

Registered No  
4914762

**Spirit Intermediate Holdings Limited**

**Report and Financial Statements**

**Year ended 17 August 2013**

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**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

**DIRECTORS' REPORT**

The directors present their report and financial statements for the financial year ended 17 August 2013

**RESULTS AND DIVIDENDS**

The profit for the 52 weeks ended 17 August 2013 was £9,404,000 (52 week period ended 18 August 2012 loss of £3,314,000) The directors do not propose the payment of a final dividend (52 week period ended 18 August 2012 £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 year are as follows

P Gallagher		
L Bell		
DA Kelly	appointed	1 February 2013
J Langford	appointed	1 February 2013
R Godwin-Bratt	resigned	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

**JOINT SECRETARIES**

H Jones  
C Stewart

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year, the company made no charitable donations (2012 £nil) The company made no political contributions during the year (2012 £nil)

**DISCLOSURE OF INFORMATION TO THE AUDITOR**

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's auditor, KPMG Audit Plc, has instigated an orderly wind down of business The company has approved the appointment of KPMG LLP as auditor with effect from 14 January 2014

On behalf of the board



L Bell  
Director  
9 December 2013  
Sunrise House  
Ninth Avenue  
Burton upon Trent  
Staffordshire  
DE14 3JZ

**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

**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.

**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

**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 year ended 17 August 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 10. 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 Statement of Directors' Responsibilities 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](http://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 17 August 2013 and of its profit for the year 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 year 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  
B4 6GH  
9 December 2013

**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

**PROFIT AND LOSS ACCOUNT**

for the 52 weeks ended 17 August 2013

	<i>Notes</i>	52 week period ended 17 August 2013 £000	52 week period ended 18 August 2012 £000
<b>OPERATING RESULT AND RESULT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	-	-
Tax on result on ordinary activities	4	9,404	(3,314)
<b>PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>	9	<u>9,404</u>	<u>(3,314)</u>

The profit and loss account relates to continuing activities

There is no material 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

Notes 1 to 10 form part of these financial statements

**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

**BALANCE SHEET**  
as at 17 August 2013

	<i>Notes</i>	17 August 2013 £000	18 August 2012 £000
<b>FIXED ASSETS</b>			
Investments	5	379,351	379,351
		<u>379,351</u>	<u>379,351</u>
<b>CURRENT ASSETS</b>			
Debtors amounts falling due in less than one year	6	37,421	28,434
Debtors amounts falling due after more than one year	6	54,293	54,293
		<u>91,714</u>	<u>82,727</u>
<b>NET CURRENT ASSETS</b>		<u>91,714</u>	<u>82,727</u>
Due in less than one year		37,421	28,434
Due after more than one year		54,293	54,293
		<u>91,714</u>	<u>82,727</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>471,065</u>	<u>462,078</u>
<b>LONG TERM LIABILITIES</b>			
<b>CREDITORS</b> amounts falling due after more than one year	7	(330,743)	(331,160)
		<u>140,322</u>	<u>130,918</u>
<b>NET ASSETS</b>		<u>140,322</u>	<u>130,918</u>
<b>CAPITAL AND RESERVES</b>			
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	(69,892)	(79,296)
		<u>140,322</u>	<u>130,918</u>
<b>SHAREHOLDERS' FUNDS</b>	9	<u>140,322</u>	<u>130,918</u>

Notes 1 to 10 form part of these financial statements

The financial statements were approved and authorised for issue by the board and signed on its behalf on 9 December 2013



L. Bell  
Director

**Spirit Intermediate Holdings Limited**  
Registered Number 4914762

**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the 52 weeks ended 17 August 2013

**1 ACCOUNTING POLICIES**

***Basis of preparation***

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

***Group financial statements***

The company is exempt, under s400 of the Companies Act 2006, 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

***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

***Related parties***

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

***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 subsidiaries 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 substantively 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

**2 OPERATING RESULT**

Auditor's remuneration is paid by another company in the Spirit Pub Company group in the current and preceding 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**  
**Year ended 17 August 2013**

**4 TAXATION**

	52 week period ended 17 August 2013 £000	52 week period ended 18 August 2012 £000
The tax (credit) / charge for the year comprises		
UK corporation tax		
- current year group relief (surrendered) / receivable	(4,347)	417
- adjustments in respect of prior periods	(5,057)	1,174
	<u>(9,404)</u>	<u>1,591</u>
Deferred tax		
- current year charge	-	1,723
	<u>-</u>	<u>1,723</u>
Total tax (credit) / charge for the year	<u>(9,404)</u>	<u>3,314</u>

The current tax (credit) / charge for the period is lower (2012 higher) than the standard rate of corporation tax in the UK of 23.6% (2012 25.2%). The differences are explained below

**Reconciliation of tax (credit) / charge**

	52 week period ended 17 August 2013 £000	52 week period ended 18 August 2012 £000
Result on ordinary activities before taxation	-	-
Result on ordinary activities at standard rate of corporation tax in the UK of 23.6% (2012 25.2%)	-	-
Effects of		
UK UK transfer pricing and world wide debt cap adjustment	(4,347)	417
Adjustments in respect of prior periods	(5,057)	1,174
Total current tax (credit) / charge	<u>(9,404)</u>	<u>1,591</u>

**Factors affecting current and future tax charge**

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

**5 FIXED ASSET INVESTMENTS**

	Shares in subsidiary undertakings £000	Shares in related undertaking £000	Total £000
Cost and net book value			
As at 17 August 2013 and 18 August 2012	<u>379,351</u>	<u>-</u>	<u>379,351</u>

Details of the principal subsidiary undertaking in which the Company holds shares is as follows

Subsidiary undertaking	Principal activity	Type of shares held	Proportion of shares held
Spirit Group Parent Limited	Non trading	Ordinary	100%

Exemption has been taken to exclude subsidiary undertakings from the above disclosure, whose results or financial position do not principally affect the financial statements

The above company is incorporated in England and Wales





**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

**6 DEBTORS**

	17 August 2013 £000	18 August 2012 £000
<b>Amounts falling due in less than one year</b>		
Amounts due from group undertakings	37,421	28,434
	<u>37,421</u>	<u>28,434</u>
<b>Amounts falling due after more than one year</b>		
Amounts due from group undertakings	54,293	54,293
	<u>54,293</u>	<u>54,293</u>

Amounts due from group undertakings represent non interest bearing funding balances

**7 CREDITORS** amounts falling due after more than one year

	17 August 2013 £000	18 August 2012 £000
Loans owed to group undertakings	301,338	301,338
Amounts owed to group undertakings	29,405	29,822
	<u>330,743</u>	<u>331,160</u>

Included within loans due from group undertakings is a non interest bearing loan to fellow group company, Spirit Group Parent Limited of £214,864,000 (2012 £214,864,000) Also included within loans due from group undertakings is a non-interest bearing loan to fellow group company, Spirit Managed Inns Limited of £86,474,000 (2012 £86,474,000)

Amounts owed to group undertakings represent non interest bearing funding balances

**8 SHARE CAPITAL**

	17 August 2013 No	£	18 August 2012 No	£
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	<u>157,000,005</u>	<u>157,000,005</u>	<u>157,000,005</u>	<u>157,000,005</u>

**9 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES**

	Share Capital £000	Share Premium £000	Capital Reserve £000	Profit & Loss Account £000	Share- holders' Funds £000
At 20 August 2011	157,000	51,213	2,001	(75,982)	134,232
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>
Profit for the period	-	-	-	9,404	9,404
At 17 August 2013	<u>157,000</u>	<u>51,213</u>	<u>2,001</u>	<u>(69,892)</u>	<u>140,322</u>

**10 ULTIMATE PARENT UNDERTAKING**

The company's immediate parent undertaking is Spirit Group Holdings Limited, a company registered in England & Wales

The company's ultimate parent undertaking and controlling party is Spirit Pub Company 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 Spirit Pub Company plc

**Spirit Intermediate Holdings Limited**  
**Year ended 17 August 2013**

Copies of the financial statements of Spirit Pub Company plc are available from Sunrise House, Ninth Avenue,  
Burton upon Trent, DE14 3JZ