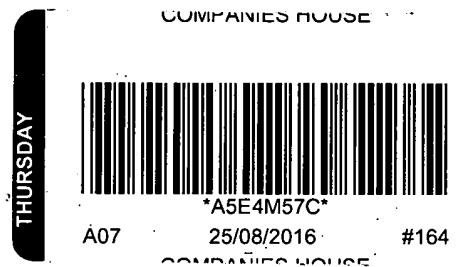


Registration number: 6190477

# Milton 1 Limited

Annual Report and Financial Statements

for the Year Ended 3 March 2016



## **Milton 1 Limited**

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**Milton 1 Limited**  
**Company Information**

<b>Directors</b>	D Lowry A Daley
<b>Company secretary</b>	D Lowry
<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

## **Milton 1 Limited**

### **Directors' Report for the Year Ended 3 March 2016**

The directors present their report and the financial statements for the year ended 3 March 2016.

#### **Principal activity**

The Company holds an investment in Moorgate Scottish Limited Partnership.

#### **Directors of the company**

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

D Lowry - Company secretary and director

A Daley

S Barrett (resigned 20 November 2015)

#### **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 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 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.

#### **Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Deloitte LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 11.08.16 and signed on its behalf by:



**Director**

A DALEY

## **Milton 1 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; and
- 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.

## **Milton 1 Limited**

### **Independent Auditor's Report to members of Milton 1 Limited**

We have audited the financial statements of Milton 1 Limited for the year ended 3 March 2016, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 11. 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 to the financial statements.

#### **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 3 March 2016 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 the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

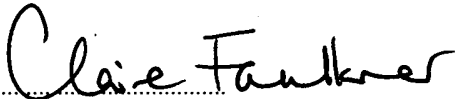
## **Milton 1 Limited**

### **Independent Auditor's Report to members of Milton 1 Limited (continued)**

#### **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.



Claire Faulkner (Senior Statutory Auditor)

For and on behalf of Deloitte LLP, Chartered Accountant and Statutory Auditor

2 New Street Square  
London  
EC4A 3BZ

Date: 18 August 2016

**Milton 1 Limited**

**Profit and Loss Account for the Year Ended 3 March 2016**

		<b>Year ended 3 March 2016</b>	<b>Year ended 26 February 2015</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
Income from other fixed asset investments		<u>5</u>	<u>5</u>
Profit before tax		5	5
Tax on profit on ordinary activities	6	<u>(1)</u>	<u>(1)</u>
Profit for the year		<u><u>4</u></u>	<u><u>4</u></u>

The above results were derived from continuing operations.

There were no recognised gains and losses for 2016 or 2015 other than those included in the Profit and Loss Account.

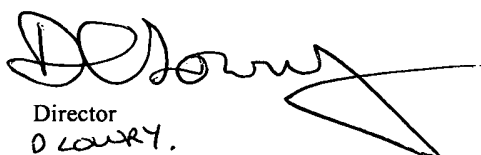
The notes on pages 9 to 14 form an integral part of these financial statements.



**Milton 1 Limited**  
**(Registration number: 6190477)**  
**Balance Sheet as at 3 March 2016**

	Note	3 March 2016 £	26 February 2015 £
<b>Fixed assets</b>			
Investments	7	100	100
<b>Current assets</b>			
Cash at bank and in hand		30	25
<b>Creditors: Amounts falling due within one year</b>			
Trade and other payables	9	(5)	(4)
Income tax liability	6	(1)	(1)
Creditors: Amounts falling due within one year		(6)	(5)
Net current assets		24	20
Net assets		124	120
<b>Capital and reserves</b>			
Called up share capital	8	102	102
Profit and loss account		22	18
Shareholders' funds		124	120

Approved by the Board on 11.05.16 and signed on its behalf by:

  
Director  
D. Lacey.

The notes on pages 9 to 14 form an integral part of these financial statements.

**Milton 1 Limited**

**Statement of Changes in Equity for the Year Ended 3 March 2016**

	Share capital £	Retained earnings £	Total £
At 28 February 2014	102	14	116
Profit for the period	-	4	4
Total comprehensive income	-	4	4
At 26 February 2015	102	18	120
	102	18	120
At 27 February 2015	102	18	120
Profit for the period	-	4	4
Total comprehensive income	-	4	4
At 3 March 2016	102	22	124

The notes on pages 9 to 14 form an integral part of these financial statements.

## **Milton 1 Limited**

### **Notes to the Financial Statements for the Year Ended 3 March 2016**

#### **1 General information**

The Company is a private company limited by share capital incorporated and domiciled in England and Wales.

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 of Milton 1 Limited for the year ended 3 March 2016 were authorised for issue by the Board of Directors on 11.05.16.

#### **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 has undergone transition from reporting under UK GAAP to FRS 101 'Reduced Disclosure Framework'. The financial statements have therefore been prepared in accordance with FRS 101. This transition is not considered to have had a material effect on the financial statements. Further details can be found in Note 11.

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

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Whitbread Group PLC. The group accounts of Whitbread Group PLC are available to the public and can be obtained at Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire LU5 5XE.

The financial year represents 53 weeks to 3 March 2016 (prior financial year: 52 weeks to 26 February 2015).

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, 2010-2012;
- The IASB's annual improvement process, 2011-2013;
- IFRIC Interpretation 21 Levies (IFRIC 21); and
- IAS 19 Defined Benefit Plans: Employee Contributions - Amendment to IAS 19.

##### **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 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.

## **Milton 1 Limited**

### **Notes to the Financial Statements for the Year Ended 3 March 2016 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

The financial statements have been prepared on a going concern basis. 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.

##### **Tax**

The tax expense for the period comprises current 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.

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.

##### **Investments**

Investments held as fixed assets are stated at cost less provision for any impairment. The carrying value of investments are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

##### **Investment income**

Income from fixed asset investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### **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 liabilities**

###### **Classification**

Financial liabilities are classified as 'other financial liabilities'.

## Milton 1 Limited

### Notes to the Financial Statements for the Year Ended 3 March 2016 (continued)

#### 2 Accounting policies (continued)

##### *Recognition and measurement*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### 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 Directors' remuneration

The Company has no employees other than the directors, who did not receive any remuneration (2015 - £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.

#### 5 Auditors' remuneration

Audit fees for the year were £1,000 (2015 - £1,000) and 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 3 March 2016.

#### 6 Income tax

Tax charged in the income statement

	Year ended 3 March 2016	Year ended 26 February 2015
	£	£
<b>Current taxation</b>		
UK corporation tax	<u>1</u>	<u>1</u>

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20.08% (2015 - 21.17%).

The differences are reconciled below:

## Milton 1 Limited

### Notes to the Financial Statements for the Year Ended 3 March 2016 (continued)

#### 6 Income tax (continued)

	Year ended 3 March 2016	Year ended 26 February 2015
	£	£
Profit before tax	<u>5</u>	<u>5</u>
Corporation tax at standard rate of 20.08% (2015 - 21.17%)	<u>1</u>	<u>1</u>
Total tax charge	<u>1</u>	<u>1</u>

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

The Finance Act (No 2) 2015 reduced the main rate of UK corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020. In his Budget of 16 March 2016, the Chancellor of the Exchequer announced an additional 1% reduction in the main rate of UK corporation tax to 17% with effect from 1 April 2020. This change had not been substantively enacted at the balance sheet date and consequently is not included in these financial statements.

The rate changes will also impact the amount of future cash tax payments to be made by the Company.

The statutory accounts of Milton 1 Limited treat all income and expenses in the profit and loss account as income from fixed asset investments, arising from the Company's investment in Moorgate Scottish Limited Partnership. However, for tax purposes Moorgate Scottish Limited Partnership is treated as a transparent entity and as such the proportion of income and expenses attributable to Milton 1 Limited have been treated as though they arose directly in Milton 1 Limited.

#### 7 Investments

	Other fixed asset investments £
<b>Cost or valuation</b>	
At 28 February 2014	<u>100</u>
At 26 February 2015	<u>100</u>
At 27 February 2015	<u>100</u>
At 3 March 2016	<u>100</u>
<b>Carrying amount</b>	
At 3 March 2016	<u>100</u>
At 26 February 2015	<u>100</u>

## Milton 1 Limited

### Notes to the Financial Statements for the Year Ended 3 March 2016 (continued)

#### 7 Investments (continued)

On 29 December 2009, the Company subscribed £100 of capital in Moorgate Scottish Limited Partnership (the SLP), as a limited partner. The principal activity of the SLP is to hold and manage its interest in Farrington Scottish Partnership. The Company does not take part in the management or control of the SLP. The management and control of the SLP is with Milton (SC) Limited which is a wholly owned subsidiary of Whitbread PLC. This investment is directly owned.

This investment was made pursuant to the pension funding arrangement referred to in the consolidated accounts of Whitbread PLC for the year ended 3 March 2016.

#### 8 Share capital

##### Allotted, called up and fully paid shares

	No.	3 March 2016 £	No.	26 February 2015 £
Ordinary of £1 each	<u>102</u>	<u>102</u>	<u>102</u>	<u>102</u>

#### 9 Trade and other payables

	3 March 2016 £	26 February 2015 £
Amounts due to related parties	<u>5</u>	<u>4</u>

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

#### 10 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.

## **Milton 1 Limited**

### **Notes to the Financial Statements for the Year Ended 3 March 2016 (continued)**

#### **11 Transition to FRS 101**

This is the first year that the Company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The last financial statements under UK GAAP were for the year ended 26 February 2015 and the date of transition to FRS 101 was therefore 28 February 2014. There are no adjustments resulting from the transition from previous GAAP to FRS 101 which affect the financial position or financial performance of the Company.

There is no change to the amounts reported under previous UK GAAP for the year ended 26 February 2015 and those reportable under FRS101 for the same period. Accordingly the financial position of the company was not affected and no reconciliation of movements in Equity and the Statement of Comprehensive Income as a result of the transition are required.