

Whitbread plc's Financial Performance

160 According to the 2012 Annual Report, Whitbread delivered a good performance in 2011/12 in a challenging economic environment. Strong organic expansion, combined with like-for-like sales growth, increased Group total sales by 11.1% to £1 778 million. Premier Inn sales grew by 8.3% to £756 million, restaurants by 1.8% to £483.4 million and Costa by 27.5% to £541.9 million.

Profit and Loss Account for the year ended 4 March		
	2012	2011
	£m	£m
Revenue	1778	1600
Less Cost of Sales	288	237
Gross Profit	1490	1363
Less Expenses	1144	1053
Net Profit	346	310



Balance Sheet as at 4 March		
	2012	2011
	£m	£m
Fixed (non-current) Assets	2811	2643
Current Assets		
Stock	23	19
Debtors	85	84
Bank & Cash	40	38
Other	1	4
Total Current Assets	149	145
Total Assets	2960	2788
Current Liabilities		
Creditors	321	280
Other	47	52
Total Current Liabilities	368	332
Long-term (non-current) Liabilities		
Borrowings	530	522
Other	779	692
Total Long-term Liabilities	1309	1214
Total Liabilities	1677	1546
Net Assets	1283	1242
Shareholders' Capital		
Share Capital	147	147
Reserves	1136	1095
Total Shareholders' Capital	1283	1242

1. Explain how Whitbread plc identifies and satisfies the needs and wants of its customers to ensure “a great customer experience” (lines 13 to 14). [10]

2. Using Porter’s Five Forces Framework analyse the current position of Whitbread plc. [14]

3. Analyse and evaluate the financial performance of Whitbread plc. [12]

4. Evaluate Whitbread plc’s ‘Good Together’ approach (lines 38 to 57) from the point of view of its various stakeholders. [12]

5. Evaluate Whitbread plc’s strategy of global growth. [12]

END OF PAPER