

**Punch (IB) Limited**  
**Report and Financial Statements**  
**21 August 2004**



**Punch (IB) Limited**  
**52 week period ended 21 August 2004**

Registered No. 3731253

**DIRECTORS**

D Kemp  
R McDonald  
N Preston

**SECRETARY**

S Rudd

**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 (IB) Limited**  
**52 week period ended 21 August 2004**

**DIRECTORS' REPORT**

The directors present their report and financial statements for the 52 week period ended 21 August 2004.

**RESULTS AND DIVIDENDS**

The loss for the financial period after tax amounted to £13,000 (2003: £nil). The directors do not recommend the payment of dividend (2003: £nil).

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the company is that of an intermediate holding company.

**DIRECTORS AND THEIR INTERESTS**

The directors of the company who served during the period are listed on page 1.

None of the directors had any declarable interest in the shares of the company at 21 August 2004 or 23 August 2003.

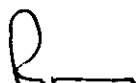
The beneficial interests of Directors who held office at 21 August 2004 in the shares of Punch Taverns plc are shown below:

	<i>At 21 August 2004</i>		<i>At 23 August 2003</i>	
	<b>Ord Shares</b>	<b>Ord Share Options</b>	<b>Ord Shares</b>	<b>Ord Share Options</b>
D Kemp	28,139	154,871	27,845	149,953
R McDonald	47,203	320,650	46,909	302,328
N Preston	1,044	60,587	1,000	98,327

**AUDITORS**

A resolution to re-appoint Ernst & Young LLP as the company's auditors will be put to the forthcoming Annual General Meeting.

On behalf of the board



RJ McDonald  
Director  
20 May 2005

**Punch (IB) Limited**  
**52 week period ended 21 August 2004**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

Company law requires the directors to prepare financial statements for each financial period which 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 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 which 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 (IB) Limited**  
**52 week period ended 21 August 2004**

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF PUNCH (IB) LIMITED**

We have audited the company's financial statements for the period ended 21 August 2004 which comprise the Balance Sheet and the related notes 1 to 11. These financial statements have been prepared on the basis of 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***

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the company 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 United Kingdom Auditing Standards 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 judgements 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 of the state of affairs of the company as at 21 August 2004 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
Birmingham  
20 May 2005

**Punch (IB) Limited**  
**52 week period ended 21 August 2004**

**PROFIT AND LOSS ACCOUNT**  
for the period ended 21 August 2004

	<i>Notes</i>	52 week period ended 21 August 2004 £000	53 week period ended 23 August 2003 £000
Administrative expenses		(13)	-
<b>OPERATING LOSS</b>	2	<u>(13)</u>	<u>-</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(13)</u>	<u>-</u>
Tax on loss on ordinary activities	4	-	-
<b>RETAINED LOSS FOR THE PERIOD</b>	8	<u><u>(13)</u></u>	<u><u>-</u></u>

The profit and loss account relates to continuing activities.

There are no recognised gains and losses other than as set out above.

**Punch (IB) Limited**  
**52 week period ended 21 August 2004**

**BALANCE SHEET**  
at 21 August 2004

	<i>Notes</i>	<b>21 August 2004 £000</b>	<b>23 August 2003 £000</b>
<b>FIXED ASSETS</b>			
Investments	5	-	13
<b>CREDITORS: amounts falling due within one year</b>	6	(13)	(13)
<b>NET CURRENT LIABILITIES</b>		<u>(13)</u>	<u>-</u>
<b>NET LIABILITIES</b>		<u>(13)</u>	<u>-</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	-	-
Profit and loss account	8	(13)	-
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		<u>(13)</u>	<u>-</u>



RJ McDonald  
Director  
20 May 2005

# Punch (IB) Limited

## 52 week period ended 21 August 2004

### NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 21 August 2004

#### 1. ACCOUNTING POLICIES

##### *Basis of preparation*

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

##### *Profit and loss account*

The company received no income and incurred no expenditure and consequently has made neither a profit nor a loss. Therefore no profit and loss account has been presented.

##### *Fundamental accounting concept – going concern*

The company's liabilities exceed its assets. However, the ultimate parent company has undertaken to support it and not recall group debt until all other liabilities have been settled and the company has funds to repay. For this reason, these financial statements have been prepared on a going concern basis.

##### *Group financial statements*

The company is exempt, under s228 of the Companies Act 1989, from the obligation to prepare consolidated financial statements as the company is a wholly owned subsidiary undertaking of a parent company incorporated in the EU, which prepares consolidated financial statements. As such, these financial statements present information about the company as an individual undertaking and not about its group.

##### *Fixed asset investments*

Investments are stated at cost, less provision for any permanent diminution in value.

#### 2. OPERATING LOSS

Auditors' remuneration is paid by another company in the group.

#### 3. DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors received no emoluments from the company in the current or preceding period. The company had no employees during the current or preceding period.

#### 4. TAXATION

The charge to UK corporation tax is reconciled as follows:

##### *Reconciliation of tax charges*

	2004 £000	2003 £000
Loss on ordinary activities before taxation	(13)	-
Loss on ordinary activities at standard rate of corporation tax in the UK (30%)	(4)	-
<i>Effects of:</i>		
Expenses not deductible for tax purposes	4	-
	-	-

There are no factors expected to materially affect future tax charges.



**Punch (IB) Limited**  
**52 week period ended 21 August 2004**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the 52 week period ended 21 August 2004

**5. FIXED ASSET INVESTMENTS**

	Shares in subsidiary undertakings £000
<b>Cost:</b>	
At 23 August 2003 and 21 August 2004	13
<b>Provision for diminution in value:</b>	
At 23 August 2003	-
Provision made in the period	13
At 21 August 2004	13
<b>Net book amount:</b>	
At 21 August 2004	-
At 23 August 2003	13

Details of the principal subsidiary undertaking in which the shareholding is in ordinary shares, which is 100% owned is as follows:

<i>Name of company</i>	<i>Nature of business</i>
<b><i>Subsidiary undertakings</i></b>	
<b><i>Owned directly:</i></b> Punch (Inn Business) Limited	Financing Company

Punch (Inn Business) Limited is incorporated in England and Wales.

**6. CREDITORS: amounts falling due within one year**

	2004 £000	2003 £000
Amounts owed to group undertakings	13	13

**7. SHARE CAPITAL**

	2004 No.	2004 £	2003 No.	2003 £
<b><i>Authorised share capital</i></b>				
Ordinary shares of £1 each	100	100	100	100
<b><i>Called up share capital, amount paid up:</i></b>				
Ordinary shares of £1 each	2	2	2	2

**Punch (IB) Limited**  
**52 week period ended 21 August 2004**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the 52 week period ended 21 August 2004

**8. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES**

	Share Capital £000	Profit & Loss Account £000	Total Shareholders' Funds £000
At 17 August 2002 and 23 August 2003	-	-	-
Loss for the period	-	(13)	(13)
At 21 August 2004	<u>-</u>	<u>(13)</u>	<u>(13)</u>

**9. 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 parent company (Punch Taverns plc) publishes consolidated financial statements.

**10. 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. There were no other related party transactions during the period.

**11. ULTIMATE PARENT UNDERTAKING**

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

Punch Taverns plc is 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.

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