

Registration number: 00017030

# Whitbread East Pennines Limited

Annual Report and Financial Statements

for the Year Ended 2 March 2017

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## **Whitbread East Pennines Limited**

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## **Whitbread East Pennines Limited**

### **Company Information**

<b>Directors</b>	D Lowry Whitbread Directors 1 Limited Whitbread Directors 2 Limited
<b>Company secretary</b>	Whitbread Secretaries Limited
<b>Registered number</b>	00017030
<b>Registered office</b>	Whitbread Court Houghton Hall Business Park Porz Avenue Dunstable Bedfordshire LU5 5XE
<b>Auditor</b>	Deloitte LLP 2 New Street Square London EC4A 3BZ

## **Whitbread East Pennines Limited**

### **Directors' Report for the Year Ended 2 March 2017**

The directors present their report and the financial statements for the year ended 2 March 2017.

#### **Principal activity**

The primary purpose of the Company is to maintain and realise its obligations with respect to payments to complete the lease terms of properties no longer in use and to hold intercompany balances. It does not trade or hold investments in subsidiaries.

#### **Directors of the Company**

The directors who held office during the year were as follows:

D Lowry

Whitbread Directors 1 Limited

Whitbread Directors 2 Limited

#### **Going concern**

The financial position of the Company is set out in these financial statements. The Company has considerable financial resources and, as a consequence, the directors believe that the Company is well placed to manage its business risks.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Qualifying third party indemnity provisions**

A qualifying indemnity provision (as defined in Section 236(1) of the Companies Act 2006) is in force for the benefit of the directors.

#### **Disclosure of information to the auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given, and should be interpreted, in accordance with the provisions of section 418 of the Companies Act 2006.

**Whitbread East Pennines Limited**

**Directors' Report for the Year Ended 2 March 2017**

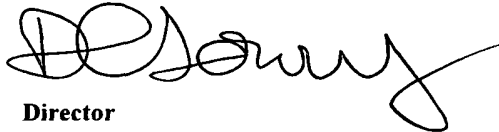
**Reappointment of auditor**

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies provision statement**

The Company has taken advantage of the exemption from preparing a Strategic Report, and disclosures in the Directors' Report, applying to small companies in accordance with the provisions of section 414c of the Companies Act 2006.

Approved by the Board on 15 August 2017 and signed on its behalf by:



**Director**

DAREN LOWRY

## **Whitbread East Pennines Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' (FRS 101). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

## **Whitbread East Pennines Limited**

### **Independent Auditor's Report to the members of Whitbread East Pennines Limited**

We have audited the financial statements of Whitbread East Pennines Limited for the year ended 2 March 2017, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is, apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 2 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

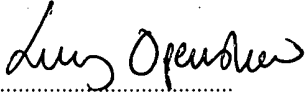
**Whitbread East Pennines Limited**

**Independent Auditor's Report to the members of Whitbread East Pennines Limited**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Lucy Openshaw (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP,  
Statutory Auditor

2 New Street Square  
London  
EC4A 3BZ

Date: 16/8/2017



## Whitbread East Pennines Limited

### Profit and Loss Account for the Year Ended 2 March 2017

	Note	52 weeks to 2 March 2017 £ 000	53 weeks to 3 March 2016 £ 000
Turnover		-	-
Administrative expenses		-	(371)
Other operating income	4	<u>177</u>	<u>-</u>
Operating profit/(loss)		<u>177</u>	<u>(371)</u>
Other interest receivable and similar income	5	156	171
Interest payable and similar charges	6	<u>-</u>	<u>(15)</u>
		<u>156</u>	<u>156</u>
<b>Profit/(loss) before tax</b>		<b>333</b>	<b>(215)</b>
Tax on profit/(loss) on activities	9	<u>(66)</u>	<u>43</u>
<b>Profit/(loss) for the period</b>		<b><u>267</u></b>	<b><u>(172)</u></b>

There is no other comprehensive income for 2017 or 2016 other than that included in the Profit and Loss Account.

The above results were derived from continuing operations.

The notes on pages 10 to 15 form an integral part of these financial statements.

**Whitbread East Pennines Limited**

**(Registration number: 00017030)  
Balance Sheet as at 2 March 2017**

	Note	2 March 2017 £ 000	3 March 2016 £ 000
<b>Current assets</b>			
Debtors	10	3,153	3,666
Income tax asset	9	<u>-</u>	<u>43</u>
		3,153	3,709
<b>Creditors: Amounts falling due within one year</b>			
Income tax liability	9	<u>(66)</u>	<u>-</u>
Total assets less current liabilities		3,087	3,709
Provisions for liabilities	11	<u>(70)</u>	<u>(959)</u>
Net assets		<u>3,017</u>	<u>2,750</u>
<b>Capital and reserves</b>			
Called up share capital	12	2,740	2,740
Share premium reserve		136	136
Profit and loss account		<u>141</u>	<u>(126)</u>
Shareholders' funds		<u>3,017</u>	<u>2,750</u>

Approved by the Board on 15 August 2017..... and signed on its behalf by:

  
Director  
DAREN LOWRY

The notes on pages 10 to 15 form an integral part of these financial statements.

**Whitbread East Pennines Limited**

**Statement of Changes in Equity for the Year Ended 2 March 2017**

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 27 February 2015	2,740	136	46	2,922
Loss for the year	-	-	(172)	(172)
Total comprehensive income	-	-	(172)	(172)
At 3 March 2016	2,740	136	(126)	2,750
	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 4 March 2016	2,740	136	(126)	2,750
Profit for the year	-	-	267	267
Total comprehensive income	-	-	267	267
At 2 March 2017	2,740	136	141	3,017

The notes on pages 10 to 15 form an integral part of these financial statements.

## Whitbread East Pennines Limited

### Notes to the Financial Statements for the Year Ended 2 March 2017

#### 1 General information

The Company is a private company limited by share capital incorporated and domiciled in England and Wales under the Companies Act 2006.

The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 2.

The financial statements are separate financial statements, presented in pounds sterling, and all values are rounded to the nearest thousand.

The financial statements of Whitbread East Pennines Limited for the year ended 2 March 2017 were authorised for issue by the Board of Directors on 15 August 2017

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' as issued by the Financial Reporting Council (FRC). Accordingly, in the year ended 3 March 2016, the Company transitioned from reporting under UK GAAP to FRS 101 'Reduced Disclosure Framework'. The financial statements have therefore been prepared in accordance with FRS 101.

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

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. Copies of their accounts can be obtained from Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire LU5 5XE.

The financial year represents 52 weeks to 2 March 2017 (prior financial year: 53 weeks to 3 March 2016).

The Company has adopted the following standards and interpretations which have been assessed as having no financial impact or disclosure requirements at this time:

- The IASB's annual improvement process, 2012-2014;
- IAS 1 Disclosure Initiative - Amendments to IAS 1;
- IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation - Amendments to IAS 16 and IAS 38;
- IAS 16 and IAS 41 Bearer Plants - Amendments to IAS 16 and IAS 41;
- IAS 27 Equity Method in Separate Financial Statements - Amendments to IAS 27;
- IFRS 10, IFRS 12 and IAS 28 Investment Entities - Applying the Consolidation Exception - Amendments to IFRS 10, IFRS 12 and IAS 28; and
- IFRS 11 Accounting for Acquisitions of Interests in Joint Operations - Amendments to IFRS 11.

## **Whitbread East Pennines Limited**

### **Notes to the Financial Statements for the Year Ended 2 March 2017**

#### **Summary of disclosure exemptions**

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements of the Group.

#### **Going concern**

The financial position of the Company is set out in these financial statements. The Company has considerable financial resources and, as a consequence, the directors believe that the Company is well placed to manage its business risks.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Interest receivable**

Interest income is recognised as the interest accrues, using the effective interest method.

#### **Tax**

The tax expense represents the sum of the tax currently payable and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current and deferred tax are recognised in profit or loss.

The tax currently payable is based on taxable profit for the year. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## Whitbread East Pennines Limited

### Notes to the Financial Statements for the Year Ended 2 March 2017

#### Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### Financial assets

##### Classification

Financial assets are classified into the following specified category: 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

##### Recognition and measurement

###### Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

### 3 Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The Directors have considered whether there are any such sources of estimation or critical accounting judgements in forming the financial statements and do not determine there to be any for the purposes of disclosure.

### 4 Other operating income

The analysis of the Company's other operating income for the period is as follows:

	Year ended 2 March 2017 £ 000	Year ended 3 March 2016 £ 000
Reduction in onerous lease provision	177	-

### 5 Other interest receivable and similar income

	Year ended 2 March 2017 £ 000	Year ended 3 March 2016 £ 000
Interest receivable from group companies	156	171

## Whitbread East Pennines Limited

### Notes to the Financial Statements for the Year Ended 2 March 2017

#### 6 Interest payable and similar charges

	Year ended 2 March 2017 £ 000	Year ended 3 March 2016 £ 000
Interest unwinding on provisions	<u>-</u>	<u>15</u>

#### 7 Staff costs

The Company has no employees (2016: no employees) other than the directors, who did not receive any remuneration (2016: £NIL). All fees paid to directors as remuneration are borne by the parent company Whitbread Group PLC and it is not practical to allocate the amount for services in respect of this Company.

#### 8 Auditor's remuneration

Audit fees for the year of £1,000 (2016: £1,000) were paid by the parent Company, Whitbread Group PLC. Information about the total audit fees paid by the Group can be found in the Whitbread PLC Annual Report and Accounts for the year ended 2 March 2017.

#### 9 Taxation

Tax charged/(credited) in the profit and loss account

	Year ended 2 March 2017 £ 000	Year ended 3 March 2016 £ 000
<b>Current taxation</b>		
UK corporation tax	<u>66</u>	<u>(43)</u>

#### Factors affecting the tax charge for the year:

There were no factors that affected the tax charge for the year which has been calculated on the losses on ordinary activities before tax at the standard rate of corporation tax in the UK of 20.00% (2016: 20.08%).

#### Factors that may affect future tax charges:

The Finance (No 2) Act 2015 reduced the main rate of UK corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020. The effect of these rates was included in the financial statements in 2015/16. The Finance Act 2016 further reduced the main rate of UK corporation tax to 17% with effect from 1 April 2020. The rate changes will impact the amount of the future cash tax payments to be made by the Company.

The corporation tax balance is a liability of £66,000 (2016: asset of £43,000).

## Whitbread East Pennines Limited

### Notes to the Financial Statements for the Year Ended 2 March 2017

#### 10 Debtors

	<b>2 March 2017</b>	<b>3 March 2016</b>
	<b>£ 000</b>	<b>£ 000</b>
Amounts owed by group undertakings	3,153	3,662
Prepayments and accrued income	-	4
<b>Total debtors</b>	<b><u>3,153</u></b>	<b><u>3,666</u></b>

Amounts receivable from related parties are repayable on demand and carry an average quarterly interest rate based upon the group funding.

#### 11 Provisions for liabilities

	<b>Onerous contracts</b>	<b>Litigation provision</b>	<b>Total</b>
	<b>£ 000</b>	<b>£ 000</b>	<b>£ 000</b>
At 4 March 2016	875	84	959
Reduction in existing provisions	(177)	-	(177)
Provisions used	-	(14)	(14)
Unused provision reversed	<u>(698)</u>	<u>-</u>	<u>(698)</u>
At 2 March 2017	<u>-</u>	<u>70</u>	<u>70</u>
Non-current liabilities	<u>-</u>	<u>70</u>	<u>70</u>

##### **Onerous Contracts**

A provision was raised in relation to property reversions as a result of The Laurel Pub Company Limited entering administration in March 2008. This lease was surrendered during the year.

##### **Litigation Provision**

The litigation provision relates to costs associated with litigation claims brought against the Company.

#### 12 Share capital

	<b>2 March 2017</b>	<b>3 March 2016</b>
	<b>£ 000</b>	<b>£ 000</b>
Allotted, called up and fully paid 2,739,576 Ordinary shares of £1 each	<u>2,740</u>	<u>2,740</u>

The shares have attached to them full voting rights.

#### 13 Related party transactions

The Company is a wholly-owned subsidiary of Whitbread PLC, the ultimate controlling entity, and has taken advantage of the exemption given in Financial Reporting Standard 101 (8(k)) not to disclose transactions with other group companies.



## **Whitbread East Pennines Limited**

### **Notes to the Financial Statements for the Year Ended 2 March 2017**

#### **14 Parent and ultimate parent undertaking**

The immediate parent undertaking is Whitbread Group PLC. The ultimate parent undertaking is Whitbread PLC.

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 Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire LU5 5XE.

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 Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire LU5 5XE.