The Alexandra

The Anglesea Arms

The Belle Vue

The Bishop

The Boaters Inn

The Clarence

The Durell Arms

The Florence

The George

The Golden Lion

The Hemingford Arms

The Hog in the Pound

The Inn at Kew Gardens
& Kew Gardens Hotel

The King's Arms
(formerly The Larrik)

The Ladbroke Arms

The Marquis of Granby

The Merchant

The Peer

The Puzzle Earlsfield

The Capital Pub Company PLC

Report and Financial Statements

Year ended 28 March 2009

Report and Financial Statements

Year ended 28 March 2009

Company no. 4119367

THE CAPITAL PUB COMPANY PLC

Contents

THE CAPITAL PUB COMPANY PLC

Directors, Secretary and advisers

Directors

J Bruxner CBE	(Chairman)
C Watson ACA	(Chief Executive)
N Collins ACA	(Finance Director)
D Bruce	(Non-executive)
R Prickett FCA	(Non-executive)

Secretary and registered office
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28 South Molton Street
London
W1K 5RF

Company number
4119367

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St Katharine's Way
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12 Bolton Street
London W1J 8BD

Stockbroker & Nominated Adviser
Altium Securities
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London SW1Y 4AL

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Solicitors
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Surrey GU9 7LL

THE CAPITAL PUB COMPANY PLC

Chairman's statement

I am pleased to report successful results of The Capital Pub Company Plc for the year to 28 March 2009. The Group now has a fully refurbished estate of 25 high quality, predominantly freehold, free-of-tie pubs based entirely in London. It continues to perform well despite the uncertain economic conditions and has produced a robust set of results in what has been a challenging time for the pub industry.

Financial Results

The Board is delighted with the performance of the Group over the last 12 months.

- Revenue increased 5% to £19.8m (2008: £18.8m)
- Adjusted EBITDA increased 9% to £4.9m (2008: £4.5m)
- Adjusted pre-tax profits increased 7% to £2.1m (2008: £1.9m)
- Adjusted diluted earnings per share increased 37% to 11.0p (2008: 8.0p)
- Cash generated from operating activities increased 47% to £1.7m (2008: £1.2m)

Throughout this document reference to an "adjusted" item means it has been adjusted to exclude impairment of goodwill, movement in fair value of interest rate swaps, share option charges and additional exceptional charges. A reconciliation to reported earnings is provided in note 11 of the accounts.

This improved performance has met Directors' expectations for the year and is a result of continued management focus on further enhanced retailing at pub level as well as more effective cost control.

After due consideration, the Board maintains that it is in the best interests of shareholders for the Group to continue to preserve internally generated cash for debt reduction and for financing future acquisitions rather than to pay a dividend at this stage.

Operations and Management

The Group continues to focus on wet-led operations which account for nearly 80% of total sales. The Group has been able to further improve its margins on both liquor and food as a result of better purchasing and also by being able to increase sales without resorting to discounting.

The Group benefits from a high quality portfolio of well established, neighbourhood pubs which serve their local customers. The Group offers its pub managers a high degree of autonomy and the opportunity to run each pub in an individual, entrepreneurial style which caters to the local clientele. Together with the attractive performance-related bonus packages offered to the managers, this has helped the business to attract and retain excellent calibre pub managers which is essential for the continued successful growth of the business and the strong trading performance of our pubs.

The Board would like to take this opportunity to thank the staff at all the pubs for their hard work over the financial year and acknowledge their contribution to these results.

In March 2009, Nicholas Collins was appointed Finance Director. Nicholas has helped to improve systems, controls and reporting deadlines in addition to assisting Clive Watson, the Chief Executive, to manage the business.

David Lees resigned as Non-Executive Director on 6 March 2009 and the Board would like to thank David for his contribution and wish him the best in his current ventures.

Acquisitions and Developments

During the year the Group has completed its investment programme, investing over £1m including the refurbishment of four pubs within the estate. The Boaters Inn in Kingston upon Thames and The Merchant in Battersea both reopened in April 2008 and The Peer (formerly The Wellesley Arms) and The Southern Belle (formerly The Puzzle Fulham) reopened in June 2008. Overall these outlets are trading significantly better than prior to development.

In April 2009 the Group acquired The Bishop, based in Dulwich, for an initial consideration of £400,000 and a further earn-out consideration of up to a maximum of £350,000 subject to the pub's profit targets being reached during the first year of ownership. The Bishop achieved record sales across the estate in its first full week of trading in April 2009 and has continued to trade well since then.

Balance Sheet and Funding

The Group remains securely funded with a largely freehold, high quality, asset-backed pub estate. With all major refurbishments completed there is no significant planned capital expenditure and the business is now strongly cash generative. This will enable the Group to continue to reduce its debt and remain comfortably within its banking facilities.

The current level of debt of £29m represents gearing of just under 90% which the Board is comfortable with given the quality and the predominantly freehold nature of the estate. The Group currently has unutilised facilities of around £3m. Over the next year the net debt position will continue to improve as the significant levels of cash flow generated from the estate will be used to repay long-term bank borrowings. Under the terms of the loan agreements capital repayments commence in December 2009 until final settlement of the loan in 2017.

Shareholder Information

Shareholders who wish to keep up to date with news about the Group should visit our recently enhanced website www.capitalpubcompany.com which includes details of our portfolio of pubs, corporate information and promotional activity.

Current Trading and Outlook

Current trading continues to remain healthy in what is a relatively resilient London market. The Group has maintained the high quality of its pubs and its main priority is to continue to increase turnover in its existing operations coupled with an ongoing focus on tight cost control. The Group remains cautiously optimistic for the remainder of 2009.

The continuing objective is to focus on managing the business through the current economic situation and to reduce bank borrowing as outlined above. The Group will also continue to monitor acquisition opportunities, and when the time is right will consider acquiring further pubs. The Directors remain confident that The Capital Pub Company Plc is well placed to continue to maximise returns for the Shareholders from its pub portfolio.

J Bruxner CBE
Chairman

30 June 2009

The Directors present their report together with the audited financial statements for the year ended 28 March 2009.

PRINCIPAL ACTIVITY

The principal activity of the Group is the management and operation of public houses.

BUSINESS REVIEW

The purpose of the business review is to show how the Group assesses and manages risk, and adopts appropriate policies and targets. Further details of the Group's business and future developments are also set out in the Chairman's statement on pages 3 and 4.

The following are some of the key risks that face the Group:

Dependence on key executives and personnel

The Group's future success is substantially dependent on the continuing services and performance of the highly skilled pub managers and its ability to continue to attract and retain them. The Directors believe the Group's culture and remuneration packages are attractive, which should assist key staff retention. The Directors are indemnified against public liability claims through Directors and Officers insurance.

Risks relating to growth strategy

The continuing growth of the Group is largely dependent on its ability to identify and acquire free-of-tie, managed pubs in Greater London. If the Group is unable to find suitable acquisition targets at an acceptable price, this may have an adverse effect on the Group's future success. However, the Directors believe that the size of the market and the number of pubs in this area will mean that the Group will continue to be able to grow.

Licences, permits and approvals

The pub industry in the UK is highly regulated at both national and local levels and pub operators require licences, permits and approvals. Delays and failures to obtain the required licences or permits could adversely affect the operations of the Group. These laws and regulations impose a significant administrative burden on each pub and additional or more stringent requirements could be imposed in the future. Each of the Group's pubs is licensed to permit, amongst other things, the sale of liquor. Should any of the Group's pub licences be withdrawn or amended, the profitability of any such pub could be adversely impacted. The Group has processes in place to ensure all necessary licences are obtained on a timely basis, and to monitor compliance with all relevant laws and regulations.

Market

It is possible that current recessionary pressures and other economic factors (such as reduced access to debt and tax increases) may decrease the disposable income that customers have available to spend on drinking and eating out. This could lead to a reduction in the revenues of the Group's pubs. However, the Directors believe that the location of the Group's pubs, which are generally in prosperous areas of London, means that the Group is well placed to cope with such cyclical recessionary pressures.

KEY PERFORMANCE INDICATORS

The legislation requires the Board to disclose Key Performance Indicators (KPIs) relevant to the Group. The following are discussed in more detail in the Chairman's statement:

- Earnings per share (EPS)
- Gearing ratio

RESULTS AND DIVIDENDS

The consolidated income statement is set out on page 16 and shows the profit for the year.

The Directors do not recommend the payment of a dividend (2008: £415,377).

SUBSTANTIAL SHAREHOLDINGS

As at 23 June 2009, the Group had been notified of, or was aware of, the following interests of 3 percent or more in its issued share capital:

Name of shareholder	*Number of Ordinary Shares*	*Percentage of issued share capital* %
Clive Watson	1,660,889	8.17
Giltspur Nominees Limited	1,581,024	7.78
Richard Keeling	1,386,550	6.82
Rathbone Nominees Limited	743,003	3.65
BBHISL Nominees Limited	671,946	3.31
TD Waterhouse Nominees (Europe) Ltd	636,485	3.13

POLITICAL AND CHARITABLE DONATIONS

The Group made no political or charitable donations during the year (2008: £nil).

PAYMENT POLICY

The Group follows standard payment practices for all of its suppliers agreed with them on an individual basis of which all suppliers are aware. The ratio of amounts owed to trade creditors at the year end to total purchases invoiced by suppliers during the year was 30 days (2008: 31).

DIRECTORS

The Directors of the Group during the year and their beneficial interests, including those of any persons connected to them, in the ordinary share capital of the parent company were as follows:

Ordinary shares of 50p each:	**28 March 2009**	**29 March 2008**
J Bruxner	**32,650**	28,000
D Bruce	**170,924**	133,479
R Prickett	**95,787**	93,275
C Watson	**1,660,889**	1,462,355

At 28 March 2009, the Directors were also interested in unissued ordinary shares granted to them by the Group under share options held by them pursuant to individual option agreements:

	Date of grant	**Exercise price (pence)**	**Number**	**Date from which exercisable**	**Expiry date**
J Bruxner	01/02/2001	115	91,518	01/02/2004	31/01/2011
J Bruxner	28/10/2002	110	90,909	28/10/2005	27/10/2012
D Kenyon*	25/05/2007	150	20,000	25/05/2010	24/05/2017

*D Kenyon left the Group on 23 June 2008

In addition, the following Directors had awards ('the Awards') over the assets of the Group's Employee Benefit Trust ('the Trust') pursuant to deeds of appointment. The Trust was established on 13 February 2003. The Awards were made by Fidecs Trust Company Limited acting in its capacity as trustee of the Trust.

The Group has granted options to subscribe for Ordinary Shares to the trustee over a total of 3,173,802 shares with an exercise price of £1.15 per share, and 619,850 shares with an exercise price of £1.50 per share:

	No. of Ordinary Shares
D Bruce	**1,731,269**
R Prickett	**181,114**
C Watson	**1,831,269**
D Kenyon	**50,000**

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group uses various financial instruments, including loans, cash, equity investments and various other items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations. The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

In order to manage the Group's exposure to these risks, in particular interest rate risk, the Group enters into derivative transactions including, but not limited to, variable to fixed rate interest rate swaps. All transactions in derivatives are undertaken to manage the risks arising from underlying business activities and no transactions of a speculative nature are undertaken. The main risks arising from the Group's financial instruments are liquidity risk and interest rate risk. The Directors review and agree policies for managing each of these risks and they are summarised in note 18. These policies have remained unchanged from previous years.

CORPORATE GOVERNANCE

The ordinary shares of the Group are traded on AIM. Companies on AIM are not required to make an annual statement to shareholders regarding compliance with The Combined Code on Corporate Governance. However, the following statements are made in respect of corporate governance.

BOARD OF DIRECTORS

Details of the Directors, their roles and their backgrounds are as follows:

James Bruxner, CBE, Non-Executive Chairman
James has previously worked as a marketing manager at Guinness, as Managing Director of Gilbeys Limited and as Chairman of Justerini & Brooks Limited. He was Chairman of the North British Distillery Limited and the Scotch Whisky Association and founding Chairman of The Keepers of the Quaich. James was appointed as Chairman of the Group on 1 February 2001.

Clive Watson, ACA, Chief Executive
Clive qualified as a Chartered Accountant with Price Waterhouse in London in 1986 then joined the investment bank Manufacturers Hanover Limited where he spent three years. He joined Regent Inns plc as Finance Director and Company Secretary in 1990. Clive left Regent Inns plc in February 1998 and co-founded Tup Inns Limited, where he was responsible for financial and commercial matters as well as acquisitions, before becoming Chief Executive and Finance Director of Tom Hoskins plc, an AIM listed company. Clive was appointed as Finance Director of the Group on 21 December 2000 and became Chief Executive of the Group on 23 June 2008.

Nicholas Collins, ACA, Finance Director
Nicholas qualified as a Chartered Accountant with Arthur Andersen in London in 2001 where he spent five years advising on mid-market corporate finance transactions. Nicholas went on to found the Fuzzy's Grub retail catering chain in Central London which he grew from a start up to eight outlets over five years. Nicholas was appointed Finance Director on 6 March 2009.

David Bruce, Non-Executive Director
David has been involved in the brewing and leisure industry for over 42 years in a career that has covered both production and retailing. He founded Bruce's Brewery and the first Firkin pub in 1979, before developing a portfolio of Firkin branded pubs. The Firkin chain was sold in 1988, after which he joined Grosvenor Inns plc as an Executive Director in 1993, where he was responsible for developing and marketing The Slug and Lettuce brand. In September 1999, David formed a 50:50 joint venture company, Honeypot Inns plc, with Brakspear's Brewery and he sold his interest to Brakspear's in November 2000. David was appointed as Chief Executive of the Group on 21 December 2000 and moved to a non-executive role on 23 June 2008.

Richard Prickett, FCA, Non-Executive Director
Richard is a Chartered Accountant and has many years of corporate finance experience. Richard is currently an Executive Director of Landore Resources Limited and a Non-Executive Director of Patagonia Gold plc, City Natural Resources High Yield Trust plc, Asian Growth Properties Limited and Non-Executive Chairman of the Lewis Charles Romania Property Fund Limited. Richard was appointed as a Non-Executive Director of the Group on 1 February 2001.

David Kenyon resigned as Finance Director and left the Group on 23 June 2008.
David Lees resigned as a Director and left the Group on 6 March 2009.

The Group is managed by the Board of Directors. The function of the Chairman is to supervise the Board and to ensure that the Board has control of the business. The function of the Chief Executive is to manage the Group on the Board's behalf.

All Board members have access, at all times, to sufficient information about the business to enable them to fully discharge their duties.

The Board has established committees to fulfil specific functions:

The *Audit Committee* comprises Richard Prickett (as chairman), James Bruxner and David Bruce. The Audit Committee receives and reviews reports from management and the Group's auditors relating to the annual and interim accounts and the accounting and internal control systems in use by the Group.

The *Remuneration Committee* comprises James Bruxner (as chairman), Richard Prickett and David Bruce. It is responsible for determining and agreeing with the Board the framework for the remuneration of the Executive Directors, the Company Secretary and such other members of the management as it is designated to consider. It is furthermore responsible for determining the total individual remuneration packages of each Director including, where appropriate, bonuses, incentive payments and share options.

All Directors are required, in turn, to stand for re-election every three years.

DIRECTORS' EMOLUMENTS

	Year ended 28 March 2009			Year ended 29 March 2008
	Salary/Fees £ 000	**Bonus £ 000**	**Total £ 000**	Total £ 000
J Bruxner	**50**	**-**	**50**	50
C Watson	**190**	**30**	**220**	190
D Bruce	**212**	**30**	**242**	190
R Prickett	**30**	**-**	**30**	30
N Collins (appointed 6 March 2009)	**39**	**-**	**39**	-
D Lees (resigned 6 March 2009)	**25**	**-**	**25**	10
D Kenyon (resigned 23 June 2008)	**18**	**-**	**18**	57
	564	**60**	**624**	527

INTERNAL CONTROL

The Board has overall responsibility for the Group's system of internal control and reviewing its effectiveness.

Key elements of the system of internal control include:

- clearly defined levels of responsibility and delegation throughout the Group, together with well structured reporting lines up to the Board;
- the preparation of comprehensive annual budgets for each pub and head office, approved by the Board;
- a review of actual monthly results against budget, together with commentary on significant variances and updates of both profit and cash flow expectations for the year;
- a process requiring Board authorisation for all major acquisitions and disposals; and
- regular reporting of legal and accounting developments to the Board.

RELATIONS WITH SHAREHOLDERS

The Group maintains effective contact with shareholders and welcomes communication from investors. Shareholders are encouraged to attend the Annual General Meeting, at which time there is an opportunity for discussion with members of the Board. Press releases together with other information about the Group are available on the Group's website at www.capitalpubcompany.com.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE GROUP FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the Group financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards (IFRSs) as adopted by the European Union. The Directors are required to prepare financial statements for each financial year, which present fairly the financial position of the Group and the financial performance and cash flows of the Group for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether IFRS 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 Group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE COMPANY FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual 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 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 apply them consistently;
- make judgments 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 which 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.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Directors are aware:

- there is no relevant audit information of which the Group and Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

POST BALANCE SHEET EVENT

This is discussed in the Chairman's statement and in note 26 to the accounts.

GOING CONCERN

On the basis of current financial projections and facilities available, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, accordingly, consider that it is appropriate to adopt the going concern basis in preparing the financial statements.

AUDITOR

Grant Thornton UK LLP resigned as auditor on 27 April 2009 and Mazars LLP were appointed on 30 April 2009. Mazars LLP offer themselves for reappointment as auditor in accordance with section 418 of the Companies Act 2006.

On behalf of the Board

C WATSON
Director

30 June 2009

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE CAPITAL PUB COMPANY PLC

We have audited the consolidated financial statements of The Capital Pub Company plc for the year ended 28 March 2009 which comprise the principal accounting policies, the consolidated income statement, the consolidated balance sheet, the consolidated cash flow statement, the statement of changes in shareholders' equity and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Group'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 Group'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 Group and the Group'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 Annual Report and the financial statements in accordance with United Kingdom law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the Group 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 other information contained in the Annual Report and consider whether it is consistent with the audited parent company financial statements. The other information comprises only the Report of the Directors and the Chairman's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the parent company financial statements. Our responsibilities do not extend to any other information.

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 Group's circumstances, consistently applied and adequately disclosed.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE CAPITAL PUB COMPANY PLC

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 IFRSs as adopted by the European Union, of the state of the Group's affairs as at 28 March 2009 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 Report of the Directors is consistent with the financial statements.

Mazars LLP 30 June 2009

Mazars LLP
Chartered Accountants
and Registered Auditors
Tower Bridge House
St Katharine's Way
London E1W 1DD

Notes (a) The maintenance and integrity of The Capital Pub Company Plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE CAPITAL PUB COMPANY PLC

Consolidated income statement for the year ended 28 March 2009

	Note	**Year to 28 March 2009 Total £ 000**	Year to 29 March 2008 Total £ 000
Revenue	6	**19,771**	18,828
Cost of sales		**(5,329)**	(5,110)
Gross profit	6	**14,442**	13,718
Administrative expenses		**(10,799)**	(9,851)
Operating profit	5,6	**3,643**	3,867
Operating profit		**3,643**	3,867
Share options charge		**44**	41
Depreciation		**878**	577
Earnings before share options charge, interest, tax and depreciation		**4,565**	4,485
Loss on property disposals		**-**	(36)
Impairment of goodwill		**(977)**	-
Finance costs	10	**(1,913)**	(1,976)
Finance income		**5**	7
Movement in fair value of interest rate swaps		**(309)**	(1,060)
Profit before taxation		**449**	802
Taxation	9	**91**	(324)
Profit for the period attributable to equity shareholders		**540**	478

Earnings per share

	Note	**Year to 28 March 2009 Pence**	Year to 29 March 2008 Pence
Basic	11	**2.72**	2.43
Diluted	11	**2.72**	2.36

The accompanying accounting policies and notes form an integral part of these financial statements

THE CAPITAL PUB COMPANY PLC

Consolidated balance sheet as at 28 March 2009

	Note	**28 March 2009 £ 000**	29 March 2008 £ 000
ASSETS			
Non-current assets			
Goodwill	12	-	977
Property, plant and equipment	13	**68,012**	67,965
Other non-current assets	14	**1,023**	980
Trade and other receivables	15	**43**	290
		69,078	70,212
Current assets			
Inventories		**316**	258
Trade and other receivables	15	**474**	624
Cash and cash equivalents		**1,647**	415
		2,437	1,297
Total assets		**71,515**	71,509

The accompanying accounting policies and notes form an integral part of these financial statements

THE CAPITAL PUB COMPANY PLC

Consolidated balance sheet as at 28 March 2009

	Note	28 March 2009 £ 000	29 March 2008 £ 000
LIABILITIES			
Current liabilities			
Bank loans and overdrafts	16	**598**	782
Trade and other payables	16	**1,510**	1,525
Current tax payable	16	**186**	296
Accruals	16	**777**	1,508
Derivative financial instruments	18	**951**	741
		4,022	4,852
Non-current liabilities			
Long-term borrowings	17	**30,286**	29,634
Deferred tax liabilities	19	**3,200**	4,329
Derivative financial instruments	18	**3,457**	-
		36,943	33,963
Total liabilities		**40,965**	38,815
EQUITY			
Issued capital and reserves			
Share capital	20	**9,953**	9,890
Share premium		**10,588**	10,548
Revaluation reserve		**11,045**	11,045
Cash flow hedge reserve		**(2,418)**	-
Retained earnings		**1,240**	1,113
Share options reserve		**142**	98
Total equity		**30,550**	32,694
Total equity and liabilities		**71,515**	71,509

These financial statements were approved by the board and authorised for issue on 30 June 2009.

C WATSON
Director

The accompanying accounting policies and notes form an integral part of these financial statements

THE CAPITAL PUB COMPANY PLC

Consolidated statement of changes in equity for the year ended 28 March 2009

	Share capital	Share premium	Revaluation reserve	Cash flow hedge reserve	Retained earnings	Share options reserve	Total equity
		£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
At 25 March 2006	9,216	9,100	2,206	-	1,309	14	21,845
Shares issued in the period	585	1,264	-	-	-	-	1,849
Net surplus on revaluation of assets	-	-	8,289	-	-	-	8,289
Transfer of net realised losses on disposal	-	-	200	-	(200)	-	-
Dividends paid	-	-	-	-	(546)	-	(546)
Net cost of share-based payments	-	-	-	-	-	136	136
Profit for the year	-	-	-	-	661	-	661
At 31 March 2007	**9,801**	**10,364**	**10,695**	**-**	**1,224**	**150**	**32,234**
Shares issued in the period	89	184	-	-	-	-	273
Changes in tax rates	-	-	350	-	-	-	350
Dividends paid	-	-	-	-	(600)	-	(600)
Net cost of share-based payments	-	-	-	-	11	(52)	(41)
Profit for the year	-	-	-	-	478	-	478
At 29 March 2008	**9,890**	**10,548**	**11,045**	**-**	**1,113**	**98**	**32,694**
Shares issued in the period	63	40	-	-	-	-	103
Net fair value loss on cash flow hedges	-	-	-	(3,358)	-	-	(3,358)
Tax on fair value loss of cash flow hedges	-	-	-	940	-	-	940
Dividends paid	-	-	-	-	(413)	-	(413)
Net cost of share-based payments	-	-	-	-	-	44	44
Profit for the year	-	-	-	-	540	-	540
At 28 March 2009	**9,953**	**10,588**	**11,045**	**(2,418)**	**1,240**	**142**	**30,550**

The accompanying accounting policies and notes form an integral part of these financial statements

THE CAPITAL PUB COMPANY PLC

Consolidated cash flow statement for the year ended 28 March 2009

	52 Weeks to 28 March 2009 £ 000	52 Weeks to 29 March 2008 £ 000
Cash flows from operating activities		
Profit after taxation	**540**	478
Adjustments for:		
Depreciation and amortisation	**878**	577
Share options charge	**44**	41
Finance income	**(5)**	(7)
Finance expense	**1,913**	1,976
Movement in fair value of interest rate swaps	**309**	1,060
Loss on property disposals	**-**	36
Impairment of goodwill	**977**	-
Taxation movement	**(91)**	324
Increase in inventories	**(58)**	(25)
Decrease/(increase) in debtors	**171**	(896)
Decrease in creditors	**(501)**	(322)
Cash generated from operations	**4,177**	3,242
Interest paid	**(2,233)**	(1,886)
Income taxes paid	**(208)**	(179)
Net cash generated by operating activities	**1,736**	1,177
Cash flows from investing activities		
Purchase of property, plant and equipment	**(893)**	(14,823)
Proceeds from sale of property, plant and equipment	**-**	9,778
Interest received	**5**	7
Net cash used in investing activities	**(888)**	(5,038)
Cash flows from financing activities		
Proceeds from issue of share capital	**103**	273
Proceeds from long-term borrowings	**850**	4,290
Dividends paid	**(413)**	(600)
Net cash generated by financing activities	**540**	3,963
Net increase in cash and cash equivalents	**1,388**	102
Cash at beginning of period	**259**	157
Cash at end of period	**1,647**	259

The accompanying accounting policies and notes form an integral part of these financial statements

1 GENERAL INFORMATION

The Capital Pub Company plc is a company incorporated in the United Kingdom under the Companies Act 1985. The address of the registered office is given on page 1. The nature of the Group's operations and its principal activities are set out on page 5.

2 BASIS OF PREPARATION

The Group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and applied in accordance with the Companies Act 1985. This is the second annual reporting date at which we are required to use IFRS adopted by the EU.

These financial statements have been prepared on a historic cost basis, except for the revaluation of certain properties and derivative financial instruments that have been measured at fair value.

The accounting policies comply with IFRS that are mandatory for accounting periods ending on the balance sheet date. At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective. The Group has not early adopted any of these pronouncements. The new Standards, amendments and Interpretations that are expected to be relevant to the Group's financial statements are as follows:

IAS 1 Presentation of Financial Statements (Revised 2007) (effective for reporting periods beginning on or after 1 January 2009)
This amendment affects the presentation of owner changes in equity and introduces a statement of comprehensive income. Preparers will have the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of other comprehensive income). This amendment does not affect the financial position or results of the Group but will give rise to additional disclosures. Management is currently assessing the detailed impact of this amendment on the Group's financial statements.

IFRS 3 (Revised 2008) Business combinations (effective for combinations on or after 1 January 2009)
The revised Standard introduces significant changes to the accounting requirements for business combinations, transactions with non-controlling interests (i.e. minority interests) and the loss of control of a subsidiary.

IFRS 8 Operating segments (effective for reporting periods beginning on or after 1 January 2009)
This IFRS specifies how an entity should report information about its operating segments in its financial statements. Generally, financial information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. Implementation of this standard is expected to increase the number of reportable segments as well as the manner in which the segments are reported. i.e. in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. As goodwill is allocated to groups of cash generating units based on segment level, the change will also require the reallocation of goodwill to the newly identified operating segments.

The Directors do not anticipate that the adoption of these Standards and Interpretations in future periods will have a material impact on the Group's financial statements.

New standards and interpretations

A number of new standards and interpretations were issued by the IASB and IFRC with an effective date after the date of these financial statements. The Group has elected to adopt the 2008 annual improvement to IFRSs early. The following standards which are relevant to the Group did not have a material impact on the financial statements, with the exception of IAS39 which resulted in a change to the presentation of financial instruments in the financial statements. The effective dates below represent the latest date that the Group will be required to implement the standard:

- Amendments to IFRS 2 — Share-based Payment — effective for reporting periods beginning on or after 1 July 2009.
- Amendment to IFRS 3 — Business Combinations — effective for reporting periods beginning on or after 1 July 2009.
- Amendments to IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations – effective for reporting periods beginning on or after 1 July 2009 and 1 January 2010.
- Amendments to IFRS 7 – Financial Instruments: Disclosures – effective for reporting periods beginning on or after 1 January 2009.
- Amendments to IFRS 8 — Operating Segments — effective for reporting periods beginning on or after from 1 January 2009.
- Amendments to IAS 1 — Presentation of Financial Statements — effective for reporting periods beginning on or after 1 January 2009 and 1 January 2010.
- Amendment to IAS 7 – Statement of Cash Flows – effective for reporting periods beginning on or after 1 January 2010.
- Amendment to IAS 17 – Leases – effective for reporting periods beginning on or after 1 January 2010.
- Amendment to IAS 23 — Borrowing Costs — effective for reporting periods beginning on or after 1 January 2009.
- Amendment to IAS 32 – Financial Instruments: Presentation – effective for reporting periods beginning on or after 1 January 2009
- Amendments to IAS 36 – Impairment of Assets – effective for reporting periods beginning on or after 1 January 2009 and 1 January 2010.
- Amendments to IAS 38 – Intangible Assets – effective for reporting periods beginning on or after 1 July 2009.
- Amendments to IAS 39 — Eligible Hedged Items — effective for reporting periods beginning on or after 1 July 2009 and 1 January 2010.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following principal accounting policies have been applied:

Basis of consolidation
The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to 28 March 2009; however they are not materially different to the results of The Capital Pub Company Plc as a stand-alone company, as the subsidiaries of the Company are dormant and have been dormant for the entire period and the entire comparative periods.

Goodwill
Goodwill representing the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired, is capitalised and reviewed annually for impairment. Goodwill is carried at cost less accumulated impairment losses. The cash-generating unit to which goodwill has been allocated has been tested for impairment annually. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit. All goodwill has been fully written down in the Group's balance sheet. An impairment loss recognised for goodwill is not reversed in any subsequent period.

Goodwill written off to reserves prior to date of transition to IFRS remains in reserves. There is no re-instatement of goodwill that was amortised prior to transition to IFRS. Goodwill previously written off to reserves is not written back to profit or loss on subsequent disposal.

Property, plant and equipment
Freehold buildings are held at their fair value and other property, plant and equipment are stated at cost, net of depreciation and any provision for impairment.

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in the income statement.

Property, plant and equipment excluding freehold buildings are reviewed annually for indications of impairment. Where any indications are identified, assets are assessed individually for impairment. Impairment occurs where the recoverable amount of the asset is less than its carrying amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Any impairment loss is treated as a revaluation decrease to the extent that a surplus exists for the same asset, and thereafter as an expense in the Income Statement. With the current economic climate the Directors have closely monitored recent acquisitions in the industry and compared purchase values with book carrying values and earnings for each site. Based on current trading it has not been deemed necessary to write down the value of any of the properties, however trading performance will continue to be scrutinised and measured in relation to carrying values of individual properties.

Depreciation
Depreciation is provided to write off the cost or valuation of property, plant and equipment on a straight-line basis over its estimated useful life, taking account of expected residual values and using the following rates:

Fixtures, fittings and equipment - 12.5% straight-line
Computer equipment - 50% straight-line

The management's depreciation policy reflects the estimated useful economic life based on the historical investment and refurbishment programme in the estate.

Freehold buildings are depreciated to their estimated residual values. An annual assessment of residual values is performed and there is no depreciable amount if residual values are the same as, or more than, book value. Residual values are based on the estimated amount which would be currently obtainable from disposal of the asset, net of disposal costs, if the asset were already of the age and condition expected at the end of its useful life.

Assets carried at valuation
The only class of asset that is carried at valuation is freehold property. Revaluation is to fair value. Fair value is determined in appraisals by external professional valuers once every three years, unless market-based factors indicate a material change in value. Any revaluation surplus is credited to 'revaluation reserve' in equity, unless the carrying amount has previously suffered a revaluation decrease or impairment loss. Downward revaluations are recognised upon appraisal, with the decrease being charged against any revaluation surplus in equity relating to this asset and any remaining decrease recognised in the Income Statement.

Repairs and Maintenance
Repairs and maintenance expenditure is charged to the Income Statement as incurred.

Inventories
Inventories are stated at the lower of cost and net realisable value and are finished goods. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion. There are no write-downs recognised in the year (2008: £nil).

Financial assets
Financial assets consist of cash and other receivables. Financial assets are assigned to their different categories by management on initial recognition, depending on the contractual arrangements.

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

All financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument and are initially recognised at fair value plus transaction costs, and subsequently at amortised cost.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each balance sheet date whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

Financial liabilities
The Group's financial liabilities include bank loans and overdrafts, trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest related charges are recognised as an expense in 'Finance costs' in the income statement.

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings comprise secured bank borrowings, and are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowings. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Derivative financial instruments
The Group uses interest rate swaps to manage the exposure to changes in interest rates and these are classified as derivative financial instruments. Interest rate swaps are initially measured at fair value on acquisition and are subsequently restated to fair value at each reporting date. A new policy of hedge accounting has been adopted and changes in fair value of the instruments are recognised in the cash flow hedge reserve as a component of equity on the balance sheet.

Hedge accounting
The Group designates certain derivative financial instruments as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the derivative financial instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore at the inception of the hedge and on an ongoing basis the Group documents whether the derivative financial instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values for cash flows of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the other gains and losses line of the Income Statement.

Dividends
Dividend distributions payable to equity shareholders are included in 'Trade and other payables' when the dividends are approved in general meeting prior to the balance sheet date.

Equity
Equity comprises the following:
share capital - represents the nominal value of equity shares;
share premium - represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue;
cash flow hedge reserve – represents changes in the fair value of derivative financial instruments
revaluation reserve - represents gains and losses due to the revaluation of freehold property
profit and loss reserve - represents retained profits;
share options reserve - represents equity-settled share-based employee remuneration until such share options are exercised.

Revenue
Revenue represents sales to customers in the public houses and management fees from third parties less value added tax. Revenue from sales to customers is recognised once the sale has occurred. Revenue from management fees is recognised when the Group has performed its obligation and in return obtained the right to consideration.

Share-based payment
All share-based payment arrangements granted after 7 November 2002 but which had not vested prior to the date of the transition are recognised in the financial statements.

All services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

All equity-settled share-based payments are ultimately recognised as an expense in the income statement with a corresponding credit to 'Share option reserve'. The expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised. Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

Leased assets
Operating lease rentals are charged to the income statement on a straight-line basis over the term of the lease. There are no finance leases.

Taxation
Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity (such as the revaluation of land) in which case the related deferred tax is also charged or credited directly to equity.

Use of accounting estimates and judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect certain of the reported figures. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, however, actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

a) Depreciation rates are based on estimates of the useful lives and residual values of the assets involved, as detailed in note 13.

b) The Group operates share incentive schemes as detailed in note 21. In order to calculate the annual charge in accordance with IFRS2, management are required to make a number of assumptions. The accounting policy in relation to share options is set out above.

c) The impairment review of goodwill is based on the budgeted performance of the relevant pub, which includes various assumptions with regard to trading performance.

Segmental reporting

The Group has a single class of business; that of management and operation of public houses. This is carried out in one geographical area, London, and therefore the directors have not provided additional segmental information.

Acquisitions and disposals

There were no acquisitions or disposals in the year.

4 REVENUE

Revenue relates to the Group's principal activity and arises solely in the United Kingdom.

5 OPERATING PROFIT

This is arrived at after charging:	**2009 £ 000**	2008 £ 000
Depreciation	878	577
Fees payable to the Group's auditor for the audit of the Group's annual accounts	23	-
Fees payable to the Group's auditor and its associates for tax services	3	-
Former auditor- audit fees	7	38
Former auditor – tax services	3	21
Former auditor – other services	15	48
Other operating leases	21	22
Equity-settled share-based payments	44	41

6 ANALYSIS OF OPERATIONS

	Ongoing 2009 £ 000	Acquired 2009 £ 000	Sold 2009 £ 000	Total 2009 £ 000	Ongoing 2008 £ 000	Acquired 2008 £ 000	Sold 2008 £ 000	Total 2008 £ 000
Revenue	19,771	-	-	19,771	15,183	2,068	1,577	18,828
Cost of sales	(5,329)	-	-	(5,329)	(3,951)	(643)	(516)	(5,110)
Gross profit	14,442	-	-	14,442	11,232	1,425	1,061	13,718
Administrative expenses	(10,799)	-	-	(10,799)	(8,082)	(1,007)	(762)	(9,851)
Operating profit	3,643	-	-	3,643	3,150	418	299	3,867

The above note re-states for the prior year as Sold those pubs which were disposed of during the year, for comparative purposes, those defined as Ongoing were held for that entire period and those called Acquired were bought during that period. There were no acquisitions or purchases in the current period.

7 EMPLOYEES

Staff costs, excluding directors, consist of:	2009 £ 000	2008 £ 000
Wages and salaries	5,238	5,139
Social security costs	378	391
Share based payments	26	29
	5,642	5,559

The average number of employees of the Group during the period was 336 (2008: 320). Of these, 326 were based in the pubs (2008: 309) and 10 were in Head Office (2008: 11).

8 DIRECTORS' EMOLUMENTS

	2009 £ 000	2008 £ 000
Emoluments	481	543
Compensation for loss of office	143	-
Share based payments	18	12
	642	555

Fees paid by the Group in respect of the highest paid director amounted to £242,500 (2008: £190,000).

9 TAXATION

	2009 £ 000	2008 £ 000
Current tax:		
Taxation on profits on ordinary activities	**187**	218
Adjustments in respect of prior years	**(89)**	-
	98	218
Deferred tax:		
Original and reversal of timing differences	**(189)**	151
Change in tax rate	**-**	(45)
Total deferred tax	**(189)**	106
Income tax expense	**(91)**	324

The relationship between the expected tax expense based on the tax rate of 28% and the tax expense actually recognised in the income statement can be reconciled as follows:

	2009 £ 000	2008 £ 000
Profit before tax	**449**	802
Profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008: 30%)	**126**	240
Effects of:		
Expenses not deductible for tax purposes	**24**	105
Capital gains in excess of accounting profit	**-**	11
Movement in losses		4
Adjustments for tax rate differences	**-**	(63)
Movement relating to share options	**12**	17
Movement in deferred tax asset	**(164)**	10
Adjustments to prior year (current tax)	**(89)**	
Taxation on profits on ordinary activities	**(91)**	324

10 FINANCE COSTS

	2009 £ 000	2008 £ 000
Bank loans and overdraft	**1,913**	1,976

11 EARNINGS PER SHARE

The table below reconciles reported earnings to Adjusted Earnings which highlight the underlying performance of the business. The calculation of the basic and fully diluted earnings per share is based on this data:

	2009 £ 000	2008 £ 000
Earnings	**540**	478
Movement in fair value of interest rate swaps	**309**	1,060
Impairment of goodwill	**977**	-
Loss on property disposals	-	36
Share options charge	**44**	41
Exceptional operating charges	**305**	-
Adjusted Earnings	**2,175**	1,615
Number of shares		
Weighted average number of shares for basic earnings per share	**19,850,189**	19,693,059
Dilutive effect of share options in issue during the year*	-	579,861
Weighted average number of shares for diluted earnings per share	**19,850,189**	20,272,920

*All share options outstanding at the balance sheet date were out of the money and as such are not considered to be dilutive.

	Pence	Pence
Earnings per share		
Basic earnings per share	**2.72**	2.43
Fully diluted earnings per share	**2.72**	2.36
Adjusted basic earnings per share	**10.96**	8.20
Adjusted fully diluted earnings per share	**10.96**	7.97

12 GOODWILL

	£ 000
Cost or valuation	
At 31 March 2007	977
At 29 March 2008	977
Impairment of goodwill	(977)
At 28 March 2009	-
At 29 March 2008	977
At 31 March 2007	977

The goodwill of £976,500 arose on the acquisition of The Larrik public house (renamed The King's Arms in March 2009). This has been tested for impairment through value in use calculations of the cash-generating unit. Based on the site's recent and budgeted future performance the Directors have calculated the value of the goodwill to be £nil.

13 PROPERTY, PLANT AND EQUIPMENT

	Freehold buildings £ 000	Fixtures, fittings and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost or valuation				
At 31 March 2007	58,667	5,697	163	64,527
Additions	12,562	2,381	95	15,038
Disposals	(8,846)	(1,088)	-	(9,934)
At 29 March 2008	62,383	6,990	258	69,631
Additions	77	761	54	893
At 28 March 2009	**62,460**	**7,751**	**312**	**70,523**
Depreciation				
At 31 March 2007	-	1,136	95	1,231
Charge for the period	-	504	51	555
Disposals	-	(120)	-	(120)
At 29 March 2008	-	1,520	146	1,666
Charge for the period	-	764	81	845
At 28 March 2009	-	**2,284**	**227**	**2,511**
Net book value:				
At 28 March 2009	**62,460**	**5,467**	**85**	**68,012**
At 29 March 2008	62,383	5,470	112	67,965
At 31 March 2007	58,667	4,561	68	63,296

All land and buildings were revalued by HLL Humberts Leisure in February 2007. The properties were valued as operational entities, taking into account their trading potential. As a result, the value of the property portfolio was uplifted by £11,563,000. The Directors have considered the fair value of the freehold properties and are comfortable, given both the quality of the estate and the quality of trading, that carrying values are not materially different from the market value.

If freehold land and buildings had not been revalued, they would have been included on the historical cost basis at the following amounts:

	Freehold buildings £ 000
Net book amount at 28 March 2009	47,420
Net book amount at 29 March 2008	47,650

14 OTHER NON-CURRENT ASSETS

	Total £ 000
Cost or valuation	
At 31 March 2007	527
Additions	504
At 29 March 2008	1,031
Additions	76
At 28 March 2009	**1,107**
Depreciation	
At 31 March 2007	28
Charge for the period	23
At 29 March 2008	51
Charge for the period	33
At 28 March 2009	**84**
Net book value:	
At 28 March 2009	**1,023**
At 29 March 2008	980
At 31 March 2007	499

Other non current assets represent the premiums on the leaseholds of three pubs, which are being written off over the life of the leases. Carrying values are reviewed annually by management to ensure they reflect an accurate valuation of these pubs.

15 TRADE AND OTHER RECEIVABLES

	2009 £ 000	2008 £ 000
Current:		
Trade receivables	**242**	-
Prepayments and accrued income	**113**	122
Other debtors	**119**	502
	474	624

	2009 £ 000	2008 £ 000
Non current:		
Prepayments	**-**	247
Other debtors	**43**	43
	43	290

16 CURRENT LIABILITIES

	2009 £ 000	2008 £ 000
Bank loans and overdrafts (note 18)	**598**	782
Trade payables	**898**	1,117
Corporation tax	**186**	296
Taxation and social security	**612**	408
Accruals	**777**	1,508
	3,071	4,111

17 NON CURRENT LIABILITIES

	2009 £ 000	2008 £ 000
Bank loans (note 18)	**30,286**	29,634

18 FINANCIAL ASSETS AND LIABILITIES

The carrying values of financial assets and liabilities have been analysed into categories as below:

	2009 £ 000	2008 £ 000
Financial assets		
Loans and receivables:		
Current portion of other debtors (note 15)	**361**	502
Long-term portion of other debtors (note 15)	**43**	43
Cash & cash equivalents	**1,647**	415
	2,051	960
Financial liabilities		
Loans and receivables:		
Bank loans and overdrafts (note 16)	**598**	761
Trade payables (note 16)	**898**	1,117
Bank loans (note 17)	**30,286**	29,408
Derivatives used for hedging:		
Fair values of cash flow hedges	**4,408**	741
	36,190	32,027
Total financial liabilities	**34,139**	31,067

	Interest rate	2009 £ 000	2008 £ 000
Cash and cash equivalents	Base rate -1%	**(1,647)**	(259)
Bank borrowings –	Base rate +1.65%, Libor + 1.25%	**30,884**	30,260
Derivative financial instruments			
£15m swap expiring September 2016	6.70%	**2,350**	440
£5m swap expiring September 2017	7.04%	**1,223**	275
£8m swap expiring September 2013	6.45%	**835**	-
£4m collar expiring September 2009		**-**	26
		4,408	741
Total financial liabilities		**33,645**	30,742

Bank borrowings are held at amortised cost; derivative financial instruments are held at fair value, calculated by reference to the net present value of future cash flows.

Bank borrowings

The bank loan and overdraft are secured by a fixed charge over all of the Group's properties, and a debenture over the assets of the Group. The overdraft facility is renewed on an annual basis, the next renewal date being 30 September 2009. The loan is repayable in instalments between 2009 and 2017 with a bullet payment in 2017. The total bank repayments over the remaining term of the loan of £43,552,000 comprise £30,884,000 of capital repayments and £12,668,000 of interest. Bank borrowings including interest are repayable as follows:

	2009	2008
	£ 000	£ 000
Within one year		
Bank overdraft including interest	**-**	166
Bank repayments including interest	**2,516**	1,861
After one and within two years		
Bank repayments including interest	**3,144**	2,481
After two and within five years		
Bank repayments including interest	**9,457**	9,310
After 5 years		
Bank repayments including interest	**28,435**	31,510
Total bank repayments including interest	**43,552**	45,329

Derivative financial instruments

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract. All of the derivative financial instruments are in place to match cash payments made on the floating rate debt.

During the first six months of the year changes in the fair values of the instruments have been recognised in the Income Statement. Following a change of accounting policy from the 28 September 2008 onwards the Group has elected to hedge account for movements in fair value of derivative financial instruments and these are subsequently shown in the Cash Flow Hedge Reserve as a component of equity on the Balance Sheet.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest any cash assets safely and profitably. The Group policy throughout the year has been to ensure continuity of funding by retaining profits, issuing equity shares and agreeing an appropriate loan facility with the bank. Short term flexibility is also achieved by overdraft facilities, when required. As the vast majority of the Group's interest rates are fixed there is negligible risk from interest rate movements. The Group has no foreign investments and as such there are no foreign exchange risks. The Group believes as a highly cash-generative business there is little or no risk of credit impairment.

19 DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period.

	Accelerated tax depreciation £ 000	Revaluation of building £ 000	Revaluation of financial assets £ 000	Tax losses £ 000	Total £ 000
As at 31 March 2007	(677)	(3,976)	-	76	(4,577)
Charge to income	(97)	-	-	(5)	(102)
Charge to equity	-	350	-	-	350
Exchange differences	-	-	-	-	-
	(774)	(3,626)	-	71	(4,329)
As at 29 March 2008	-	-	-	-	-
(Charge) credit to Income	(105)	-	294	-	189
Charge to equity	-	-	940	-	940
Acquisition of subsidiary	-	-	-	-	-
As at 28 March 2009	**(879)**	**(3,626)**	**1,234**	**71**	**(3,200)**

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2009 £ 000	2008 £ 000
Deferred tax liabilities	**4,505**	4,400
Deferred tax assets	**1,305**	71

20 SHARE CAPITAL

	2009 £ 000	2008 £ 000
Authorised		
Equity share capital		
42,500,000 ordinary shares of 50p each	**21,250**	21,250

	Number	£ 000
Allotted called up and fully paid		
Equity share capital		
As at 31 March 2007	19,602,144	9,801
Allotted in the year	177,729	89
As at 29 March 2008	19,779,873	9,890
Allotted in the year	126,035	63
As at 28 March 2009	**19,905,908**	**9,953**

126,035 ordinary shares were issued during the year. The nominal value of these shares was £63,018. In 2008, 177,729 ordinary shares were issued at a nominal value of £88,865.

21 SHARE OPTIONS

The Group operates share option schemes for directors and key employees. Details of the share options over the Group's ordinary shares are as follows:

As at 29 March 2008	Granted in the year	Lapsed in the year	Exercised in the year	As at 28 March 2009	Exercise price	Exercise date from	Exercise date to
3,173,802	-	-	-	3,173,802	115p	23 Sep 2006	22 Sep 2014
91,518	-	-	-	91,518	115p	1 Feb 2001	31 Jan 2011
110,909	-	-	-	110,909	110p	28 Oct 2005	27 Oct 2012
60,000	-	-	-	60,000	110p	15 Nov 2005	14 Nov 2012
120,000	-	(60,000)	-	60,000	115p	4 Aug 2006	3 Aug 2013
80,000	-	(20,000)	-	60,000	115p	15 Mar 2007	14 Mar 2014
50,000	-	-	-	50,000	115p	15 June 2007	14 June 2014
100,000	-	(20,000)	-	80,000	100p	30 Mar 2008	29 Mar 2015
30,000	-	-	-	30,000	100p	1 Aug 2008	31 July 2015
105,000	-	(20,000)	-	85,000	115p	9 Feb 2009	8 Feb 2016
245,000	-	(55,000)	-	190,000	150p	6 Feb 2010	5 Feb 2017
719,850	-	(100,000)	-	619,850	150p	24 May 2009	23 May 2017
121,666	-	-	-	121,666	150p	25 May 2010	24 May 2017
30,000	-	-	-	30,000	113.5p	13 Feb 2011	12 Feb 2018
5,037,745	-	(275,000)	-	4,762,745			

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the year are as follows:

	2009		2008	
	Number	**WAEP (pence)**	Number	WAEP (pence)
Outstanding at the beginning of the year	**5,037,745**	**122**	4,276,229	117
Granted during the year	**-**	**-**	871,516	149
Exercised during the year	**-**	**-**	(20,000	115
Forfeited during the year	**(275,000)**	**134**	(90,000	131
Outstanding at the year end	**4,762,745**	**122**	5,037,745	122
Exercisable at the year end	**3,801,229**	**114**	3,686,229	115

The fair values were calculated using the Black-Scholes Pricing Model. The inputs into the model were as follows:

2009

During the year no options were granted.

2008

During the year the following options were granted:

Date of issue	**Number granted**	**Average share price**	**Average exercise price**	**Expected volatility**	**Expected life**	**Risk free rate**	**Expected dividend yield**	**Fair value at grant date**
	No.	**Pence**	**Pence**	**%**	**Years**	**%**	**%**	**£**
24 May 2007	719,850	87	150	30%	6	4.0	3.0	0.10
25 May 2007	121,666	87	150	30%	6	4.0	3.0	0.10
13 Feb 2008	30,000	91	113.5	30%	6	4.0	3.0	0.18

Expected volatility was determined by calculating the historical volatility of the Group's share price. The expected life used in the model is based on the management's best estimate, taking into account exercise restrictions and behavioural considerations.

In respect of the fair value calculated for the options the following amounts have been included in these financial statements:

	2009 £ 000	2008 £ 000
Included in equity	**(44)**	(52)
Share based payment charged to the profit and loss account	**44**	41

22 CAPITAL COMMITMENTS

	2009 £ 000	2008 £ 000
Contracted but not provided for	**400**	-

23 COMMITMENTS UNDER OPERATING LEASES

The Group has entered into commercial property leases on certain leasehold properties, consisting of public houses. These non-cancellable leases have various remaining non-cancellable lease terms of up to 42 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions. As at 28 March 2009, the Group had commitments over the life of the lease at the current rental amount included below. The figure below also includes satellite contracts non-cancellable within one year:

	2009 £ 000	2008 £ 000
Operating leases which expire:		
Within one year	**643**	656
Two to five years	**822**	1,114
Over five years	**4,817**	5,022

24 DIVIDENDS

	2009	2008
	£ 000	£ 000
Dividends proposed (not recognised as liabilities)	-	415

There is no proposed final dividend for the year.

25 RELATED PARTY TRANSACTIONS

During the period, the following related party transactions took place:

£99,000 (2008: £392,000) was received from The Capital Pub Company 2 plc, now known as The Convivial Pub Company plc, a company of which C Watson and D Bruce were both directors until 23 June 2008, at which date C Watson resigned. There was no balance outstanding at the year end (2008: £176,000). The management agreement between the two companies was terminated on 31 August 2008.

£220,000 (2008: £190,000) was paid to Bar and Kitchen Limited, a company of which C Watson is a director and shareholder, in respect of fees for C Watson's services. There was no balance outstanding at the year end (2008: nil).

£242,500 (2008: £190,000) was paid to Brew Securities Limited, a company of which D Bruce is a director and shareholder, £100,000 of which was for D Bruce's services and £142,500 in lieu of notice for executive directorial duties. There was no balance outstanding at the year end (2008: nil).

£30,000 (2008: £30,000) was paid to European Sales Company Limited, a company of which R Prickett is a director, for the services of R Prickett as a director. There was no balance outstanding at the year end (2008: £nil).

26 POST BALANCE SHEET EVENTS

On 1 April 2009 the Group purchased the entire share capital of Terisco Ltd, owner of The Bishop Public House in East Dulwich, for an initial consideration of £400,000. Further consideration will be payable on an earn-out based on performance of the acquired business over the period to 31 March 2010. The maximum earn-out consideration is capped at £350,000 and will be settled in cash. Accounting for the business combination is incomplete at the date of this report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE CAPITAL PUB COMPANY PLC

We have audited the parent company financial statements of The Capital Pub Company plc for the year ended 28 March 2009 which comprise the principal accounting policies, the balance sheet and notes 1 to 19. These parent company financial statements have been prepared under the accounting policies set out therein.

We have reported separately on the group financial statements of The Capital Pub Company plc for the period ended 28 March 2009.

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 Annual Report and the parent company financial statements in accordance with 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 parent company 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 parent company financial statements give a true and fair view and whether the parent company financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements. The information given in the Report of the Directors includes that specific information presented in the Chairman's Statement that is cross referred from the Business Review section of the Report of the Directors.

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 other information contained in the Annual Report and consider whether it is consistent with the audited parent company financial statements. The other information comprises only the Report of the Directors and the Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the parent company financial statements. Our responsibilities do not extend to any other information.

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 parent company financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the parent company financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE CAPITAL PUB COMPANY PLC

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 parent company 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 parent company financial statements.

Opinion

In our opinion:

- the parent company 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 28 March 2009;
- the parent company financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

Mazars LLP 30 June 2009

Mazars LLP
Chartered Accountants
and Registered Auditors
Tower Bridge House
St Katharine's Way
London E1W 1DD

Notes (a) The maintenance and integrity of The Capital Pub Company Plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE CAPITAL PUB COMPANY PLC

Company Balance Sheet as at 28 March 2009

	Note	2009 £ 000	2009 £ 000	2008 £ 000	2008 £ 000
FIXED ASSETS					
Intangible assets	3		-		869
Tangible fixed assets	4		69,035		68,945
CURRENT ASSETS					
Stock		316		258	
Debtors: due within one year	5	474		624	
Debtors: due after more than one year	6	43		290	
Cash at bank and in hand		1,647		415	
		2,480		1,587	
CREDITORS: amounts falling due within one year	7	(3,071)		(4,111)	
NET CURRENT LIABILITIES			(591)		(2,524)
TOTAL ASSETS LESS CURRENT LIABILITIES			68,444		67,290
CREDITORS: amounts falling due after *more than one year*	8		(30,286)		(29,634)
PROVISIONS FOR LIABILITIES	10		(793)		(688)
			37,365		36,968
CAPITAL AND RESERVES					
Called up share capital	11		9,953		9,890
Share premium account	13		10,588		10,548
Revaluation reserve	13		14,768		14,768
Share option value reserve	13		142		98
Profit and loss account	13		1,914		1,664
EQUITY SHAREHOLDERS' FUNDS	14		37,365		36,968

These financial statements were approved by the board on 30 June 2009.

C WATSON
Director

1 ACCOUNTING POLICIES

The financial information has been prepared under the historical cost convention, as modified by the revaluation of land and buildings, on a going concern basis and in accordance with applicable accounting standards. In accordance with Financial Reporting Standard ('FRS') 18, the Company has reviewed its accounting policies and estimation techniques and consider that these policies are the most appropriate. The following principal accounting policies have been applied:

Turnover
Turnover represents sales to customers in the public houses and management fees to third parties charged less value added tax. Turnover from sales to customers is recognised once the sale has occurred. Turnover from management fees is recognised when the Company has performed its obligation and in return obtained the right to consideration.

Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost or valuation net of depreciation and any provision for impairment. Depreciation is provided to write off the cost or valuation of a fixed asset on a straight-line basis over its estimated useful life, taking account of expected residual values, based on prices prevailing at the date of acquisition or subsequent valuation, using the following rates:

Fixtures, fittings and equipment	- 12.5% straight-line
Computer equipment	- 50% straight-line
Leasehold land and buildings	- over the lease term

On adoption of FRS 15, the Company has followed the transitional provisions to retain the book value of freehold land and buildings, some of which have been re-valued. Depreciation is not charged on freehold properties, because of the long expected useful lives of the properties and their high residual value. In accordance with FRS 15, regular impairment reviews are performed on those properties as prescribed by FRS 11, ensuring the estimated residual values of the properties are not materially different from the carrying value of the property. The portfolio of public houses is re-valued professionally every five years, with an interim valuation in year three. Any material surplus arising on revaluation is credited to the revaluation reserve where it remains until the time it crystallises, at which point it is transferred to the profit and loss account.

Intangible fixed assets and goodwill
Purchased goodwill, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets of the leasehold property acquired, is capitalised and is amortised on a straight-line basis over its estimated useful economic life, being the length of the lease. If goodwill is considered to be impaired this is written down against profit. Goodwill has been written down to nil in the current year following Directors' annual review of current and likely future trading performance at The King's Arms.

Stock
Stocks are finished goods valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Financial instruments
Financial instruments are treated as debt or equity according to their underlying nature, as required by FRS25.

Instruments containing contractual obligations to transfer cash or other financial assets are classified as financial liabilities. Instruments evidencing a residual interest in the Company's assets, after deducting all of its liabilities, are classified as equity and are included within shareholder funds.

Dividend distributions payable to equity shareholders are included in current liabilities when the dividends are approved in general meetings prior to the balance sheet date.

The Company has the following derivative financial instruments in place, full details of which can be found in the Group financial statements:

Derivative financial instruments	*Interest rate*
£15m swap expiring September 2016	6.70%
£5m swap expiring September 2017	7.04%
£8m swap expiring September 2013	6.45%

Taxation
Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity (such as the revaluation of land) in which case the related deferred tax is also charged or credited directly to equity.

Share-based payment
All share-based payment arrangements granted after 7 November 2002 which had not vested by the date of transition to FRS20 are recognised in the profit and loss account.

All services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

All equity-settled share-based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to 'Share option value reserve'.

The expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

2 PROFIT FOR THE YEAR

In accordance with the exemption permitted by Section 230 (3) of the Companies Act 1985, the Company has not presented its own profit and loss account. The profit for the year attributable to ordinary shareholders and dealt with in the accounts of the Company was £663,000 (2008: £1,493,000).

3 INTANGIBLE FIXED ASSETS

	Purchased goodwill £ 000
Cost	
At 29 March 2008	1,080
Additions	-
At 28 March 2009	**1,080**
Amortisation and impairment	
At 29 March 2008	211
Impairment for the period	869
At 28 March 2009	**1,080**
Net book value:	
At 28 March 2009	-
At 29 March 2008	869

4 TANGIBLE FIXED ASSETS

	Freehold buildings £ 000	Leasehold land and buildings £ 000	Fixtures, fittings and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost or valuation					
At 29 March 2008	62,383	1,034	6,990	258	70,665
Additions	77	73	761	54	965
At 28 March 2009	**62,460**	**1,107**	**7,751**	**312**	**71,630**
Depreciation					
At 29 March 2008	-	54	1,520	146	1,720
Charge for the period	-	30	764	81	875
At 28 March 2009	-	**84**	**2,284**	**227**	**2,595**
Net book value:					
At 28 March 2009	**62,460**	**1,023**	**5,467**	**85**	**69,035**
At 29 March 2008	62,383	980	5,470	112	68,945

All land and buildings were revalued by HLL Humberts Leisure in February 2007. The properties were valued as operational entities, taking into account their trading potential. As a result, the value of the property portfolio was uplifted by £11,563,000.

If freehold and leasehold land and buildings had not been revalued, they would have been included on the historical cost basis at the following amounts:

	Freehold buildings £ 000	Leasehold land and buildings £ 000
Net book amount at 28 March 2009	**47,420**	**1,023**
Net book amount at 29 March 2008	47,343	980

5 DEBTORS: DUE WITHIN ONE YEAR

	2009 £ 000	2008 £ 000
Current:		
Trade debtors	**242**	-
Prepayments and accrued income	**113**	122
Other debtors	**119**	502
	474	624

6 DEBTORS: DUE AFTER MORE THAN ONE YEAR

	2009 £ 000	2008 £ 000
Prepayments	**-**	247
Other debtors	**43**	43
	43	290

7 CREDITORS: FALLING DUE WITHIN ONE YEAR

	2009 £ 000	2008 £ 000
Bank loans and overdrafts	**598**	782
Trade payables	**898**	1,117
Corporation tax	**186**	296
Taxation and social security	**612**	408
Accruals	**777**	1,508
	3,071	4,111

8 CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £ 000	2008 £ 000
Bank loans	**30,286**	29,634

9 BORROWINGS

The bank loan and overdraft are secured by a fixed charge over all of the Company's properties and a debenture over the assets of the Company. The loan is repayable in instalments between 2009 and 2017 with a bullet payment in 2017. Bank borrowings are repayable as follows:

	2009	2008
	£ 000	£ 000
Within one year		
Bank overdraft	**-**	156
Bank borrowings	**598**	605
After one and within two years		
Bank borrowings	**1,280**	1,290
After two and within five years		
Bank borrowings	**4,395**	4,385
After 5 years		
Bank borrowings	**24,611**	23,733
	30,884	30,169

10 DEFERRED TAX

	2009	2008
	£ 000	£ 000
The deferred tax included in the balance sheet is as follows		
Included in provisions for liabilities and charges	**(793)**	(688)
Total recognised deferred tax asset / (liability)	**(793)**	(688)
(Accelerated capital allowances) / accelerated depreciation	**(879)**	(774)
Tax losses carried forward	**71**	71
Other temporary differences	**15**	15
Total recognised deferred tax asset / (liability)	**(793)**	(688)
Deferred tax (liability) / asset at the start of the year	**(688)**	(677)
Deferred tax credit / (charge) in profit and loss account for the year	**(105)**	(11)
Deferred tax credit / (charge) in STRGL for the year	**-**	-
Deferred tax (liability) / asset at the end of the year	**(793)**	(688)

11 SHARE CAPITAL

Please refer to the information on page 37 for the disclosure relating to share capital.

12 SHARE OPTIONS

Please refer to the information on pages 37 and 38 for the disclosure relating to share options.

13 SHARE PREMIUM ACCOUNT AND RESERVES

	Share premium account £ 000	Revaluation reserve account £ 000	Share option value reserve account £ 000	Profit and loss account £ 000
At 29 March 2008	10,548	14,768	98	1,664
Premium on shares issued in the year	40	-	-	-
Dividends paid	-	-	-	(413)
Cost of share-based payments	-	-	44	-
Profit for the year	-	-	-	663
At 28 March 2009	**10,588**	**14,768**	**142**	**1,914**

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £ 000	2008 £ 000
Profit for the period	**663**	1,493
Ordinary share capital issued	**103**	273
Dividends paid	**(413)**	(600)
Cost of share-based payments	**44**	41
	397	1,207
Opening shareholders' funds	**36,968**	35,761
Closing shareholders' funds	**37,365**	36,968

15 CAPITAL COMMITMENTS

Please refer to the information on page 39 for the disclosure relating to capital commitments.

16 COMMITMENTS UNDER OPERATING LEASES

The Group has entered into commercial property leases on certain leasehold properties, consisting of public houses. These non-cancellable leases have various remaining non-cancellable lease terms of up to 43 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions. As at 28 March 2009, the Company had annual commitments as set out below. The figure below also includes satellite contracts non-cancellable within one year:

	2009 Other	**2008 Other**	**2009 Land and buildings £ 000**	2008 Land and buildings £ 000
Operating leases which expire:				
Within one year	**144**	-	**292**	-
Two to five years	-	-	-	450
Over five years	-	-	**206**	206

17 DIVIDENDS

Please refer to the information on page 40 for the disclosure relating to dividends.

18 RELATED PARTY TRANSACTIONS

Please refer to the information on page 40 for the disclosure relating to related party transactions.

19 POST BALANCE SHEET EVENTS

Please refer to the information on page 40 for the disclosure relating to post balance sheet events.

THE CAPITAL PUB COMPANY PLC

Company portfolio

The Alexandra
14 Clapham Common South Side, London SW4 7AA Tel. 020 7627 5102

The Anglesea Arms
15 Selwood Terrace, London SW7 3QG Tel. 020 7373 7960

The Belle Vue
1 Clapham Common South Side, London SW4 7AA Tel. 020 7498 9473

The Bishop
27 Lordship Lane, London SE22 8EW Tel. 020 8693 3994

The Boaters Inn
Canbury Gardens, Lower Ham Road, Kingston-upon-Thames KT2 5AU Tel. 020 8541 4672

The Clarence
90-92 Balham High Road, London SW12 9AG Tel. 020 8772 1155

The Durell Arms
704 Fulham Road, London SW6 5SB Tel. 020 7736 3014

The Florence
131-133 Dulwich Road, London SE24 0NG Tel. 020 7326 4987

The George
213 Strand, London WC2R 1AP Tel. 020 7353 9638

The Golden Lion
25 King Street, London SW1Y 6QY Tel. 020 7925 0007

The Hemingford Arms
158 Hemingford Road, London N1 1DF Tel. 020 7607 3303

The Hog in the Pound
28 South Molton Street, London W1K 5RF Tel. 020 7493 7720

The Inn at Kew Gardens & Kew Gardens Hotel
292 Sandycombe Road, Kew TW9 3NG Tel. 020 8940 2220

The King's Arms (formerly The Larrik)
425 New Kings Road, London SW6 4RN Tel. 020 7371 9585

The Ladbroke Arms
54 Ladbroke Road, London W11 3NW Tel. 020 7727 6646

The Marquis of Granby
142 Shaftesbury Avenue, London WC2H 8HJ Tel. 020 7836 8609

The Merchant
23-25 Battersea Rise, London SW11 1HG Tel. 020 7228 7984

THE CAPITAL PUB COMPANY PLC

Company portfolio

The Peer
70 Sydney Street, London SW3 6NJ Tel. 020 7352 7924

The Puzzle
332 Garrett Lane, London SW18 4EJ Tel. 020 8874 4209

The Southern Belle
176 Fulham Palace Road, London W6 8QT Tel. 020 7381 8682

The Square Pig
30-32 Procter Street, London WC1V 6NX Tel. 020 7691 3144

The Teddington Arms
38-40 High Street, Teddington TW11 8EW Tel. 020 8973 1510

The Warwick Castle
6 Warwick Place, London W9 2PX Tel. 020 7266 0921

The World's End
21-23 Stroud Green Road, London N4 3EF Tel. 020 7281 8679

Ye Olde Monken Holt
193 High Street, Barnet EN5 5SU Tel. 020 8449 4280