

Punch Taverns (Offices) Limited
Report and Financial Statements
Period ended 23 August 2008

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COMPANIES HOUSE

Punch Taverns (Offices) Limited
Period ended 23 August 2008

DIRECTORS

P Dutton	(appointed 17 October 2007)
R McDonald	(resigned 17 October 2007)
N Preston	
G Thorley	

SECRETARY

C Stewart

AUDITORS

Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

BANKERS

Barclays Bank plc
15 Colmore Row
Birmingham
B3 2EP

SOLICITORS

Slaughter & May
One Bunhill Row
London
EC1Y 8YY

REGISTERED OFFICE

Jubilee House
Second Avenue
Burton upon Trent
Staffordshire
DE14 2WF

Punch Taverns (Offices) Limited

Period ended 23 August 2008

DIRECTORS' REPORT

The directors present their report and financial statements for the 53 week period ended 23 August 2008.

RESULTS AND DIVIDENDS

The profit after taxation for the 53 week period amounted to £182,000 (52 week period ended 18 August 2007: profit after taxation of £1,650,000). The directors do not propose the payment of a dividend (2007: £nil).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is that of a property leasing company. During the period, the company capitalised tangible fixed asset costs of £3,418,000, mainly in relation to a new office building which is under construction. At the period end, there were capital commitments of £7,560,000 in relation to property, plant and equipment associated with the new office.

DIRECTORS

The directors of the company who served during the period are listed on the previous page.

A third party indemnity provision (as defined in section 309B (1) of the Companies Act 1985) is in force for the benefit of the directors.

AUDIT INFORMATION

The directors confirm that, so far as they are aware, there is no relevant audit information of which the auditors are unaware and that each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The company has elected to dispense with the obligation to appoint auditors annually under section 386 of the Companies Act 1985.

On behalf of the board



P Dutton

Director

10 February 2009

Punch Taverns (Offices) Limited
Period ended 23 August 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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).

The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Punch Taverns (Offices) Limited
Period ended 23 August 2008

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PUNCH TAVERNS (OFFICES) LIMITED

We have audited the company's financial statements for the period ended 23 August 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 23 August 2008 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Ernst & Young LLP
Ernst & Young LLP
Registered Auditor
Birmingham

11 February 2009

Punch Taverns (Offices) Limited

Period ended 23 August 2008

PROFIT & LOSS ACCOUNT

for the 53 week period ended 23 August 2008

	Notes	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
TURNOVER	2	403	511
Cost of sales		-	(10)
GROSS PROFIT		<u>403</u>	<u>501</u>
Administrative expenses		(239)	(286)
OPERATING PROFIT	3	<u>164</u>	<u>215</u>
Profit on disposal of fixed assets		56	1,554
Interest receivable	5	17	43
Interest payable and similar charges	6	-	(119)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>237</u>	<u>1,693</u>
Tax on profit on ordinary activities	7	(55)	(43)
PROFIT FOR THE PERIOD	14	<u><u>182</u></u>	<u><u>1,650</u></u>

The profit and loss account relates to continuing activities.

There are no recognised gains or losses other than those shown above.

Punch Taverns (Offices) Limited
Period ended 23 August 2008

BALANCE SHEET
as at 23 August 2008

	<i>Notes</i>	23 August 2008 £000	18 August 2007 £000
FIXED ASSETS			
Tangible fixed assets	8	9,807	6,630
		9,807	6,630
CURRENT ASSETS			
Debtors: amounts falling due in less than one year	9	1,674	1,840
Debtors: amounts falling due after more than one year	9	1,415	1,415
Cash at bank and in hand		98	382
		3,187	3,637
CREDITORS: amounts falling due in less than one year	10	(408)	(387)
NET CURRENT ASSETS		2,779	3,250
TOTAL ASSETS LESS CURRENT LIABILITIES		12,586	9,880
CREDITORS: amounts falling due after more than one year	11	(10,098)	(7,788)
PROVISIONS FOR LIABILITIES	12	(227)	(13)
NET ASSETS		2,261	2,079
CAPITAL AND RESERVES			
Called up share capital	13	-	-
Profit and loss account	14	2,261	2,079
SHAREHOLDERS' FUNDS	14	2,261	2,079

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 February 2009



P. Dutton
Director

Punch Taverns (Offices) Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2008

1 ACCOUNTING POLICIES

Basis of preparation

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

In accordance with FRS 18 the directors have continued to review the accounting policies.

There have been no changes to accounting policies during the year.

Fundamental accounting concept - going concern

The ultimate parent has undertaken to support the company for a period of at least one year following the date of approval of these financial statements and not recall group debt until all other liabilities have been settled and the company has funds to repay. For this reason, the financial statements have been prepared on a going concern basis.

Tangible fixed assets and depreciation

Fixed assets are stated at cost.

Depreciation

Depreciation is not provided on land and buildings as it is the opinion of the directors that depreciation as required by the Companies Act 1985 and generally accepted accounting principles would not be material.

An annual impairment review is carried out on such properties in accordance with FRS 11 and FRS 15.

Depreciation is provided on other tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Fixtures and fittings	- 5 years
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Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Punch Taverns (Offices) Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

2 TURNOVER

Turnover, which is stated net of value added tax, represents property rentals invoiced to fellow subsidiaries. Turnover is derived solely within the United Kingdom. All rental income is recognised in the financial period to which it pertains.

3 OPERATING PROFIT

This is stated after charging:

	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
Depreciation - owned fixed assets	241	286
Operating lease rentals - land and buildings	-	3
	<u> </u>	<u> </u>

Auditors' remuneration is paid by another company in the Punch Taverns group in the current and preceding period.

4 DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors received no emoluments in respect of their services to the company in the current or preceding period.

The company had no employees during the current or preceding period.

Punch Taverns (Offices) Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

5 INTEREST RECEIVABLE

	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
Bank interest receivable	17	43
	<u>17</u>	<u>43</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	53 week period ended 23 August 2008	52 week period ended 18 August 2007 £000
Bank and other loans	-	44
Amortisation of deferred issue costs	-	16
Cost of terminating financing arrangements	-	59
	<u>-</u>	<u>119</u>

Punch Taverns (Offices) Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

7 TAXATION

	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
The tax charge for the period comprises:		
UK corporation tax:		
- current period group relief surrendered	(161)	(74)
- adjustments in respect of prior periods	2	-
	<u>(159)</u>	<u>(74)</u>
Deferred tax:		
- current period charge	216	118
- change in standard rate of tax	(9)	(1)
- adjustments in respect of prior periods	7	-
	<u>214</u>	<u>117</u>
Total tax charge for the period	<u>55</u>	<u>43</u>
<i>Reconciliation of tax credits</i>		
	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
Profit on ordinary activities before taxation	<u>237</u>	<u>1,693</u>
Profit on ordinary activities at standard rate of corporation tax in the UK of 29.21% (2007: 30%)	69	508
Effects of:		
Profit on sale of fixed assets	(16)	(466)
Expenses not deductible for tax purposes	1	2
Capital allowances in excess of depreciation	(215)	(118)
Total current corporation tax credit	<u>(161)</u>	<u>(74)</u>

Punch Taverns (Offices) Limited

Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2008

8 TANGIBLE FIXED ASSETS

	Land & buildings £000	Fixtures and fittings £000	Total £000
Cost:			
At 18 August 2007	5,664	1,664	7,328
Additions	2,686	732	3,418
At 23 August 2008	<u>8,350</u>	<u>2,396</u>	<u>10,746</u>
Depreciation:			
At 18 August 2007	-	698	698
Charge for the year	-	241	241
At 23 August 2008	<u>-</u>	<u>939</u>	<u>939</u>
Net book value:			
At 23 August 2008	<u>8,350</u>	<u>1,457</u>	<u>9,807</u>
At 18 August 2007	<u>5,664</u>	<u>966</u>	<u>6,630</u>

The split of the net book value of land and buildings is as follows:

	Freehold £000
At 23 August 2008	<u>8,350</u>

The carrying value of land is £1,850,000 (2007: £nil).

Punch Taverns (Offices) Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

9 DEBTORS

	2008	2007
	£000	£000
Amounts falling due in less than one year:		
Amounts due from group undertakings	1,558	1,791
Other debtors	116	48
Prepayments and accrued income	-	1
	<u>1,674</u>	<u>1,840</u>

	2008	2007
	£000	£000
Amounts falling due after more than one year:		
Amounts due from group undertakings	<u>1,415</u>	<u>1,415</u>
	<u>1,415</u>	<u>1,415</u>

10 CREDITORS: Amounts falling due in less than one year

	2008	2007
	£000	£000
Trade creditors	93	72
Amounts owed to group undertakings	281	220
Accruals and deferred income	34	95
	<u>408</u>	<u>387</u>

11 CREDITORS: Amounts falling due after more than one year

	2008	2007
	£000	£000
Amounts owed to group undertakings	<u>10,098</u>	<u>7,788</u>
	<u>10,098</u>	<u>7,788</u>

Punch Taverns (Offices) Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

12 PROVISIONS FOR LIABILITIES

	Deferred taxation £000
As at 18 August 2007	13
Charged to the profit and loss account	214
As at 23 August 2008	<u>227</u>

	2008 £000	2007 £000
The deferred tax balance consists of:		
Depreciation in excess of capital allowances	<u>227</u>	<u>13</u>
	<u>227</u>	<u>13</u>

The amount of deferred tax that has not been provided on revalued fixed assets and fixed assets subject to rollover relief is estimated to be £517,000 (2007: £nil). At present, it is not envisaged that any corporation tax will become payable in the foreseeable future.

Punch Taverns (Offices) Limited

Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2008

13 SHARE CAPITAL

	2008	2008	2007	2007
	No.	£	No.	£
<i>Authorised:</i>				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Punch Taverns (Offices) Limited

Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2008

14 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share Capital £000	Profit & Loss Account £000	Total Share- holders' Funds £000
At 19 August 2006	-	429	429
Profit for the period	-	1,650	1,650
At 18 August 2007	-	2,079	2,079
Profit for the period	-	182	182
At 23 August 2008	-	2,261	2,261

Punch Taverns (Offices) Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

15 FINANCIAL COMMITMENTS

	2008 £000	2007 £000
Contracted not provided - property, plant and equipment	<u>7,560</u>	<u>-</u>

At 23 August 2008 the company had annual commitments under non-cancellable operating leases as set out below:

Other	2008 £000	2007 £000
Operating leases which expire:		
Over five years	<u>-</u>	<u>3</u>
	<u>-</u>	<u>3</u>

16 CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent company (Punch Taverns plc) publishes consolidated financial statements.

17 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in paragraph 3(c) of FRS 8 from disclosing transactions with related parties that are part of the Punch Taverns plc group or investees of the group.

18 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking and controlling party is Punch Taverns plc, a company registered in England & Wales.

The parent undertaking of the only group of undertakings for which group financial statements are drawn up and of which the company is a member is Punch Taverns plc.

Copies of the financial statements of Punch Taverns plc are available from Jubilee House, Second Avenue, Burton upon Trent, Staffordshire, DE14 2WF.