

Registered No.
08871253

Punch Taverns Loanco (B) Limited

Report and Financial Statements

15 August 2021



Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

COMPANY INFORMATION

DIRECTORS

E Bashforth
S Dando

SECRETARY

F Appleby

AUDITOR

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

REGISTERED OFFICE

Jubilee House
Second Avenue
Burton upon Trent
Staffordshire
DE14 2WF

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

STRATEGIC REPORT

Registered No. 08871253

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company is a non-trading company.

RESULTS AND DIVIDENDS

The profit after taxation for the 52 week period amounted to £2,680,000 (52 week period ended 16 August 2020: profit after taxation of £283,000). During the period, the company paid an interim dividend of £7,000,000 (2020: £nil). The directors do not propose the payment of a final dividend (2020: £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 group is discussed in the Vine Acquisitions Limited Annual Report and Financial Statements which are available from Companies House. The directors do not consider that there are any specific principal risks and uncertainties applicable to the company which need to be disclosed.

GOING CONCERN

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

15 December 2021

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

DIRECTORS' REPORT

Registered No. 08871253

The directors present their report and financial statements for the financial period ended 15 August 2021.

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.

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

15 December 2021

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

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
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; 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 TAVERNS LOANCO (B) LIMITED

Opinion

We have audited the financial statements of Punch Taverns Loanco (B) Limited (the 'company') for the period end 15 August 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 15 August 2021 and 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.

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 United Kingdom, including the Financial Reporting Council'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 directors' 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion 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 period 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 its 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the company's 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, 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, International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom, 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's 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 accounting treatment of the group restructure;
- investigated the rationale behind significant or unusual transactions;
- reviewed client's basis for provisions; 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

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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.

Cooper Parry Group Limited

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

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Punch Taverns Loanco (B) Limited

Period ended 15 August 2021

PROFIT & LOSS ACCOUNT

for the 52 week period ended 15 August 2021

52 week period ended 15 August 2021

52 week period ended 16 August 2020

	Notes	Underlying items £000	Non- underlying items (note 3) £000	Total £000	Underlying items £000	Non- underlying items (note 3) £000	Total £000
Interest receivable and similar income	5	254	2,426	2,680	283	-	283
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	254	2,426	2,680	283	-	283
Tax on profit on ordinary activities	6	-	-	-	-	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		254	2,426	2,680	283	-	283

The profit and loss account relates to continuing activities.

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

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

BALANCE SHEET
as at 15 August 2021

	<i>Notes</i>	15 August 2021 £000	16 August 2020 £000
CURRENT ASSETS			
Debtors: (including £nil (2020: £4,320,000) due after more than one year)	7	-	4,320
NET ASSETS		<u>-</u>	<u>4,320</u>
CAPITAL AND RESERVES			
Called up share capital	8	-	-
Profit and loss account		-	4,320
SHAREHOLDER'S FUNDS		<u>-</u>	<u>4,320</u>

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



S Dando
15 December 2021

Company number: 08871253

Punch Taverns Loanco (B) Limited

Period ended 15 August 2021

STATEMENT OF CHANGES IN EQUITY

for the 52 week period ended 15 August 2021

	Share Capital £000	Profit & Loss Account £000	Total Equity £000
At 18 August 2019	-	4,037	4,037
Profit for the period	-	283	283
At 16 August 2020	-	4,320	4,320
Profit for the period	-	2,680	2,680
Dividends paid	-	(7,000)	(7,000)
At 15 August 2021	-	-	-

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

The Profit and Loss Account represents all current and prior periods retained profit and losses after the payment of dividends.

Punch Taverns Loanco (B) Limited

Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

1 ACCOUNTING POLICIES

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

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.

The company's ultimate parent undertaking, Vine Acquisitions Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Vine Acquisitions Limited are prepared in accordance with International Financial Reporting Standards and are available from Companies House.

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

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 Vine Acquisitions 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 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.

Fundamental accounting concept - going concern

The company has no liabilities or assets, as a result a parental entity, Punch Taverns Limited, has undertaken to support the company for a period of at least one year following the date of approval of these financial statements and not recall group debt until all other liabilities have been settled and the company has funds to repay. For this reason, the financial statements have been prepared on a going concern basis.

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.

Significant accounting estimates and judgements

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

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditor remuneration is paid by another company in the Vine Acquisitions Limited group in the current and preceding periods. The amount of auditor remuneration relating directly to the company is £1,000 (2020: £1,000).

3 NON-UNDERLYING ITEMS

	52 week period ended 15 August 2021 £000	52 week period ended 16 August 2020 £000
Included within interest receivable and similar income:		
Non-underlying interest receivable (note 5)	1 (2,426)	-
	<u>(2,426)</u>	<u>-</u>

¹ Represents the fair value premium released to the profit and loss account on the settlement of the loan liability from a group undertaking.

4 DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors did not receive any remuneration in respect of their services to the company (2020: nil). Their roles within the company are deemed to be incidental to their wider roles within the group and therefore the company bears no costs in relation to the directors.

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

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 15 August 2021

5 INTEREST RECEIVABLE

	52 week period ended 15 August 2021 £000	52 week period ended 16 August 2020 £000
Interest receivable from group undertakings	254	283
Non-underlying interest receivable (note 3)	2,426	-
	<u>2,680</u>	<u>283</u>

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 15 August 2021

6 TAXATION

There is no charge for tax on the profit for the period (2020: £nil)

There is no provided or unprovided deferred tax.

Reconciliation of tax charge

	52 week period ended 15 August 2021 £000	52 week period ended 16 August 2020 £000
profit on ordinary activities before taxation	<u>2,680</u>	<u>283</u>
Current tax at 19.00% (2020: 19.00%)	509	54
Effects of:		
Non-taxable income	<u>(509)</u>	<u>(54)</u>
Total tax charge	<u>-</u>	<u>-</u>

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 15 August 2021

7 DEBTORS

	2021	2020
	£000	£000
Amounts falling due after more than one year:		
Loans due from group undertakings	-	4,320
	<u>-</u>	<u>4,320</u>

Loans due from group undertakings relates to a loan with fellow group company, Punch Partnerships (PML) Limited. The loan was previously measured at fair value at the date of inception with the fair value unwinding over the term of the loan, the interest was previously charged at 7%. The loan was fully repaid in the current period.

Punch Taverns Loanco (B) Limited

Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

8 SHARE CAPITAL

	2021	2021	2020	2020
	No.	£	No.	£
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of £1 each	2	2	2	2

Punch Taverns Loanco (B) Limited
Period ended 15 August 2021

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 15 August 2021

9 POST BALANCE SHEET EVENTS

On the 15 December 2021, funds managed by affiliates of Fortress Investment Group LLC acquired the entire issued share capital of Vine Acquisitions Limited. Following completion of the acquisition, the company's ultimate parent undertaking and controlling party becomes Fortress Investment Group LLC, an independently operated subsidiary of SoftBank Group Corp.

10 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Punch Pubs & Co Limited a company registered in England and Wales.

The company's ultimate parent undertaking and controlling party is Patron Capital, V L.P., a Jersey L.P. managed and controlled in Jersey.

Following completion of the acquisition referenced in note 9, the company's ultimate parent undertaking and controlling party becomes Fortress Investment Group LLC, an independently operated subsidiary of SoftBank Group Corp.

The smallest and largest group in which the results of the company are consolidated is that headed by Vine Acquisitions Limited, a company registered in England & Wales.

Copies of the financial statements of Vine Acquisitions Limited are available from Companies House.