

COMPANY REGISTRATION NUMBER: 05735916

Restaurant Holdings Limited

Financial Statements

Period ended 23 December 2018



Restaurant Holdings Limited
Financial Statements
Period from 25 December 2017 to 23 December 2018

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Restaurant Holdings Limited
Strategic Report
Period from 25 December 2017 to 23 December 2018

The directors present their strategic report for the period from 25 December 2017 to 23 December 2018.

Principal activities

The principal activity of the company is to act as an intermediate holding company.

The directors do not foresee any change in the company's activities.

The company has an accounting reference date of 27 December and makes up its accounts to a Sunday near that date. In 2017, the company changed the accounting reference date from 30 November to 27 December to align with Yum! Brands Inc. resulting in a 55 week accounting period relative to 2018 with a 52 week accounting period.

Results and review

The profit for the period amounted to £14,882,000 (2017: £619,205,000). The profit for the period was principally due to the receipt of a dividend from the company's subsidiary, Kentucky Fried Chicken (Great Britain) Limited, offset by the decision of the directors to impair the company's investment in Kentucky Fried Chicken (Great Britain) Limited.

At the end of the period, the company had net assets of £606,121,000 (2017: £591,239,000). The directors are reasonably certain that the company will be able to meet its obligations for the foreseeable future.

Amounts due to group undertakings are principally loans due to fellow subsidiaries and the accrued interest thereon. At the period end, 93% of the loans payable were US dollar denominated.

Principal risks and uncertainties

The principal risk to the company is the movement in foreign exchange on the US dollar-denominated loans. Foreign exchange movements that affect the annual interest payments are partially mitigated by the use of forward currency contracts, however the company is also required to report the foreign exchange movement on the principal value of the loans and this may have a significant impact on the results from period to period.

The directors have also considered the effect of the continued uncertainty around Brexit and they conclude that the most significant risk to the company relates to potential large foreign exchange movements arising from Brexit. The company and its subsidiary have taken action to mitigate other risks associated with Brexit and the directors conclude that there are not likely to be any other significant impacts on the company.

This report was approved by the Board on 18 October 2019 and signed on its behalf by:

.....
TM Colborn
Company secretary and director
Registered office:
Orion Gate
Guildford Road
Woking
Surrey
GU22 7NJ
United Kingdom

Restaurant Holdings Limited
Directors' Report
Period from 25 December 2017 to 23 December 2018

The directors present their report and the financial statements for the period from 25 December 2017 to 23 December 2018.

Directors of the company

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

PJ MacKenzie

CA Drew

CM Boynton (resigned 23 August 2019)

TM Colborn - Company secretary and director

The following director was appointed after the period end:

MRC Williams (appointed 23 August 2019)

None of the directors who held office at the end of the period had any disclosable interest in the shares of the company.

Dividends

No dividends were paid during the period. After the period end, dividends totalling £76,000,000 were paid as detailed in Note 15.

Going concern

The accounts have been prepared on the going concern basis.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 18 October 2019 and signed on its behalf by:

.....
TM Colborn
Company secretary and director
Registered office:
Orion Gate
Guildford Road
Woking
Surrey
GU22 7NJ
United Kingdom

Restaurant Holdings Limited

Statement of Directors' Responsibilities in respect of the Strategic Report, Directors' Report and Financial Statements

Period from 25 December 2017 to 23 December 2018

The directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 its profit or loss 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Independent Auditor's Report to the Member of Restaurant Holdings Limited

Period from 25 December 2017 to 23 December 2018

Opinion

We have audited the financial statements of Restaurant Holdings Limited (the 'company') for the period from 25 December 2017 to 23 December 2018, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 23 December 2018 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of investments and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Independent Auditor's Report to the Member of Restaurant Holdings Limited (continued)

Period from 25 December 2017 to 23 December 2018

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial period is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, 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.

We have nothing to report in these respects.

**Independent Auditor's Report to the Member of Restaurant Holdings Limited
(continued)**

Period from 25 December 2017 to 23 December 2018

Directors' responsibilities

As explained more fully in their statement 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

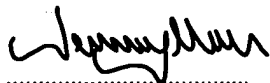
Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 member 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.



.....
Jeremy Hall (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
United Kingdom

18 October 2019

Restaurant Holdings Limited
Statement of Comprehensive Income
Period from 25 December 2017 to 23 December 2018

		Period from 25 Dec 17 to 23 Dec 18 £ 000	Period from 5 Dec 16 to 24 Dec 17 £ 000
	Note		
Administrative expenses		<u>(89)</u>	<u>(140)</u>
Operating loss		(89)	(140)
Income from shares in group undertakings		207,000	1,353,025
Other interest receivable and similar income		31	1
Amounts written off investments		(160,935)	(741,647)
Interest payable and similar expenses	6	<u>(39,976)</u>	<u>9,989</u>
Profit before taxation		6,031	621,228
Taxation	7	<u>8,851</u>	<u>(2,023)</u>
Profit after taxation		<u>14,882</u>	<u>619,205</u>
Total comprehensive income for the period		<u>14,882</u>	<u>619,205</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 19 form part of these financial statements.

Restaurant Holdings Limited
Statement of Financial Position
23 December 2018

	Note	23 Dec 18 £ 000	24 Dec 17 £ 000
Fixed assets			
Investments	9	933,748	1,094,683
Current assets			
Debtors	10	23,247	16,816
Cash at bank and in hand		41,890	200
		<u>65,137</u>	<u>17,016</u>
Creditors: Amounts falling due within one year	11	<u>(30,558)</u>	<u>(1,492)</u>
Net current assets		<u>34,579</u>	<u>15,524</u>
Total assets less current liabilities		968,327	1,110,207
Creditors: Amounts falling due after more than one year	12	<u>(362,206)</u>	<u>(518,968)</u>
Net assets		<u>606,121</u>	<u>591,239</u>
Capital and reserves			
Called up share capital	13	94,763	94,763
Profit and loss account	14	<u>511,358</u>	<u>496,476</u>
Member funds		<u>606,121</u>	<u>591,239</u>

These financial statements were approved by the Board and authorised for issue on 18 October 2019 and are signed on its behalf by:

.....
TM Colborn
Company secretary and director

Company registration number: 05735916

The notes on pages 10 to 19 form part of these financial statements.

Restaurant Holdings Limited

Statement of Changes in Equity for the Period from 25 December 2017 to 23 December 2018

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 5 December 2016	<u>94,763</u>	<u>(49,696)</u>	<u>45,067</u>
Profit for the period	-	619,205	619,205
Dividends paid and payable	-	(73,033)	(73,033)
New share capital subscribed	750,000	-	750,000
Other share capital movements	<u>(750,000)</u>	<u>-</u>	<u>(750,000)</u>
Total investments by and distributions to owners	<u>-</u>	<u>(73,033)</u>	<u>(73,033)</u>
At 24 December 2017	<u>94,763</u>	<u>496,476</u>	<u>591,239</u>
Profit for the period	-	14,882	14,882
Total comprehensive income for the period	<u>-</u>	<u>14,882</u>	<u>14,882</u>
At 23 December 2018	<u>94,763</u>	<u>511,358</u>	<u>606,121</u>

The notes on pages 10 to 19 form part of these financial statements.

Restaurant Holdings Limited
Notes to the Financial Statements
Period from 25 December 2017 to 23 December 2018

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Orion Gate
Guildford Road
Woking
Surrey
GU22 7NJ
United Kingdom

2 Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3 Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure of long period

The company has an accounting reference date of 27 December and makes up its accounts to a Sunday near that date. In 2017, the Company changed the accounting reference date from 30 November to 27 December to align with Yum! Brands Inc. resulting in a 55 week accounting period relative to 2018 with a 52 week accounting period.

Disclosure exemptions

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 401 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is not established under the law of an EEA State.

The company's ultimate parent undertaking, Yum! Brands, Inc. includes the company in its consolidated financial statements. The consolidated financial statements of Yum! Brands, Inc., are available to the public and may be obtained from the address as detailed in note 16. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Key Management Personnel compensation; and
- Related party transactions with entities which form part of the group.

Restaurant Holdings Limited
Notes to the Financial Statements (continued)
Period from 25 December 2017 to 23 December 2018

3 Accounting policies (continued)

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue its operational existence for the foreseeable future. The company has net assets of £606,121,000, with debts being owed to group undertakings, and predominantly due more than five years after the balance sheet date. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Income tax

The charge or credit for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of timing differences between the treatment of certain items of taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

Investments

The carrying amount of the company's investments are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable value is estimated. The recoverable value of an investment is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying value of an investment exceeds its estimated recoverable amounts. Impairment losses are recognised in profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Restaurant Holdings Limited

Notes to the Financial Statements (continued) **Period from 25 December 2017 to 23 December 2018**

4 Auditors' remuneration

	Period from 25 Dec 17 to 23 Dec 18 £ 000	Period from 5 Dec 16 to 24 Dec 17 £ 000
Fees payable for the audit of the financial statements	<u>13</u>	<u>13</u>
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance services	<u>7</u>	<u>7</u>

5 Remuneration of directors and employees

The directors did not receive any remuneration for their services to the company during the period.

The company has no employees.

6 Interest payable and similar expenses

	Period from 25 Dec 17 to 23 Dec 18 £ 000	Period from 5 Dec 16 to 24 Dec 17 £ 000
Foreign exchange (gains)/losses	24,055	(25,819)
Interest payable to group undertakings	<u>15,921</u>	<u>15,830</u>
	<u>39,976</u>	<u>(9,989)</u>

7 Tax on profit

Tax charged/(credited) in the income statement

	Period from 25 Dec 17 to 23 Dec 18 £ 000	Period from 5 Dec 16 to 24 Dec 17 £ 000
Current tax:		
UK current tax expense/(credit)	(7,606)	2,023
Adjustments in respect of prior periods	<u>(1,245)</u>	<u>-</u>
Total current tax	<u>(8,851)</u>	<u>2,023</u>

Restaurant Holdings Limited
Notes to the Financial Statements (continued)
Period from 25 December 2017 to 23 December 2018

7 Tax on profit (continued)

Reconciliation of tax expense

The tax on the profit for the period is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.31%).

The differences are reconciled below:

	Period from 25 Dec 17 to 23 Dec 18 £ 000	Period from 5 Dec 16 to 24 Dec 17 £ 000
Profit before taxation	<u>6,031</u>	<u>621,228</u>
Profit by rate of tax	1,146	119,959
Effect of expense not deductible in determining taxable profit	30,578	143,333
Decrease in UK and foreign current tax from adjustment for prior periods	(1,245)	-
Tax decrease from effect of dividends from UK companies	<u>(39,330)</u>	<u>(261,269)</u>
Tax on profit	<u>(8,851)</u>	<u>2,023</u>

Factors that may affect future tax charges

A reduction in the rate to 17% (effective 1 April 2020) was announced in the Chancellor's Budget on 16 March 2016 and was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

8 Dividends

	23 Dec 18 £ 000	24 Dec 17 £ 000
Dividends on equity shares	<u>-</u>	<u>73,033</u>

Restaurant Holdings Limited

Notes to the Financial Statements (continued) Period from 25 December 2017 to 23 December 2018

9 Investments in subsidiaries, joint ventures and associates

	Shares in group undertakings £ 000
Cost or valuation	
At 24 December 2017	<u>1,353,025</u>
At 23 December 2018	<u>1,353,025</u>
Provision	
At 24 December 2017	258,342
Impairment charge	<u>160,935</u>
At 23 December 2018	<u>419,277</u>
Carrying amount	
At 23 December 2018	<u>933,748</u>
At 24 December 2017	<u>1,094,683</u>

Restaurant Holdings Limited
Notes to the Financial Statements (continued)
Period from 25 December 2017 to 23 December 2018

9 Investments in subsidiaries, joint ventures and associates (continued)

Group investments

The undertaking in which the company has a direct interest at the period end is as follows:

Name	Country of incorporation	Holding	Principal activity	Address
Kentucky Fried Chicken (Great Britain) Limited	England	100% ordinary shares	Trading	Orion Gate Guildford Road, Woking GU22 7NJ

The undertakings in which the company has an indirect interest at the period end are as follows:

	Country of incorporation	Holding	Principal activity	Address
KFC Advertising Limited	England	100% ordinary shares	Advertising Co-operative	Orion Gate, Guildford Road, Woking, GU22 7NJ
Yum! Restaurants Limited	England	100% ordinary shares	Non-trading	Orion Gate, Guildford Road, Woking, GU22 7NJ
Yum! Restaurants International Limited	England	100% ordinary shares	Investment holding	Orion Gate, Guildford Road, Woking, GU22 7NJ
Kentucky Fried Chicken (Germany) Restaurant Holdings GmbH	Germany	100% ordinary shares	Investment holding	Wanheimer Straße 49, 40472 Dusseldorf

Restaurant Holdings Limited
Notes to the Financial Statements (continued)
Period from 25 December 2017 to 23 December 2018

9 Investments in subsidiaries, joint ventures and associates (continued)

	Country of incorporation	Holding	Principal activity	Address
Kentucky Fried Chicken (Great Britain) Services Limited	England	100% ordinary shares	Service company	Orion Gate, Guildford Road, Woking, GU22 7NJ
Southern Fast Foods Limited	England	100% ordinary shares	Non-trading	Orion Gate, Guildford Road, Woking, GU22 7NJ
Finger Lickin' Chicken Limited	England	100% ordinary shares	Non-trading	Orion Gate, Guildford Road, Woking, GU22 7NJ
Parc Pensarn Management Company Limited	England	1 ordinary share	Trading	PO Box 4385, 8020145: Companies House Default Address, Cardiff CF14 8LH
Yum! Restaurants International Limited & Co. KG	Germany	100% ordinary shares	Trading	Wanheimer Straße 49, 40472 Dusseldorf
Suffolk Fast Foods Limited	England	100% ordinary shares	Non-trading	Orion Gate, Guildford Road, Woking, GU22 7NJ
Kentucky Fried Chicken Limited	England	100% ordinary shares	Non-trading	Orion Gate, Guildford Road, Woking, GU22 7NJ

Restaurant Holdings Limited

Notes to the Financial Statements (continued) Period from 25 December 2017 to 23 December 2018

9 Investments in subsidiaries, joint ventures and associates (continued)

Yum! Restaurants International Limited and Kentucky Fried Chicken (Germany) Restaurant Holdings GmbH are partners in Yum! Restaurants International Limited & Co KG, a company registered in Germany. Kentucky Fried Chicken (Germany) Restaurant Holdings GmbH has an interest of 100% of the partnership capital of Yum! Restaurants International Limited & Co KG. Yum! Restaurants International Limited acts as a general partner and has no interest in the partnership capital.

In the opinion of the directors, the investment in the company's subsidiary undertaking is worth at least the amount at which it is stated in the financial statements.

During the period, the company's direct subsidiary, Kentucky Fried Chicken (Great Britain) Limited ceased control of its following direct subsidiaries:

	Country of incorporation	Incorporation date	Date KFCGB ceased control
KZ Catering Limited	England	27 March 2017	15 January 2018
Scotco Trowbridge Limited	England	29 March 2017	15 January 2018
SASA Foods Limited	England	29 March 2017	29 January 2018
Scotco One Five Five Limited	England	15 August 2017	10 April 2018
Demipower Eastern Limited	England	3 August 2017	4 June 2018
Splendid Restaurants (Harland) Limited	England	27 March 2017	2 July 2018
MFIT Foods Limited	England	19 June 2017	23 October 2018

10 Debtors

	23 Dec 18 £ 000	24 Dec 17 £ 000
Amounts owed by group undertakings	23,233	16,815
Other debtors	14	1
	<u>23,247</u>	<u>16,816</u>

11 Creditors: amounts falling due within one year

	23 Dec 18 £ 000	24 Dec 17 £ 000
Amounts owed to group undertakings	30,386	1,365
Accruals and deferred income	172	127
	<u>30,558</u>	<u>1,492</u>

Restaurant Holdings Limited

Notes to the Financial Statements (continued) Period from 25 December 2017 to 23 December 2018

12 Creditors: amounts falling due after more than one year

	23 Dec 18 £ 000	24 Dec 17 £ 000
Amounts due to group undertakings:		
US Dollar denominated loans	362,206	489,818
Sterling denominated loans	-	29,150
	<u>362,206</u>	<u>518,968</u>

The terms of the loans due to group undertakings are as follows:

	Interest rates	Repayment date
US Dollar denominated loans	USD LIBOR plus 1.25% per annum, payable annually	November 2031
Sterling denominated loans	GBP LIBOR plus 0.68% per annum, payable annually	November 2019

13 Called up share capital

Issued, called up and fully paid shares

	23 Dec 18	24 Dec 17
	No. £ 000	No. £ 000
Ordinary shares of £1 each	<u>94,762,992</u> <u>94,763</u>	<u>94,762,992</u> <u>94,763</u>

14 Reserves

The called up share capital account records the shares held by the company's parent company at cost.

The profit and loss account records retained earnings and accumulated losses.

15 Events after the end of the reporting period

After the period end, the company paid dividends of £76,000,000 to its parent company, Yum! Restaurants International Management LLC.

The directors also took the decision to delist the company's debt, which had been listed on The International Stock Exchange in 2016. The debt was delisted on 8 March 2019.

Parc Pensarn Management Company Limited, in which the company had an indirect investment of one ordinary share, was dissolved on 25 June 2019.

Restaurant Holdings Limited

Notes to the Financial Statements (continued) Period from 25 December 2017 to 23 December 2018

16 Controlling party

The company is a subsidiary undertaking of Yum! Restaurants International Management LLC, a company registered in the United States of America.

The smallest and largest group in which the results of the company are consolidated is that headed by Yum! Brands, Inc., a company registered in the United States of America. The consolidated accounts of this group are available to the public and may be obtained from:

Yum! Brands, Inc.
1441 Gardiner Lane
Louisville
Kentucky
40213
United States of America