

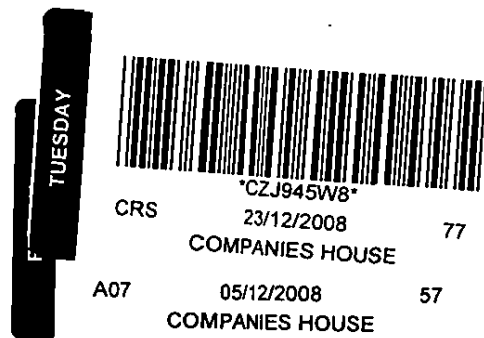
Registered No. FC026466

118569/390

Punch Taverns (Redwood Jerseyco) Limited

Half-yearly Report

Period ended 1 March 2008



Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

DIRECTORS

P Dutton	(appointed 17 October 2007)
R McDonald	(resigned 17 October 2007)
N Preston	
G Thorley	

SECRETARY

Mourant & Co Secretaries Limited

AUDITORS

Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

SOLICITORS

Slaughter & May
One Bunhill Row
London
EC1Y 8YY

REGISTERED OFFICE

22 Greenville Street
St Helier
Jersey
JE4 8PX

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

DIRECTORS' REPORT

The directors present their half-yearly report for the 28 week period ended 1 March 2008. This report has not been audited or reviewed by auditors pursuant to the APB guidance on Review of Interim Financial Information.

RESULTS AND DIVIDENDS

The loss after taxation for the 28 week period amounted to £2,124,000 (52 week period ended 18 August 2007: loss after taxation of £3,581,000). The directors do not propose the payment of a dividend (2007: £nil).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is as a financing company.

Punch Taverns 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 Taverns group is discussed in the Punch Taverns plc Annual Report and Financial Statements which are publicly available.

RISKS AND UNCERTAINTIES

The principal risks and uncertainties of the company, which are in line with those of the Punch Taverns group, are discussed in the Punch Taverns plc Annual Report and Financial Statements.

DIRECTORS

The directors of the company who served during the period are listed on the previous page.

A third party indemnity provision (as defined in section 309B (1) of the Companies Act 1985) is in force for the benefit of the directors.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the period, the company made no charitable contributions (2007: 0). The company made no political contributions during the period (2007: £nil).

On behalf of the board



P Dutton
Director

19 November 2008

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

DIRECTORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the half-yearly financial report in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare a half-yearly financial report covering the first six months of the financial year. Under that law, the directors have elected to prepare the half-yearly financial report in accordance with pronouncements on interim reporting issued by the ASB.

The half-yearly financial report is required by law to 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 the half-yearly financial report, 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 half-yearly financial report on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the half-yearly financial report complies with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Punch Taverns (Redwood Jerseyco) Limited

Period ended 1 March 2008

PROFIT & LOSS ACCOUNT

for the 28 week period ended 1 March 2008

	Notes	28 week period ended 1 March 2008 £000	52 week period ended 18 August 2007 £000
Interest receivable	4	10,431	19,197
Interest payable and similar charges	5	(13,430)	(24,313)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(2,999)</u>	<u>(5,116)</u>
Tax on loss on ordinary activities	6	876	1,535
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	12	<u><u>(2,123)</u></u>	<u><u>(3,581)</u></u>

The profit and loss account relates to continuing activities.

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

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

BALANCE SHEET
as at 1 March 2008

	<i>Notes</i>	1 March 2008 £000	18 August 2007 £000
CURRENT ASSETS			
Debtors: amounts falling due in less than one year	7	6,300	4,934
Debtors: amounts falling due after more than one year	7	283,054	280,983
		289,354	285,917
CREDITORS: amounts falling due in less than one year	8	(2,934)	(2,442)
NET CURRENT ASSETS		286,420	283,475
TOTAL ASSETS LESS CURRENT LIABILITIES		286,420	283,475
CREDITORS: amounts falling due after more than one year	9	(264,380)	(259,312)
NET ASSETS		22,040	24,163
CAPITAL AND RESERVES			
Called up share capital	11	-	-
Equity component of convertible bond	12	29,976	29,976
Profit and loss account	12	(7,936)	(5,813)
SHAREHOLDERS' FUNDS	12	22,040	24,163


P Dutton
Director

19 November 2008

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 28 week period ended 1 March 2008

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards and Companies (Jersey) Law 1991.

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.

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.

Convertible bond

On issue, the debt and equity components of convertible bonds are separated and recorded at fair value net of issue costs. The fair value of the debt component is estimated using the prevailing market interest rate for similar non-convertible debt. This amount is classified as a liability and measured on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option and is recognised in equity, net of income tax effects. The carrying amount of the equity component is not re-measured in subsequent years.

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 28 week period ended 1 March 2008

2 OPERATING RESULT

Auditors' remuneration is paid by another company in the Punch Taverns group in the current and preceding periods.

3 DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors received no emoluments from the company in the current or preceding period.

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

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 28 week period ended 1 March 2008

4 INTEREST RECEIVABLE

	28 week period ended 1 March 2008 £000	52 week period ended 18 August 2007 £000
Interest receivable from group undertakings	10,431	19,197
	<u>10,431</u>	<u>19,197</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	28 week period ended 1 March 2008	52 week period ended 18 August 2007 £000
Amortisation of deferred issue costs	885	1,643
Interest payable on convertible bond	12,545	22,670
	<u>13,430</u>	<u>24,313</u>

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 28 week period ended 1 March 2008

6 TAXATION

The company has been granted exempt status by the Jersey tax authorities and thus it does not pay Jersey tax. An annual fee of £600 is payable in respect of this status. The company is subject to UK income tax on its net rental income, after deduction of certain expenses including capital allowances.

	28 week period ended 1 March 2008 £000	52 week period ended 18 August 2007 £000
The tax credit for the period comprises:		
UK corporation tax:		
- current period group relief surrendered	(876)	(1,535)
	<u>(876)</u>	<u>(1,535)</u>
Total tax credit for the period	<u>(876)</u>	<u>(1,535)</u>

There is no provided or unprovided deferred tax.

There is no difference between the tax credit for the period and the loss for the period at the standard rate of corporation tax in the UK : 29.21% (2007: 30%).

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 28 week period ended 1 March 2008

7 DEBTORS

	2008 £000	2007 £000
Amounts falling due in less than one year:		
Amounts due from group undertakings	6,300	4,934
	<u>6,300</u>	<u>4,934</u>

	2008 £000	2007 £000
Amounts falling due after more than one year:		
Loans due from group undertakings	283,047	280,976
Amounts due from group undertakings	7	7
	<u>283,054</u>	<u>280,983</u>

Included within loans due from group undertakings is a loan to fellow group company, Punch Taverns (Redwood Bidco) Limited, of £283,047,000 (August 2007: £280,976,000). Interest accrues at 6.35% per annum.

8 CREDITORS: Amounts falling due in less than one year

	2008 £000	2007 £000
Amounts owed to group undertakings	2	-
Accruals and deferred income	2,932	2,442
	<u>2,934</u>	<u>2,442</u>

9 CREDITORS: Amounts falling due after more than one year

	2008 £000	2007 £000
Loans ¹ (note 10)	259,198	253,131
Amounts owed to group undertakings	5,182	6,181
	<u>264,380</u>	<u>259,312</u>

¹ Stated net of deferred issue costs, which are to be amortised over the term of the loans.

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 28 week period ended 1 March 2008

10 LOANS

	2008 £000	2007 £000
Loan maturity analysis		
Amounts repayable by instalments falling due:		
Between two and five years	263,790	258,608
Less: deferred issue costs	(4,592)	(5,477)
	<u>259,198</u>	<u>253,131</u>

Convertible bonds

The company issued £275.0m 5.0% convertible bonds at a nominal value of £275.0m on 14 December 2005. The bonds mature 5 years from the issue date and can be redeemed at that date for 107.21% (£294.8m) of their principal amount or can be converted, at the option of the holder, into ordinary shares at an initial conversion price of £11.782. The conversion price is subject to adjustment following capital distributions (whether by cash dividend, dividend in specie, scrip dividend, capitalisation issue or otherwise). These shares can then be converted into shares of Punch Taverns plc. The conversion price at 1 March 2008 is £11.782 (August 2007: £11.782). The share price of the shares of Punch Taverns plc at the date of pricing of the convertible bonds in the market was £8.60. No conversions have been made as at 23 August 2008 (August 2007: £nil).

The fair value of the convertible bond was assessed on issue using a market rate for an equivalent non-convertible bond. The net proceeds received on issue of the convertible bonds were immediately on-lent to another company in the Punch Taverns group.

	2008 £000	2007 £000
Details of the loans are as follows:		
Convertible bond repayable December 2010 at 5% per annum	263,790	258,608
Less: deferred issue costs	(4,592)	(5,477)
	<u>259,198</u>	<u>253,131</u>

Punch Taverns (Redwood Jerseyco) Limited

Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 28 week period ended 1 March 2008

11 SHARE CAPITAL

	2008 No.	2008 £	2007 No.	2007 £
<i>Authorised:</i>				
Unlimited no par value shares	10	10	10	10
<i>Allotted, called up and fully paid:</i>				
Founder shares of no par value	10	10	10	10

Punch Taverns (Redwood Jerseyco) Limited

Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 28 week period ended 1 March 2008

12 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share Capital £000	Equity component of convertible bond £000	Profit & Loss Account £000	Total Share- holders' Funds £000
At 19 August 2006	-	29,976	(2,232)	27,744
Loss for the period	-	-	(3,581)	(3,581)
At 18 August 2007	-	29,976	(5,813)	24,163
Loss on ordinary activities after taxation	-	-	(2,123)	(2,123)
At 1 March 2008	-	29,976	(7,936)	22,040

Punch Taverns (Redwood Jerseyco) Limited
Period ended 1 March 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 28 week period ended 1 March 2008

13 CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No. 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 (Punch Taverns plc) publishes consolidated financial statements.

14 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in paragraph 3(c) of FRS 8 from disclosing transactions with related parties that are part of the Punch Taverns plc group or investees of the group.

15 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking and controlling party is Punch Taverns 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 Punch Taverns plc.

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