

**Punch Taverns (PGE) Limited**  
**Report and Financial Statements**

**23 August 2008**



**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

**DIRECTORS**

P Dutton	(appointed 17 October 2007)
D Kemp	(resigned 1 July 2008)
R McDonald	(resigned 17 October 2007)
N Preston	
G Thorley	
R Whiteside	(appointed 3 November 2008)

**SECRETARY**

C Stewart

**AUDITORS**

Ernst & Young LLP  
1 Colmore Square  
Birmingham  
B4 6HQ

**BANKERS**

Barclays Bank plc  
15 Colmore Row  
Birmingham  
B3 2EP

**SOLICITORS**

Slaughter & May  
One Bunhill Row  
London  
EC1Y 8YY

**REGISTERED OFFICE**

Jubilee House  
Second Avenue  
Burton upon Trent  
Staffordshire  
DE14 2WF

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

**DIRECTORS' REPORT**

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

**RESULTS AND DIVIDENDS**

The loss after taxation for the financial period amounted to £19,010,000 (52 week period ended 18 August 2007: profit after taxation of £16,178,000). The directors do not propose the payment of a dividend (2007: £nil).

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The principal activity of the company is as a holding company.

**DIRECTORS**

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

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

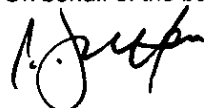
**AUDIT INFORMATION**

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

**AUDITORS**

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

On behalf of the board



P Dutton  
Director

8 January 2009

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

We have audited the company's financial statements for the period ended 23 August 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

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

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

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

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

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

**Basis of audit opinion**

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

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

**Opinion**

In our opinion:

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

*Ernst & Young LLP*  
Ernst & Young LLP  
Registered Auditor  
Birmingham

*8 January 2009*

# Punch Taverns (PGE) Limited

Period ended 23 August 2008

## PROFIT & LOSS ACCOUNT

for the 53 week period ended 23 August 2008

	Notes	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
Administrative expenses		(3,559)	(6,680)
<b>OPERATING LOSS</b>	<b>2</b>	<b>(3,559)</b>	<b>(6,680)</b>
Income from shares in group undertakings		28,100	44,400
Loss on disposal of fixed asset investments		(10)	(112)
Interest receivable	5	55,411	63,586
Interest payable and similar charges	6	(119,563)	(98,867)
<b>(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(39,621)</b>	<b>2,327</b>
Tax on (loss) / profit on ordinary activities	7	20,611	13,851
<b>(LOSS) / PROFIT FOR THE PERIOD</b>	<b>13</b>	<b>(19,010)</b>	<b>16,178</b>

The profit and loss account relates to continuing activities.

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

**BALANCE SHEET**  
as at 23 August 2008

	<i>Notes</i>	23 August 2008 £000	18 August 2007 £000
<b>FIXED ASSETS</b>			
Investments	8	4,829,517	4,827,103
		<u>4,829,517</u>	<u>4,827,103</u>
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due in less than one year	9	88,149	67,972
Debtors: amounts falling due after more than one year	9	1,113,360	1,020,769
Cash at bank and in hand		109	92
		<u>1,201,618</u>	<u>1,088,833</u>
<b>CREDITORS: amounts falling due in less than one year</b>	10	(12,844)	(6,639)
<b>NET CURRENT ASSETS</b>		<u>1,188,774</u>	<u>1,082,194</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,018,291</u>	<u>5,909,297</u>
<b>CREDITORS: amounts falling due after more than one year</b>	11	(2,840,386)	(2,714,796)
<b>NET ASSETS</b>		<u><u>3,177,905</u></u>	<u><u>3,194,501</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	62,599	62,599
Share premium	13	3,236,119	3,236,119
Capital reserve	13	8,638	6,224
Profit and loss account	13	(129,451)	(110,441)
<b>SHAREHOLDERS' FUNDS</b>	13	<u><u>3,177,905</u></u>	<u><u>3,194,501</u></u>



P Dutton  
Director

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 January 2009

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

**1 ACCOUNTING POLICIES**

***Basis of preparation***

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

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

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

During the period, in order to clarify the nature of intercompany balances, the company has reclassified certain balances. Firstly, intercompany loan balances and interest due on those balances have been reclassified from amounts due to / from group undertakings to loans due to / from group undertakings. In addition, the company has modified the classification of intercompany trading balances. In accordance with FRS 3, comparatives have been restated where the impact has been deemed significant. These reclassifications have had no impact on net assets overall, but have decreased amounts due from group undertakings in less than one year by £1,432,000, increased loans due from group undertakings after more than one year by £493,163,000, decreased amounts due from group undertakings after more than one year by £196,187,000, decreased amounts owed to group undertakings in less than one year by £540,510,000, decreased loans owed to group undertakings after more than one year by £162,416,000 and increased amounts owed to group undertakings after more than one year by £998,470,000.

***Group financial statements***

The company is exempt, under s228 of the Companies Act 1985, 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.

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

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

***Fixed asset investments***

Investments are stated at cost, less provision for impairment in value.

***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.

***Dividend income***

Dividend income is recognised when a dividend has been received from another group company.

***Share-based payments***

A number of employees of the Punch Taverns group (including directors) receive an element of remuneration in the form of share based payment transactions, whereby employees render services in exchange for shares in the ultimate parent company Punch Taverns plc ('equity-settled transactions'). Equity settled transactions are measured at fair value at the date of grant. Details of the accounting policy are given in the financial statements of Punch Taverns plc.

In the employing company the cost of equity-settled transactions is recognised, together with a corresponding increase in equity, on a straight line basis over the vesting period based on the Group's estimate of how many of the awards will eventually vest.

In Punch Taverns plc and all intermediary holding companies, this transaction is recognised as a capital contribution to the underlying company, therefore an increase to the underlying cost of investment.



**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

**2 OPERATING LOSS**

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

**3 EXCEPTIONAL ITEMS**

	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
<b>Included within administrative expenses:</b>		
Reorganisation costs	1,600	2,782
	<u>1,600</u>	<u>2,782</u>
<b>Included within interest payable and similar income:</b>		
Cost of terminating financing arrangements	-	915
	<u>1,600</u>	<u>3,697</u>

**4 DIRECTORS' EMOLUMENTS AND STAFF COSTS**

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

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

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

**NOTES TO THE FINANCIAL STATEMENTS**

for the 53 week period ended 23 August 2008

**5 INTEREST RECEIVABLE**

	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
Bank interest receivable	475	768
Interest receivable from group undertakings	54,936	62,818
	<u>55,411</u>	<u>63,586</u>

**6 INTEREST PAYABLE AND SIMILAR CHARGES**

	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
Interest payable to group undertakings	119,563	97,857
Amounts payable to parent undertaking	-	95
Cost of terminating financing arrangements	-	915
	<u>119,563</u>	<u>98,867</u>

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

**7 TAXATION**

	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
The tax credit for the period comprises:		
UK corporation tax:		
- current period group relief surrendered	(19,603)	(13,851)
- adjustments in respect of prior periods	(1,008)	-
	<u>(20,611)</u>	<u>(13,851)</u>
Total tax credit for the period	<u>(20,611)</u>	<u>(13,851)</u>
<i>Reconciliation of tax credits</i>		
	53 week period ended 23 August 2008 £000	52 week period ended 18 August 2007 £000
(Loss) / profit on ordinary activities before taxation	<u>(39,621)</u>	<u>2,327</u>
(Loss) / profit on ordinary activities at standard rate of corporation tax in the UK of 29.21% (2007: 30%)	(11,573)	698
Effects of:		
Non-taxable dividends receivable	(8,208)	(13,320)
Tax effect of restated profit and loss account	-	(1,263)
Loss on disposal of fixed asset investments	3	34
Expenses not deductible for tax purposes	175	-
Total current corporation tax credit	<u>(19,603)</u>	<u>(13,851)</u>

A deferred tax asset totalling £136,000 (2007: £136,000) in respect of carried forward losses has not been recognised due to insufficient estimated future profits, against which the asset can be recovered.

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

**8 FIXED ASSET INVESTMENTS**

	Shares in subsidiary undertakings £000
<b>Cost:</b>	
As at 18 August 2007	4,827,103
Additions	2,414
Disposals	-
As at 23 August 2008	<u>4,829,517</u>
<b>Cost and net book value:</b>	
As at 23 August 2008	<u>4,829,517</u>
As at 18 August 2007	<u>4,827,103</u>

During the period the company made a capital contribution of £2,414,000 (2007: £6,224,000) to its immediate subsidiary undertaking, Punch Taverns Group Limited.

Details of the principal subsidiary undertakings, in which the shareholding is in ordinary shares, are as follows:

Subsidiary undertaking	Principal activity
<b>Held directly:</b>	
Punch Taverns (PGRP) Limited	Pub operating company
Punch Taverns (PPCS) Limited	Intermediate supply company
Punch Taverns (Reserve Co) Limited	Intermediate holding company
Spirit Group Finco Limited	Financing company
<b>Held indirectly:</b>	
Punch Taverns (PTL) Limited	Pub operating company
Punch Taverns (Branston) Limited	Pub operating company
Punch Taverns (PML) Limited	Pub operating company
Punch Taverns (Pubs) Limited	Pub operating company
Spirit Managed Pubs Limited	Pub operating company
Spirit Managed Trent Limited	Pub operating company
Spirit (Faith) Limited	Pub operating company
Punch Taverns Finance plc	Financing company
Punch Taverns Barton Loan Company Limited	Financing company
Punch Taverns Finance B Limited	Financing company
Punch Taverns (Redwood Jerseyco) Limited	Financing company
Punch Taverns (Offices) Limited	Property company
Spirit Supply Company Limited	Intermediate supply company
Spirit Group Limited	Management and administration company
InnSpired Company Limited	Management and administration company
Spirit Group Holdings Limited	Intermediate holding company
InnSpired Group Limited	Intermediate holding company
Broomco (3708) Limited	Intermediate holding company
Spirit Group Retail Limited	Holding company
<b>Joint venture:</b>	
Matthew Clark (Holdings) Limited	Holding company

The company owns 100% of the ordinary share capital and controls 100% of the voting rights of the companies listed above, with the exception of Matthew Clark (Holdings) Limited, of which the company owns 50% of the ordinary share capital, and exercises joint control.

Exemption has been taken to exclude subsidiary undertakings from the above disclosure, whose results or financial position do not principally affect the financial statements. All companies are incorporated in England and Wales other than Punch Taverns Finance B Limited, which is incorporated in the Cayman Islands, and Punch Taverns (Redwood Jerseyco) Limited, which is incorporated in Jersey.

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

**9 DEBTORS**

	<b>2008</b>	<i>Restated</i> <b>2007</b>
	<b>£000</b>	<b>£000</b>
<b>Amounts falling due in less than one year:</b>		
Amounts due from group undertakings	87,426	67,845
Others debtors	695	127
Prepayments and accrued income	28	-
	<u>88,149</u>	<u>67,972</u>
		<i>Restated</i>
<b>Amounts falling due after more than one year:</b>	<b>£000</b>	<b>£000</b>
Loans due from group undertakings	553,798	493,163
Amounts due from group undertakings	559,562	527,606
	<u>1,113,360</u>	<u>1,020,769</u>

Included within loans due from group undertakings is a loan of £10,606,000 (2007: £15,355,000) due from fellow group company, Punch Taverns (Redwood Bidco) Limited. The loan accrues interest at 7% per annum, which is capitalised quarterly in arrears.

Also included within loans due from group undertakings is a subordinated loan of £379,866,000 (2007: £340,495,000) due from Punch Taverns (Reserve Company) Limited. The loan accrues interest at 11% per annum, which is capitalised quarterly in arrears.

Also included within loans due from group undertakings is a subordinated loan of £142,184,000 (2007: £127,371,000) due from Innspired (Cedar) Limited. The loan accrues interest at 11% per annum, which is capitalised quarterly in arrears.

Also included within loans due from group undertakings is a non-interest bearing loan from fellow group company, Spirit Group Limited of £11,200,000. This loan is new in the period.

Also included within loans due from group undertakings are non-interest bearing loans from fellow group companies, Punch Taverns (PGRP) Limited, Punch Taverns (Barton) Limited, Punch Taverns (PM) Limited and Pub.com Limited of £1,021,000, £8,590,000, £39,000 and £292,000 respectively (2007: £1,021,000, £8,590,000, £39,000 and £292,000)

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

**10 CREDITORS: Amounts falling due in less than one year**

	2008	<i>Restated</i> 2007
	£000	£000
Amounts owed to group undertakings	10,163	5,801
Other creditors	-	52
Accruals and deferred income	2,681	786
	<u>12,844</u>	<u>6,639</u>

**11 CREDITORS: Amounts falling due after more than one year**

	2008	<i>Restated</i> 2007
	£000	£000
Loans owed to group undertakings	1,933,258	1,716,326
Amounts owed to group undertakings	907,128	998,470
	<u>2,840,386</u>	<u>2,714,796</u>

Loans owed to group undertakings include subordinated loans to Punch Taverns plc of £94,838,000 (2007: £87,009,000) and £16,116,000 (2007: £14,761,000) which bear interest at LIBOR plus 2.5% and LIBOR plus 2.75% respectively.

Also included within loans owed to group undertakings is a loan to fellow group company Avebury Properties Limited of £147,486,000. Interest accrues at 16% per annum. This loan is new in the period.

Also included within loans owed to group undertakings are non-interest bearing loans from fellow group companies, Punch Taverns (PPCS) Limited, Punch Taverns (Centrum) Limited, Punch Taverns (Jubilee) Limited, Punch Taverns (SPML) Limited, Avebury Properties Limited, Punch Taverns plc, Punch Taverns Employee Scheme Limited, Punch Taverns (PRAF) Limited, Punch Centrum Loan Company Limited, Punch Taverns (PMT) Limited, Punch Taverns (PMM) Limited, Punch Taverns (PMG) Limited, Punch Taverns (PMI) Limited, Punch Taverns (PMH) Limited, InnSpired (ITB) Limited, InnSpired Group Limited, Spirit Group Parent Limited, and Spirit Group Finco Limited of £1,588,000, £34,246,000, £6,204,000, £118,898,000, £14,420,000, £104,727,000, £156,100,000, £84,738,000, £27,000, £8,568,000, £568,000, £61,026,000, £2,000, £5,700,000, £64,135,000, £64,683,000, £111,446,000 and £61,425,000 respectively (2007: £1,588,000, £34,246,000, £6,204,000, £118,898,000, £14,420,000, £148,269,000, £156,100,000, £84,738,000, £27,000, £8,568,000, £568,000, £61,026,000, £2,000, £5,700,000, £64,135,000, £64,683,000, £111,446,000 and £43,384,000)

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

Loans owed to group undertakings also included a debenture issued by the company. The maturity and details of the debenture are given below:

Tranche:	Interest Rate	Repayment Date	2008 £000	2007 £000
<b>Due within one year:</b>				
Tranche C	Nil	On demand	-	472,022
Other Tranches	Nil	On demand	59,500	59,500
<b>Due between two and five years:</b>				
Tranche A	12% p.a.	30 September 2009	-	92,123
Other Tranches	Nil	Various between 2-5 years	66,909	66,909
			<u>126,409</u>	<u>690,554</u>

During the period, on 17 October 2007, new loans with Punch Taverns plc were taken out in order to redeem the loan notes in full. Details of those loans are shown below:

Loans owed to group undertakings include loans from Punch Taverns plc of £103,676,000 and £546,232,000 which bear interest at 12% and 15% respectively. These loans are new in the period.

# Punch Taverns (PGE) Limited

Period ended 23 August 2008

## NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2008

### 12 SHARE CAPITAL

	2008 No.	2008 £000	2007 No.	2007 £000
<i>Authorised:</i>				
Deferred shares of £0.05 each	1,999,999,999	100,000	1,999,999,999	100,000
Special dividend shares of £0.05 each	1	-	1	-
<i>Allotted, called up and fully paid:</i>				
Deferred shares of £0.05 each	1,251,983,344	62,599	1,251,983,344	62,599
Special dividend shares of £0.05 each	1	-	1	-

The special dividend share confers the right to receive a special dividend or dividends of an amount not exceeding £108m, in aggregate in priority to any other distribution of income or capital by the company on a date or dates to be determined by the directors, but no other right to income, capital or voting, save that if all the other shares in the capital of the company are deferred shares, the special dividend share shall carry one vote.

The deferred shares do not carry any right to participate in the profits of the company or to receive notice of our attend, speak or vote at general meetings, and carry a right to a return of capital on a winding-up after payments have been made to holders of the special dividend share.



# Punch Taverns (PGE) Limited

Period ended 23 August 2008

## NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2008

### 13 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share Capital £000	Share Premium £000	Capital Reserve £000	Profit & Loss Account £000	Total Share- holders' Funds £000
At 19 August 2006	62,599	3,236,119	4,210	(125,466)	3,177,462
Effect of implementing FRS 26	-	-	-	(1,153)	(1,153)
Capital contribution received	-	-	2,014	-	2,014
Profit for the period	-	-	-	16,178	16,178
At 18 August 2007	62,599	3,236,119	6,224	(110,441)	3,194,501
Loss for the period	-	-	-	(19,010)	(19,010)
Capital contribution received	-	-	2,414	-	2,414
At 23 August 2008	62,599	3,236,119	8,638	(129,451)	3,177,905

During the period, the company received a capital contribution of £2,414,000 from its immediate parent undertaking, Punch Taverns Group Limited.

**Punch Taverns (PGE) Limited**  
**Period ended 23 August 2008**

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

**14 CASH FLOW STATEMENT**

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

**15 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.

**16 ULTIMATE PARENT UNDERTAKING**

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

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

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