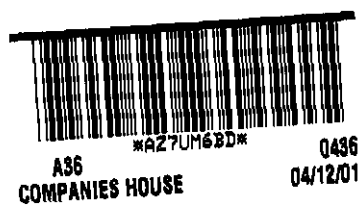


**CHISWELL
PROPERTIES LIMITED**

REPORT & ACCOUNTS

3 March 2001

Registered number 231137



CHISWELL PROPERTIES LIMITED

CONTENTS

	Pages
Company information	1
Directors' report	2-3
Directors' responsibilities	4
Auditors' report	5
Balance sheet	6
Accounting policies	7
Notes to the accounts	8

CHISWELL PROPERTIES LIMITED

DIRECTORS: S C Barratt
C J Wilkins

SECRETARY: M R Buxton-Smith

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: 231137

DIRECTORS' REPORT

Accounts

The Directors submit to the shareholders their report and accounts for the year ended 3 March 2001.

Principal activity and review of business development

The directors report that the company has not traded during the year ended 3 March 2001.
No profit and loss account has been prepared.

Results and dividends

The profit for the year after taxation amounted to £nil.
The directors do not propose a final dividend.

Directors

The Directors of the company during the year and up to the date of this report 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 parent undertaking, Whitbread PLC (formerly Whitbread Holdings PLC) including shares under the Whitbread PLC Share Ownership Scheme are as follows:

Ordinary shares	<u>3 March 2001</u>	<u>4 March 2000</u>
S C Barratt	5,468	5,275
C J Wilkins	8,145	7,791

DIRECTORS' REPORT

Directors' interests (cont)

Options over ordinary shares

During the year the following movements in options over the ordinary share capital of the parent undertaking, Whitbread PLC (formerly Whitbread Holdings PLC), took place:-

		Options held	Options granted		Options exercised		Options held
		at 4.03.00	Number	Price (p)	Number	Price (p)	at 3.03.01
S C Barratt	a	23,200	24,000	542.4	-	-	47,200
	b	2,291	-	-	-	-	2,291
C J Wilkins	a	73,000	24,000	542.4	-	-	97,000
	b	2,897	-	-	-	-	2,897

(a) the Executive Share Option Scheme


(b) the Savings Related Share Option Scheme

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 have consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001.

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

On behalf of the board


 MARIA BURTON-SMITH
 SECRETARY
 20 NOV 2001
 2001

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

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

The directors are required by the Companies Act 1985 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 for the financial year.

The directors consider that in preparing the financial statements on pages 6 to 8 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 financial statements 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 financial statements 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.

REPORT OF THE AUDITORS

to the members of Chiswell Properties Limited

We have audited the accounts on pages 6 to 8 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

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 financial statements 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.

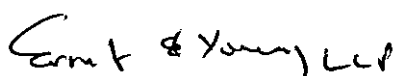
Basis of opinion

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 at 3 March 2001 and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London



2001

CHISWELL PROPERTIES LIMITED

BALANCE SHEET

3 March 2001

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		£	£
CURRENT ASSETS			
Debtors - amounts owed by group undertakings		428,984,171	428,984,171
		<hr/>	<hr/>
TOTAL ASSETS LESS LIABILITIES		<u>428,984,171</u>	<u>428,984,171</u>
CAPITAL AND RESERVES			
Called up share capital	1	428,799,324	428,799,324
Profit and loss account	2	<u>184,847</u>	<u>184,847</u>
EQUITY SHAREHOLDERS' FUNDS	3	<u>428,984,171</u>	<u>428,984,171</u>


Director

2001

20 NOV 2001

Simon E. Barrett

ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Cash flow

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 whose consolidated accounts are publicly available.

CHISWELL PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

1. SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2001	2000	2001	2000
	£	£	£	£
Ordinary shares of £1 each	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>428,799,324</u>	<u>428,799,324</u>

2. PROFIT AND LOSS ACCOUNT

	2001	2000
	£	£
Opening balance	184,847	184,847
Loss retained	-	-
Closing balance	<u>184,847</u>	<u>184,847</u>

3. MOVEMENT IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Opening shareholders' funds	428,984,171	428,984,171
Dividends	-	-
Closing shareholders' funds	<u>428,984,171</u>	<u>428,984,171</u>

4. RELATED PARTIES

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

5. PARENT UNDERTAKING

The ultimate parent undertaking is Whitbread PLC (formerly Whitbread Holdings PLC), registered in England and Wales.

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