

Consolidated accounts 2009/10

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Consolidated income statement

Year ended 4 March 2010

	Notes	Year to 4 March 2010 £m	Year to 26 February 2009 £m
Revenue	3, 4	1,435.0	1,334.6
Cost of sales		(213.5)	(193.0)
Gross profit		1,221.5	1,141.6
Distribution costs		(830.3)	(782.3)
Administrative expenses		(138.0)	(132.1)
Operating profit	5	253.2	227.2
Share of loss from joint ventures	16	(3.1)	(2.1)
Share of profit from associate	17	0.7	1.1
Operating profit of the Group, joint ventures and associate	4	250.8	226.2
Finance costs	8	(43.9)	(35.4)
Finance revenue	8	1.1	7.8
Profit before tax		208.0	198.6
Analysed as:			
Underlying profit before tax		239.1	224.4
IAS 19 Income Statement (charge)/credit for pension finance cost	6	(15.5)	5.5
Profit before tax and exceptional items		223.6	229.9
Exceptional distribution costs	6	(8.1)	(15.5)
Exceptional administrative expenses	6	(5.9)	(13.3)
Exceptional finance costs	6	(1.6)	(2.5)
Profit before tax		208.0	198.6
Underlying tax expense		(71.1)	(68.1)
Exceptional tax and tax on non GAAP adjustment	6	23.1	(40.2)
Tax expense	9	(48.0)	(108.3)
Profit for the year		160.0	90.3
Attributable to:			
Parent shareholders		161.0	91.8
Equity minority interest		(1.0)	(1.5)
		160.0	90.3

Earnings per share (note 11)

	Year to 4 March 2010 p	Year to 26 February 2009 p
Earnings per share		
Basic for profit for the year	92.37	52.82
Diluted for profit for the year	92.16	52.76
Earnings per share before exceptional items		
Basic for profit for the year	90.53	93.10
Diluted for profit for the year	90.33	92.99
Underlying earnings per share		
Basic for profit for the year	96.95	90.80
Diluted for profit for the year	96.74	90.69

All operations are continuing

Consolidated statement of comprehensive income

Year ended 4 March 2010

	Notes	Year to 4 March 2010 £m	Year to 26 February 2009 £m
Profit for the year		160.0	90.3
Net gain/(loss) on cash flow hedges		3.0	(29.6)
Deferred tax	9	(0.8)	8.3
		2.2	(21.3)
Actuarial losses on defined benefit pension schemes	32	(195.7)	(255.5)
Current tax	9	28.6	14.0
Deferred tax	9	26.3	57.5
		(140.8)	(184.0)
Exchange differences on translation of foreign operations		(0.2)	5.3
Other comprehensive loss for the year, net of tax		(138.8)	(200.0)
Total comprehensive profit/(loss) for the year, net of tax		21.2	(109.7)
Attributable to:			
Parent shareholders		22.2	(108.2)
Equity minority interest		(1.0)	(1.5)
		21.2	(109.7)

Consolidated statement of changes in equity

Year ended 4 March 2010

	Share capital (note 28) £m	Share premium (note 29) £m	Capital redemption reserve (note 29) £m	Retained earnings (note 29) £m	Currency translation (note 29) £m	Treasury reserve (note 29) £m	Merger reserve (note 29) £m	Hedging reserve (note 29) £m	Total £m	Minority interest £m	Total equity £m
At 28 February 2008	148.8	43.8	8.5	3,261.2	-	(281.0)	(1,855.0)	(9.1)	1,317.2	-	1,317.2
Profit for the year	-	-	-	91.8	-	-	-	-	91.8	(1.5)	90.3
Other comprehensive income	-	-	-	(175.7)	5.3	-	-	(29.6)	(200.0)	-	(200.0)
Total comprehensive income	-	-	-	(83.9)	5.3	-	-	(29.6)	(108.2)	(1.5)	(109.7)
Ordinary shares issued	0.3	2.3	-	-	-	-	-	-	2.6	-	2.6
Ordinary shares cancelled	(3.8)	-	3.8	(73.9)	-	73.9	-	-	-	-	-
Purchase of own shares	-	-	-	-	-	(20.0)	-	-	(20.0)	-	(20.0)
Preference shares cancelled	-	-	-	(4.5)	-	-	-	-	(4.5)	-	(4.5)
Cost of ESOT shares purchased	-	-	-	-	-	(1.2)	-	-	(1.2)	-	(1.2)
Loss on ESOT shares issued to participants	-	-	-	(2.0)	-	2.0	-	-	-	-	-
Accrued share-based payments	-	-	-	6.0	-	-	-	-	6.0	-	6.0
Equity dividends	-	-	-	(64.1)	-	-	-	-	(64.1)	-	(64.1)
Additions	-	-	-	-	-	-	-	-	-	2.2	2.2
At 26 February 2009	145.3	46.1	12.3	3,038.8	5.3	(226.3)	(1,855.0)	(38.7)	1,127.8	0.7	1,128.5
Profit for the year	-	-	-	161.0	-	-	-	-	161.0	(1.0)	160.0
Other comprehensive income	-	-	-	(141.6)	(0.2)	-	-	3.0	(138.8)	-	(138.8)
Total comprehensive income	-	-	-	19.4	(0.2)	-	-	3.0	22.2	(1.0)	21.2
Ordinary shares issued	0.4	3.7	-	-	-	-	-	-	4.1	-	4.1
Loss on ESOT shares issued to participants	-	-	-	(4.3)	-	4.3	-	-	-	-	-
Accrued share-based payments	-	-	-	5.9	-	-	-	-	5.9	-	5.9
Deferred tax on share-based payments	-	-	-	0.9	-	-	-	-	0.9	-	0.9
Equity dividends	-	-	-	(63.7)	-	-	-	-	(63.7)	-	(63.7)
Scrip dividends	0.7	(0.7)	-	9.8	-	-	-	-	9.8	-	9.8
Additions	-	-	-	-	-	-	-	-	-	1.3	1.3
At 4 March 2010	146.4	49.1	12.3	3,006.8	5.1	(222.0)	(1,855.0)	(35.7)	1,107.0	1.0	1,108.0

Consolidated balance sheet

At 4 March 2010

	Notes	4 March 2010 £m	26 February 2009 £m
Assets			
Non-current assets			
Intangible assets	13	150.0	118.9
Property, plant and equipment	14	2,310.7	2,301.1
Investment in joint ventures	16	18.1	22.8
Investment in associate	17	1.2	1.3
Other financial asset	18	0.9	0.9
		2,480.9	2,445.0
Current assets			
Inventories	19	17.0	16.5
Income tax recoverable		6.5	-
Trade and other receivables	20	93.9	67.0
Cash and cash equivalents	21	47.0	44.5
		164.4	128.0
Assets held for sale	14	2.3	-
Total assets		2,647.6	2,573.0
Liabilities			
Current liabilities			
Financial liabilities	22	31.4	1.9
Provisions	24	21.4	19.3
Derivative financial instruments	26	18.9	11.8
Income tax liabilities		-	16.4
Trade and other payables	27	286.3	243.6
		358.0	293.0
Non-current liabilities			
Financial liabilities	22	529.0	665.7
Provisions	24	32.4	21.6
Derivative financial instruments	26	17.2	27.6
Deferred income tax liabilities	9	160.8	195.7
Pension liability	32	434.0	233.0
Trade and other payables	27	8.2	7.9
		1,181.6	1,151.5
Total liabilities		1,539.6	1,444.5
Net assets		1,108.0	1,128.5
Equity			
Share capital	28	146.4	145.3
Share premium	29	49.1	46.1
Capital redemption reserve	29	12.3	12.3
Retained earnings	29	3,006.8	3,038.8
Currency translation reserve	29	5.1	5.3
Other reserves	29	(2,112.7)	(2,120.0)
Equity attributable to equity holders of the parent		1,107.0	1,127.8
Equity minority interest		1.0	0.7
Total equity		1,108.0	1,128.5

Alan Parker
Chief Executive

Christopher Rogers
Finance Director

28 April 2010

Consolidated cash flow statement

Year ended 4 March 2010

	Notes	Year to 4 March 2010 £m	Year to 26 February 2009 £m
Profit for the year		160.0	90.3
Adjustments for:			
Taxation charged on total operations	9	48.0	108.3
Net finance cost	8	42.8	27.6
Total loss from joint ventures	16	3.1	2.1
Total income from associate	17	(0.7)	(1.1)
(Gain)/loss on disposal of property, plant and equipment and property reversions	6	6.6	(6.9)
Depreciation and amortisation	13, 14	95.9	96.3
Impairments of property, plant and equipment	15	1.5	16.7
Pension curtailment	32	(4.0)	-
Reorganisation provision		1.3	2.8
Share-based payments	31	5.9	6.0
Other non-cash items		8.0	6.1
Cash generated from operations before working capital changes		368.4	348.2
(Increase)/decrease in inventories		0.1	(3.3)
(Increase)/decrease in trade and other receivables		(21.6)	(0.6)
Increase/(decrease) in trade and other payables		39.7	10.6
Payments against provisions	24	(10.8)	(20.2)
Benefits settled by the Company in relation to an unfunded pension scheme	32	(6.0)	-
Additional payment to pension fund	32	-	(50.0)
Cash generated from operations		369.8	284.7
Interest paid		(26.9)	(35.8)
Taxes paid		(51.6)	(37.0)
Net cash flows from operating activities		291.3	211.9
Cash flows from investing activities			
Purchase of property, plant and equipment		(127.1)	(275.7)
Purchase of intangible assets	13	(4.6)	(0.6)
Proceeds/(costs) from disposal of property, plant and equipment		41.8	(1.0)
Business combinations, net of cash acquired	10	(38.8)	(30.4)
Capital contributions to joint ventures		(3.2)	(17.1)
Dividends from associate		0.7	0.6
Interest received		0.3	2.3
Net cash flows from investing activities		(130.9)	(321.9)
Cash flows from financing activities			
Proceeds from issue of share capital		4.1	2.6
Costs of purchasing own shares		-	(25.7)
Increase/(decrease) in short-term borrowings		25.5	(9.2)
(Repayments)/proceeds from long-term borrowings		(137.1)	231.1
Issue costs of long-term borrowings		-	(2.3)
Dividends paid	12	(53.9)	(64.1)
Net cash flows used in financing activities		(161.4)	132.4
Net increase/(decrease) in cash and cash equivalents		(1.0)	22.4
Opening cash and cash equivalents		42.7	20.3
Foreign exchange differences		(0.2)	-
Closing cash and cash equivalents	23	41.5	42.7
Reconciliation to cash and cash equivalents in the balance sheet			
Cash and cash equivalents shown above		41.5	42.7
Add back overdrafts		5.5	1.8
Cash and cash equivalents shown within current assets on the balance sheet		47.0	44.5



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