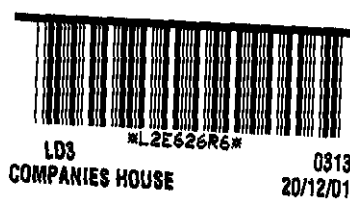


Tennis Club Management
International Limited

Report and Financial Statements

◆ *Year Ended 4 March 2001* ◆



COMPANY NO: 2003730

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

CONTENTS

	Page
Company information	1
Report of the directors	2 - 3
Statement of directors' responsibilities	4
Auditors' report to the shareholders of Tennis Club Management International Limited	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 9

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors S Miller (appointed 15 May 2001)
 M R Phillips
 L M Weedall

Secretary M R Buxton-Smith

Registered office Whitbread House
 Park Street West
 Luton
 Bedfordshire
 LU1 3BG

Registered number 2003730

Auditors Ernst & Young LLP
 Becket House
 1 Lambeth Palace Road
 London
 SE1 7EU

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 4 March 2001.

Principal Activities and Future Developments

The Company did not trade during the year. It does not intend to commence trading in the next year.

Directors and Their Interests

The directors of the Company during the year were as follows:

S J R Philpott (resigned 6 December 2000)
M R Phillips
L Weedall (appointed 6 December 2000)

None of the directors held any beneficial interest in the shares of the company.

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, were as follows:

	Ordinary Shares 4 March 2001	Ordinary Shares 5 March 2000 or date of appointment
Mark Phillips	909	968
Lynne Weedall	-	-

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

	Options held at 05.03.00 or date of appointment		Options granted		Options exercised		Options lapsed Number	Options held at 04.03.01
			Number	Price (p)	Number	Price (p)		
Mark Phillips	22,000	(a)	12,000	542.4	-	-	-	34,000
	2,963	(b)	4,085	413.0	-	-	-	7,048
Lynne Weedall	21,800	(a)	-	-	-	-	-	21,800
	2,345	(b)	-	-	-	-	-	2,345

- (a) the Executive Share Option Scheme
(b) the Savings Related Share Option Scheme

REPORT OF THE DIRECTORS
(Continued)

Auditors

On 28 June 2001, Ernst & Young, the Company's auditor, transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001. Ernst & Young LLP has expressed its willingness to continue in office as auditor of the Company.

The report of the directors was approved by the Board on *12 DECEMBER* 2001 and signed on its behalf by:



Director

STATEMENT OF 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 as at the end of the financial year 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;
- state whether applicable accounting standards have been followed; 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 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 the company's system of internal control and for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

We have audited the accounts on pages 6 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the Company's Directors are responsible for the preparation of accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of opinion

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 4 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor

London

12 December 2001

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 4 March 2001

	Notes	2001 £	2000 £
Amounts written off investments and write back of amounts due to group companies		<u>167,552</u>	<u>2,261</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		167,552	2,261
Tax on profit on ordinary activities		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	5	<u><u>167,552</u></u>	<u><u>2,261</u></u>

There are no recognised gains or losses or movements in shareholders' funds other than those reported above.

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

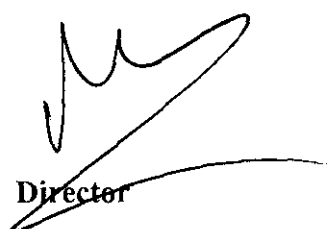
BALANCE SHEET

4 March 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Investments	2	-	-
CREDITORS: amounts falling due within one year	3	-	(167,552)
TOTAL ASSETS LESS CURRENT LIABILITIES		-	(167,552)
NET LIABILITIES		-	(167,552)
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account	5	(2)	(167,554)
EQUITY SHAREHOLDERS' FUNDS		-	(167,552)

The financial statements were approved by the Board of Directors on 12 DECEMBER 2001.

Signed on behalf of the Board of Directors:



Director

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 4 March 2001

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements are prepared in accordance with applicable accounting standards under the historical cost convention.

Consolidation

The financial statements present information about the Company as an individual undertaking and not as a group as the Company is exempt from preparing consolidated accounts as set out in Note 6.

2. INVESTMENTS

	2001 £	2000 £
Investments comprise the following:		
(a) Shares in subsidiary undertaking:		
Farnridge Limited	15,000	15,000
Less: amount provided	<u>(15,000)</u>	<u>(15,000)</u>
	<u>-</u>	<u>-</u>
(b) Shares in related company:		
David Lloyd Meridian Travel Club Limited	5,000	5,000
Less: amount provided	<u>(5,000)</u>	<u>(5,000)</u>
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Details of the subsidiary and related company are as follows:

Company Name	Country of incorporation and operations	Holding	Year end	Principal Activity
Farnridge Limited	England	100%	28 February	Dormant
David Lloyd Meridian Travel Club Limited	England	50%	30 October	Dormant

TENNIS CLUB MANAGEMENT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 4 March 2001

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Amounts owed to parent undertaking	<u>-</u>	<u>167,552</u>

4. SHARE CAPITAL

	2001 £	2000 £
Authorised		
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted and fully paid		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

5. STATEMENT OF MOVEMENTS ON RESERVES

	Profit and loss account £
Balance as at beginning of the year	(167,554)
Profit retained for the year	<u>167,552</u>
Balance as at end of the year	<u>(2)</u>

6. GROUP ACCOUNTS

The Company is exempt under S228 Companies Act 1985 from the obligation to prepare and deliver group accounts because it is part of a larger group. Group accounts are prepared by the ultimate parent company, Whitbread PLC, incorporated in the United Kingdom.

7. ULTIMATE PARENT COMPANY

At 4 March 2001, the Company was a wholly owned subsidiary of David Lloyd Leisure Limited. At the same date, the ultimate parent company was Whitbread PLC, a company registered in the United Kingdom. Copies of the group accounts are available from the Company Secretary of Whitbread PLC at Park Street West, Luton, Bedfordshire, LU1 3BG.