

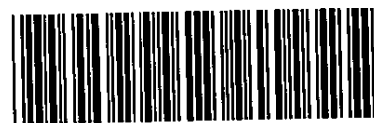
Registered Number: 4914762

Spirit Intermediate Holdings Limited

Annual Report

Period ended 18 August 2012

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Spirit Intermediate Holdings Limited
Period ended 18 August 2012

DIRECTORS REPORT

The directors present their report and financial statements for the financial period ended 18 August 2012

RESULTS AND DIVIDENDS

The loss after taxation for the financial period amounted to £3,314,000 (52 week period ended 20 August 2011 profit of £2,897,000) The directors do not propose the payment of a final dividend (2011 £nil)

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is that of a non-trading company

The directors do not consider that there are any specific principal risks and uncertainties applicable to the company which need to be disclosed

The directors of Spirit Intermediate Holdings Limited have concluded that the company has adequate resources to remain in operation for the foreseeable future. Therefore, the directors have continued to adopt the going concern basis in preparing the financial statements

DIRECTORS

The directors of the company during the period are as follows

P Gallagher	(appointed 22 November 2011)
L Bell	(appointed 22 November 2011)
R Margerrison	(resigned 22 November 2011)
S Stone	(resigned 30 April 2012)
DA Kelly	(appointed 1 February 2013)
J Langford	(appointed 1 February 2013)

A third party indemnity provision (as defined in section 234 of the Companies Act 2006) is in force for the benefit of the directors

During the period, the company made no charitable contributions (2011 £nil) The company made no political contributions during the period (2011 £nil)

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 the auditor annually under section 487 of the Companies Act 2006

On behalf of the board



L Bell
Director
13 May 2013
Sunrise House
Ninth Avenue
Burton upon Trent
Staffordshire
DE14 3JZ

Spirit Intermediate Holdings Limited
Period ended 18 August 2012

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

The directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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
- 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 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 SPIRIT INTERMEDIATE HOLDINGS LIMITED

We have audited the financial statements of Spirit Intermediate Holdings Limited for the 52 week period ended 18 August 2012 set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on the previous page, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 18 August 2012 and of its loss for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



Greg Watts (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
West Midlands
B4 6GH

15 May 2013

Spirit Intermediate Holdings Limited
Period ended 18 August 2012

PROFIT AND LOSS ACCOUNT
for the 52 weeks ended 18 August 2012

	Notes	52 week period ended 18 August 2012 £000	52 week period ended 20 August 2011 £000
OPERATING RESULT AND RESULT ON ORDINARY ACTIVITIES BEFORE TAX	2	-	-
Tax on result on ordinary activities	4	(3,314)	2,897
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAX	9	<u>(3,314)</u>	<u>2,897</u>

The profit and loss account relates to continuing activities

There is no difference between the results as disclosed above and those on a historical cost basis

There are no recognised gains or losses other than those shown above

Spirit Intermediate Holdings Limited
Period ended 18 August 2012

BALANCE SHEET
as at 18 August 2012

	Notes	18 August 2012 £000	20 August 2011 £000
FIXED ASSETS			
Investments	5	379,351	379,351
CURRENT ASSETS			
Debtors amounts falling due within one year	6	28,434	29,608
Debtors amounts falling due after one year	6	54,293	56,016
		<u>82,727</u>	<u>85,624</u>
NET CURRENT ASSETS		<u>82,727</u>	<u>85,624</u>
CREDITORS			
Amounts falling due after one year	7	(331,160)	(330,743)
NET ASSETS		<u>130,918</u>	<u>134,232</u>
CAPITAL AND RESERVES			
Called up share capital	8	157,000	157,000
Share premium	9	51,213	51,213
Capital reserve	9	2,001	2,001
Profit and loss account	9	(79,296)	(75,982)
TOTAL EQUITY SHAREHOLDER'S FUNDS		<u>130,918</u>	<u>134,232</u>

The financial statements on pages 4 to 9 were approved and authorised for issue by the board and signed on its behalf on 13 May 2013



Lucy Bell
Director

Spirit Intermediate Holdings Limited
Registered Number 4914762

Spirit Intermediate Holdings Limited
Period ended 18 August 2012

NOTES TO THE FINANCIAL STATEMENTS

for the 52 weeks ended 18 August 2012

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. In accordance with FRS 18 the directors have continued to review the accounting policies. There have been no changes to accounting policies during the period.

The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS 8 from disclosing transactions with related parties that are wholly owned subsidiaries of the Spirit Pub Company plc group.

Cash flow statement

The directors have taken advantage of the exemption in FRS 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, Spirit Pub Company plc, publishes consolidated financial statements.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Fixed asset investments

Investments in subsidiary undertakings are stated at cost less any provision for permanent diminution 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.

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.

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.

2 OPERATING RESULT

Auditor's remuneration is paid by another company in the Spirit Pub Company group in the current and prior periods.

3 DIRECTORS' EMOLUMENTS AND STAFF COSTS

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

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

Spirit Intermediate Holdings Limited
Period ended 18 August 2012

4 TAXATION

	52 week period ended 18 August 2012 £000	52 week period ended 20 August 2011 £000
The tax charge / (credit) for the period comprises		
- current period group relief payable / (receivable)	417	(1,174)
- adjustments in respect of prior periods	1,174	-
	<u>1,591</u>	<u>(1,174)</u>
Deferred tax		
- current period charge / (credit)	1,723	(1,876)
- change in standard rate of tax	-	153
	<u>1,723</u>	<u>(1,723)</u>
Total tax charge / (credit) for the period	<u>3,314</u>	<u>(2,897)</u>

The current tax charge / (credit) for the period is higher (2011 higher) than the standard rate of corporation tax in the UK of 25.2% (2011 27.2%). The differences are explained below

Reconciliation of tax charge	52 week period ended 18 August 2012 £000	52 week period ended 20 August 2011 £000
Result on ordinary activities before tax and result on ordinary activities before tax at standard rate of corporation tax in the UK of 25.2% (2011 27.2%)	-	-
Effects of		
- UK UK transfer pricing and world wide debt cap adjustment	417	(1,174)
- adjustments in respect of prior years	1,174	-
Total current tax charge / (credit) for the period	<u>1,591</u>	<u>(1,174)</u>

Factors affecting current and future tax charge

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge accordingly.

Spirit Intermediate Holdings Limited
Period ended 18 August 2012

5 FIXED ASSET INVESTMENTS

Shares in subsidiary undertakings

	18 August 2012	20 August 2011
	£000	£000
Cost and net book value	<u>379,351</u>	<u>379,351</u>

Details of the principal subsidiary undertakings, in which the Company holds 100% of the ordinary shares, are as follows

Subsidiary undertakings	Principal activity
Spirit Group Parent Limited	Non-trading

6 DEBTORS

Amounts falling due within one year

	18 August 2012	20 August 2011
	£000	£000
Amounts due from group undertakings	<u>28,434</u>	<u>29,608</u>
	<u>28,434</u>	<u>29,608</u>

Amounts falling due after more than one year

	18 August 2012	20 August 2011
	£000	£000
Amounts due from group undertakings	54,293	54,293
Deferred tax asset	-	1,723
	<u>54,293</u>	<u>56,016</u>

In the prior period the deferred tax asset included in the company balance sheet was in relation to losses recognised

	£000
As at 21 August 2011	1,723
Charged to the profit and loss account	(1,723)
As at 18 August 2012	<u>-</u>

7 CREDITORS

Amounts falling due within one year

	18 August 2012	20 August 2011
	£000	£000
Loans owed to group undertakings	301,338	301,338
Amounts owed to group undertakings	<u>29,822</u>	<u>29,405</u>
	<u>331,160</u>	<u>330,743</u>

Included within loans owed to group undertakings is a non-interest bearing loan from fellow group company, Spirit Group Parent Limited, of £214,864,000 (2011 £214,864,000)

Also included within loans owed to group undertakings is a non-interest bearing loan from fellow group company, Spirit Managed Inns Limited, of £86,474,000 (2011 £86,474,000)

Spirit Intermediate Holdings Limited
Period ended 18 August 2012

8. SHARE CAPITAL

	No	18 August 2012 £000	No	20 August 2011 £000
<i>Allotted, called up and fully paid.</i>				
Ordinary shares of £1 each	157,000,005	157,000	157,000,005	157,000
	<u>157,000,005</u>	<u>157,000</u>	<u>157,000,005</u>	<u>157,000</u>

9 RECONCILIATION OF SHAREHOLDER'S FUNDS AND MOVEMENTS ON RESERVES

	Share capital £000	Share premium £000	Capital reserve £000	Profit & Loss Account £000	Total Shareholder's Funds £000
At 21 August 2010	157,000	-	2,001	(78,879)	80,122
Shares issued	-	51,213	-	-	51,213
Profit for the period	-	-	-	2,897	2,897
At 20 August 2011	<u>157,000</u>	<u>51,213</u>	<u>2,001</u>	<u>(75,982)</u>	<u>134,232</u>
Loss for the period	-	-	-	(3,314)	(3,314)
At 18 August 2012	<u>157,000</u>	<u>51,213</u>	<u>2,001</u>	<u>(79,296)</u>	<u>130,918</u>

10 ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent undertaking and controlling party is Spirit Pub Company plc, a company registered in England & Wales, registered number 7662835. 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 Spirit Pub Company plc. Copies of the financial statements of Spirit Pub Company plc are available on www.spiritpubcompany.com