

Registered No. 03003870

Mill House Inns Limited
Report and Financial Statements
Period ended 23 August 2008

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COMPANIES HOUSE

Mill House Inns Limited
Period ended 23 August 2008

DIRECTORS

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

SECRETARY

T Kendall

AUDITORS

Ernst & Young LLP
1 Colmore Square
Birmingham
B4 6HQ

SOLICITORS

Slaughter & May
One Bunhill Row
London
EC1Y 8YY

REGISTERED OFFICE

Jubilee House
Second Avenue
Burton upon Trent
Staffordshire
DE14 2WF

Mill House Inns Limited
Period ended 23 August 2008

DIRECTORS' REPORT

The directors present their report and financial statements for the 53 week period ended 23 August 2008.

RESULTS AND DIVIDENDS

The profit after taxation for the 53 week period amounted to £20,000 (46 week period ended 18 August 2007: loss after taxation of £189,000). The directors do not propose the payment of a final dividend (2007: £nil).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

In the prior period, the principal activity of the company was the development and management of public houses as part of a group trading as Mill House. During that period, on 24 March 2007, all pubs were transferred to another group company and the company ceased to trade. The company is not expected to trade in the future.

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.

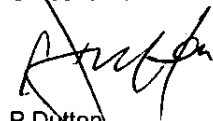
AUDIT INFORMATION

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.

AUDITORS

The company has elected to dispense with the obligation to appoint auditors annually under section 386 of the Companies Act 1985.

On behalf of the board



P Dutton
Director

10 February 2009

Mill House Inns Limited
Period ended 23 August 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The financial statements are 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 those 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 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 financial statements comply with the Companies Act 1985. 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.

Mill House Inns Limited
Period ended 23 August 2008

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MILL HOUSE INNS LIMITED

We have audited the company's financial statements for the period ended 23 August 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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 Section 235 of the Companies Act 1985. 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' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are 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 Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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 Generally Accepted Accounting Practice, of the state of the company's affairs as at 23 August 2008 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Birmingham

11 February 2009

Mill House Inns Limited
Period ended 23 August 2008

PROFIT & LOSS ACCOUNT
for the 53 week period ended 23 August 2008

	Notes	53 week period ended 23 August 2008 £000	46 week period ended 18 August 2007 £000
TURNOVER	2	-	1,651
Cost of sales		-	(1,069)
GROSS PROFIT		<hr/> -	<hr/> 582
Administrative expenses		-	(215)
OPERATING PROFIT	3	<hr/> -	<hr/> 367
Loss on disposal of fixed assets		-	(12)
Interest payable and similar charges	5	-	(211)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/> -	<hr/> 144
Tax on profit on ordinary activities	6	20	(333)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	11	<hr/> <hr/> 20	<hr/> <hr/> (189)

The profit and loss account relates to discontinued activities.

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

Mill House Inns Limited
Period ended 23 August 2008

BALANCE SHEET
as at 23 August 2008

	<i>Notes</i>	23 August 2008 £000	18 August 2007 £000
FIXED ASSETS			
Investments	7	47,650	47,650
		<u>47,650</u>	<u>47,650</u>
CURRENT ASSETS			
Debtors: amounts falling due after more than one year	8	13,270	13,270
		<u>13,270</u>	<u>13,270</u>
CREDITORS: amounts falling due in less than one year	9	(60)	(80)
NET CURRENT ASSETS		<u>13,210</u>	<u>13,190</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>60,860</u>	<u>60,840</u>
CREDITORS: amounts falling due after more than one year	10	(37,391)	(37,391)
NET ASSETS		<u><u>23,469</u></u>	<u><u>23,449</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	2,102	2,102
Share premium	11	14,164	14,164
Capital reserve	11	57	57
Profit and loss account	11	7,146	7,126
SHAREHOLDERS' FUNDS	11	<u><u>23,469</u></u>	<u><u>23,449</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 February 2009


P Dutton
Director

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS

for the 53 week period ended 23 August 2008

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 s228 of the Companies Act 1985, 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.

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 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.

Fixed asset investments

Investments are stated at cost, less provision for impairment in value.

Depreciation

Depreciation was charged on a straight-line basis on freehold and long leasehold buildings over the estimated useful life of the asset. It was the company's policy to maintain the properties comprising the licensed estate in such a condition that the residual values of the properties, based on prices prevailing at the time of acquisition or subsequent revaluation, were at least equal to their book values. As a result, the depreciation charged on freehold and long leasehold buildings was nil.

It was the opinion of the directors that it was not practical or appropriate to separate from the value of the buildings the value of long life fixtures and fittings, which are an integral part of the buildings. This approach was supported by the opinion of an independent external adviser.

Landlord's fixtures and fittings included removable items, which were generally regarded as within landlord ownership. These were depreciated in accordance with the policy detailed below.

Fixtures, fittings & equipment	3 - 10 years
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An annual impairment review was carried out on such properties in accordance with FRS 11 and FRS 15.

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.

Preference shares

The substance of the company's preference shares was that they had a contractual obligation to deliver cash at a future date and were therefore recognised as a liability. In addition, the dividend paid on preference shares was treated as an interest charge rather than as a dividend.

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

2 TURNOVER

Turnover represented the amounts derived from the provision of goods and services which fell within the company's discontinued ordinary activities, stated net of value added tax. Turnover was derived solely within the United Kingdom.

3 OPERATING PROFIT

This is stated after charging:

	53 week period ended 23 August 2008 £000	46 week period ended 18 August 2007 £000
Depreciation - owned fixed assets	-	101

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

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.

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

5 INTEREST PAYABLE AND SIMILAR CHARGES

	53 week period ended 23 August 2008 £000	46 week period ended 18 August 2007 £000
Non-equity dividends	-	211
	-	211

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

6 TAXATION

	53 week period ended 23 August 2008 £000	46 week period ended 18 August 2007 £000
The tax (credit) / charge for the period comprises:		
UK corporation tax:		
- current period group relief receivable	-	80
- adjustments in respect of prior periods	(20)	-
	(20)	80
Deferred tax:		
- current period charge	-	253
	-	253
Total tax (credit) / charge for the period	(20)	333

There is no provided or unprovided deferred tax.

Reconciliation of tax charges

	53 week period ended 23 August 2008 £000	46 week period ended 18 August 2007 £000
Profit on ordinary activities before taxation	-	144
Profit on ordinary activities at standard rate of corporation tax in the UK of 29.21% (2007: 30%)	-	43
Effects of:		
Short term timing differences	-	(2)
Loss on disposal of fixed assets	-	4
Expenses not deductible for tax purposes	-	4
Depreciation in excess of capital allowances	-	31
Total current tax charge	-	80

There are no factors expected to materially affect future tax charges.

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

7 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings £000	Loans to subsidiary undertakings £000	Total £000
Cost and net book value:			
As at 23 August 2008 and at 18 August 2007	<u>18,050</u>	<u>29,600</u>	<u>47,650</u>

Details of the principal wholly owned subsidiary undertakings, in which the shareholdings are in ordinary shares, are as follows:

Subsidiary undertaking	Principal activity
<i>Held directly:</i>	
Mill House Inns (Leaseholds) Limited	Non-trading company
Mill House Inns (Trading) Limited	Non-trading company
<i>Held indirectly:</i>	
Golden Pheasant Restaurant Limited	Non-trading company
Harpplan Limited	Non-trading company
Pioneer Inns and Taverns Limited	Non-trading company
Pioneer Pub Company Limited	Non-trading company
Top Dog Pub Company Limited	Non-trading company

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

All companies were incorporated in England and Wales.

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NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

8 DEBTORS

	2008	2007
	£000	£000
Amounts falling due after more than one year:		
Amounts due from group undertakings	13,270	13,270
	<u>13,270</u>	<u>13,270</u>

9 CREDITORS: amounts falling due in less than one year

	2008	2007
	£000	£000
Amounts owed to group undertakings	60	80
	<u>60</u>	<u>80</u>

10 CREDITORS: amounts falling due after more than one year

	2008	2007
	£000	£000
Amounts owed to group undertakings	37,391	37,391
	<u>37,391</u>	<u>37,391</u>

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

10 SHARE CAPITAL

	2008 No.	2008 £000	2007 No.	2007 £000
<i>Authorised:</i>				
Ordinary shares of 5p each	42,110,981	2,106	42,110,981	2,106
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of 5p each	42,046,106	2,102	42,046,106	2,102

During the prior period, on 6 December 2006, a special resolution was passed to re-designate the company's existing 33,345,963 Ordinary Shares of 5p each (of which 33,281,088 issued) and 8,765,018 Redeemable Preference Shares of 5p each (fully issued), such that the company's authorised share capital comprises 42,110,981 Ordinary Shares of 5p each (of which 42,046,106 are issued).

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

11 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share Capital £000	Share Premium £000	Reval- uation Reserve £000	Capital Reserve £000	Profit & Loss Account £000
At 1 October 2006	1,664	14,164	1,089	57	6,226
Loss for the period	-	-	-	-	(189)
Transfers on disposal of fixed assets	-	-	(1,089)	-	1,089
Re-designation of share capital	438	-	-	-	-
At 18 August 2007	<u>2,102</u>	<u>14,164</u>	<u>-</u>	<u>57</u>	<u>7,126</u>
Profit for the period	-	-	-	-	20
At 23 August 2008	<u>2,102</u>	<u>14,164</u>	<u>-</u>	<u>57</u>	<u>7,146</u>

Mill House Inns Limited
Period ended 23 August 2008

NOTES TO THE FINANCIAL STATEMENTS
for the 53 week period ended 23 August 2008

12 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.

13 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.

14 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.