

Registered number: 6190419

COSTA BEIJING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 4 MARCH 2010

TUESDAY



A8S3RPJC

A27

30/11/2010

183

COMPANIES HOUSE

COSTA BEIJING LIMITED

COMPANY INFORMATION

DIRECTORS	J Derkach A Marshall
COMPANY SECRETARY	RW Fairhurst
COMPANY NUMBER	6190419
REGISTERED OFFICE	Whitbread Court Houghton Hall Business Park Porz Avenue Dunstable Bedfordshire LU5 5XE
AUDITORS	Ernst & Young LLP Statutory Auditor 400 Capability Green Luton Bedfordshire LU1 3LU

COSTA BEIJING LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 4 MARCH 2010**

The directors present their report and the financial statements for the year ended 4 March 2010

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the Company is that of a holding company

RESULTS

The loss for the year, after taxation, amounted to £229,119 (2009 - loss £27,808)

DIRECTORS

The directors who served during the year were

J Derkach
A Marshall

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

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

AUDITORS

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 15 NOVEMBER 2010 and signed on its behalf


.....
Secretary
R W FAIRHURST

COSTA BEIJING LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 4 MARCH 2010**

The directors are responsible for preparing the Directors' 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). 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 judgments and 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,
- 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.

COSTA BEIJING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COSTA BEIJING LIMITED

We have audited the financial statements of Costa Beijing Limited for the year ended 4 March 2010, which comprise the Profit and loss account, the Balance sheet and the related notes. 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).

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 Auditors' 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 AUDITORS

As explained more fully in the Statement of directors' responsibilities, 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 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 Ethical Standards for Auditors.

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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 4 March 2010 and of its loss 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 year for which the financial statements are prepared is consistent with the financial statements.

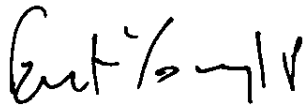
COSTA BEIJING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COSTA BEIJING LIMITED

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



Andy Clewer (Senior statutory auditor)
for and on behalf of
ERNST & YOUNG LLP
Statutory Auditor
Luton

Date 29/11/10

COSTA BEIJING LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 4 MARCH 2010**

	Note	Year ended 4 March 2010 £	Year ended 26 February 2009 £
Administrative expenses		<u>(207,275)</u>	<u>-</u>
OPERATING LOSS	2	(207,275)	-
Interest payable	4	<u>(30,339)</u>	<u>(38,713)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(237,614)	(38,713)
Tax on loss on ordinary activities	5	<u>8,495</u>	<u>10,905</u>
LOSS FOR THE FINANCIAL PERIOD	11	<u>(229,119)</u>	<u>(27,808)</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

The notes on pages 7 to 10 form part of these financial statements

COSTA BEIJING LIMITED
REGISTERED NUMBER 6190419

BALANCE SHEET
AS AT 4 MARCH 2010

	Note	£	4 March 2010 £	£	26 February 2009 £
FIXED ASSETS					
Intangible fixed assets	6		-		207,275
Fixed asset investments	7		1,202,255		1,202,255
			<u>1,202,255</u>		<u>1,409,530</u>
CURRENT ASSETS					
Debtors	8	19,400		10,905	
Cash in hand		17,668		10,668	
		<u>37,068</u>		<u>21,573</u>	
CREDITORS: amounts falling due within one year	9	(1,496,248)		(1,458,909)	
NET CURRENT LIABILITIES			<u>(1,459,180)</u>		<u>(1,437,336)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(256,925)</u>		<u>(27,806)</u>
CAPITAL AND RESERVES					
Called up share capital	10		2		2
Profit and loss account	11		(256,927)		(27,808)
SHAREHOLDERS' DEFICIT			<u>(256,925)</u>		<u>(27,806)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
15 NOVEMBER 2010



.....
Director

A MARSHALL

The notes on pages 7 to 10 form part of these financial statements

COSTA BEIJING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 4 MARCH 2010

1. ACCOUNTING POLICIES

1.1 Authorisation

The financial statements of Costa Beijing Limited for the year ended 04 March 2010 were authorised for issue by the Board of Directors on 15 NOVEMBER 2010

1.2 Basis of preparation of financial statements

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

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.4 Going concern

The Company's business activities together with the factors likely to effect its future development, performance and position are set out in the Business Review above. The financial position of the Company is set out in the following accounts

At 04 March 2010, the Company's liabilities exceeded its assets by £ 256,925. The accounts have been prepared on the going concern basis on the grounds that the parent company has undertaken to provide continuing financial support for the foreseeable future.

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

2 OPERATING (LOSS)/PROFIT

All fees paid to directors as remuneration are borne by the parent company

Audit fees for the year were paid by the parent company, Whitbread PLC. Information about the total audit fees paid by the Group can be found in the Whitbread PLC report and financial statements for the year ended 04 March 2010

COSTA BEIJING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 4 MARCH 2010**

3 STAFF COSTS

The Company has no employees other than the directors, who did not receive any remuneration (2009 - £NIL)

4. INTEREST PAYABLE

	Year ended 4 March 2010 £	Year ended 26 February 2009 £
On loans from group undertakings	<u>30,339</u>	<u>38,713</u>

5. TAXATION

	Year ended 4 March 2010 £	Year ended 26 February 2009 £
UK corporation tax credit on loss for the year	<u>(8,495)</u>	<u>(10,905)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2009 - higher than) the standard rate of corporation tax in the UK (28.00%). The differences are explained below

	Year ended 4 March 2010 £	Year ended 26 February 2009 £
Loss on ordinary activities before tax	<u>(237,614)</u>	<u>(38,713)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.00% (2009 - 28.17%)	(66,532)	(10,905)
Effects of:		
Expenses not deductible for tax purposes	58,037	-
Current tax credit for the year (see note above)	<u>(8,495)</u>	<u>(10,905)</u>

Factors that may affect future tax charges

In his budget of 22 June 2010, the Chancellor of the Exchequer announced a decrease in the rate of UK corporation tax from 28% to 24% by 1% each year, from April 2011. If enacted, this change will reduce the amount of future cash tax payments to be made by the company.

The Finance (No 2) Act 2010 includes legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011.

COSTA BEIJING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 4 MARCH 2010**

6 INTANGIBLE FIXED ASSETS

	Development £
Cost	
At 27 February 2009	207,275
Asset written off	(207,275)
	<u>-</u>
At 4 March 2010	<u>-</u>
Net book value	
At 4 March 2010	<u>-</u>
At 26 February 2009	<u>207,275</u>

7 FIXED ASSET INVESTMENTS

	Investments in participating interests £
Cost or valuation	
At 27 February 2009 and 4 March 2010	<u>1,202,255</u>

Joint ventures

Name	Country of incorporation	Holding	Principal activity
Beijing Hualian Costa Food and Beverage Managment Company Limited	China	50%	Coffee Retailer

8. DEBTORS

	4 March 2010 £	26 February 2009 £
Amounts owed by group undertakings	<u>19,400</u>	<u>10,905</u>

**9. CREDITORS:
Amounts falling due within one year**

	4 March 2010 £	26 February 2009 £
Amounts owed to group undertakings	<u>1,496,248</u>	<u>1,458,909</u>

COSTA BEIJING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 4 MARCH 2010**

10 SHARE CAPITAL

	4 March 2010 £	26 February 2009 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

11. RESERVES

	Profit and loss account £
At 26 February 2009	(27,808)
Loss for the year	(229,119)
At 4 March 2010	<u>(256,927)</u>

12. RELATED PARTY TRANSACTIONS

The Company is a wholly-owned subsidiary of Whitbread PLC and has taken advantage of the exemption given in Financial Reporting Standard No 8 not to disclose transactions with other group companies

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Costa International Limited 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