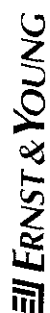


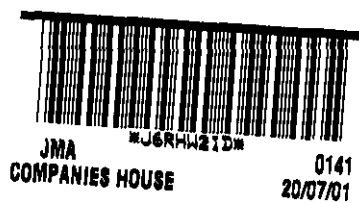
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STRETTON LEISURE CLUBS LIMITED

AMENDED Report and Accounts

1 October 2000

 ERNST & YOUNG



# Stretton Leisure Clubs Limited

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Registered No. 670614

## **DIRECTORS**

J. A. Farquharson  
D. C. Edwards

## **SECRETARY**

D. C. Edwards

## **AUDITORS**

Ernst & Young LLP  
100 Barbirolli Square  
Manchester  
M2 3EY

## **REGISTERED OFFICE**

2100 Daresbury Park  
Daresbury  
Warrington  
Cheshire  
WA4 4BP

DIRECTORS' REPORT

The directors' present the report and accounts for the year ended 1 October 2000.

**RESULTS AND DIVIDENDS**

The company reports neither a profit nor a loss for the year (1999: £Nil). The directors propose an ordinary dividend of £2,000,000 (1999: £Nil).

**PRINCIPAL ACTIVITY**

Other than the payment of the dividend, the company did not trade during the year.

**DIRECTORS AND THEIR INTERESTS**

The directors during the year were as follows:

D. Kibble (resigned 10 February 2000)  
J. M. Brabbin (resigned 4 June 2001)  
J. A. Farquharson (appointed 10 February 2000)  
D.C. Edwards (appointed 10 February 2000)

None of the directors had interests in the share capital of the company.

The interests of the directors in the ordinary shares of De Vere Group Plc, the ultimate parent company, were as follows:

*Ordinary shares:*

	<i>At 1 October 2000</i>	<i>At 24 September 1999</i>
J.A. Farquharson	9,449	7,619
D.C. Edwards	-	-
J. M. Brabbin	1,464	2,843

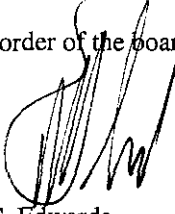
*Shares under option:*

	<i>Options held at 24 September 1999</i>	<i>Granted during the year</i>	<i>Exercised during the year</i>	<i>Options held at 1 October 2000</i>
J.A. Farquharson	85,252	-	(20,735)	64,517
D.C. Edwards	67,914	37,635	(12,118)	93,431
J. M Brabbin	46,431	34,941	(6,149)	75,223

**AUDITORS**

As the company is expected to become dormant again having declared a dividend, in accordance with section 250 of the Companies Act 1985, a special resolution resolving that auditors shall not be appointed will be put to the annual general meeting.

By order of the board

  
D.C. Edwards  
Secretary

18 JUL 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE  
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, 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, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 1985. They 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.

**REPORT OF THE AUDITORS**  
**to the members of Stretton Leisure Clubs Limited**

We have audited the accounts on pages 5 to 7, 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 3, the company's directors are responsible for the preparation of the 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.

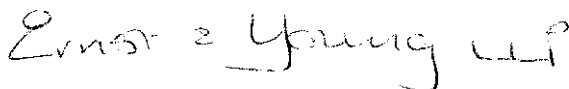
**Basis of opinion**

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 1 October 2000 of the loss of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
Manchester

18 JUL 2001

# Stretton Leisure Clubs Limited

## PROFIT AND LOSS ACCOUNT

Year ended 1 October 2000

	<i>Notes</i>	<i>2000</i> £	<i>1999</i> £
<b>PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS</b>		-	-
Ordinary dividends		(2,000,000)	-
<b>LOSS FOR THE YEAR</b>	3	<u>(2,000,000)</u>	<u>-</u>

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company had no gains and losses other than those disclosed in the profit and loss account.

# Stretton Leisure Clubs Limited

## BALANCE SHEET

at 1 October 2000

	<i>Notes</i>	<i>2000</i> £	<i>1999</i> £
<b>Current Assets</b>			
Debtors – amounts due from group companies		1,183,000	3,183,000
<b>NET ASSETS</b>		<u>1,183,000</u>	<u>3,183,000</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	2	300,000	300,000
Share premium account	3	275,000	275,000
Profit and loss account	3	608,000	2,608,000
	3	<u>1,183,000</u>	<u>3,183,000</u>

On behalf of the Board

D. C. Edwards

Director

18 JUL 2001

NOTES TO THE ACCOUNTS

at 1 October 2000

1. ACCOUNTING POLICIES

*Accounting convention*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

2. CALLED UP SHARE CAPITAL

	2000 £	1999 £
Authorised:		
5,000,000 ordinary shares of 10p each	500,000	500,000
	<hr/>	<hr/>
Allotted, called up and fully paid:		
3,000,000 ordinary shares of 10p each	300,000	300,000
	<hr/>	<hr/>

3. MOVEMENT ON RESERVES AND RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share Capital £	Share Premium £	Profit & Loss Account £	Total Shareholders' funds £
At 30 September 1998 and 24 September 1999	300,000	275,000	2,608,000	3,183,000
Retained loss for the year	-	-	(2,000,000)	(2,000,000)
At 1 October 2000	300,000	275,000	608,000	1,183,000
	<hr/>	<hr/>	<hr/>	<hr/>

4. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent undertaking is Greenalls (Pelican) Limited (formerly Stretton Leisure Limited).

The ultimate parent company and controlling party is De Vere Group Plc, a company incorporated in England and Wales. Copies of the accounts of De Vere Group Plc can be obtained from 2100 Daresbury Park, Daresbury, Warrington, Cheshire WA4 4BP.