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Registered No 91952

Foreign Company No. FCO26466

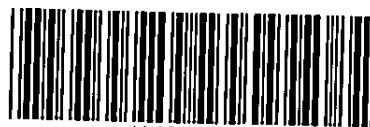
Branch Company No. BR008590

Punch Taverns (Redwood Jerseyco) Limited

Report and Financial Statements

22 August 2009

THURSDAY



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COMPANIES HOUSE

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

DIRECTORS

P Dutton

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 22 August 2009

Registered No 91952

DIRECTORS' REPORT

The directors present their report and financial statements for the 52 week period ended 22 August 2009

RESULTS AND DIVIDENDS

The loss after taxation for the 52 week period amounted to £9,199,000 (53 week period ended 23 August 2008 profit after taxation of £5,878,000) The directors do not propose the payment of a final dividend (2008 £nil)

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is as a financing company During the period, the company redeemed convertible bonds with a nominal value of £139.5m Subsequent to the year end, the company redeemed convertible bonds with a nominal value of £193.5m The convertible bonds are now fully redeemed

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

RISKS AND UNCERTAINTIES

As explained in note 1 to the financial statements, the company is dependent upon support from its parent company to meet its liabilities as they fall due Enquiries have been made of the directors of the company's ultimate parent company, Punch Taverns plc, regarding the ability of Punch Taverns plc to continue as a going concern Therefore the directors have, continued to adopt the going concern basis in preparing the financial statements

DIRECTORS

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

A third party indemnity provision is in force for the benefit of the directors

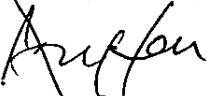
POLITICAL AND CHARITABLE CONTRIBUTIONS

During the period, the company made no charitable contributions (2008 £nil) The company made no political contributions during the period (2008 £nil)

AUDIT INFORMATION

The directors confirm that, so far as they are aware, there is no relevant audit information of which the auditors are unaware and that each director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

On behalf of the board



P Dutton
Director

18 December 2009

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

Registered No 91952

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Jersey Company law requires the directors to prepare financial statements for each financial for each financial period in accordance with any generally accepted accounting principles. The financial statements of the company are required by law to give a true and fair view of the state of affairs of the company at the period end and of the profit or loss of the company for the period then ended. In preparing these financial statements, the directors should

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- specify which generally accepted accounting principles have been adopted in their preparation, 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 accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements prepared by the company comply with the requirements of 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.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF PUNCH TAVERNS (REDWOOD JERSEYCO) LIMITED**

We have audited the financial statements of Punch Taverns (Redwood Jerseyco) Limited for the period ended 22 August 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 110 of the Companies (Jersey) Law 1991. 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 auditors' 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 auditors

The directors are responsible for the preparation of the financial statements in accordance with applicable Jersey law as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Jersey) Law 1991. We also report to you if, in our opinion, the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Accounting Standards, of the state of the company's affairs as at 22 August 2009 and of its loss after taxation for the year then ended and have been properly prepared in accordance with the Companies (Jersey) Law 1991.

Ernst & Young LLP

Ernst & Young LLP
Birmingham
18 December 2009

Punch Taverns (Redwood Jerseyco) Limited

Period ended 22 August 2009

PROFIT & LOSS ACCOUNT

for the 52 week period ended 22 August 2009

52 week period ended 22 August 2009				53 week period ended 23 August 2008			
	Notes	Before exceptional items £000	Exceptional items (note 3) £000	Total £000	Before exceptional items £000	Exceptional items (note 3) £000	Total £000
Interest receivable and similar income	5	20,793	17,935	38,728	33,900	-	33,900
Interest payable and similar charges	6	(20,793)	(26,983)	(47,776)	(25,596)	-	(25,596)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(9,048)	(9,048)	8,304	-	8,304
Tax on (loss) / profit on ordinary activities	7	(65)	(86)	(151)	(2,426)	-	(2,426)
(LOSS) / PROFIT FOR THE PERIOD		(65)	(9,134)	(9,199)	5,878	-	5,878

The profit and loss account relates to continuing activities

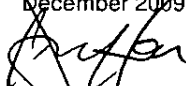
There are no recognised gains or losses other than those shown above

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

BALANCE SHEET
as at 22 August 2009

	<i>Notes</i>	22 August 2009 £000	23 August 2008 £000
CURRENT ASSETS			
Debtors amounts falling due in less than one year	8	-	16,818
Debtors amounts falling due after more than one year	8	216,300	284,938
		<u>216,300</u>	<u>301,756</u>
CREDITORS amounts falling due in less than one year	9	(1,908)	(2,632)
		<u>214,392</u>	<u>299,124</u>
NET CURRENT ASSETS			
CREDITORS , amounts falling due after more than one year	10	(193,550)	(269,083)
		<u>20,842</u>	<u>30,041</u>
NET ASSETS			
CAPITAL AND RESERVES			
Stated capital	12	-	-
Equity component of convertible bond	13	20,937	29,976
Profit and loss account	13	(95)	65
		<u>20,842</u>	<u>30,041</u>
SHAREHOLDERS' FUNDS			
	13	<u>20,842</u>	<u>30,041</u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on 18 December 2009


P. Dutton
Director

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 22 August 2009

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention, with the exception of derivative financial instruments which are measured at fair value, 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

Fundamental accounting concept – going concern

The ultimate parent has undertaken to support the company for a period of at least one year following the date of approval of these financial statements. 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 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

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 determined using a market rate for an equivalent non-convertible bond. 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

On early repurchase of the convertible bond, the consideration paid is allocated to the liability and equity components at the date of transaction. The liability component at the date of transaction is determined using a market rate for an equivalent non-convertible bond at the date of the transaction, with the equity component as the residual of the consideration paid and the liability component at the date of transaction. The difference between the consideration paid for the repurchase allocated to the liability component and the carrying amount of the liability at that date is recognised in profit or loss. The amount of consideration paid for the repurchase and transaction costs relating to the equity component is recognised in equity

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 22 August 2009

2 (LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

3 EXCEPTIONAL ITEMS

	52 week period ended 22 August 2009 £000	53 week period ended 23 August 2008 £000
Included within interest receivable and similar income		
Exceptional interest receivable	(17,935)	-
Included within interest payable and similar charges		
Cost of terminating financing arrangements	26,983	-
Tax relief on exceptional items	86	-
	<u>9,134</u>	<u>-</u>

4 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

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 22 August 2009

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	52 week period ended 22 August 2009 £000	53 week period ended 23 August 2008 £000
Interest receivable from group undertakings	20,793	33,900
Exceptional interest receivable (note 3)	17,935	-
	<u>38,728</u>	<u>33,900</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	52 week period ended 22 August 2009 £000	53 week period ended 23 August 2008 £000
Amortisation of deferred issue costs	1,313	1,674
Cost of terminating financing arrangements (note 3)	26,983	-
Interest payable on convertible bond	19,480	23,922
	<u>47,776</u>	<u>25,596</u>

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 22 August 2009

7 TAXATION

Under Article 123A of the Income Tax (Jersey) Law 1961, as amended, the company obtained Jersey exempt company status for the years ended 2007 and 2008 and was therefore exempt from Jersey income tax on non Jersey source income and bank interest (by concession). A £600 annual exempt company fee was payable by the company.

As from 1 January 2009 the exempt company regime no longer applies, and the Company will be subject to income tax at a rate of 0%.

	52 week period ended 22 August 2009 £000	53 week period ended 23 August 2008 £000
The tax charge for the period comprises		
UK corporation tax		
- current period group relief receivable	86	2,426
- adjustments in respect of prior periods	65	-
	<u>151</u>	<u>2,426</u>
Total tax charge for the period	<u>151</u>	<u>2,426</u>

There is no provided or unprovided deferred tax

Reconciliation of tax charges

	52 week period ended 22 August 2009 £000	53 week period ended 23 August 2008 £000
(Loss) / profit on ordinary activities before taxation	<u>(9,048)</u>	<u>8,304</u>
(Loss) / profit on ordinary activities at standard rate of corporation tax in the UK of 28.0% (2008: 29.21%)	(2,533)	2,426
Effects of		
Expenses not deductible for tax purposes	2,619	-
Adjustments in respect of prior periods	65	-
Total current tax charge	<u>151</u>	<u>2,426</u>

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 22 August 2009

8 DEBTORS

	2009 £000	2008 £000
Amounts falling due in less than one year		
Amounts due from group undertakings	-	16,818
	<u>-</u>	<u>16,818</u>
Amounts falling due after more than one year		
Loans due from group undertakings	216,291	284,929
Amounts due from group undertakings	9	9
	<u>216,300</u>	<u>284,938</u>

Included within loans due from group undertakings is a loan to fellow group company, Punch Taverns (Redwood Bidco) Limited, of £216,291,000 (2008 £284,929,000) Interest accrues at 9.23% per annum

9 CREDITORS amounts falling due in less than one year

	2009 £000	2008 £000
Amounts owed to group undertakings	97	2
Accruals and deferred income	1,811	2,630
	<u>1,908</u>	<u>2,632</u>

10 CREDITORS amounts falling due after more than one year

	2009 £000	2008 £000
Loans (note 11)	193,543	264,789
Amounts owed to group undertakings	7	4,294
	<u>193,550</u>	<u>269,083</u>

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS
for the 52 week period ended 22 August 2009

11 LOANS

	2009	2008
	£000	£000
Loan maturity analysis		
Amounts repayable by instalments falling due		
Between one and two years	195,054	-
Between two and five years	-	268,593
Less deferred issue costs	(1,511)	(3,804)
	<u>193,543</u>	<u>264,789</u>

Convertible bonds

The company issued £275.0m 5.0% convertible bonds at a nominal value of £275.0m on 14 December 2005. During the period, the company redeemed bonds with a nominal value of £82.9m. The bonds mature 5 years from the issue date and can be redeemed at that date for 107.21% (£206.0m) 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 22 August 2009 is £9.19 (August 2008 £11.66). 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 22 August 2009 (August 2008 nil).

The fair values of the liability component and equity component were determined at issuance of the bonds using a market rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion component, is included in shareholders' funds as a separate reserve.

	2009	2008
	£000	£000
Details of the convertible bonds are as follows		

Convertible bond repayable December 2010 at 5% per annum	195,054	268,593
Less deferred issue costs	(1,511)	(3,804)
	<u>193,543</u>	<u>264,789</u>

The carrying value of the company's convertible bonds at 22 August 2009 is £193,543,000 (August 2008 £264,789,000) and the fair value measured using a market rate for an equivalent non-convertible bond is £198,046,000 (August 2008 £232,343,000).

Punch Taverns (Redwood Jerseyco) Limited

Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 22 August 2009

12 STATED CAPITAL

	2009	2009	2008	2008
	No	£	No	£
<i>Authorised</i>				
Founder shares of no par value	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 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 22 August 2009

13 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Stated Capital £000	Equity component of convertible bond £000	Profit & Loss Account £000	Total Share- holders' Funds £000
At 18 August 2007	-	29,976	(5,813)	24,163
Profit for the period	-	-	5,878	5,878
At 23 August 2008	-	29,976	65	30,041
Loss for the period	-	-	(9,199)	(9,199)
Convertible bond redemption	-	(9,039)	9,039	-
At 22 August 2009	-	20,937	(95)	20,842

Punch Taverns (Redwood Jerseyco) Limited
Period ended 22 August 2009

NOTES TO THE FINANCIAL STATEMENTS

for the 52 week period ended 22 August 2009

14 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

15 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

16 FINANCIAL INSTRUMENT DISCLOSURES

The consolidated financial statements of Punch Taverns plc contain financial instrument disclosures which comply with FRS 29 'Financial Instruments Disclosures'. Consequently, the company has taken advantage of the exemption in FRS 29 not to present separate financial instrument disclosures for the company

17 POST BALANCE SHEET EVENTS

Subsequent to the year end, the company redeemed convertible bonds with a nominal value of £193.5m. The convertible bonds are now fully redeemed.

18 ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is Punch Taverns (Redwood Midco) Limited, a company registered in England & Wales.

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.