

BrightReasons Group Ltd

Report and accounts

For the year ended 27 February 1999

Registered No: 2521829



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COMPANIES HOUSE 01/12/99

BrightReasons Group Ltd

Report and accounts For the year ended 27 February 1999

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BrightReasons Group Ltd

Directors and advisers

Directors

R R Clewley
J S D Evans
C S Riley
E Aspel
S C Davis

Secretary

R N C Franklin ACIS

Auditors

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

Registered office

Whitbread PLC
Chiswell Street
London
EC1Y 4SD

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BrightReasons Group Ltd

Directors' report For the year ended 27 February 1999

The directors present their report and accounts for the company for the year ended 27 February 1999.

Principal activity and review of the business

The principal activity of the company during the year continued to be that of a holding company.

No dividends have been paid or declared in the year, or are proposed (1998: £Nil).

Directors

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

R R Clewley
J S D Evans
C D Green (resigned 26 February 1999)
J W Lester (resigned 31 March 1999)

In addition, E Aspel, S C Davis and C S Riley were appointed as directors on 1 March 1999.

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 held under the Whitbread PLC Share Ownership Scheme are as follows:-

Ordinary shares	<u>27 February 1999</u>	<u>1 March 1998</u> <u>or date of appointment</u>
R R Clewley	4780	170
J S D Evans	546	530
J W Lester	2230	1194

BrightReasons Group Ltd

Directors' interests (cont.)

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:-

		<u>Options held at 01.03.98 or appointment</u>	<u>Options granted</u>		<u>Options exercised</u>		<u>Options held at 27.2.99</u>
			<u>Number</u>	<u>Price</u>	<u>Number</u>	<u>Price</u>	
R R Clewley	a	27,500	600	1027p	0		28,100
	b	3,580	2,643	638.3p	3,580	418.9p	2,643
J S D Evans	a	13,100	10,300	1077p	0		23,400
	b	1,526	0		0		1,526
J W Lester *	b	2,527	0		0		

(a) the Executive Share Option Scheme

(b) the Savings Related Option Scheme

* J W Lester's options lapsed 31 July 1998

C D Green resigned as a director on 26 February 1999, his options lapsed on this date.

Share capital

The issued share capital was increased on 19 March 1998 from 40,929 to 290,000,000 ordinary shares of 10p. The authorised and issued Preference share capital was converted into Ordinary shares of 10p with effect from September 1998 (see note 4).

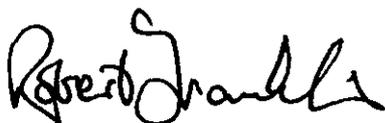
Year 2000

The company is a subsidiary of Whitbread PLC and is included in the Whitbread Group programme addressing the impact of the Year 2000. Details of this programme can be found in the Report and Accounts of Whitbread PLC. Copies can be obtained from Chiswell Street, London EC1Y 4SD.

Auditors

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

On behalf of the board



R N C Franklin
Company Secretary

15 November 1999

BrightReasons Group Ltd

Statement of directors' responsibilities

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 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 BrightReasons Group Ltd

We have audited the financial statements on pages 6 to 8 which have been prepared 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 the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

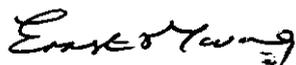
Basis of opinion

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 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 27 February 1999 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
London

15/11/99

BrightReasons Group Ltd

**Balance sheet
at 27 February 1999**

	Notes	27 February 1999	28 February 1998
		£'000	£'000
Fixed assets			
Investments	2	9,726	9,851
Current assets			
Debtors	3	40,816	11,691
Total assets less current liabilities		<u>50,542</u>	<u>21,542</u>
Capital and reserves			
Called-up share capital	4	41,506	12,506
Capital redemption reserve	5	40	40
Share premium account	5	8,839	8,839
Profit and loss account	5	157	157
Shareholders' funds	6	<u>50,542</u>	<u>21,542</u>

The financial statements on pages 6 to 8 were approved by the board of directors on 15/11/99 and were signed on its behalf by:



R R Clewley
Director

15/11/99

Principal accounting policies and notes to the financial statements

For the year ended 27 February 1999

1. Principal accounting policies

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards. In accordance with the Companies Act 1985, section 228(1), as the company is a wholly owned subsidiary of an European Community parent, group accounts are not prepared.

Profit and loss

The company did not trade during the year or the prior period, and therefore does not present a profit and loss account.

Cash flow statement

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.

2. Investments

	£'000
Balance at 1 March 1998	9,851
Disposal - transfer to BrightReasons Restaurants Limited	(125)
At 27 February 1999	<u><u>9,726</u></u>

The company held the issued share capital of the following subsidiary undertakings at 27 February 1999:

	Activity	Country of incorporation or registration	% of equity holding
BrightReasons Restaurants Limited	Restaurateurs	England & Wales	100
BrightReasons International Limited	Dormant	England & Wales	100
Bella Pasta Limited	Dormant	England & Wales	50
Bella Pasta Restaurants Limited	Dormant	England & Wales	50

Share capital held by subsidiary undertakings at 27 February 1999:

UB Restaurants (CI) Limited	Dormant	Jersey	100
Associated Restaurants (Overseas) Limited	Dormant	Jersey	100
Pizzaland Limited	Dormant	England & Wales	100
Bella Pasta Restaurants Limited	Dormant	England & Wales	50
Prima Pasta Limited	Dormant	England & Wales	100
The Pizza Gallery Limited	Dormant	England & Wales	100
Bella Pasta Limited	Dormant	England & Wales	50

3. Debtors

	1999	1998
	£'000	£'000
Amounts due from subsidiary undertakings	<u><u>40,816</u></u>	<u><u>11,691</u></u>

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4. Called-up share capital

	1999 £000	1998 £000
Authorised		
874,511,729 Ordinary shares of 10p each	87,451	87,451
316,891 "A" ordinary shares of 10p each	32	32
10% cumulative redeemable preference shares of £1 each (1998; 6,000,000)	-	6,000
9% cumulative redeemable preference shares of £1 each (1998; 6,053,138)	-	6,053
"A" preference shares of £1 each (1998; 464,000)	-	464
	<u>87,483</u>	<u>100,000</u>
Allotted, called-up and fully paid		
414,809,109 Ordinary shares of 10p each (1998; 40,929)	41,481	4
247,520 "A" ordinary shares of 10p each	25	25
10% cumulative redeemable preference shares of £1 each (1998 6,000,000)	-	6,000
9% cumulative redeemable preference shares of £1 each (1998; 6053138)	-	6,053
"A" preference shares of £1 each (1998; 423,680)	-	424
	<u>41,506</u>	<u>12,506</u>

Share capital issued to Whitbread PLC was increased to £41,505,663 by the issue of 290,000,000 10p ordinary shares on 19 March 1998.

All of the issued preference share capital was converted into 124,768,180 ordinary shares of 10p with effect from 10 September 1998.

5. Reserves

	Capital redemption reserve £000	Share premium account £000	Profit and loss account £000
At 1 March 1998 and 27 February 1999	<u>40</u>	<u>8,839</u>	<u>157</u>

6. Shareholders' funds

	1999 £000	1998 £000
At 1 March 1998	21,542	21,542
Share capital issued	29,000	-
At 27 February 1999	<u>50,542</u>	<u>21,542</u>

7. Parent undertaking

The parent undertaking of the 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 Whitbread PLC's accounts can be obtained from Chiswell Street, London EC1Y 4SD.

8. 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.