

Registered No.
08871253

Punch Taverns Loanco (B) Limited

Report and Financial Statements

20 August 2016



Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

DIRECTORS

E Bashforth

S Dando

N Griffiths resigned 30 Nov 2016

SECRETARY

F Appleby

AUDITOR

KPMG LLP

One Snowhill

Snow Hill Queensway

Birmingham

B4 6GH

SOLICITORS

Slaughter & May

One Bunhill Row

London

EC1Y 8YY

REGISTERED OFFICE

Jubilee House

Second Avenue

Burton upon Trent

Staffordshire

DE14 2WF

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

STRATEGIC REPORT

Registered No. 08871253

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company is a non-trade company.

RESULTS AND DIVIDENDS

The profit after taxation for the 52 week period amounted to £216,000 (52 week period ended 22 August 2015: loss after taxation of £3,919,000). The directors do not propose the payment of a final dividend (2015: £nil).

REVIEW OF THE BUSINESS

Punch manages its operations 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 Punch group is discussed in the Punch Taverns plc Annual Report and Financial Statements which are publicly available. The directors do not consider that there are any specific principal risks and uncertainties applicable to the company which need to be disclosed.

As explained in note 1, the directors 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 these financial statements.

On behalf of the board



S Dando
Director
28 Feb 2017

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

DIRECTORS' REPORT

Registered No. 08871253

The directors present their report and financial statements for the financial period ended 20 August 2016.

DIRECTORS

The directors of the company who served during the period are listed on the inside front cover.

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

POST BALANCE SHEET EVENTS

There are no events affecting the company occurring after the balance sheet date.

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
28 Feb 2017

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT, THE STRATEGIC 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
- 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 PUNCH TAVERNS LOANCO (B) LIMITED**

We have audited the financial statements of Punch Taverns Loanco (B) Limited for the period ended 20 August 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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.

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 20 August 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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


Based solely on the work required to be undertaken in the course of the audit of financial statements and from reading the Strategic report and the Directors report:

- we have not identified material misstatements in those reports
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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.



Simon Haydn-Jones
Senior Statutory Auditor
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
28 Feb 2017

J March

Punch Taverns Loanco (B) Limited

Period ended 20 August 2016

PROFIT & LOSS ACCOUNT

for the 52 week period ended 20 August 2016

		52 week period ended 20 August 2016	52 week period ended 22 August 2015
	Notes	£000	£000
Interest receivable	4	216	176
Interest payable	5	-	(4,095)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	216	(3,919)
Tax on profit / (loss) on ordinary activities	6	-	-
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		216	(3,919)

The profit and loss account relates to continuing activities.

There is no difference between the reported results and the total recognised results in the current or preceding financial year.

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

BALANCE SHEET

as at 20 August 2016

	<i>Notes</i>	20 August 2016 £000	22 August 2015 £000
CURRENT ASSETS			
Debtors: (including £3,297,000 (2015: £3,081,000) due after more than one year)	7	3,297	3,081
NET CURRENT ASSETS, BEING TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,297</u>	<u>3,081</u>
NET ASSETS		<u><u>3,297</u></u>	<u><u>3,081</u></u>
CAPITAL AND RESERVES			
Called up share capital	8	-	-
Profit and loss account		3,297	3,081
SHAREHOLDER'S FUNDS		<u><u>3,297</u></u>	<u><u>3,081</u></u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on
28 February 2017



S Dando
28 February 2017

Punch Taverns Loanco (B) Limited

Period ended 20 August 2016

STATEMENT OF CHANGES IN EQUITY

for the 52 week period ended 20 August 2016

	Share Capital £000	Share Premium £000	Profit & Loss Account £000	Total Equity £000
At 23 August 2014	-	-	-	-
Loss for the period	-	-	(3,919)	(3,919)
Share issue	-	7,000	-	7,000
Reduction in capital	-	(7,000)	7,000	-
At 22 August 2015	<hr/> -	<hr/> -	<hr/> 3,081	<hr/> 3,081
Profit for the period	-	-	216	216
At 20 August 2016	<hr/> <hr/> -	<hr/> <hr/> -	<hr/> <hr/> 3,297	<hr/> <hr/> 3,297

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

1 ACCOUNTING POLICIES

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 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In the transition to FRS 101, the company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position and financial performance of the company is provided in note 10.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("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.

The company's ultimate parent undertaking, Punch Taverns plc, includes the company in its consolidated financial statements. The consolidated financial statements of Punch Taverns plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Jubilee House, Second Avenue, Burton upon Trent, Staffordshire, DE14 2WF.

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
Disclosures in respect of capital management
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 Punch Taverns plc 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 IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 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 and in preparing an opening FRS 101 balance sheet at 22 August 2015 for the purposes of the transition to FRS 101.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

The directors have reviewed the recoverability of the assets owing to the company and have concluded that all amounts could be satisfied if called upon. As a result, the directors have decided to prepare these accounts on a going concern basis.

Significant accounting estimates and judgements

There are no significant judgements or estimates required in the preparation of these financial statements.

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 provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

2 PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditor remuneration is paid by another company in the Punch Taverns group in the current and preceding periods. The amount of auditor remuneration relating directly to the company is £1,000 (2015: £1,000).

3 DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors performed no qualifying services for the company in respect of the current or preceding years and therefore received no emoluments.

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

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

4 INTEREST RECEIVABLE

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
Interest receivable from group undertakings	216	176
	<u>216</u>	<u>176</u>

5 INTEREST PAYABLE

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
Remeasurement of loan receivables	-	4,095
	<u>-</u>	<u>4,095</u>

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

6 TAXATION

There is no charge for tax on the profit / (loss) for the period (2015: £nil)

There is no provided or unprovided deferred tax.

Reconciliation of tax charge

	52 week period ended 20 August 2016 £000	52 week period ended 22 August 2015 £000
profit / (loss) on ordinary activities before taxation	216	(3,919)
Current tax at 20.00% (2015: 20.61%)	43	(808)
Effects of: (Income not chargeable for tax purposes) / expenses not deductible for tax purposes	(43)	808
Total tax charge	-	-

Reductions in the UK corporation tax rate from 21% to 20% (effective 1 April 2015) was enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective 1 April 2020) was announced in the budget on 16 March 2016.

An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

7 DEBTORS

	2016	2015
Amounts falling due after more than one year:	£000	£000
Loans due from group undertakings	3,297	3,081
	<u>3,297</u>	<u>3,081</u>

Loans due from group undertakings relates to a loan with fellow group company, Punch Partnerships (PML) Limited. The loan is measured at fair value at the date of inception with the fair value unwinding over the term of the loan.

Punch Taverns Loanco (B) Limited

Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

8 SHARE CAPITAL

	2016	2016	2015	2015
	No.	£	No.	£
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 20 August 2016

9 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Punch Taverns (PGE) Limited a company registered in England and Wales.

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

The largest group in which the results of the company are consolidated is that headed by Punch Taverns plc, a company registered in England & Wales.

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

Punch Taverns Loanco (B) Limited
Period ended 20 August 2016

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 20 August 2016

10 EXPLANATION OF TRANSITION TO FRS 101

As stated in note 1, these are the company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 20 August 2016, the comparative information presented in these financial statements for the year ended 22 August 2015 and in the preparation of an opening FRS 101 balance sheet at 24 August 2014 (the date of transition).

In preparing its FRS 101 balance sheet, the company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 101 has affected the company's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

Reconciliation of equity

		24 August 2014			22 August 2015		
	Notes	UK GAAP £000	Effect of transition to FRS 101 £000	FRS 101 £000	UK GAAP £000	Effect of transition to FRS 101 £000	FRS 101 £000
Current assets							
Loans due from group undertakings	<i>a</i>	-	-	-	7,000	(3,919)	3,081
		-	-	-	7,000	(3,919)	3,081
Net current assets		-	-	-	7,000	(3,919)	3,081
Net assets		-	-	-	7,000	(3,919)	3,081
Capital and reserves							
Called up share capital		-	-	-	-	-	-
Profit and loss account		-	-	-	7,000	(3,919)	3,081
		-	-	-	7,000	(3,919)	3,081

a Loans and amounts owed to group undertakings

IFRS requires related party loans at non-market interest rates to be recognised at fair value. The company has a non-interest bearing loan due from fellow group company, Punch Partnerships (PML) Limited. At 23 August 2015, the company has reduced the loan receivable by £3,919,000, charging the same amount to the profit and loss account. This represents the measurement to fair value on inception of the loan on 8 October 2014, which is then unwound to £3,081,000 at 22 August 2015.

Reconciliation of profit / (loss)

		52 week period ended 22 August 2015		
	Notes	UK GAAP £000	Effect of transition to FRS 101 £000	FRS 101 £000
Interest receivable		-	176	176
Interest payable	<i>b</i>	-	(4,095)	(4,095)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(3,919)	(3,919)
Tax on loss on ordinary activities		-	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		-	(3,919)	(3,919)

b Interest payable

IFRS requires the loan owed to fellow group company, Punch Partnerships (PML) Limited, to be measured at amortised cost using the effective interest rate method on the date of inception. This has resulted in an interest receivable of £176,000 and interest payable of £4,095,000 during the period ended 22 August 2015.