depreciation 1 March 2003	(7,663,974)	(59,435,430)	(151)	(503)	(67,100,058)
Net book amounts 1 March 2003	158,609,887	56,160,030	10,410	69,982	214,850,309
Net book amounts 2 March 2002	158,564,463	55,844,818	-	-	214,409,281

The directors carried out a valuation of the company's properties in 1995/6. Some properties have also been revalued in subsequent years, up to 1998/9, as part of a programme to keep values under continuous review. (From 1999/2000 it is company policy not to revalue fixed assets). The properties were valued at open market value for the purpose of their existing use by chartered surveyors employed by the parent company. If the revaluations had not taken place, the values of the fixed assets would have been:

	Retail		Total
	Land & buildings £	Furniture, fixtures & equipment £	
Gross amounts	141,407,001	115,665,945	257,072,946
Depreciation	(7,664,125)	(59,435,933)	(67,100,058)
Net book amounts 1 March 2003	133,742,876	56,230,012	189,972,888
Net book amounts 2 March 2002	133,310,728	55,844,818	189,155,546
		2003	2002
		£	£
<b>The net book value of property comprises:</b>			
Freehold		7,314,661	7,390,843
Long leasehold		142,107,531	142,015,257
Short leasehold		9,198,105	9,158,363
		158,620,297	158,564,463
		2003	2002
		£	£
<b>Cost or valuation of properties</b>			
As valued 1998/9		41,432,363	41,432,363
As valued 1997/8		30,772,510	30,772,510
As valued 1996/7		36,130,007	36,130,007
At cost		57,949,542	55,959,037
		166,284,422	164,293,917

**NOTES TO THE ACCOUNTS****6. INVESTMENT IN SUBSIDIARY UNDERTAKINGS****Shares at or under cost**

2 March 2002	42,161,143
1 March 2003	<u>42,161,143</u>

Details of the investments in which the company held more than 10% of the nominal value of any class of share capital (or total capital in the case of partnerships) are as follows:

<b>Principal subsidiary undertaking</b>	<b>Country of incorporation and operation</b>	<b>Principal activities</b>	<b>% holding</b>
Whitbread (GC) Ltd	England and Wales	Hotels	100
Cymric Hotel Company Ltd	England and Wales	Hotels	90
Cymric Hotel Partnership	England and Wales	Hotels	90
Goodwood Park Limited	England and Wales	Hotels	70

The above have the same year end as Whitbread Hotels Ltd and the first two are owned directly by that company.

**7. STOCKS**

Finished goods

<b>2003</b>	<b>2002</b>
<b>£</b>	<b>£</b>
<u>1,592,086</u>	<u>1,358,091</u>

**8. DEBTORS**

Trade debtors  
Amounts due from group and parent undertakings  
Other debtors  
Prepayments and accrued income

<b>2003</b>	<b>2002</b>
<b>£</b>	<b>£</b>
4,563,808	5,298,832
49,787,867	28,612,200
19,024	176,503
<u>2,440,023</u>	<u>794,885</u>
<u>56,810,722</u>	<u>34,882,420</u>

Amounts due from group and parent undertakings have no fixed repayment date.

**9. CREDITORS- amounts falling due within one year**

Bank overdrafts  
Trade creditors  
Amounts due to group and parent undertakings  
Corporation Tax  
Other creditors  
Accruals and deferred income

<b>2003</b>	<b>2002</b>
<b>£</b>	<b>£</b>
-	3,844
2,082,108	2,750,074
5,000,000	-
8,324,572	3,847,289
626,643	950,976
<u>155,262</u>	<u>350,516</u>
<u>16,188,585</u>	<u>7,902,699</u>

Amounts due to group and parent undertakings have no fixed repayment date.

**10. PROVISIONS FOR LIABILITIES AND CHARGES**

2 March 2002  
Transfer to current tax  
Deferred tax charge for the year  
1 March 2003

<b>Deferred Taxation</b>	<b>Total</b>
<b>£</b>	<b>£</b>
20,259,273	20,259,273
(1,548,147)	(1,548,147)
<u>1,180,172</u>	<u>1,180,172</u>
<u>19,891,298</u>	<u>19,891,298</u>

The deferred taxation provision relates entirely to accelerated capital allowances.

No provision has been made for tax on any gains which might arise in the event of properties being sold at their revalued amounts as in the ordinary course of business the majority of properties would be retained indefinitely.

# NOTES TO THE ACCOUNTS

## 11. SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2003	2002	2003	2002
	£	£	£	£
Deferred shares of £1 each	134,243,000	134,243,000	-	133,518,004
13,316 ordinary shares of US\$0.01 each	84	84	84	84
	<u>134,243,084</u>	<u>134,243,084</u>	<u>84</u>	<u>133,518,088</u>

As part of a wider Whitbread PLC project, on 31 January 2003 the company bought back 133,518,004 (nominal value - £133,518,004) of its deferred shares in issue for a consideration of £1. In accordance with the company's articles of association these shares were then cancelled. Also on 31 January 2003, Whitbread Group PLC the holder of warrants to bearer in respect of all of the ordinary shares of US\$ 0.01 each submitted such warrants to the company and requested that their name be entered into the company's register of members.

### Deferred shares

- a) - Save as provided in sub-paragraph (b) below, the holders of Deferred Shares were not entitled to any participation in the profits or the assets of the company.
- b) - The holders of Deferred Shares shall only be entitled to participate in the assets of the company after the holders of every other class of shares in the capital of the Company shall have received the sum of £10,000,000 in respect of each share held by them.
- c) - None of the Deferred Shares shall carry any right to receive notice of or attend and vote at any general meeting of the company.
- d) - Notwithstanding any other provisions of the articles, the Company shall have the power and authority at any time to purchase all or any of the Deferred Shares for an aggregate consideration of £1 which shall be applied for the benefit of the Company.

## 12. RESERVES

	Capital redemption reserve	Revaluation reserve	Other reserves - nondistributable	Profit & loss account	Total
	£	£	£	£	£
2 March 2002	-	25,253,735	42,127,984	63,815,952	131,197,671
Profit retained	-	-	-	14,694,686	14,694,686
Redemption of deferred shares	133,518,004	-	-	-	133,518,004
Realised revaluation gain transferred to the profit and loss account	-	(376,314)	-	376,314	-
1 March 2003	<u>133,518,004</u>	<u>24,877,421</u>	<u>42,127,984</u>	<u>78,886,952</u>	<u>279,410,361</u>

## 13. MOVEMENT IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Equity shareholders' funds at 2 March 2002	131,197,755	130,589,102
Profit earned for ordinary shareholders	14,694,686	608,653
Reserve created	133,518,004	-
Equity shareholders' funds at 1 March 2003	<u>279,410,445</u>	<u>131,197,755</u>

## 14. LEASE COMMITMENTS

	2003		2002	
	Property	Plant and machinery	Property	Plant and machinery
	£	£	£	£
Annual payments under operating leases which expire:				
Under one year	-	205,216	5,960	47,045
Within two to five years	-	380,300	-	472,026
Over five years	2,663,733	78,562	2,569,000	122,495
	<u>2,663,733</u>	<u>664,078</u>	<u>2,574,960</u>	<u>641,566</u>

## 15. CAPITAL COMMITMENTS

At 1 March 2003, Whitbread Hotels Limited had capital commitments in respect of plant and machinery of £465,300 (2002 - plant and machinery - £1,812,000).

## **NOTES TO THE ACCOUNTS**

### **16. RELATED PARTIES**

The company is a wholly owned subsidiary of Whitbread PLC and has taken advantage of the exemption given in Financial Reporting Standard No.8 not to disclose transactions with other group companies.

### **17. PARENT UNDERTAKING**

The parent undertaking of the smallest group of undertakings for which group accounts are drawn up and of which the company is a member is Whitbread Group PLC, registered in England and Wales. Copies of their accounts can be obtained from CityPoint, One Ropemaker Street, London EC2Y 9HX.

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Whitbread PLC, registered in England and Wales. Copies of their accounts can be obtained from CityPoint, One Ropemaker Street, London EC2Y 9HX.

### **18. POST BALANCE SHEET EVENT**

On 2 March 2003 the trade and assets of Marriott Hotel County Hall, The Brewery, Hollins Hall Hotel & Country Club, Worsley Park Hotel & Country Club, Oakley House and London Heathrow Marriott Hotel were transferred to Whitbread Hotels Limited. The results of these properties will be included within the 2003/04 accounts.