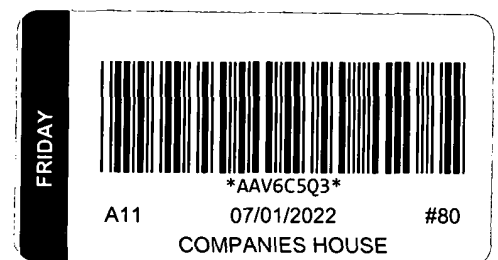


Registered No.
03720775

Punch Taverns (PMH) Limited
Report and Financial Statements
15 August 2021



Punch Taverns (PMH) Limited
Period ended 15 August 2021

COMPANY INFORMATION

DIRECTORS

E Bashforth

S Dando

Wilmington Trust SP Services (London) Limited- Resigned 30 June 2021

SECRETARY

F Appleby

AUDITOR

Cooper Parry Group Limited

Sky View

Argosy Road

East Midlands Airport

Derby

DE74 2SA

REGISTERED OFFICE

Jubilee House

Second Avenue

Burton upon Trent

Staffordshire

DE14 2WF

Punch Taverns (PMH) Limited
Period ended 15 August 2021

STRATEGIC REPORT

Registered No. 03720775

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company is a non-trading holding company.

RESULTS AND DIVIDENDS

The loss after taxation for the 52 week period amounted to £19,765,000 (52 week period ended 16 August 2020: result after taxation of £nil). During the period, the company paid an interim dividend of £289,994,000 (2020: £nil). The directors do not propose the payment of a final dividend (2020: £nil).

REVIEW OF THE BUSINESS

Operations are managed 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 group is discussed in the Vine Acquisitions Limited Annual Report and Financial Statements which are available from Companies House. The directors do not consider that there are any specific principal risks and uncertainties applicable to the company which need to be disclosed.

GOING CONCERN

As explained in note 1, the directors have concluded that the company has adequate resources to remain in operation for the foreseeable future. Therefore the directors have continued to adopt the going concern basis in preparing these financial statements.

On behalf of the board



S Dando
Director

15 December 2021

Punch Taverns (PMH) Limited
Period ended 15 August 2021

DIRECTORS' REPORT

Registered No. 03720775

The directors present their report and financial statements for the financial period ended 15 August 2021.

DIRECTORS

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

A third party indemnity provision (as defined in section 234 of the Companies Act 2006) 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 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

15 December 2021

Punch Taverns (PMH) Limited
Period ended 15 August 2021

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

The directors are responsible for preparing the Directors' Report, the 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), including FRS 102.

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
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 PUNCH TAVERNS (PMH) LIMITED

Opinion

We have audited the financial statements of Punch Taverns (PMH) Limited (the 'company') for the period end 15 August 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 15 August 2021 and its loss 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.

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 United Kingdom, including the Financial Reporting Council'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 this regard.

Opinion 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 period 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.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 company's 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.

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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focused on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom, and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the pub sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias, in particular the director's accounting treatment of the group restructure
- investigated the rationale behind significant or unusual transactions
- reviewed client's basis for provisions; and
- reviewed nominals of certain nominal codes for indication of any management override.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and associated parties

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Cooper Parry Group Limited

Katharine Warrington (senior statutory auditor)

for and on behalf of
Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View, Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

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Punch Taverns (PMH) Limited
Period ended 15 August 2021

PROFIT & LOSS ACCOUNT

for the 52 week period ended 15 August 2021

		52 week period ended 15 August 2021	52 week period ended 16 August 2020
	Notes	£000	£000
Fair value gain on fixed assets investment	2	24,062	-
Impairment of fixed asset investment	2	(106,082)	-
Income from shares in group undertakings	2	62,255	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>(19,765)</u>	<u>-</u>
Tax on loss on ordinary activities	4	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u><u>(19,765)</u></u>	<u><u>-</u></u>

The profit and loss account relates to continuing activities.

There is no difference between the reported results and the total recognised results in the current or preceding financial year.

Punch Taverns (PMH) Limited
Period ended 15 August 2021

BALANCE SHEET
as at 15 August 2021

	<i>Notes</i>	15 August 2021 £000	16 August 2020 £000
FIXED ASSETS			
Investments	5	101,450	411,209
		<u>101,450</u>	<u>411,209</u>
CREDITORS: amounts falling due in less than one year	6	(5,289)	(5,289)
NET ASSETS		<u>96,161</u>	<u>405,920</u>
CAPITAL AND RESERVES			
Called up share capital	7	84,000	84,000
Share premium		-	370,670
Profit and loss account		12,161	(48,750)
SHAREHOLDER'S FUNDS		<u>96,161</u>	<u>405,920</u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on
15 December 2021



S Dando

Company number: 03720775

Punch Taverns (PMH) Limited

Period ended 15 August 2021

STATEMENT OF CHANGES IN EQUITY for the 52 week period ended 15 August 2021

	Share Capital £000	Share Premium £000	Profit & Loss Account £000	Total Equity £000
At 18 August 2019 and at 16 August 2020	<u>84,000</u>	<u>370,670</u>	<u>(48,750)</u>	<u>405,920</u>
Loss for the period	-	-	(19,765)	(19,765)
Share premium cancellation	-	(370,670)	370,670	-
Dividends paid	-	-	(289,994)	(289,994)
At 15 August 2021	<u>84,000</u>	<u>-</u>	<u>12,161</u>	<u>96,161</u>

Share capital represents the nominal value of shares that have been issued.

Share premium represents the excess paid on the nominal value of shares issued by the company.

Profit & loss account represents all current and prior periods retained profit and losses after the payment of dividends.

On 30 June 2021 a resolution was passed to cancel the share premium account.

Punch Taverns (PMH) Limited

Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

1 ACCOUNTING POLICIES

Statement of compliance

Punch Taverns Intermediate Holdco (B) Limited is a limited liability company incorporated in England. The registered office is on the information page of these financial statements. These financial statements were prepared in accordance with Financial Reporting Standard 102 ("*FRS 102*").

Basis of preparation

The financial statements are prepared on the historical cost convention and in accordance with companies Act 2006 and United Kingdom applicable accounting standards. The financial statements are prepared in sterling, which is the functional currency of the company and rounded to the nearest £'000.

The following disclosure exemptions have been taken advantage of:

- Preparation of a cash flow
- Disclosure of related party transactions with and between wholly-owned subsidiaries of the group
- Disclosures relating to financial instruments

Fundamental accounting concept - going concern

The directors have reviewed the recoverability of the assets owing to the company and have concluded that all amounts could be satisfied if called upon. As a result, the directors have decided to prepare these accounts on a going concern basis.

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 provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Fixed asset investments

Investments are stated at cost, less provision for impairment in value. The carrying value of investments is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Dividend distribution

Final dividends are recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when they are paid.

Dividend income

Dividend income is recognised once the assets have been passed to the company.

Punch Taverns (PMH) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

1 ACCOUNTING POLICIES

Significant accounting estimates and judgements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management bases its estimates and judgements on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and judgements that have significant effect on the amounts recognised in the financial statements are detailed below:

Impairment of debt

The company assesses the risk of impairment to the recoverable value of the debt held. There is a judgement in considering whether an impairment arises because of the difference between the carrying value and the recoverable value.

Impairment of fixed asset investments

The company assesses the risk of impairment to the investment in its subsidiaries. There is judgement in considering whether an impairment arises because of the difference between the carrying value and the fair value, being value in use.

Punch Taverns (PMH) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 15 August 2021

2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after crediting:

	52 week period ended 15 August 2021 £000	52 week period ended 16 August 2020 £000
Fair value gain on fixed asset investment (note 5)	24,062	-
Impairment of fixed asset investment (note 5)	(106,082)	-
Income from shares in group undertaking	62,255	-

Auditor remuneration is paid by another company in the group in the current and preceding periods. The amount of auditor remuneration relating directly to the company is £1,000 (2020: £nil).

3 DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors performed no qualifying services for the company in respect of the current or preceding years and therefore received no emoluments.

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

Punch Taverns (PMH) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 15 August 2021

4 TAXATION

There is no charge for tax on the Loss for the period (2020: £nil)

There is no provided or unprovided deferred tax.

Reconciliation of tax charge

	52 week period ended 15 August 2021 £000	52 week period ended 16 August 2020 £000
Loss on ordinary activities before taxation	<u>(19,765)</u>	<u>-</u>
Current tax at 19% (2020: 19%)	(3,755)	-
Effects of:		
Net effect of expenses not deductible for tax purposes and non-taxable income	<u>3,755</u>	<u>-</u>
Total tax charge	<u>-</u>	<u>-</u>

On 11 March 2020 the Chancellor of the exchequer announced that the tax rate reduction from 19% to 17% was no longer going to be implemented and the deferred tax balance was recognised based on the 19% at the 16 August 2020. Following on from the budget on 3 March 2021 an announcement was made to increase the corporation tax rate to 25% with effect from 1 April 2023. Based on the change in tax rate the deferred tax balance has been calculated and recognised based on the 25% enacted rate.

Punch Taverns (PMH) Limited

Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

5 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £000
Cost:	
As at 16 August 2020	411,209
Additions	62,255
Fair value remeasurement	24,062
Disposals	(396,076)
As at 15 August 2021	<u>101,450</u>
Impairment:	
As at 16 August 2020	-
Disposals	(106,082)
Provision for impairment	106,082
As at 15 August 2021	<u>-</u>
Cost and net book value:	
As at 15 August 2021	<u>101,450</u>
As at 16 August 2020	<u>411,209</u>

During the period the company received a distribution in specie from its subsidiary entities, Punch Taverns (CPM) Limited and Mercury Taverns (Holdings) Limited. The distribution was for £59,822,000 and £2,433,000 respectively, the net assets of Punch Taverns (CPM) Limited were £83,884,000 which resulted in a fair value gain of £24,062,000.

An impairment of Punch Partnership (PML) Limited for £106,082,000, was recognised to value the company to the market value. The investment in Punch Partnership (PML) Limited then subsequently distributed to the parent entity, Punch Taverns Intermediate Holdco (B) Limited.

Details of the principal wholly owned subsidiary undertakings, in which the shareholdings are in ordinary shares, are as follows:

Subsidiary undertaking	Principal activity
Held directly:	
Mercury Taverns (Holdings) Limited	Dormant
Punch Taverns (CPM) Limited	Dormant
Punch Taverns (Centrum) Limited	Dormant
Punch Taverns (SPML) Limited	Dormant
Punch Taverns Finance B Limited	Raising and lending of money to other group companies
InnSpired Group Limited	Non-trading

Punch Taverns (PMH) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 15 August 2021

5 FIXED ASSET INVESTMENTS

Held indirectly:

InnSpired Holdings Limited	Non-trading
InnSpired Pubs Limited	Dormant
InnSpired Taverns II Limited	Dormant
InnSpired Taverns Limited	Dormant
Rhesus Limited	Non-trading
InnSpired (ESOP) Limited	Dormant
InnSpired Company Limited	Non-trading
InnSpired Developments Limited	Dormant
Mercury Taverns Limited	Dormant
Punch Taverns (DPM) Limited	Dormant
Punch Taverns (SPM) Limited	Dormant
Ushers of Trowbridge Limited	Dormant

The above companies are incorporated in England and Wales with the exception of Punch Taverns Finance B Limited which is incorporated in Cayman Islands.

The registered office of the above companies, other than Punch Taverns Finance B Limited, is Jubilee House, Second Avenue, Burton upon Trent, DE14 2WF. The registered office of Punch Taverns Finance B Limited is Maples And Calder, Ugland House PO BOX 309, George Town, Grand Cayman Cayman Islands

Punch Taverns (PMH) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 15 August 2021

6 CREDITORS: amounts falling due in less than one year

	2021	2020
	£000	£000
Loans owed to group undertakings	5,289	5,289
	<u>5,289</u>	<u>5,289</u>

The loans are non- interest bearing and repayable on demand.

Punch Taverns (PMH) Limited

Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

7 SHARE CAPITAL

	2021 No.	2021 £000	2020 No.	2020 £000
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £1 each	84,000,106	84,000	84,000,106	84,000

8 DIVIDENDS

	52 week period ended 15 August 2021 £000	52 week period ended 16 August 2020 £000
Interim dividend paid (£3.45 per ordinary share (2020: £nil))	289,994	-

Punch Taverns (PMH) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

9 POST BALANCE SHEET EVENTS

On the 15 December 2021, funds managed by affiliates of Fortress Investment Group LLC acquired the entire issued share capital of Vine Acquisitions Limited. Following completion of the acquisition, the company's ultimate parent undertaking and controlling party becomes Fortress Investment Group LLC, an independently operated subsidiary of SoftBank Group Corp.

10 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Punch Taverns Intermediate Holdco (B) Limited a company registered in England and Wales.

The company's ultimate parent undertaking and controlling party is Patron Capital, V L.P., a Jersey L.P. managed and controlled in Jersey.

Following completion of the acquisition referenced in note 9, the company's ultimate parent undertaking and controlling party becomes Fortress Investment Group LLC, an independently operated subsidiary of SoftBank Group Corp.

The largest and smallest group in which the results of the company are consolidated is that headed by Vine Acquisitions Limited, a company registered in England & Wales.

Copies of the financial statements of Vine Acquisitions Limited are available from Companies House.