

Registered No.  
3355449

**InnSpired Company Limited**

**Report and Financial Statements**

**23 August 2014**



**InnSpired Company Limited**  
**Period ended 23 August 2014**

**DIRECTORS**

E Bashforth  
S Dando

**SECRETARY**

F Appleby	appointed	07 Oct 2014
C Harris	resigned	07 Oct 2014

**AUDITOR**

KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

**SOLICITORS**

Slaughter & May  
One Bunhill Row  
London  
EC1Y 8YY

**REGISTERED OFFICE**

Jubilee House  
Second Avenue  
Burton upon Trent  
Staffordshire  
DE14 2WF

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**STRATEGIC REPORT**

**Registered No. 3355449**

**RESULTS AND DIVIDENDS**

The profit after taxation for the 53 week period amounted to £142,000 (52 week period ended 17 August 2013: profit after taxation of £62,000). The directors do not propose the payment of a final dividend (2013: £nil).


**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the company is that of a public house management and administration company.

Punch Taverns manages its operations at a group level and the directors therefore believe that disclosure of key performance indicators for the company are not appropriate to understand the development, performance or position of the business. The performance of the Punch Taverns group is discussed in the Punch Taverns plc Annual Report and Financial Statements which are publicly available. The directors do not consider that there are any specific principal risks and uncertainties applicable to the company which need to be disclosed.

As explained in note 1 to the financial statements, the company is dependent upon support from its parent company to meet its liabilities as they fall due. Enquiries have been made of the directors of the company's ultimate parent company, Punch Taverns plc, regarding the ability of Punch Taverns plc to continue as a going concern. Therefore the directors have, continued to adopt the going concern basis in preparing the financial statements.

On behalf of the board



S Dando

Director

18 Dec 2014

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**DIRECTORS' REPORT**

**Registered No. 3355449**

The directors present their report and financial statements for the financial period ended 23 August 2014.

**DIRECTORS**

The directors of the company who served during the period are listed on page 2.

A third party indemnity provision (as defined in section 234 of the Companies Act 2006) is in force for the benefit of the directors.

**POST BALANCE SHEET EVENTS**

On the 8 October 2014 Punch Taverns plc announced the successful completion of the restructuring process. The directors of InnSpired Company Limited believe that the completion of the restructuring creates a robust and sustainable long term structure for the company and the wider Punch B securitisation, with a £0.2 billion reduction in Punch B net debt (including mark-to-market interest rate swaps).

Further details of the net debt structure of the Punch B securitisation following completion of the restructuring can be seen in note 13 and viewed on the Punch Taverns plc website [www.punchtavernsplc.com](http://www.punchtavernsplc.com).


**AUDIT INFORMATION**

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

**AUDITOR**

The company has elected to dispense with the obligation to appoint an auditor annually under s487 of the Companies Act 2006.

On behalf of the board



S Dando  
Director  
18 Dec 2014

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT, STRATEGIC REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Directors' Report, Strategic 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF INNPIRED COMPANY LIMITED**

We have audited the financial statements of InnSpired Company Limited for the period ended 23 August 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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 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.

**Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on the previous page, 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, and express an opinion on, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**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 23 August 2014 and of its profit for the period 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 and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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.



Greg Watts  
Senior Statutory Auditor  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH  
22 Dec 2014

# InnSpired Company Limited

Period ended 23 August 2014

## PROFIT & LOSS ACCOUNT

for the 53 week period ended 23 August 2014

53 week period ended 23 August 2014

52 week period ended 17 August 2013

	Notes	Underlying items £000	Non- underlying items (note 3) £000	Total £000	Underlying items £000	Non- underlying items (note 3) £000	Total £000
<b>TURNOVER</b>	2	1,943	-	1,943	1,904	-	1,904
Administrative expense		(1,766)	-	(1,766)	(1,731)	-	(1,731)
<b>OPERATING PROFIT</b>	3	<u>177</u>	<u>-</u>	<u>177</u>	<u>173</u>	<u>-</u>	<u>173</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>177</u>	<u>-</u>	<u>177</u>	<u>173</u>	<u>-</u>	<u>173</u>
Tax on profit on ordinary activities	5	(39)	4	(35)	(111)	-	(111)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	10	<u><u>138</u></u>	<u><u>4</u></u>	<u><u>142</u></u>	<u><u>62</u></u>	<u><u>-</u></u>	<u><u>62</u></u>

The profit and loss account relates to continuing activities.

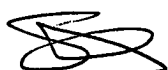
There are no recognised gains or losses other than those shown above.

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**BALANCE SHEET**  
as at 23 August 2014

	<i>Notes</i>	23 August 2014 £000	17 August 2013 £000
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due in less than one year	6	102	50
Debtors: amounts falling due after more than one year	6	28,538	28,678
		<u>28,640</u>	<u>28,728</u>
<b>CREDITORS: amounts falling due in less than one year</b>	7	(36)	(266)
<b>NET CURRENT ASSETS</b>		<u>28,604</u>	<u>28,462</u>
<b>CREDITORS: amounts falling due after more than one year</b>	8	(5,815)	(5,815)
<b>NET ASSETS</b>		<u><u>22,789</u></u>	<u><u>22,647</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	3,753	3,753
Share premium	10	14	14
Profit and loss account	10	19,022	18,880
<b>SHAREHOLDER'S FUNDS</b>	10	<u><u>22,789</u></u>	<u><u>22,647</u></u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on  
18 December 2014



S Dando  
Director



# **InnSpired Company Limited**

## **Period ended 23 August 2014**

### **NOTES TO THE FINANCIAL STATEMENTS**

for the 53 week period ended 23 August 2014

#### **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 period.

##### ***Fundamental accounting concept - going concern***

On the 8 October 2014 Punch Taverns plc announced the successful completion of the restructuring process. The directors of InnSpired Company Limited believe that the completion of the restructuring creates a robust and sustainable long term structure for the company and the wider Punch B securitisation, with a £0.2 billion reduction in Punch B net debt (including mark-to-market interest rate swaps).

Further details of the net debt structure of the Punch A securitisation following completion of the restructuring can be seen in note 13 and viewed on the Punch Taverns plc website [www.punchtavernsplc.com](http://www.punchtavernsplc.com).

##### ***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.

A deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

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.

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**NOTES TO THE FINANCIAL STATEMENTS**

for the 53 week period ended 23 August 2014

**2 TURNOVER**

Turnover represented the inter-group management fee, stated net of value added tax. Turnover is derived solely within the United Kingdom.

Turnover includes:

	53 week period ended 23 August 2014 £000	52 week period ended 17 August 2013 £000
Inter-group management fee	<u>1,943</u>	<u>1,904</u>

**3 OPERATING PROFIT**

Auditor remuneration is paid by another company in the Punch Taverns group in the current and preceding periods.

**4 DIRECTORS' EMOLUMENTS AND STAFF COSTS**

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

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

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the 53 week period ended 23 August 2014

**5 TAXATION**

	53 week period ended 23 August 2014 £000	52 week period ended 17 August 2013 £000
The tax charge for the period comprises:		
Deferred tax:		
- current period charge	39	41
- change in standard rate of tax	(4)	70
	<u>35</u>	<u>111</u>
Total tax charge for the period	<u>35</u>	<u>111</u>

***Reconciliation of tax charge***

	53 week period ended 23 August 2014 £000	52 week period ended 17 August 2013 £000
Profit on ordinary activities before taxation	<u>177</u>	<u>173</u>
Profit on ordinary activities at standard rate of corporation tax in the UK of 22.22% (2013: 23.61%)	39	41
Effects of:		
Utilisation of tax losses brought forward	(39)	(41)
Total current tax charge	<u>-</u>	<u>-</u>

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the 53 week period ended 23 August 2014

**6 DEBTORS**

	2014	2013
	£000	£000
<b>Amounts falling due in less than one year:</b>		
Social security and other taxes	102	50
	<u>102</u>	<u>50</u>

	2014	2013
	£000	£000
<b>Amounts falling due after more than one year:</b>		
Amounts due from group undertakings	28,099	28,204
Deferred tax asset	439	474
	<u>28,538</u>	<u>28,678</u>

***Deferred tax***

	2014	2013
	£000	£000

The deferred tax asset included in the company balance sheet is as follows:

Unutilised losses	<u>439</u>	<u>474</u>
		<b>£000</b>
As at 17 August 2013		474
Charged to the profit and loss account		<u>(35)</u>
As at 23 August 2014		<u>439</u>

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 23 August 2014 and 17 August 2013 has been calculated based on the rate of 20%; the rate substantively enacted at the balance sheet dates.

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the 53 week period ended 23 August 2014

**7 CREDITORS: amounts falling due in less than one year**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	36	266
	<u>36</u>	<u>266</u>

**8 CREDITORS: amounts falling due after more than one year**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Loans owed to group undertakings	5,796	5,796
Amounts owed to group undertakings	19	19
	<u>5,815</u>	<u>5,815</u>

Loans owed to group undertakings relate to a non-interest bearing loan with fellow group company InnSpired Group Limited of £5,796,000 (2013 £5,796,000).

# InnSpired Company Limited

Period ended 23 August 2014

## NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2014

### 9 SHARE CAPITAL

	2014	2014	2013	2013
	No. 000	£000	No. 000	£000
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £0.01 each	375,250	3,753	375,250	3,753

**InnSpired Company Limited**  
**Period ended 23 August 2014**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the 53 week period ended 23 August 2014

**10 RECONCILIATION OF SHAREHOLDER'S FUNDS AND MOVEMENTS ON RESERVES**

				Total
	Share Capital £000	Share Premium £000	Profit & Loss Account £000	Shareholder's funds £000
At 18 August 2012	3,753	14	18,818	22,585
Profit for the period	-	-	62	62
At 17 August 2013	<u>3,753</u>	<u>14</u>	<u>18,880</u>	<u>22,647</u>
Profit for the period	-	-	142	142
At 23 August 2014	<u><u>3,753</u></u>	<u><u>14</u></u>	<u><u>19,022</u></u>	<u><u>22,789</u></u>

# InnSpired Company Limited

## Period ended 23 August 2014

### NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2014

#### 11 CASH FLOW STATEMENT

The directors have taken advantage of the exemption in FRS 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.

#### 12 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 wholly owned subsidiaries of the Punch Taverns plc group. There were no other related party transactions during the period.

#### 13 POST BALANCE SHEET EVENTS

At 23 August 2014, no obligation exists for dividends declared after that date (August 2013: £nil).

On the 8 October 2014 Punch Taverns plc announced the successful completion of the restructuring process. The directors of InnSpired Company Limited believe that the completion of the restructuring creates a robust and sustainable long term structure for the company and the wider Punch B securitisation, with a £0.2 billion reduction in Punch B net debt (including mark-to-market interest rate swaps).

Immediately following completion of the restructuring, the revised debt structure of the Punch B securitisation is set out below:

Class of Notes	Notional	Cash coupon	PIK coupon	Maturity
Super Senior Swap Loan	£49.0m	Libor+0.40 0%	-	2019
A3	£146.9m	0.07369	-	2021
A6	£220.0m	0.05943	-	2022
A7	£149.1m	0.05267	-	2024
B3	£72.9m	0.0775	-	2025
Gross debt	£637.9m			

Glenview and Luxor, two of the seven funds that participated in the Restructuring and Firm Placing, each held, directly or indirectly more than 10 per cent. of the issued share capital of the Ultimate Parent Company and their participation in the Restructuring and Firm Placing were related party transactions, each of which required the approval of the other shareholders under the Listing Rules. Due to the market purchases and agreements described in the announcement on 5 September 2014, the interests of Glenview and Luxor in the notes issued by the Punch A and Punch B Securitisations and in the issued share capital of Punch have and are expected to change.

Further details of the net debt structure of the Punch B securitisation following completion of the restructuring can be viewed on the Punch Taverns plc website [www.punchtavernsplc.com](http://www.punchtavernsplc.com).



#### **14 ULTIMATE PARENT UNDERTAKING**

The company's immediate parent undertaking is InnSpired Holdings Limited a company registered in England and Wales.

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.