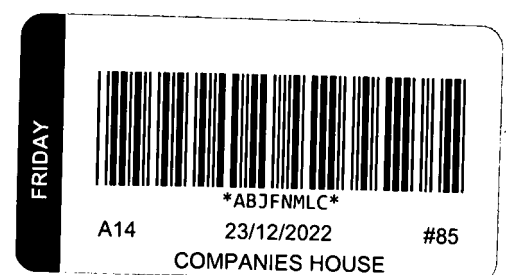


Registered No.
03988664

Punch Partnerships (PGRP) Limited

Report and Financial Statements

14 August 2022



Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

COMPANY INFORMATION

DIRECTORS

E Bashforth
S Dando

SECRETARY

F Appleby (resigned on 22 August 2022)

AUDITOR

Cooper Parry Group Limited
Sky View
Argosy Road
East Midlands Airport
Derby
DE74 2SA

BANKERS

Barclays Bank plc
One Snowhill
Snow Hill Queensway
Birmingham
B3 2WN

REGISTERED OFFICE

Jubilee House
Second Avenue
Burton upon Trent
Staffordshire
DE14 2WF

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

STRATEGIC REPORT

Registered No. 03988664

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is the leasing of public houses to independent publicans and the associated wholesale supply of drinks products.


RESULTS AND DIVIDENDS

The loss after taxation for the 52 week period amounted to £41,000 (52 week period ended 15 August 2021: loss after taxation of £38,402,000). The directors do not propose the payment of a final dividend (2021: £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 CF Cooper Holdings Limited group is discussed in the CF Cooper Holdings Limited Annual Report and Financial Statements which are available from Companies House.

On behalf of the board



S Dando

Director

5 December 2022

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

DIRECTORS' REPORT

Registered No. 03988664

The directors present their report and financial statements for the financial period ended 14 August 2022.

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.

DISCLOSURE IN THE STRATEGIC REPORT

Details of risks and uncertainties, future developments can be found in the strategic report and form part of this report by cross-reference.

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
5 December 2022

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

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 101 *Reduced Disclosure Framework*.

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
- 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 PARTNERSHIPS (PGRP) LIMITED

Opinion

We have audited the financial statements Punch Partnerships (PGRP) Limited (the 'company') for the 52 week period ended 14 August 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the company financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (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 14 August 2022 and of the company's loss for the 52 weeks then ended;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements 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 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

In auditing the financial statements, we have concluded that the Director's 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 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 contained with the annual report. 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. 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 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 their 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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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 4, 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, UK adopted international accounting standards, 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 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 assessment of property, plant and equipment.
- investigated the rationale behind significant or unusual transactions;
- reviewed director's assessment of its revaluation policy; 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

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.



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

Date: 9 December 2022

Punch Partnerships (PGRP) Limited

Period ended 14 August 2022

PROFIT & LOSS ACCOUNT

for the 52 week period ended 14 August 2022

		52 week period ended 14 August 2022			52 week period ended 15 August 2021		
	Notes	Underlying items £000	Non-underlying items (note 4) £000	Total £000	Underlying items £000	Non-underlying items (note 4) £000	Total £000
TURNOVER	2	3,523	-	3,523	2,495	-	2,495
Cost of sales		(1,070)	-	(1,070)	(674)	-	(674)
GROSS PROFIT		2,453	-	2,453	1,821	-	1,821
Administrative Expenses		(1,486)	(115)	(1,601)	(1,035)	6	(1,029)
Loss on impairment of fixed asset investments		-	-	-	-	(15,263)	(15,263)
(Loss) / Profit on disposal of fixed assets and lease		-	(28)	(28)	-	224	224
Movement in valuation of properties	9	-	50	50	-	-	-
Impairment of tangible fixed assets	9	-	(22)	(22)	-	-	-
Impairment of right of use assets	9	-	(18)	(18)	-	-	-
OPERATING PROFIT / (LOSS)	3	967	(133)	834	786	(15,033)	(14,247)
Interest receivable and similar income	6	-	-	-	1	-	1
Interest payable and similar charges	7	(908)	-	(908)	(697)	(24,038)	(24,735)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		59	(133)	(74)	90	(39,071)	(38,981)
Tax on profit / (loss) on ordinary activities	8	15	18	33	39	540	579
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		74	(115)	(41)	129	(38,531)	(38,402)

The profit and loss account relates to continuing activities.

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

STATEMENT OF COMPREHENSIVE INCOME
for the 52 week period ended 14 August 2022

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Loss for the period	(41)	(38,402)
Other comprehensive income:		
Revaluation of tangible fixed assets	420	-
Other comprehensive income for the year	<u>420</u>	<u>-</u>
Total gains / (losses) for the period	<u><u>379</u></u>	<u><u>(38,402)</u></u>

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

BALANCE SHEET
as at 14 August 2022

	Notes	14 August 2022 £000	15 August 2021 £000
FIXED ASSETS			
Tangible fixed assets	9	3,681	1,692
Right of use asset	16	9,765	10,098
Investments	10	-	-
		<u>13,446</u>	<u>11,790</u>
CURRENT ASSETS			
Debtors: (including £2,288,000 (2021: £2,255,000) due after more than one year)	11	9,121	7,036
Cash and cash equivalents	12	181	499
		<u>9,302</u>	<u>7,535</u>
CURRENT LIABILITIES			
Creditors: amounts falling due in less than one year	13	(10,660)	(7,140)
		<u>(10,660)</u>	<u>(7,140)</u>
NET CURRENT (LIABILITIES) / ASSETS		<u>(1,358)</u>	<u>395</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,088</u>	<u>12,185</u>
NON-CURRENT LIABILITIES			
Creditors: amounts falling due after more than one year	14	(10,806)	(11,282)
NET ASSETS		<u><u>1,282</u></u>	<u><u>903</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	-	-
Revaluation reserve		420	-
Profit and loss account		862	903
SHAREHOLDER'S FUNDS		<u><u>1,282</u></u>	<u><u>903</u></u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on
5 December 2022



S Dando

Registered No. 03988664

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

STATEMENT OF CHANGES IN EQUITY
for the 52 week period ended 14 August 2022

	Share Capital	Revaluation Reserve	Profit & Loss Account	Total Equity
	£000	£000	£000	£000
At 16 August 2020	-	2,122	37,183	39,305
Loss for the period	-	-	(38,402)	(38,402)
Transfers on disposal of fixed assets	-	(1,273)	1,273	-
Capital reduction (note 17)	(849)	-	849	-
Shares issued (note 17)	849	(849)	-	-
At 15 August 2021	<u>-</u>	<u>-</u>	<u>903</u>	<u>903</u>
Loss for the period	-	-	(41)	(41)
Other comprehensive income	-	420	-	420
At 14 August 2022	<u><u>-</u></u>	<u><u>420</u></u>	<u><u>862</u></u>	<u><u>1,282</u></u>

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

The revaluation reserve represents amounts revalued in relation to properties.

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

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

1 ACCOUNTING POLICIES

Statutory Information

Punch Partnerships (PGRP) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the information page.

The principal activity of the company is the leasing of public houses to independent publicans and the associated wholesale supply of drinks products.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2017/18 Cycle) issued in March 2018 and effective immediately have been applied.

The financial statements have been prepared over a 52 week period to 14 August 2022.

The functional currency of Punch Partnerships (PGRP) Limited is considered to be pounds Sterling because that is the currency of the primary economic environment in which the company operates. The consolidated financial statements are also presented in pounds Sterling.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

Cash Flow Statements and related notes

Comparative period reconciliations for share capital and tangible fixed assets

Disclosures in respect of transactions with wholly owned subsidiaries

Disclosures in respect of capital management

The effects of new but not yet effective IFRSs

Disclosures in respect of the compensation of key management personnel

Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of CF Cooper Holdings Limited include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets

Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations

Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the company

Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 9 Financial Instrument Disclosures

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: land and buildings, financial instruments classified as fair value through the profit or loss or as available for sale. Non-current assets and disposal groups held for sale are stated at the lower or previous carrying amount and fair value less costs to sell.

All amounts in the financial statements and notes have been rounded off to the nearest thousand Sterling Pound, unless otherwise stated.

Going concern

After due consideration the Directors believe that they have a reasonable expectation that the Company has sufficient resources together with the ability to access additional liquidity when the Company needs to withstand adjustments to the base forecast, as well as the downside scenarios and to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements, and therefore continue to adopt the going concern in their preparation.

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

1 ACCOUNTING POLICIES

Tangible fixed assets and depreciation

Valuation

Properties are revalued annually, on a five-year rolling bases, to fair value in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation - Professional Standards January 2022, incorporating the UK National Supplement effective 2019, and IFRS 13. The valuation is based on current and future projected trading levels of each property, taking into account the location, physical attributes and sustainability of rent of each property. Changes in assumptions underlying valuations, such as the assessment of fair maintainable trade for each property, could impact the carrying value of land and buildings.

Surpluses arising from a revaluation increase are recognised directly in other comprehensive income in the revaluation reserve or are recognised as a credit in the profit and loss account to the extent that they reverse a revaluation decrease of the same asset previously recognised as a charge to the income statement. Any deficit arising from a revaluation decrease is recognised as a charge to other comprehensive income in the revaluation reserve to the extent that there is a credit balance in the revaluation reserve in respect of that asset. Any further decrease in value is recognised as a charge to the profit and loss account.

Depreciation

Depreciation is charged on a straight-line basis on freehold and long leasehold buildings over the estimated useful life of the asset. It is the company's policy to maintain the properties comprising the licensed estate in such a condition that the residual values of the properties, based on prices prevailing at the time of acquisition or subsequent revaluation, are at least equal to their book values. As a result, the depreciation charged on freehold and long leasehold buildings is nil.

It is the opinion of the directors that it is not practical or appropriate to separate from the value of the buildings the value of long life fixtures and fittings, which are an integral part of the buildings. This approach is supported by the opinion of an independent external adviser.

Landlord's fixtures and fittings include removable items, which are generally regarded as within landlord ownership. These are depreciated in accordance with the policy detailed below.

Depreciation is provided on other tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

Licensed properties, unlicensed properties and owner-occupied properties

50 years or the life of the lease if shorter with certain integral parts of buildings over 10-30 years

Landlord's fixtures and fittings - 5 years

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment and when events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A review for indicators of impairment is performed annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment charge is recognised in the income statement in the year in which it occurs. When an impairment loss, other than an impairment loss on goodwill, subsequently reverses due to a change in the original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, up to the carrying amount that would have resulted, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

1 ACCOUNTING POLICIES

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future have occurred at the balance sheet date.

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

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Leases - lessee accounting

The company is a lessor of licensed properties to publicans. On 19th August 2019 IFRS 16 was adopted, at the adoption date IFRS 16 does not require a lessor to make any adjustments on transition for leases. Leases are classified as either operating leases or finance leases. If a lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset it is classified as a finance lease. All other leases are classified as operating leases.

The company leases various licensed properties, offices and other commercial properties as well as vehicles under lease agreements. At inception of a contract the company assesses whether the contract contains a lease. A lease is present where the contract grants the right to control the asset for a period of time in exchange for consideration. Where a lease is identified a right of use asset and a corresponding lease liability is recognised other than leases classed as "Short term," less than 12 months, or "Low value," under the available exemptions. Where the exemption has been taken advantage of the lease cost are recognised on a straight line basis over the life of the lease within the Income Statement.

The lease payments are discounted using the company's incremental borrowing rate as 6.125% and 7% depending upon the date of lease liability being created. Prior to 24 June 2021 the incremental borrowing rate is set at 7% with the rate applied at 6.125% after this date.

Lease liability - initial recognition

The lease liability is initially measured at the present value of the lease payments not paid at the commencement date. If the discount rate isn't explicitly included in the lease the payments are discounted at the company's incremental borrowing rate.

Lease payments included within the initial recognition include:

- Fixed payments (including in-substance fixed payments)
- Variable lease payments that depend on an index or rate at the commencement date
- Amounts expected to be payable by the lessee under residual value guarantees
- Exercise price of a purchase option if the company is reasonably certain to exercise that option
- Payments for penalties for terminating the lease if the lease term reflects the company exercising the option

Lease liability - subsequent measurement

The lease liability is subsequently measured by increasing the carrying value to reflect interest on the lease liability and by reducing the carrying value to reflect the lease payments.

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 14 August 2022

1 ACCOUNTING POLICIES

Lease liability - remeasurement

The lease liability is remeasured where:

- Change in the assessment of the original lease information; being a change in the lease term or exercise of a purchase option.
- Lease payments change due to a change in an index or a rate or a change in expected payment under the residual value guarantee
- The lease contract is modified and the lease modification isn't treated as a separate lease

Where the lease liability is remeasured an equivalent adjustment is made to the right of use asset unless its carrying value is reduced to zero, in which case the adjustment is recognised in the profit and loss.

When the lease liability is remeasured a revised discount rate is used based on the contract, or if non is available the Groups incremental borrowing rate.

The company early adopted COVID-19 Rent concessions amendment to IFRS 16 in the previous year financial statements. The amendments provide relief to the company from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, the company elected not to assess whether a COVID-19 related rent concession from a lessor is a lease modification for any change in lease payments resulting from the COVID-19 related rent concession as long as the rent concessions didn't continue past 30 June 2022, if this was the case the company recognised a rent concession as a reduction in lease liability with the credit charged to the Income Statement to reflect the reduced contractual rental payments. See note 16 for details of the rent concessions recognised within the company.

Right of use asset - initial recognition

The right of use asset comprises of the following:

- Initial measurement of the lease liability
- Any lease payments made at the commencement date, less any lease incentives received
- Any initial direct costs incurred by the group in taking out the lease
- Estimate of costs to be incurred by the group to restore the underlying asset to the condition required by the lease

Right of use asset - subsequent measurement

The right of use asset is depreciated over the shorter of the lease term and useful life of the asset on a straight line basis.

If a change in contract has been identified, see the "Lease liability- remeasurement" section for further information, the right of use asset will also be adjusted.

An impairment review will be undertaken in-line with IAS 36 and the impairment policy in note 1. Any identified impairment will be recognised against the right of use asset.

Leases - lessor accounting

The company is a lessor of licensed properties to publicans. IFRS 16 does not require a lessor to make any adjustments on transition for leases. Leases are classified as either operating leases or finance leases. If a lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset it is classified as a finance lease. All other leases are classified as operating leases.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and VAT. Revenue in respect of drink sales is recognised at the point at which the goods are provided. Rental income is recognised on an accruals basis. All operations take place solely in the United Kingdom.

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 14 August 2022

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 property, plant and equipment

Property, plant and equipment are reviewed for impairment if circumstances suggest that the carrying amount may not be recoverable. Recoverable amounts are determined based on value-in-use calculations and estimated sale proceeds. These calculations require assumptions to be made regarding future cash flows and the choice of a suitable discount rate in order to calculate the present value of those cash flows. Actual outcomes may vary from these estimates.

Properties are revalued annually, on a five-year rolling basis, to fair value in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation - Professional Standards January 2022, incorporating the UK National Supplement effective 2019, and IFRS 13. The valuation is based on current and future projected trading levels of each property, taking into account the location, physical attributes and sustainability of rent of each property. Changes in assumptions underlying valuations, such as the assessment of fair maintainable trade for each property, could impact the carrying value of land and buildings.

Changes in accounting policies and standards

The Company has applied the following interpretations and amendments for the first time in these financial statements:

- Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
- Configuration or Customisation Costs in Cloud Computing Arrangements (IAS 38 Intangible Assets) – Agenda Paper 2

The application of these new interpretations and amendments did not have a material impact on the financial statements.

Certain new accounting standards and interpretations have been published that are not yet effective and have not been adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods or on foreseeable future transactions.

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

2 TURNOVER

Turnover represents the amounts derived from the provision of goods and services to third parties which fall within the company's ordinary activities, stated net of value added tax. Rents receivable are recognised on a straight-line basis over the lease term. Other revenue represents machine income which is recognised in the period to which it relates. Revenue in respect of drink sales is recognised at the point at which the goods are provided. Turnover is derived solely within the United Kingdom.

Turnover includes:

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Drink revenue	1,560	987
Rental income	1,950	1,456
Other revenue	13	52
	<u>3,523</u>	<u>2,495</u>

3 OPERATING PROFIT / (LOSS)

This is stated after charging:

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Depreciation		
- tangible fixed assets	211	197
- right of use assets	696	661

Auditor remuneration is paid by another company in the Punch Pubs & Co. Group Limited (formerly Vine Acquisitions Limited) group in the current and preceding periods. The amount of auditor remuneration relating to the company is £1,000 (2021: £1,000).

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

4 NON-UNDERLYING ITEMS

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Included within administrative expenses:		
Other one-off related costs	146	16
Covid-19 rent concession	-	(22)
Insurance claim income	(31)	-
	<u>115</u>	<u>(6)</u>
Loss on impairment of investments	-	15,263
Movement in valuation of properties	(50)	-
Impairment of tangible fixed assets	22	-
Impairment of right of use asset	18	-
Included within fixed asset disposals:		
Loss/(Profit) on disposal of fixed assets	28	(224)
Included within interest payable and similar charges:		
Waiver of intragroup receivable	-	24,038
Included within tax on profit / (loss) on ordinary activities:		
Tax relief on non-underlying items	(38)	(540)
Adjustments to tax in respect of prior periods	20	-
	<u>(18)</u>	<u>(540)</u>
	<u>115</u>	<u>38,531</u>

¹During the prior period, the company released Punch Pubs & Co Limited from £22,450,000 of its obligations owing to the company. There was an additional release of £1,588,000 of obligations to various fellow group companies.

5 DIRECTORS' EMOLUMENTS AND STAFF COSTS

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Emoluments	22	18
Company contributions to money purchase pension schemes	2	2
	<u>24</u>	<u>20</u>

The amounts in respect of the highest paid director are as follows:

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Emoluments	14	12
Company contributions to money purchase pension schemes	1	2

The emoluments relate to services provided to the company in the current and preceding period. This cost is borne by another company in the CF Cooper Holdings Limited group and recharged based on their estimated time allocation.

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

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Other interest receivable	-	1
	<u>-</u>	<u>1</u>

7 INTEREST PAYABLE AND SIMILAR CHARGES

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Other interest payable	2	-
Interest payable on lease liability (note 16)	906	697
Waiver of intragroup receivable	-	24,038
	<u>908</u>	<u>24,735</u>

During the prior period, the company released Punch Pubs & Co Limited from £22,450,000 of its obligations owing to the company. There was an additional release of £1,588,000 of obligations to various fellow group companies.

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

8 TAXATION

Tax recognised in the profit and loss account

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Deferred tax:		
- current period credit	(53)	(579)
- adjustments in respect of prior periods	20	-
	(33)	(579)
Total tax credit for the period	(33)	(579)

Reconciliation of tax credit

	52 week period ended 14 August 2022 £000	52 week period ended 15 August 2021 £000
Loss on ordinary activities before taxation	(74)	(38,981)
Current tax at 19.00% (2021: 19.00%)	(14)	(7,406)
Effects of:		
Current period non-underlying charges	(13)	(542)
(Income not chargeable for tax purposes) / expenses not deductible for tax purposes	(27)	7,369
Adjustments to tax in respect of prior periods (non-underlying items)	20	-
Total tax credit	(34)	(579)

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 Partnerships (PGRP) Limited

Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS for the 52 week period ended 14 August 2022

9 TANGIBLE FIXED ASSETS

	Land & buildings	Public house fixtures & fittings	Non-current assets classified as held for sale	Total
	£000	£000	£000	£000
Cost or valuation:				
As at 15 August 2021	1,569	347	78	1,994
Additions	1,217	535	-	1,752
Revaluation	470	-	-	470
Net transfers from non-current	15	12	(27)	-
Disposals	-	(41)	-	(41)
As at 14 August 2022	<u>3,271</u>	<u>853</u>	<u>51</u>	<u>4,175</u>
Depreciation:				
As at 15 August 2021	-	224	78	302
Charge for the year	167	44	-	211
Impairment losses	-	-	22	22
Net transfers from non-current	37	12	(49)	-
Disposals	-	(41)	-	(41)
As at 14 August 2022	<u>204</u>	<u>239</u>	<u>51</u>	<u>494</u>
Net book value:				
As at 14 August 2022	<u>3,067</u>	<u>614</u>	<u>-</u>	<u>3,681</u>
As at 15 August 2021	<u>1,569</u>	<u>123</u>	<u>-</u>	<u>1,692</u>

If land and buildings had been measured using the cost model, the carrying amounts would be as follows:

	Total £000
Cost	5,509
Accumulated depreciation	(2,719)
Net book value at 14 August 2022	<u>2,790</u>

Impairment loss

When any indicators of impairment are identified, property, plant and equipment and operating leases are reviewed for impairment based on each cash generating unit (CGU). The cash generating units are individual pubs. The carrying values of these individual pubs are compared to the recoverable amount of the CGUs, which is the higher of value-in-use (VIU) and fair value less costs to sell (FVLCS):

During the year, the FVLCS of the assets transferring into the non-current assets classified as held for sale category have been reviewed, and an impairment of £22,000 (15 August 2021: £nil) has been identified. The FVLCS was assessed on both external and internal valuations.

Punch Partnerships (PGRP) Limited

Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 14 August 2022

9 TANGIBLE FIXED ASSETS

Revaluation

Properties are revalued annually, on a five-year rolling basis, to fair value in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation - Professional Standards January 2022, incorporating the UK National Supplement effective 2019, and IFRS 13. The valuation is based on current and future projected trading levels of each property, taking into account the location, physical attributes and sustainability of rent of each property. Changes in assumptions underlying valuations, such as the assessment of fair maintainable trade for each property, could impact the carrying value of land and buildings. This was performed by Savills (UK) Limited.

Surpluses arising from the professional valuation of the estate are taken directly to the revaluation reserve. Deficits are taken directly to the revaluation reserve until the carrying amount reaches historic cost and thereafter, to the extent that the value in use can be demonstrated to be higher than valuation. Any other deficit is charged to the profit and loss account.

In the current year to 14 August 2022, 3 properties were valued at their fair value less costs to sell resulting in an increase in net assets of £470,000. Of the £470,000, £420,000 was credited to the revaluation reserve and £50,000 was credited to the profit and loss account in the period.

In the prior year to 15 August 2021, 2 properties were valued at their fair value less costs to sell resulting in no adjustment to net assets.

Punch Partnerships (PGRP) Limited

Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 14 August 2022

10 FIXED ASSET INVESTMENTS

Shares in
subsidiary
undertakings
£000

Cost:

As at 14 August 2022 and 15 August 2021

-

Impairment:

As at 14 August 2022 and 15 August 2021

-

Cost and net book value:

As at 14 August 2022 and 15 August 2021

-

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

Subsidiary undertaking

Principal activity

Held directly:

Punch Partnerships (Jubilee) Limited

Pub Operating Company

The registered office for the above company is Jubilee House, Second Avenue, Burton upon Trent, Staffordshire, DE14 2WF and is registered in England & Wales.

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

11 DEBTORS

	2022	2021
	£000	£000
Amounts falling due in less than one year:		
Trade debtors	14	94
Amounts due from group undertakings	6,718	2,851
Social security and other taxes	-	1,831
Prepayments and accrued income	101	5
	<u>6,833</u>	<u>4,781</u>
Amounts falling due after more than one year:		
Deferred tax asset (note 15)	2,288	2,255
	<u>2,288</u>	<u>2,255</u>
Total debtors:	<u>9,121</u>	<u>7,036</u>

12 CASH AND CASH EQUIVALENTS

	2022	2021
	£000	£000
Cash at bank and in hand	181	499
	<u>181</u>	<u>499</u>

Punch Partnerships (PGRP) Limited
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NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

13 CREDITORS: amounts falling due in less than one year

	2022	2021
	£000	£000
Lease liability (note 16)	1,532	1,547
Trade creditors	271	-
Amounts owed to group undertakings	6,675	5,299
Other creditors	84	166
Accruals and deferred income	396	128
Social security and other taxes	1,702	-
	<u>10,660</u>	<u>7,140</u>

14 CREDITORS: amounts falling due after more than one year

	2022	2021
	£000	£000
Lease liability (note 16)	10,806	11,282
	<u>10,806</u>	<u>11,282</u>

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

15 DEFERRED TAX

	2022	2021
	£000	£000
Assets at the beginning of the period	2,255	1,676
Credited to profit and loss account	33	579
	<u>2,288</u>	<u>2,255</u>

The movements in deferred tax assets and liabilities during the period are shown below:

Deferred tax assets

	Tax losses	Accelerated capital allowances	Total
	£000	£000	£000
At 16 August 2020	898	778	1,676
Credited to profit and loss account	283	296	579
At 15 August 2021	<u>1,181</u>	<u>1,074</u>	<u>2,255</u>
Credited to profit and loss account	-	33	33
At 14 August 2022	<u>1,181</u>	<u>1,107</u>	<u>2,288</u>

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 Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
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16 LEASES

The company leases various licensed properties, offices and other commercial properties under lease agreements. The leases have various terms, escalation clauses and renewal rights. All the leases met the operating lease criteria where the company was a lessee.

The company also has certain leases with lease terms of less than 12 months and leases that are classed as low value. The company applies the "short term lease" and "lease of low value assets" recognition exemption for these disclosures.

Right of use assets and lease liabilities are recognised for each lease agreement for which the company is a lessee.

Right of use assets

	Property leases
	2022
	£000
Cost	
As at 15 August 2021	13,236
Additions	1,097
Disposals	(1,495)
Remeasurement	745
As at 14 August 2022	<u>13,583</u>
Accumulated depreciation	
As at 15 August 2021	3,138
Charge for the year	696
Disposals	(34)
Impairment	18
As at 14 August 2022	<u>3,818</u>
Net book value:	
As at 14 August 2022	<u>9,765</u>
As at 15 August 2021	<u>10,098</u>

Lease Liabilities

	£000
As at 15 August 2021	12,829
Additions	1,248
Finance cost on lease liabilities	906
Repayment of lease liabilities	(1,852)
Disposal	(1,538)
Remeasurement	745
As at 14 August 2022	<u>12,338</u>

Punch Partnerships (PGRP) Limited
Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 14 August 2022

16 LEASES

Lease liabilities have been analysed between current and non-current as follows:

	2022	2021
	£000	£000
Current	1,532	1,547
Non-Current	10,806	11,282
	<u>12,338</u>	<u>12,829</u>

Amounts recognised in profit and loss account

	2022	2021
	£000	£000
Interest on lease liabilities	(906)	(697)
Depreciation on right of use asset	(696)	(661)
Impairment of right of use asset	(18)	-
Rent concession	-	22

Punch Partnerships (PGRP) Limited

Period ended 14 August 2022

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 14 August 2022

17 SHARE CAPITAL

	2022 No.	2022 £	2021 No.	2021 £
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £1 each	2	2	2	2

During the prior year, the revaluation reserves was converted to share capital by the issue of a fully paid bonus share at £849,000. This was followed by a capital reduction of the newly created bonus share, resulting in a credit of £849,000 to the profit and loss reserve.

Punch Partnerships (PGRP) Limited
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NOTES TO THE FINANCIAL STATEMENTS
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18 - FINANCIAL COMMITMENTS

	2022	2021
	£000	£000
Contracted not provided	<u>87</u>	<u>2</u>

At 14 August 2022 the company had annual commitments under non-cancellable operating leases as set out below:

Land and buildings

	2022	2021
	£000	£000
Less than one year	1,418	1,413
Between one and five years	5,489	5,369
More than five years	15,504	23,172
	<u>22,411</u>	<u>29,954</u>

The Company leases various licensed properties, offices and other commercial properties under non-cancellable operating lease agreements. The leases have various terms, escalation clauses and renewal rights.

The total future minimum sublease payments expected to be received are £4,307,000 (August 2021: £5,059,000).

The Group is a lessor of licensed properties to publicans. The leases have various terms, escalation clauses and renewal rights. The total non-cancellable future minimum lease payments expected to be received are:

Land and buildings

	2022	2021
	£000	£000
Less than one year	683	875
One to two years	486	506
Two to three years	486	486
Three to four years	486	486
Four to five years	464	486
More than five years	1,702	2,220
	<u>4,307</u>	<u>5,059</u>

Punch Partnerships (PGRP) Limited
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NOTES TO THE FINANCIAL STATEMENTS
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19 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking was Punch Pubs Holdings Limited a company registered in England & Wales.

Following completion of the sale of the Punch Group from Patron on 15th December 2021 the ultimate parent undertaking and controlling entity of the company is CF Cooper Holdings LP (the "Partnership"), a Cayman Islands limited partnership. As no one partner owns or controls more than 50% of the economics of the partnership, the partnership can be considered the ultimate parent. Prior to the acquisition, the company's ultimate parent undertaking and controlling party is Patron Capital, V L.P., a Jersey L.P. managed and controlled in Jersey.

The smallest group in which the results of the company are consolidated is that headed by Punch Pubs Group Limited, a company registered in England and Wales. The largest group in which the results are consolidated in is that headed by CF Cooper Holdings Limited, a company registered in England & Wales. The company is also included within Punch Pubs & Co. Group Limited (formerly Vine Acquisitions Limited) group, a company registered in England & Wales.

Copies of the financial statements of CF Cooper Holdings Limited, Punch Pubs & Co. Group Limited (formerly Vine Acquisitions Limited) and Punch Pubs Group Limited are available from Companies House.