

## **Bede Retail Investments Limited**

Annual Report and Financial Statements

for the 52 weeks ended 29 September 2018

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# **Bede Retail Investments Limited**

## **Strategic Report for the 52 weeks ended 29 September 2018**

Bede Retail Investments Limited ("the Company") is a private company limited by guarantee and is a subsidiary company of Mitchells & Butlers plc. Mitchells & Butlers plc, along with its subsidiaries, form the Mitchells and Butlers group of companies ("the Group").

The Directors present their Strategic Report for the 52 weeks ended 29 September 2018. The comparative period is for the 53 weeks ended 30 September 2017.

### **Fair review of the business**

Bede Retail Investments Limited is a non-trading company within the Group.

The only transactions in the current period are bank fees. The loss for the period before taxation amounted to £25 (2017 £30). Taxation charged against the loss for the period was £nil (2017 £nil) leaving a loss after tax of £25 (2017 £30). The Company had £nil (2017 £10,775) net assets at the period end.

### **Key Performance Indicators**

As the Company is non-trading the Directors believe that key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. Key performance indicators for the Group as a whole, which includes the Company, are discussed in the Annual Report and Accounts 2018 of Mitchells & Butlers plc.

### **Principal risks and uncertainties**

The Directors do not consider there to be any significant risks and uncertainties facing the Company.

### **Future Developments**

Proceedings for the Company to be struck off have been initiated during the period and are still ongoing. It is not expected that the Company will undertake any further transactions and therefore it will continue to be a non-trading company within the Group of companies until it can be struck off.

Approved by the Board on 12 December 2018 and signed on its behalf by:



J A Berrow  
Director

# **Bede Retail Investments Limited**

## **Directors' Report for the 52 weeks ended 29 September 2018**

The Directors present their report on the affairs of the Company, together with the financial statements and independent auditor's report, for the 52 weeks ended 29 September 2018. The comparative period is for the 53 weeks ended 30 September 2017.

Details of future developments can be found in the Strategic Report on page 1.

### **Dividends**

Details of the dividends declared and paid in the period are provided in note 6. The Directors are proposing a final dividend of £nil (2017 £nil).

### **Financial risk management**

The financial risk management objectives and policies of the Company are monitored as part of the wider Group. Details of the risks and exposure of the Group to financial risks including; credit risk, liquidity risk and market risk are provided in the Mitchells & Butlers plc Annual Report and Accounts 2018.

### **Going concern**

Given that steps have been taken during the period to allow the Company to commence a strike off process, the financial statements have been prepared on a basis other than that of a going concern. Therefore, in deriving the amounts at which assets and liabilities are recorded in the financial statements, the Directors have reflected their understanding of the future actions to be taken. Assets have been recorded at the lower of their original cost and their realisable value. If the accounts had been prepared on a going concern basis there would be no valuation differences in terms of the carrying value of the assets and liabilities of the Company.

### **Directors of the Company**

The Directors who held office during the period and up to the date of this report were as follows:

L J Miles  
A W Vaughan  
G J McMahon  
J A Berrow  
S K Martindale

### **Directors' indemnity**

Throughout the period to which these financial statements refer, the Directors had the benefit of a Directors' and officers' liability insurance policy, the premium for which was paid by the Company's ultimate parent company, Mitchells & Butlers plc.

### **Disclosure of information to the auditor**

The Directors who held office as at the date of approval of this Directors' report confirm that so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and that each Director has taken all the steps that they ought to have taken as a Director to be 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 provision of s418 of the Companies Act 2006.

### **Reappointment of auditor**

The Company has passed an Elective Resolution pursuant to Sections 485-488 of the Companies Act 2006 dispensing with the requirement to appoint auditors annually.

Approved by the Board on 12 December 2018 and signed on its behalf by:



J A Berrow  
Director

## **Bede Retail Investments Limited**

### **Directors' Responsibilities Statement**

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), including FRS 101 "Reduced Disclosure Framework". 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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.

# **Independent Auditor's Report to the members of Bede Retail Investments Limited**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Bede Retail Investments Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 29 September 2018 and of its loss for the 52 weeks then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income statement;
- the Balance sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 7.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter – Financial statements prepared other than on a going concern basis**

We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

## **Independent Auditor's Report to the members of Bede Retail Investments Limited (continued)**

### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit: the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report.

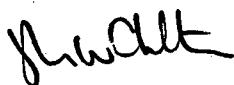
#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

#### **Use of our report**

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.



John Charlton FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
12 December 2018

**Bede Retail Investments Limited**  
**Income statement for the 52 weeks ended 29 September 2018**

		52 weeks ended 29 September 2018 £	53 weeks ended 30 September 2017 £
	Note		
Operating costs	2	(25)	(30)
<b>LOSS BEFORE TAXATION</b>		<u>(25)</u>	<u>(30)</u>
Tax	4	-	-
<b>LOSS FOR THE PERIOD</b>		<u><u>(25)</u></u>	<u><u>(30)</u></u>

The above results are derived from discontinued operations.

The Company has no comprehensive income or expense other than the loss above.

**Bede Retail Investments Limited**  
 (Registration number: 4125272)  
**Balance sheet as at 29 September 2018**

	29 September 2018 £	30 September 2017 £
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	-	10,775
<b>TOTAL CURRENT ASSETS</b>	-	10,775
<b>NET ASSETS</b>	-	10,775
<b>EQUITY</b>		
Retained earnings	-	10,775
<b>TOTAL EQUITY</b>	-	10,775

Approved by the Board and authorised for issue on 12 December 2018. They were signed on its behalf by:



J A Berrow  
Director



**Bede Retail Investments Limited**  
**Statement of Changes in Equity for the 52 weeks ended 29 September 2018**

	Retained earnings £	Total £
<b>At 24 September 2016</b>	10,805	10,805
Loss for the period	(30)	(30)
Total comprehensive expense	(30)	(30)
<b>At 30 September 2017</b>	<b>10,775</b>	<b>10,775</b>
Loss for the period	(25)	(25)
Total comprehensive expense	(25)	(25)
Dividends paid	(10,750)	(10,750)
<b>At 29 September 2018</b>	<b>-</b>	<b>-</b>

The notes on pages 9 to 11 form an integral part of these financial statements.

# **Bede Retail Investments Limited**

## **Notes to the Financial Statements for the 52 weeks ended 29 September 2018**

### **1. 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 periods presented, unless otherwise stated. The nature of the Company's operations and its principal activities are set out in the Strategic Report.

#### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, 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 relevant, equivalent disclosures have been given in the Annual Report and Accounts 2018 of Mitchells & Butlers plc.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The Company's ultimate parent undertaking, Mitchells & Butlers plc includes the Company in its consolidated financial statements. The consolidated financial statements of Mitchells & Butlers plc are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Company Secretary, Mitchells & Butlers plc, 27 Fleet Street, Birmingham B3 1JP.

#### **Going concern**

Given that steps have been taken during the period to allow the Company to commence a strike off process, the financial statements have been prepared on a basis other than that of a going concern. Therefore, in deriving the amounts at which assets and liabilities are recorded in the financial statements, the Directors have reflected their understanding of the future actions to be taken. Assets have been recorded at the lower of their original cost and their realisable value. If the accounts had been prepared on a going concern basis there would be no valuation differences in terms of the carrying value of the assets and liabilities of the Company.

#### **Accounting reference date**

The Company's accounting reference date is 30 September. The Company draws up its financial statements to the Saturday directly before or following the accounting reference date, as permitted by section 390 (3) of the Companies Act 2006. The period ended 29 September 2018 includes 52 trading weeks and the period ended 30 September 2017 includes 53 trading weeks.

#### **Critical accounting judgements and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect reported amounts of assets, liabilities, income and expense.

Estimates and judgements are periodically evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

There are no critical accounting judgments or estimates in the current or prior period.

#### **Adoption of new and revised Standards**

None of the standards and interpretations issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) and effective for the first time in the current period have had a material effect on the financial statements.

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

Cash and cash equivalents comprise cash at bank and in hand and other short-term highly liquid deposits with an original maturity at acquisition of three months or less. Cash held on deposit with an original maturity at acquisition of more than three months is disclosed as other cash deposits.

#### **Taxation**

The income tax expense represents both the income tax payable, based on profits for the period, and deferred tax and is calculated using tax rates enacted or substantively enacted at the balance sheet date. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense which are not taxable. Income tax is recognised in the income statement except when it relates to items charged or credited directly to equity, in which case the income tax is also charged or credited to equity.

# Bede Retail Investments Limited

## Notes to the Financial Statements for the 52 weeks ended 29 September 2018 (continued)

### 1. Accounting policies (continued)

#### Group tax relief

It is the policy of the Group for no payment to be made for group tax relief received.

### 2. Operating costs

	52 weeks ended 29 September 2018 £	53 weeks ended 30 September 2017 £
Operating costs are analysed as follows:		
Bank fees	25	30
Total operating costs	<u>25</u>	<u>30</u>

Fees paid to Deloitte LLP for the audit of the Company's accounts were £500 (2017 £500). The fee is borne on behalf of the Company by another Group company. There were no non-audit services provided in either year.

### 3. Employees and Directors

The Company has no employees in the current or prior period. The Directors received no emoluments for their services to this Company in the current or prior period.

#### Directors' remuneration

The five Directors (2017 five) who served during the period were all employed by another Group company (Mitchells & Butlers Leisure Retail Limited) and are also Directors of other subsidiary companies of the Mitchells & Butlers plc Group. The Directors received total remuneration of £1.4m (2017 £1.3m) in respect of their services to the Group, but it is not practical to allocate this between each of the subsidiary companies for which they act as a Director. At the period end five (2017 five) of the Directors were members of the Group's defined contribution scheme, with one (2017 two) Director also holding accrued service within the Group's defined benefit scheme. During the period four (2017 four) of the Directors were granted share options in the 'PRSP' (Performance Restricted Share Plan) scheme. Details of this scheme are disclosed in the Mitchells & Butlers plc Annual Report Accounts 2018.

The highest paid Director received emoluments of £0.4m (2017 £0.4m), with Company contributions to defined contribution pension schemes of £nil (2017 £nil). This Director also received share options in the PRSP scheme in the period.

### 4. Taxation

	52 weeks ended 29 September 2018 £	53 weeks ended 30 September 2017 £
<b>Taxation – income statement</b>		
<b>Current taxation</b>		
UK corporation tax	(5)	(6)
Group relief surrendered	<u>5</u>	<u>6</u>
Total tax expense recognised in the income statement	<u>-</u>	<u>-</u>

The standard rate of corporation tax applied to the reported loss is 19.0% (2017 19.5%). The applicable rate has changed following the substantive enactment of the Finance (No.2) Act 2015 on 18 November 2015, which reduced the main rate of corporation tax from 20.0% to 19.0% from 1 April 2017.

The tax in the income statement for the period is a lower credit (2017 a lower credit) than the standard rate of corporation tax in the UK.

**Bede Retail Investments Limited**  
**Notes to the Financial Statements for the 52 weeks ended 29 September 2018**  
**(continued)**

**4. Taxation (continued)**

The differences are reconciled below:

	52 weeks ended 29 September 2018 £	53 weeks ended 30 September 2017 £
Loss before tax	(25)	(30)
Taxation credited at the UK standard rate of corporation tax of 19.0% (2017 19.5%)	(5)	(6)
Group relief surrendered	5	6
Total tax charge	-	-

**Factors which may affect future tax charges**

The Finance (No.2) Act 2015 was enacted on 18 November 2015 and reduced the main rate of corporation tax from 20% to 19% from 1 April 2017. The Finance Act 2016 was substantively enacted on 15 September 2016 and reduced the main rate of corporation tax to 17% from 1 April 2020. The effect of these changes has no impact on these financial statements.

**5. Share capital**

The Company has no share capital, being limited by guarantee. Mitchells & Butlers Holdings (No. 2) Limited, the only member of the Company during the period, undertakes to contribute such amount as may be required, not exceeding £500,000, to the Company's assets if it should be wound up whilst it remains a member or within one year after ceasing to be a member, for payment of the Company's debts and liabilities contracted before ceasing to be a member, and of the costs, charges and expenses of winding up.

**6. Dividends**

During the period a dividend of £10,750 was declared and paid to the Company's immediate parent company, Mitchells & Butlers Holdings (No.2) Limited.

No dividends were declared or paid in the prior period.

**7. Ultimate parent undertaking**

The Company's immediate parent is Mitchells & Butlers Holdings (No.2) Limited.

The Company's ultimate parent and controlling party is Mitchells & Butlers plc.

**Relationship between entity and parents**

The parent of the largest and smallest group in which these financial statements are consolidated is Mitchells & Butlers plc, incorporated in the United Kingdom.

The consolidated financial statements of Mitchells & Butlers plc are available from the Company Secretary, 27 Fleet Street, Birmingham, B3 1JP, which is the registered address of the company.

All undertakings, including the Company, are companies incorporated in the United Kingdom and registered in England.