

# **BELLA ITALIA GROUP LIMITED**

## **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**Year Ended 27 May 2007**

Registered number. 2521829

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# BELLA ITALIA GROUP LIMITED

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# BELLA ITALIA GROUP LIMITED

## COMPANY INFORMATION

<b>DIRECTORS:</b>	M Mansigani G Turner J Parsons
<b>SECRETARY</b>	M Mansigani
<b>AUDITORS:</b>	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
<b>REGISTERED OFFICE:</b>	1st Floor 163 Eversholt Street London NW1 1BU
<b>REGISTERED NUMBER:</b>	2521829

## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 27 May 2007

### **Principal activity**

The principal activity of the company is that of a holding company. There has been no change in this activity during the year.

### **Results and dividends**

The directors do not propose the payment of a dividend (2006 £nil)

### **Review of developments and future prospects**

On 15 December 2006 the entire share capital of the existing ultimate parent undertaking, Tragus Limited, was purchased by Tragus Bidco Limited. The largest group company which is registered in England and Wales and for whom group accounts are prepared is Tragus Group Limited.

The company will continue to be a holding company for the foreseeable future.

### **Principal risks and uncertainties**

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of Tragus Group Holdings Limited, which include those of the company, are disclosed in the group's annual report which does not form part of this report.

### **Key Performance Indicators**

The Directors of Tragus Group Holdings Limited manage the group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Bella Italia Group Limited. The development, performance and position of the business of the group, which includes the company, is discussed within the Directors' Report of the Tragus Group Holdings Limited's financial statements which does not form part of this report.

### **Directors**

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

G Turner  
M Mansigani  
J Parsons

## **DIRECTORS' REPORT**

### **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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 financial statements, the directors are required to

- select suitable accounting policies and then apply them
- 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 financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 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.

### **Auditors**

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 auditors are unaware, and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Pursuant to section 386 of the Companies Act 1985, the company has elected to dispense with the obligation to appoint auditors annually. PricewaterhouseCoopers LLP, who were appointed by the directors during the prior year and have indicated their willingness to continue in office, will be deemed to be re-appointed each year unless a resolution to terminate their appointment is made under section 386.

On behalf of the Board of Directors



DIRECTOR

13 September 2007

1st Floor  
163 Eversholt Street  
LONDON NW1 1BU

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BELLA ITALIA GROUP LIMITED**

We have audited the financial statements of Bella Italia Group Limited for the year ended 27 May 2007 which comprise the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 27 May 2007,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*

*PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London*

*Bln September 2007*

**BELLA ITALIA GROUP LIMITED****BALANCE SHEET****As at 27 May 2007**

	Notes	27 May 2007 £'000	28 May 2006 £'000
<b>FIXED ASSETS</b>			
Investments	3	<u>24,206</u>	<u>24,206</u>
<b>CURRENT ASSETS</b>			
Debtors	4	16,152	16,152
Creditors	5	<u>(24,206)</u>	<u>(24,206)</u>
<b>NET ASSETS</b>		<u>16,152</u>	<u>16,152</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	16,112	16,112
Capital redemption reserve	7	<u>40</u>	<u>40</u>
<b>EQUITY SHAREHOLDERS FUNDS</b>	8	<u>16,152</u>	<u>16,152</u>

These financial statements were approved by the Board of Directors and authorised for issue on 13th September 2007 and signed on its behalf by



Director

## **NOTES TO THE ACCOUNTS**

**Year ended 27 May 2007**

### **1 ACCOUNTING POLICIES**

The financial statements are prepared in accordance with the Companies Act 1985 and applicable accounting standards. The particular accounting policies adopted by the directors are described below.

#### **Accounting convention**

The financial statements are prepared on the going concern basis and under the historical cost convention.

#### **Investments**

Investments are stated at cost less provision for any impairment in value.

#### **Cash flow**

As permitted by Financial Reporting Standard No 1 (Revised) a cash flow statement has not been prepared as the company is a wholly owned subsidiary of a European Community parent whose consolidated accounts are publicly available.

### **2 SERVICES PROVIDED BY THE COMPANY'S AUDITOR**

Audit and tax fees are borne for the company by Tragus Holdings Limited, split as follows:

	<b>Year ended 27 May 2007 £'000</b>	<b>Year ended 28 May 2006 £'000</b>
Audit services		
Fees payable to company auditor for the audit of company accounts	3	3
Non audit services		
Tax services	<u>3</u>	<u>1</u>

### **3 INVESTMENTS**

	<b>Shares in subsidiary undertakings £'000</b>
Cost at 27 May 2007 and 29 May 2006	33,932
Provisions at 27 May 2007 and 29 May 2006	(9,726)
<b>Net Book Amounts at 27 May 2007 and 29 May 2006</b>	<b><u>24,206</u></b>

The principal undertaking in which the company's interest at the period end is 100% -

<b>Subsidiary undertaking</b>	<b>Activity</b>	<b>Country of registration and incorporation</b>	<b>% of ordinary shares held</b>
Bella Italia Restaurants Limited	Restaurateur	England and Wales	100%

The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Tragus Group Holdings Limited, a company registered in England and Wales.



**NOTES TO THE ACCOUNTS**

**Year ended 27 May 2007**

**4 DEBTORS**

	27 May 2007 £'000	28 May 2006 £'000
Amounts owed by group undertakings	<u>16,152</u>	<u>16,152</u>

**5. CREDITORS**

	27 May 2007 £'000	28 May 2006 £'000
Amounts owed to subsidiary undertakings	<u>24,206</u>	<u>24,206</u>

**6 SHARE CAPITAL**

	<u>Authorised</u>	
	27 May 2007 £'000	28 May 2006 £'000
745,740,000 Ordinary shares of 10p each	74,574	74,574
320,000 "A" ordinary shares of 10p each	<u>32</u>	<u>32</u>
	<u>74,606</u>	<u>74,606</u>

	<u>Allotted, called up and fully paid</u>	
	27 May 2007 £'000	28 May 2006 £'000
160,870,000 Ordinary shares of 10p each	16,087	16,087
250,000 "A" ordinary shares of 10p each	<u>25</u>	<u>25</u>
	<u>16,112</u>	<u>16,112</u>

The rights of the 'A' ordinary shares are equal to those of the ordinary shares

**7 STATEMENT OF MOVEMENTS ON RESERVES**

	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
At 27 May 2007 and 28 May 2006	<u>40</u>	<u>-</u>	<u>40</u>

**NOTES TO THE ACCOUNTS**

**Year ended 27 May 2007**

**8 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS**

**Total  
£'000**

Shareholders funds at 27 May 2007 and 28 May 2006

**16,152**

**9 RELATED PARTIES**

The company is a wholly owned subsidiary of Tragus Group Limited and has taken advantage of the exemption given in Financial Reporting Standard No 8 not to disclose transactions with other group companies

**10 PARENT UNDERTAKING**

The ultimate parent undertaking is Tragus Cayco Limited, registered in the Cayman Islands. The smallest group of undertakings for which group accounts are drawn up and of which the company is a member is Tragus Group Holdings Limited, registered in England and Wales, the largest Tragus Group Limited registered in England and Wales. Copies of these accounts can be obtained from 1st Floor, 163 Eversholt Street, London, NW1 1BU, United Kingdom.

The Group considers the Blackstone Group Limited who own 80.2% of the ordinary share capital of Tragus Cayco Limited as the ultimate controlling party.