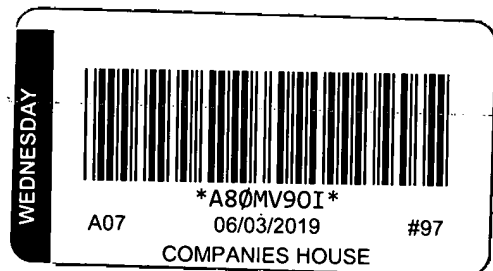


Unique Pubs Limited

Report and Accounts

30 September 2018

Registered Company Number: 03733077



Unique Pubs Limited

COMPANY INFORMATION

DIRECTORS

N R Smith

W S Townsend

SECRETARY

L Togher

AUDITORS

Ernst & Young LLP

No. 1 Colmore Square

Birmingham

B4 6HQ

REGISTERED OFFICE

3 Monkspath Hall Road

Solihull

West Midlands

B90 4SJ

REGISTERED COMPANY NUMBER

03733077

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity is that of an investment holding company.

The Company has in issue a loan to Unique Pub Properties Limited of £78,125,000 that is due for repayment on 30 March 2025 and carries interest at 13.5% per annum. The loan is subordinated to the A3, A4, M and N loans due from Unique Pub Properties Limited to The Unique Pub Finance Company PLC.

The profit before tax for the year amounted to £10,547,000 (2017: £10,547,000) being interest receivable on the above loan.

During the year the Company paid total ordinary dividends of £10,547,000 (2017: £10,547,000).

The directors view the results and future prospects of the Company as satisfactory.

RISKS AND UNCERTAINTIES

As the principal activity of the Company is an investment holding company, the principal risks and uncertainties facing the Company are financial and are discussed below.

These risks are monitored on a Group basis and there are formal management processes in place to identify and evaluate these risks.

Valuation risk

The Company owns 100% of the share capital of Voyager Pub Group Holdings Limited which ultimately owns Unique Pub Properties Limited ("UPP") and The Unique Pub Finance Company PLC ("UPFCplc"). As the net asset value of UPP and UPFCplc are substantially more than the cost of investment of £313 million, the directors consider the risk of any impairment to the investment value to be low.

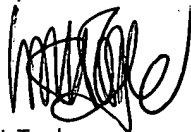
Credit risk

The Company's income and its debtors are intercompany and therefore the directors consider credit risk to be low.

Liquidity risk

The Company's creditors are intercompany. The directors do not expect these balances to be repaid in the short-term and therefore the liquidity risk is considered to be low.

By order of the Board



L Togher
Company Secretary
24 January 2019

Unique Pubs Limited

DIRECTORS' REPORT

Registered No: 03733077

The directors present their report and accounts for the year ended 30 September 2018.

DIVIDENDS

During the year the Company paid total ordinary dividends of £10,547,000 (2017: £10,547,000).

DIRECTORS

The directors of the Company during the year ended 30 September 2018 and since the end of the year were as follows:

N R Smith
W S Townsend

The directors in office have no beneficial interest in the shares of the Company.

N R Smith and W S Townsend are also directors of the ultimate parent company, Ei Group plc, and their interests in the share capital of that company are shown in its accounts.

FUTURE DEVELOPMENTS

The Company will continue to operate as an investment holding company for the foreseeable future.

POST BALANCE SHEET EVENT

On 10 January 2019 the Group of which the Company is a part entered into a sale agreement, subject to Shareholder approval, in relation to 370 properties for expected gross aggregated cash consideration of £348 million.

Approximately £180 million of net proceeds will be generated from the sale of properties within the Unique securitisation (being subsidiary companies of Unique Pubs Limited) and will therefore be used in part repayment of the securitised loans.

The disposal does not affect the recoverability of the investment value held on the Company's Balance Sheet.

INFORMATION GIVEN IN THE STRATEGIC REPORT

The Company has chosen in accordance with section 414C(11) of the Companies Act 2006 to include the disclosures on the use of financial instruments and risk exposures relating to financial instruments in the Strategic Report.

STATEMENT OF DISCLOSURE TO AUDITORS

The directors who are members of the Board at the time of approving the Directors' Report are listed above. The directors confirm that:

- To the best of the directors' knowledge and belief, there is no relevant audit information of which the Company's auditors are unaware, and
- The directors have taken all the steps that they ought to have taken to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

GOING CONCERN

The Company is dependent upon continuing financial assistance being made available from its parent Ei Group plc to enable it to continue operating and meeting its liabilities as they fall due.

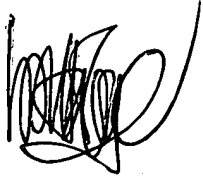
The directors have considered the principal risks and the Company's financial resources including a review of the medium-term financial plan, which includes a review of the Group's cash flow forecasts for the period of at least 12 months from the date of approval of these financial statements.

DIRECTORS' REPORT (CONTINUED)

Registered No: 03733077

Based on the outcome of the above considerations the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period under review. For this reason the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

By order of the Board

A handwritten signature in black ink, appearing to be 'L Togher', written over a horizontal line.

L Togher
Company Secretary
24 January 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing the Strategic Report, Directors' 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 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) including FRS 101 'Reduced Disclosure Framework' (FRS 101). 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards including FRS 101 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIQUE PUBS LIMITED

Opinion

We have audited the financial statements of Unique Pubs Limited for the year ended 30 September 2018 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14, 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 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 2018 and of its profit for the year 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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNIQUE PUBS LIMITED (CONTINUED)

Opinions 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 year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 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 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 set out on page 5, 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.

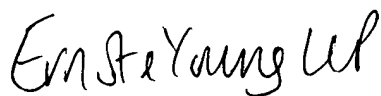
Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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.



Christopher Voogd (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

28 January 2019

Unique Pubs Limited

INCOME STATEMENT

Year ended 30 September 2018

	Note	2018 £000	2017 £000
Finance income	6	10,547	10,547
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		10,547	10,547
Taxation	7	(2,835)	57
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		7,712	10,604

All of the operations of the Company are continuing.

There are no amounts of other comprehensive income, therefore no separate statement of other comprehensive income is presented.

Total comprehensive income equates to the profit on ordinary activities after taxation.

Unique Pubs Limited

BALANCE SHEET At 30 September 2018

	Note	2018 £000	2017 £000
Non-current assets			
Investments	8	312,817	312,817
Financial assets	9	78,125	78,125
		390,942	390,942
Current assets			
Other receivables	10	63	-
Cash at bank and in hand		27	27
		90	27
Total assets		391,032	390,969
Current liabilities			
Other payables	11	(381,912)	(379,014)
		(381,912)	(379,014)
Total liabilities		(381,912)	(379,014)
NET ASSETS		9,120	11,955
CAPITAL AND RESERVES			
Called up share capital	12	-	-
Profit and loss account		9,120	11,955
SHAREHOLDERS' FUNDS		9,120	11,955

The financial statements were approved by the Board and signed on its behalf by:

N R Smith
Director
24 January 2019



Unique Pubs Limited

STATEMENT OF CHANGES IN EQUITY At 30 September 2018

	Share capital	Profit and Loss Account	Total
	£000	£000	£000
At 1 October 2016	-	11,898	11,898
Profit for the year	-	10,604	10,604
Dividends paid	-	(10,547)	(10,547)
At 30 September 2017	-	11,955	11,955
Profit for the year	-	7,712	7,712
Dividends paid	-	(10,547)	(10,547)
At 30 September 2018	-	9,120	9,120

NOTES TO THE ACCOUNTS

At 30 September 2018

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements were approved by the board of directors for issue on 24 January 2019.

The financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The financial statements are prepared under the historical cost convention.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 30 September 2018. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000s).

2. BASIS OF PREPARATION

The Company continues to adopt FRS 101 and has applied the requirement of SI 2015/980: The Companies, Partnerships and Groups (Accounts and Reports Regulations 2015) in preparing the accounts.

The Company has taken advantage of the following disclosure exemptions under FRS 101 in the preparation of these financial statements:

- The requirements of IFRS 7 Financial Instruments: Disclosure
- The requirements of paragraph 134-136 of IAS 1 Presentation of financial statements to disclose information about capital and how it is managed
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to provide information about the impact of IFRS's that have been issued but are not yet effective
- The requirements of paragraphs 10(d) and 111 of IAS 1 and the requirements of IAS 7 Statement of Cash Flows
- The requirements of IAS 24 Related Party Transactions to disclose transactions entered into between two parties wholly owned within the same group
- The requirements of paragraph 16 of IAS 1 to make an explicit and unreserved statement of compliance with IFRS

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors consider that the accounting policies set out below are suitable, have been consistently applied unless otherwise stated and are supported by reasonable and prudent judgements and estimates.

The Company is a private company limited by shares, incorporated in England and registered at 3 Monkspath Hall Road, Solihull, West Midlands. It is a wholly, indirectly, owned subsidiary of Ei Group plc, a company registered at the same address. The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Ei Group plc. Unique Pubs Limited is included within the consolidated accounts of Ei Group plc.

Judgements and key sources of estimation uncertainty

The Company makes estimations and assumptions during the preparation of the financial statements. Actual results may differ from these estimates under different assumptions and conditions.

Impairment of investments

The Directors use judgement in reviewing the recoverability of investment values which involves consideration of the net asset value of the direct and indirect subsidiaries of the Company.

Going concern

The Directors have used judgement in determining that the entity is a going concern (see 'going concern' below for further details).

NOTES TO THE ACCOUNTS

At 30 September 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

Judgement is required when determining the provision for taxes as the tax treatment of some transactions cannot be finally determined until a formal resolution has been reached with tax authorities. Tax benefits are not recognised unless it is probable that the benefit will be obtained. Tax provisions are made if it is expected that a liability will arise. The Company reviews each significant tax liability or benefit to assess the appropriate accounting treatment.

Going concern

The Company is dependent upon continuing financial assistance being made available from its parent Ei Group plc to enable it to continue operating and meeting its liabilities as they fall due.

The directors have considered the principal risks and the Company's financial resources including a review of the medium-term financial plan, which includes a review of the Group's cash flow forecasts for the period of at least 12 months from the date of approval of these financial statements.

Based on the outcome of the above considerations the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period under review. For this reason the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Revenue recognition

Dividends are recognised when the Company's right to receive payment is established.

Taxation

The tax expense comprises both the tax payable based on taxable profits for the year and deferred tax. Deferred tax is provided using the balance sheet liability method in respect of temporary differences between the carrying value of assets and liabilities for accounting and tax purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. No deferred tax is recognised if the taxable temporary difference arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Current tax assets and liabilities are offset where there is a legally enforceable right to set off the recognised amounts and the intention is to either settle on a net basis or realise the asset and liability simultaneously. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and the assets and liabilities relate to taxes levied by the same tax authority which are intended to be settled net or simultaneously.

Tax is charged or credited to Other Comprehensive Income if it relates to items that are charged or credited to Other Comprehensive Income. Similarly tax is charged or credited directly to equity if it relates to items charged or credited directly to equity. Otherwise tax is charged in the Income Statement. Tax is calculated using tax rates enacted or substantively enacted at the Balance Sheet date.

Investments

Investments in subsidiaries are carried at cost less any provision for impairment. Investment income is recognised on an accruals basis.

Financial instruments

a) Cash and cash equivalents

Cash comprises cash at bank and in hand. Any short-term deposits with an original maturity date of three months or less are classified as cash equivalents.

NOTES TO THE ACCOUNTS

At 30 September 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Intercompany

Financial instruments include intercompany loans payable and receivable which are measured at amortised cost. This method is used to ensure that the interest associated with the balance, combined with the amortisation of any relevant issue costs, premiums and discounts, represents a constant percentage of the borrowings across the life of the instrument based on the estimated cash flows and the contractual terms of the agreement.

4. AUDITOR'S REMUNERATION

The audit fees of the Company for the year ended 30 September 2018 of £1,000 are borne by another group company (2017: £1,000).

5. STAFF COSTS AND DIRECTORS EMOLUMENTS

The Company had no employees during the current or prior year.

During the current and prior year the directors' roles within the Company are deemed to be incidental to the wider roles within the Group and therefore there is no directors' remuneration in relation to the Company. The Company bears no cost in relation to these directors.

6. FINANCE INCOME

	2018 £000	2017 £000
Interest receivable on loans to fellow subsidiaries	10,547	10,547

Unique Pubs Limited

NOTES TO THE ACCOUNTS

At 30 September 2018

7. TAXATION

a) Analysis of total tax charge/(credit) recognised in the Income Statement

	2018 £000	2017 £000
Current tax		
UK Corporation tax	1,863	(64)
Adjustments in respect of prior years	972	7
Total current tax	2,835	(57)
Taxation	2,835	(57)

There was no deferred tax charge/(credit) in the current or prior year.

b) Tax charge/(credit) reconciliation

	2018 £000	2017 £000
Profit before tax	10,547	10,547
Profit before tax at 19.0% (2017: 19.5%)	2,004	2,057
Effects of:		
Transfer pricing adjustments	(141)	(166)
Prior year under provisions	972	7
Worldwide debt cap intercompany adjustment	-	(1,955)
Taxation	2,835	(57)

The UK Government reduced the rate of corporation tax from 20% to 17% effective by 1 April 2020.

Unique Pubs Limited

NOTES TO THE ACCOUNTS

At 30 September 2018

8. INVESTMENTS

Subsidiary undertakings

	2018 £000	2017 £000
Cost and net book value at 30 September	312,817	312,817

A full list of the Company's subsidiaries is included in the following table:

	Country of incorporation	Holding	Proportion of voting rights	Nature of business
<i>Directly held by Unique Pubs Limited:</i>				
Voyager Pub Group Holdings Limited	England	Ordinary shares	100%	Investment holding company
Unique Pub Properties Alpha Limited	England	Ordinary shares	100%	Dormant
Unique Pub Properties Beta Limited	England	Ordinary shares	100%	Dormant
Unique Pub Properties Gamma Limited	England	Ordinary shares	100%	Dormant
Unique Pub Properties Theta Limited	England	Ordinary shares	100%	Dormant
<i>Indirectly held by Unique Pubs Limited:</i>				
Voyager Pub Group Limited	England	Ordinary shares	100%	Investment holding company
Unique Pub Investments Limited	England	Ordinary shares	100%	Investment holding company
Unique Pub Properties Limited	England	Ordinary shares	100%	Ownership of licensed properties
The Unique Pub Finance Company PLC	England	Ordinary shares	100%	Financing company
		Preference shares	100%	
West Midlands Taverns (Holdings) Limited	England	Ordinary shares	100%	Dormant

The registered office of all of the above subsidiaries is 3 Monkspath Hall Road, Solihull, West Midlands, B90 4SJ.

Unique Pubs Limited

NOTES TO THE ACCOUNTS

At 30 September 2018

9. FINANCIAL ASSETS

	2018 £000	2017 £000
Non-current		
Amounts owed by subsidiary undertakings	78,125	78,125

The above loan due from Unique Pub Properties Limited, is due for repayment on 30 March 2025 and carries interest at 13.5% per annum. The loan is subordinated to the A3, A4, M and N loans due from Unique Pub Properties Limited to The Unique Pub Finance Company PLC.

10. OTHER RECEIVABLES

	2018 £000	2017 £000
Amounts due from group undertakings	63	-
	63	-

11. OTHER PAYABLES

	2018 £000	2017 £000
Amounts owed to parent company	381,912	379,014
	381,912	379,014

The above items are not secured.

The amounts owed to parent company may attract interest at varying levels.

12. SHARE CAPITAL

	2018		2017	
	No.	£000	No.	£000
Authorised				
Ordinary shares of 1p each	1	-	1	-
Called up, allotted and fully paid				
Ordinary shares of 1p each	1	-	1	-

Ordinary shares carry no rights to fixed income. Holders of ordinary shares are entitled to vote at meetings.

13. PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's ultimate, immediate and controlling parent undertaking is Ei Group plc, a company incorporated in the United Kingdom and registered in England and Wales. Copies of its group accounts, which include the Company, may be obtained from 3 Monkspath Hall Road, Solihull, West Midlands, B90 4SJ.

NOTES TO THE ACCOUNTS

At 30 September 2018

14. POST BALANCE SHEET EVENT

On 10 January 2019 the Group of which the Company is a part entered into a sale agreement, subject to Shareholder approval, in relation to 370 properties for expected gross aggregated cash consideration of £348 million.

Approximately £180 million of net proceeds will be generated from the sale of properties within the Unique securitisation (being subsidiary companies of Unique Pubs Limited) and will therefore be used in part repayment of the securitised loans.

The disposal does not affect the recoverability of the investment value held on the Company's Balance Sheet.