ESTD 1831

YOUNG'S

ANNUAL REPORT 2013

Our strategy is clear: we are focused on developing and growing an estate of premium pubs, primarily in London and the south east, with a clear emphasis on managed operations.

We will continue to invest to maintain our premium position. We are looking to acquire further managed houses, either packages or individual sites, to increase the size of both our Young's and Geronimo operations.

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FINANCIAL HIGHLIGHTS

	2013 £000	2012 £000	% CHANGE
REVENUE	193,677	178,964	+8.2
ADJUSTED OPERATING PROFIT*	28,935	26,162	+10.6
OPERATING PROFIT/(LOSS)**	27,126	(2,665)	
ADJUSTED PROFIT BEFORE TAX*	24,128	21,333	+13.1
PROFIT/(LOSS) BEFORE TAX**	22,319	(7,494)	
ADJUSTED BASIC EARNINGS PER SHARE*	37.77p	33.41p	+13.0
BASIC EARNINGS PER SHARE	35.23p	(11.13)p	
DIVIDEND PER SHARE (interim and recommended final)	14.63p	13.93p	+5.0
NET ASSETS PER SHARE***	£6.94	£6.59	+5.3

All of the results above are from continuing operations.

* Reference to an "adjusted" item means that item has been adjusted to exclude exceptional items (see note 9).

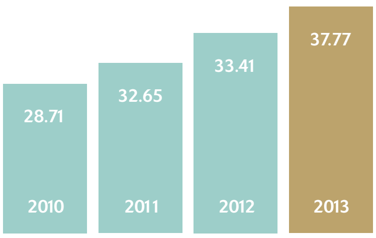
** In the prior period the group changed its policy on valuing property and equipment from the cost model to the revaluation model. This gave rise to a net uplift in the value of property and equipment of £174.0 million. An upward movement of £203.1 million was recognised in equity, while a downward movement of £29.1 million was taken to the income statement resulting in the prior period loss before tax.

*** Net assets per share are the group's net assets divided by the shares in issue at the period end.

Nicholas Bryan
Chairman

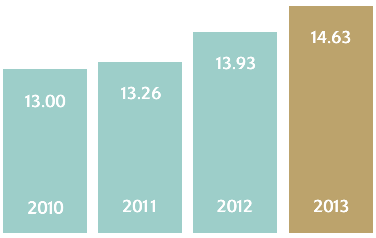
ADJUSTED BASIC EARNINGS PER SHARE (PENCE)

37.77 +13.0%



DIVIDEND PER SHARE (RECOMMENDED) (PENCE)

14.63 +5.0%



I AM PLEASED TO BE ABLE TO REPORT ON ANOTHER VERY POSITIVE AND SUCCESSFUL YEAR FOR YOUNG'S.

After a number of years of significant change, our focus for the past 12 months has been on achieving profitable growth from an expanding estate of premium managed houses, and on maximising returns, both for us and for our tenants, from a smaller tenanted estate. The financial results demonstrate our clear success. Against a challenging backdrop, revenue for the year rose 8.2% to £193.7 million, adjusted profit before tax was up 13.1% at £24.1 million and adjusted basic earnings per share increased 13.0% to 37.77 pence. This performance was built on strong like-for-like performances from both the Young's and the Geronimo managed estates. While we continue to invest heavily in our estate, the group's balance sheet remains robust with a further reduction in net debt to £112.6 million at the year end. This positions us well to invest in further growth opportunities.

On 2 April 2013 two important Board changes took place to enact a smooth and effective succession plan for the management of Geronimo. Rupert Clevely, previously an executive director and Managing Director, Geronimo, moved to a non-executive role, and Ed Turner was appointed to the Board as an executive director, succeeding Rupert as Geronimo's Managing Director. Rupert founded Geronimo in 1995 and joined our Board when we acquired the business in 2010. Ed joined Geronimo in 1999, served as its Commercial Director for a number of years, and became Commercial Director of Young's in 2011. I am pleased that Ed has joined the Board, and thank Rupert for the excellent job he has done in leading Geronimo during its integration with Young's. I am delighted that he will continue to contribute his experience in a non-executive capacity.

In his review, Stephen Goodyear, Chief Executive, reports on a strong start to the current financial year, with managed house revenue in the first seven weeks up 14.7% in total and 10.6% on a like-for-like basis. The year as a whole will continue to benefit from recent pub acquisitions and from our continuing investment in the existing estate – both pubs and hotels. Overall, consumer demand remains subdued. It was therefore encouraging to see, in the March budget, the Chancellor's decision to reduce the tax burden slightly on the beer industry, and his subsequent assertion that this was not the last word from the Government in supporting the pub sector. We will be watching closely to see that these welcome words are backed by further action.

We remain committed to a progressive dividend policy. In light of our strong trading performance and sound financial position, the Board is recommending a final dividend of 7.61 pence per share, a 5.0% increase, resulting in a total dividend for the year of 14.63 pence (2012: 13.93 pence). This final dividend, if approved, is expected to be paid on 11 July 2013 to shareholders on the register at the close of business on 7 June 2013. This would be the sixteenth consecutive year of dividend growth.

A great many people play a part in Young's success, not least our customers, the teams in our pubs, our operational staff, my Board colleagues, and, of course, our shareholders. All deserve my sincere thanks for their continued support.

As always, my colleagues and I look forward to welcoming shareholders at our Annual General Meeting, to be held on 9 July 2013 in the Civic Suite of Wandsworth Town Hall, London SW18.

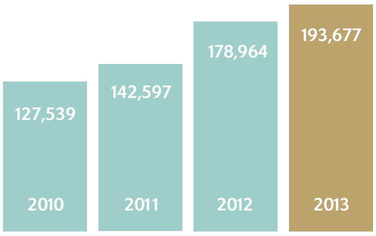
NICHOLAS BRYAN
Chairman
22 May 2013

"PINT IN
HAND ALREADY
#SEEYOUATTHEBAR"

Stephen Goodyear
Chief Executive

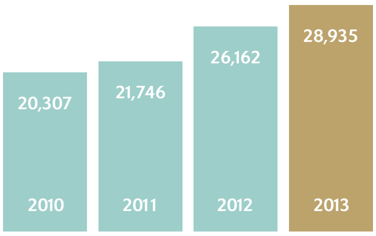
REVENUE (£000)

193,677 +8.2%



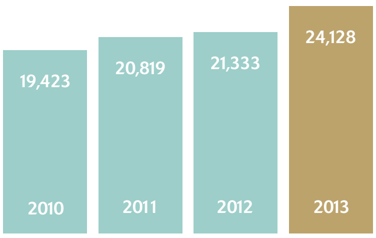
ADJUSTED OPERATING PROFIT (£000)

28,935 +10.6%



ADJUSTED PROFIT BEFORE TAX (£000)

24,128 +13.1%



OVERVIEW

The summer of 2012, representing the first half of our financial year, was dominated in the public consciousness by the unique events in London – the Diamond Jubilee and the Olympic and Paralympic Games. Whilst tempered by some decidedly unseasonal weather, our like-for-like performance over that period saw some benefit from these events. In the second half, when London returned to normal, we delivered further like-for-like growth; this was at a slightly lower rate but still very pleasing as it was achieved against the backdrop of a very strong performance in the comparative period.

Throughout the year our focus has been on driving superior performance across our estate, week in week out, whatever the external forces at play. The strong revenue and profit growth that we have generated are a clear reflection of our success in this regard.

Revenue increased by 8.2% to £193.7 million, with strong like-for-like managed house growth across both Young's and Geronimo. Adjusted operating profit increased 10.6% to £28.9 million. Adjusted profit before tax was up 13.1% at £24.1 million and adjusted basic earnings per share increased 13.0% to 37.77 pence.

Our strategy is unchanged: we are focused on developing and growing an estate of premium pubs, primarily in London and the south east, with a clear emphasis on managed operations. We run pubs as opposed to restaurants and believe ours are well balanced providing our customers with an exciting choice of both food and drink. We will continue to invest in the existing estate to maintain our premium positioning and to grow our hotel business. We are looking to acquire further managed houses, either as packages or individual sites, to increase the size of both the Young's and Geronimo operations.

We remain soundly financed and asset backed. During the year we opened five new managed pubs including one transfer from tenancy. We also made seven disposals from our tenanted estate and decided not to renew two further leaseholds. At the period end therefore we operated an estate of 237 pubs of which 197 were either freehold or long leases on peppercorn rents.

The business again generated a strong operating cash flow of £35.1 million. This, together with the proceeds from disposals and the second instalment from the sale of our stake in Wells & Young's, allowed us to invest £20.5 million whilst still reducing net debt by £5.5 million. Our balance sheet remains strong with net debt at £112.6 million; this represents 2.8 times EBITDA of £40.6 million, and gearing of 33.6%.

As always, our success is in large part due to the unstinting efforts and commitment of our colleagues across the group – our senior management, our operations team and those who look after our customers every day. My board colleagues and I are very grateful to them all.

BUSINESS REVIEW

MANAGED OPERATION

Our managed operation, which comprises 125 Young's managed houses (including 18 hotels) and 34 Geronimo pubs, increased revenue by 10.0% to £181.6 million, representing 93.7% of group revenue. Managed house operating profit before exceptional items was up 12.2% at £39.6 million. Our 146 like-for-like pubs increased sales by 4.6% and generated, on average, sales of £1.1 million and EBITDA of £327,000 per pub.

Young's managed operation revenue was up 7.0%, with like-for-like growth of 5.0%. Total revenue benefited from a number of key factors; the Plough (Clapham Junction) and the Shaftesbury (Richmond), having been transferred from our tenanted operation in the previous year; the more recent additions of the King's Head (Roehampton), the Cutty Sark (Greenwich) and the Narrow Boat (Islington); and from the runaway success of the recently re-opened Wheatsheaf (Borough Market). The impact of the poor weather that plagued the year was partly offset by strong trading at many sites during the London events of summer 2012. Our riverside pubs performed strongly over the Jubilee weekend and sites such as the Dial Arch (Woolwich), our Wimbledon pubs and those close to transport hubs all benefited from Olympic crowds.

Geronimo grew its revenue by 19.2%, driven by six extra sites and like-for-like growth of 3.1%. The Oyster Shed (on the Embankment near Cannon Street) and the Cow and the Calf (both in the Westfield Shopping Centre in Stratford) were recent additions whilst the Half Moon (Putney), Chelsea Ram and the Princess of Wales (Clapton) had been transferred from our tenanted operation. Situated next to the Olympic Park, the Cow and the Calf shattered all our previous group sales records in the second week of the Games. The Calf was a temporary site which closed just after Christmas, and sales at the Cow, as expected, have returned to more normal patterns. The rate of Geronimo's overall sales growth has reduced as a consequence.

Like-for-like drink sales were up 3.2%, reflecting growth in both Young's and Geronimo. Our focus remains resolutely on a premium portfolio of products and this has proven to be very successful with customers continuing to trade up. Interest in craft beers is growing strongly and we have introduced separate cocktail bar concepts with a "Speakeasy" feel at two of our pubs – Smith's at the Brook Green Hotel (Hammersmith) and Old Mary's at the Mitre (Lancaster Gate). Both are proving very popular and we see potential for further such developments at other sites.

Food generated 7.6% like-for-like growth driven by quality, menu content and service initiatives. Food accounted for 29.8% of total revenue in the period (2012: 29.1%).

Hotel accommodation remains an important part of our growth strategy. At the year end we had 397 rooms in total, having added ten at the Bull's Head (Chislehurst) and 17 at the Foley (Claygate) during the year. Accommodation sales have benefited from recent investment, successful online marketing and booking simplicity. Sales were up 5.5% in total and RevPAR (revenue per available room) continues to improve and stands at £49.26, up 0.9% on last year and up from £38.62 three years ago.

Further sales growth is anticipated next year with the full benefit of the recent investments at the Bull's Head and the Foley coming through. In addition, we are, subject to planning, to develop 16 rooms at the Dog & Fox (Wimbledon).

We continue to invest as we strive for excellence at every level – location, ambience and design, product portfolio and service. Despite little or no let up in the depressed economic climate, where some of our competitors may have chosen to invest less in their estate we have continued to invest more and where they may have reduced service levels we have increased them. In doing so we continue to widen our differentiation.

We invested £19.4 million in our managed houses – £16.5 million in Young's sites (of which £4.3 million was on hotels) and £2.9 million within Geronimo. We acquired the Cutty Sark (Greenwich) and the Narrow Boat (Islington). The two largest projects in our existing estate were the hotel development at the Foley (Claygate) and the redevelopment of the King's Head (Roehampton). Other major investments were made at the Albert (Kingston), Betjeman Arms (St Pancras), Chelsea Ram, Clock House (Peckham Rye), Coach & Horses (Kew), Duke's Head (Wallington), Grove (Balham), Marquess of Anglesey (Covent Garden), Princess of Wales (Clapton), Phoenix (Westminster), Shaftesbury (Richmond), Ship (Wandsworth), Thatched House (Hammersmith), Waterside (Fulham) and the Wheatsheaf (Borough Market). In all cases, we applied a creative, innovative and individual design that is the hallmark of our work in developing the modern pub without losing its time honoured appeal.

The major developments undertaken in the year to March 2012, which have now completed their first full year post development generated a 20.1% return on investment based on increases in EBITDA.

We have increased the number of operations managers; reducing the ratio of pubs to operations manager


YOUNG'S
YOUNG'S

"OUR FOOD OFFER REFLECTS OUR EMPHASIS ON HIGH QUALITY SEASONAL BRITISH FOOD, LOCALLY SOURCED AND PREPARED IN-HOUSE."

increases their ability to work more proactively and creatively with their customer-facing retail teams. We have introduced a charter committing to all our retail staff that we will champion their cause through better communication, better training and development opportunities and faster response times to their needs. We are also increasing our focus on measuring service levels through mystery customer visits, doubling the number of annual visits to eight per pub. The outcome of these visits has a direct impact on the bonus the pub manager earns and results in a more committed team who deliver the best in customer service and a marked increase in productivity per pub.

Social media is a cornerstone of our marketing strategy. Our e-marketing databases have now surpassed 500,000 individual addresses, and with a growing number of Facebook fans and Twitter followers, more and more of our customers are using their mobiles to search out and book places to eat, drink and stay online. Over 30% of our five million website hits originate from hand held devices. As a consequence we continue to exploit our digital presence for mobile and tablet access which will further increase our ability to reach local communities and build loyalty and footfall.

Our food offer reflects our emphasis on high quality seasonal British food, locally sourced and prepared in-house. Successful butchery, fish and game master classes have been run in many pubs and proved popular with customers who are increasingly interested in learning more about their food and its provenance, especially at a time of heightened consumer awareness. We also hosted special events in our Clubrooms – fish filleting, preparing a whole pig and an offal dinner were all available to reinforce further the diversity and quality of our food offer.

Beer and food matching dinners have also proved popular, with London seeing a strong resurgence in cask and craft beers. Wells & Young's beers remain at the heart of all of our pubs and London craft beers from the Meantime Brewery and Camden Brewery have been successfully introduced alongside them to ensure that discerning drinkers are offered their artisanal beers of choice.

Private hire and events have been major profit drivers over the past year. We are liaising with local businesses and creating bespoke occasions throughout the week to cater for an ever-increasing circle of customers in our communities, from Mums and Toddler groups to yoga sessions. Movie nights showing the latest releases have also gone down well. Free films and popcorn at the Grove (Balham) and Lord Palmerston (Tufnell Park) have helped drive custom whilst offering residents a cinema on their doorstep, reinforcing the role of the pub at the heart of its community. Pub quizzes are enjoying a strong revival, bringing customers in on quieter nights and once again reinforcing the community element of what we do best. The weekly Tuesday "Adventure Quiz" at the Hollywood Arms (Chelsea) was recently voted one of London's top five pub quizzes by the Evening Standard.

Each year we acknowledge the talent that we have within our managed operations through an annual awards ceremony. This year's winners, for the second year running, were Mick and Sarah Dore at the Alexandra (Wimbledon), a remarkable achievement bearing in mind the intense competition.

TENANTED OPERATION

Our tenanted strategy is to reposition our estate by focussing on fewer but better quality and well invested tenanted pubs. We have reduced the estate from 97 to 78 over the past two years. We sold 13 tenanted pubs, generating proceeds of £8.8 million and an exceptional profit of £2.2 million; this includes the seven pubs

we have sold this year. In addition, our leases expired on two further sites and we transferred the Princess of Wales (Clapton) to our Geronimo operation. This smaller estate generated 6.0% of group revenue in the year. As a result, revenue in our tenanted division was down 2.4% on a like-for-like basis and in total down 14.3% to £11.6 million. Total operating profit before exceptional items reduced by 2.6% on a like-for-like basis and by 19.7% to £4.2 million in total. The remaining 78 pubs generated an average EBITDA per outlet of £68,000.

Since the year end we have transferred the Marquess Tavern (Islington) and the Three Lords (the Minories in the City) to our Young's managed operations, and over the coming weeks the Bull's Head (Barnes) is set to become Geronimo's third high profile music venue following its successes with the Elgin (Notting Hill) and the Half Moon (Putney).

We are investing in the retained tenanted estate; £1.0 million was spent last year and a further £1.4 million is scheduled for this year. We continue to promote the traditional tenancy model, focussing on packages offering a three or five year agreement with the tenant having limited responsibility for repairs and decoration. Young's approach to its tenants has always been based on a strong partnership principle and we operate a legally binding code which is constantly being updated to meet the latest requirements of the UK pub industry framework code of practice. As a consequence we believe that the Government's latest consultation is unlikely to have a material impact on our tenanted operations.

In November 2012 Andrew Cox joined Young's as Director of Property and Tenancies and assumed responsibility for the tenanted operation. A member of the Royal Institution of Chartered Surveyors, he brings 29 years of experience from Mitchells & Butlers to his new role. Under Andrew's leadership and with the estate now largely restructured, the focus is on working to drive attractive and sustainable returns both for our tenants and for Young's.

INVESTMENT AND FINANCE

Revenue rose by 8.2%, benefiting from recent acquisitions and underpinned by 4.6% like-for-like growth within the managed estate.

Our managed estate now accounts for over 93.7% of group revenue, up from 89.6% just two years ago. Operating margin was 14.9%, an increase of 0.3%pts since last year.

Net interest costs of £4.8 million were unchanged compared with last year, as we again benefited from a pension interest credit of £0.5 million (2012: £0.8 million) and a £0.5 million credit (2012: £0.5 million) relating to the unwinding of the discount applied to the sale proceeds from our shareholding in Wells & Young's in August 2011.

Total profit before tax for the year was £22.3 million and once adjusted for exceptional items (see note 9) was £24.1 million, up 13.1% on last year. The £5.9 million tax charge (excluding exceptional tax) on this equates to an effective tax rate of 24.3% (2012: 24.6%). The adjusted basic earnings per share increased by 13.0% to 37.77p.

In January this year CBRE, an independent and leading commercial property and real estate services adviser, revalued 20% of our estate. As permitted by IAS 16 and in common with other listed pub groups a revaluation of the remaining 80% of the pub estate was undertaken internally, led by Andrew Cox, the Director of Property and Tenancies, using updated trading results, management's knowledge of each pub and applying the results of the external valuation. This revaluation has resulted in a total property value of £515.9 million (2012: £502.0 million), driven by a net upward revaluation of £7.6 million and additions of £20.5 million offset by depreciation of £11.7 million and disposals of £2.5 million. As in the previous year and in accordance with IFRS, individual increases in value have been reflected in the revaluation reserve in the balance sheet (except to the extent that they had previously been revalued downwards) and individual falls in value below cost have been accounted for through the income statement.

Net cash flow from operating activities was £35.1 million reflecting robust trading. We invested a total of £20.5 million, part funded by the disposal of seven tenanted pubs for £4.2 million. In addition, the second £5.0 million instalment of the consideration due from the sale of our interest in Wells & Young's was received from Charles Wells in February, with the final £5.0 million instalment falling due in February 2014.

Net debt at the period end was £112.6 million, down £5.5 million. £100 million of this debt has been effectively fixed at below 5.0%, with none needing to be refinanced until December 2015. Interest costs were covered 4.9 times by operating profits and net debt was a 2.8 times multiple of EBITDA of £40.6 million.

At the year end there was an IAS 19 pension deficit of £8.8 million (2012: £8.3 million). This small increase in deficit was the result of the lower discount rate applied to the scheme liabilities, offsetting strong investment returns achieved from the scheme's assets. Total cash contributions were £2.7 million for both past and current service. This scheme has been closed to new entrants since February 2003.

Net assets per share are £6.94 (2012: £6.59) after taking account of deferred tax and £8.00 (2012: £7.71) if excluded.

CURRENT TRADING AND OUTLOOK

Trading since the period end has been strong. Managed house revenue in the first seven weeks of the new financial year was up 14.7% in total and 10.6% on a like-for-like basis, albeit the comparative period a year ago was affected by some truly dismal weather. Over a thirteen week period, which gives a more rounded picture, like-for-like trade was up 3.7%.

Looking at the current year as a whole, whilst we obviously will not enjoy a repeat of the exceptional London events of last summer, it is difficult to believe the weather can be as bad. We will see a full year's benefit of two recent acquisitions, the Cutty Sark (Greenwich) and the Narrow Boat (Islington). There's also the recently reopened Foley (Claygate), following its transformation into a beautiful 17 bedroom hotel, the King's Head (Roehampton) and the Wheatsheaf (Borough Market) which re-opened in December after a lengthy closure and which is proving a huge success.

Since the year end we acquired the Bull & Gate (Kentish Town) for Young's and we remain active in looking for other sensibly priced opportunities, either in the form of individual pubs or packages.

A new and refreshing corporate identity is being introduced. This will be progressively incorporated in our pub signage, ale brands and other materials. It is a confident, contemporary brand image which reinforces our premium positioning whilst importantly retaining the famous ram to acknowledge our history and heritage.

We were very pleased to see the Government's decision, announced in the March Budget, to reduce the general beer duty rate and to scrap the duty escalator from 2014. The Chancellor of the Exchequer, George Osborne, has since stated publicly that he saw these moves as being just the beginning of greater Government support for the pub sector and we look forward to the Government fulfilling this important commitment.

We remain as focused as ever on driving profitable growth through the proactive management of our well invested and predominantly managed estate. Our premium offer continues to prove attractive despite the continued caution on the part of the UK consumer. With the quality of our estate, the talent within the business and our balance sheet strength, we believe that Young's remains in a strong position to continue to grow and deliver value to our shareholders.

STEPHEN GOODYEAR
Chief Executive
22 May 2013


YOUNG'S



NICHOLAS BRYAN, B.A., F.C.A.
NON-EXECUTIVE CHAIRMAN

Appointed to the board in 2006 and as non-executive chairman in 2011. Member and chairman of the company's audit committee as well as a member of the company's remuneration committee. Co-founder and chief executive of the Innserve Group. Has particular expertise in the hospitality, property and brewing sectors gained through various positions within Courage (including managing director of Courage UK (1992-95)). Has held other chairman and non-executive director roles while a management committee member of Investcorp (1995-2001). Began his career in finance as a chartered accountant and with positions at Lonrho and Hanson. Aged 60.

PETER WHITEHEAD, F.C.A.
FINANCE

Joined the company and the board as finance director in 1997. Qualified as a chartered accountant with KPMG in 1988, becoming a fellow of the Institute of Chartered Accountants in 1998. Previously worked for Fuller, Smith & Turner P.L.C. (1990-97). Aged 51.

ROGER LAMBERT, M.A.
NON-EXECUTIVE AND SENIOR INDEPENDENT DIRECTOR

Appointed to the board in 2008 and as senior independent director in 2011. Member of the company's audit and remuneration committees. Chairman of Corporate Broking and Joint Deputy Head of European Investment Banking, Canaccord Genuity. Previously worked for 26 years in corporate finance at JPMorgan Cazenove where he was a senior managing director with responsibilities for corporate client coverage of the consumer sector. Has a wealth of relevant expertise in brewing, drinks and hospitality, having acted for over 25 companies in the sector. Was involved in many of the major transactions that changed the industry in recent years and developed considerable advisory expertise in the area of small, family and medium sized companies. Aged 54.

STEPHEN GOODYEAR
CHIEF EXECUTIVE

Joined in 1995 as sales director. Appointed to the board in 1996 as sales and marketing director. Appointed chief executive in 2003. Previously worked for Courage Ltd (1974-95) in a number of senior roles. Aged 57.

PATRICK DARDIS
RETAIL

Joined in 2002 and appointed to the board in 2003. Has overall responsibility for the operation of the Young's managed estate as well as for Young's managed house pub acquisitions and developments. Previous positions have included director of retail operations at Wolverhampton & Dudley PLC, business development with Guinness Brewing and retail management with Whitbread PLC and Courage Ltd. Aged 54.

DAVID PAGE
NON-EXECUTIVE

Appointed to the board in 2008 and as chairman of the company's remuneration committee in 2011. Also a member of the company's audit committee. His current restaurant portfolio includes Rocca, Franco Manca, Bukowski and The Real Greek. Co-founder and chairman of The Clapham House Group, owner of Gourmet Burger Kitchen and other restaurant brands. Prior to founding Clapham House, he spent 27 years with Pizza Express. He owned and ran the largest franchisee organisation, G&F Group, for 18 years and became chief executive of the holding company on its flotation in 1993. He was elevated to chairman in 1998 and returned to the post of chief executive in 2002. He is chairman of Fulham Shore plc, a quoted ISDX growth company, which is to be a restaurant consolidator. Aged 60.

TORQUIL SLIGO-YOUNG
HUMAN AND INFORMATION RESOURCES

Joined in 1985. Held a number of senior positions in different areas of the company before being appointed to the board in 1997. Has overall responsibility for personnel, health and safety and the group's technological needs. Previously worked for stockbrokers Bell, Lawrie, Macgregor & Co. Aged 53.

EDWARD TURNER
MANAGING DIRECTOR GERONIMO INNS

Joined in 2010 and appointed to the board in April 2013. Has overall responsibility for Geronimo Inns, including strategy and pub acquisitions and developments within the Geronimo estate. Also responsible for marketing and for learning and development in all of the group's managed pubs. Joined Geronimo in 1999, becoming Operations Director that year, and then held the position of Commercial Director for a number of years before Geronimo was acquired by Young's. Previously in retail management with Mitchells & Butlers (1989–99). Aged 45.

RUPERT CLEVELY
NON-EXECUTIVE

Joined the company and the board in 2010. Retired from his executive position and became non-executive in April 2013. As an executive director, had overall responsibility for the management and development strategy of Geronimo Inns which he co-founded. Previous to this, worked at Veuve Clicquot Champagne where he held the position of worldwide marketing director and managing director UK (1990-2000). Aged 55.

The directors present their annual report, and the audited financial statements, for the financial period ended 1 April 2013.

In this report reference to the "company" or to "Young's" is to Young & Co.'s Brewery, P.L.C., and reference to the "group" is to the group of companies of which Young's is the parent company.

The Chairman's statement (on page 3) and the Chief Executive's report (on pages 5 to 11) both form part of this report.

PRINCIPAL ACTIVITIES

The group's principal activities are described in the Chief Executive's report.

BUSINESS REVIEW

A review of the group's business is contained in the Chairman's statement and in the Chief Executive's report.

KEY PERFORMANCE INDICATORS

The board measures the development, performance and position of the group's business by reference to the following factors:

- **ADJUSTED PROFIT BEFORE TAX**
  This is the profit before tax on continuing operations only, adjusted to exclude any exceptional items for the group. See note 10.
- **ADJUSTED EARNINGS PER SHARE**
  This is the adjusted profit before tax detailed above, but after tax has been deducted, divided by the weighted average number of ordinary shares in issue; it provides a useful statistic to compare with a share price or dividend, for instance. See note 16.
- **LIKE-FOR-LIKE REVENUE**
  This is same outlet like-for-like revenue growth for this period compared with the last period for the pubs and hotels that traded throughout both periods.
- **REVPAR**
  This is the group's revenue per available bedroom; it is the average room rate achieved multiplied by the occupancy percentage.
- **EBITDA**
  This is the adjusted earnings before interest, taxes, depreciation and amortisation by business segment.
- **INTEREST COVER**
  This is the group's adjusted operating profit divided by the finance costs.
- **GEARING**
  This is the group's net debt divided by the group's net assets.

Both interest cover and gearing are useful tools in determining whether the business can maintain its current level of debt or its capacity to increase that level.

The performance of the business, measured by reference to these factors, is shown in the Chief Executive's report and in the financial highlights on page 1.

PROFIT AND DIVIDENDS

The profit for the period attributable to shareholders was £17.0 million. The directors recommend a final dividend for the period of 7.61p per share. Subject to approval at the AGM, this is expected to be paid on 11 July 2013 to shareholders on the register at the close of business on 7 June 2013. When added to the interim dividend of 7.02p per share, this will produce a total dividend for the period of 14.63p per share.

ANNUAL GENERAL MEETING

Notice convening the AGM and an explanation of the resolutions being proposed are set out on pages 57 to 61.

IMPORTANT EVENTS SINCE THE END OF THE PERIOD

The Chief Executive's report contains particulars of important events affecting the group which have occurred since the end of the period.

LIKELY FUTURE DEVELOPMENTS

An indication of likely future developments in the group's business is contained in the Chief Executive's report.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the group are listed below. It is not an exhaustive list of all significant risks and uncertainties. Some risks may currently be unknown and other risks currently regarded as immaterial could turn out to be material.

- **REDUCED CONSUMER SPENDING**
  The group's revenue is largely dependent on consumer spending which can be affected in numerous ways; examples include the general economic environment and terrorist activity. Attitudes to various social factors are relevant too, as is consumers' heightened awareness of a healthy lifestyle and the potential adverse health consequences associated with misuse of alcohol. Consumers also have a wide range of choice of where to spend their money, whether this is at the group's pubs and hotels, at those of its competitors or at off licences,

supermarkets and takeaways, or at competing leisure attractions such as cinemas. Focusing on the individuality of each of the group's outlets and being located throughout London and southern England helps mitigate this risk to a degree; the group also seeks to minimise this risk further with its customer focused designs, high service standards and quality food and market leading drinks. Spending in the group's pubs and hotels is also affected by the weather; traditionally they tend to be busier in the summer and on warm, sunny days, especially those with outside areas. Holiday periods such as Christmas, New Year and bank holidays also tend to be better for trade. Recognising this, the group seeks to exploit its excellent locations and offerings to address the impact of seasonality, wherever possible, by capturing demand in busy periods and encouraging customers to visit in quieter periods.

- **SUPPLIERS: DRINK, FOOD AND UTILITIES**

The group relies on a number of suppliers for drink, food and other services to its pubs and hotels. Part of the group has an exclusive agreement with its former associate, Wells & Young's, for the supply of drinks to its pub estate. The group also has a number of arrangements with food suppliers, including its former majority owned subsidiary, Sticky Fingers Food Limited. In terms of both food and drink the group remains exposed to the risk of price increases and to the risk of interruption or failure of suppliers resulting in products not being delivered on time or to the standard expected. It attempts to mitigate this risk by entering into fixed price arrangements, by regularly reviewing the suppliers it uses, by having informal arrangements in place such that substitute suppliers or products could be used if required and by having safety measures in place which seek to ensure product integrity is maintained wherever possible. The group uses a large amount of electricity and gas and is therefore particularly subject to fluctuations in their cost. To help counter this the group's needs and price changes in the market are reviewed regularly and, where appropriate, it makes forward purchases; it is also continually looking at ways of promoting further efficiencies in energy consumption.

- **LICENSING**

If they believe that any of the Government's licensing objectives is being compromised, local residents, the police and other relevant agencies can ask the local authority to review a premises licence; local health bodies can also instigate a review. This could result in a range of possible outcomes, including further conditions being attached to a licence, trading hours being reduced, a change in the pub's management being called for or ultimately a licence being suspended or revoked. Penalties for non observance of certain aspects of the licensing laws can also be severe and include the possibility of a licence being suspended. The group has training programmes in place which have been designed to achieve compliance with these laws and to have the group's pubs and hotels run in a responsible manner thereby minimising some of these risks.

- **OTHER REGULATION**

Changes in regulation can have a significant impact upon the group's business. In addition to those already mentioned, other examples include increases in the minimum wage and proposed improvements in glass safety. The group seeks to mitigate these through continual consideration of operating procedures to ensure any cost increases arising from such changes can be mitigated through increases in productivity. As a member of the British Beer and Pub Association ("BBPA") it also seeks to ensure that the impact of any new legislation is considered well in advance of its introduction and that plans are put in place to address any required changes in advance of any implementation date. In addition it works with an outside third party in ensuring changes in health and safety practices and procedures are incorporated into the business and reviewed on a regular basis.

- **TAXATION**

A number of tax related matters affect the group, including business taxes, duty on alcoholic beverages and property rates. Again, as a member of the BBPA, the group seeks to ensure that appropriate action is taken to minimise tax related risks. It also regularly reviews its operating procedures to identify ways in which the impact of tax related cost increases can be lessened through productivity increases and cost reductions.

- **PENSIONS**

The group operates a defined benefit scheme: the Young & Co.'s Brewery, P.L.C. Pension Scheme. Its operation gives rise to various funding risks the main one of which is the variability of the amount of contributions required to be paid to it by the group in order to account for past service benefit deficits and future service benefit accruals. These, in turn, are impacted at any point in time by changes in life expectancy assumptions, the performance of the stock market and bond yields. The scheme has been closed to new entrants for a number of years and the group makes additional contributions over and above regular service contributions in order to address any funding deficit. The group also maintains a close dialogue with the scheme's trustee.

• **PEOPLE**

People play a key part in helping the group maintain its premium position within the pub sector. This, and the group's ability to achieve its strategic and operational objectives, could therefore be affected if the group is unable to attract, retain, develop and motivate the best people with the right capabilities throughout the organisation, whether that be in the pubs, hotels or head office. Therefore significant investment is made in recruitment, remuneration packages are competitive, reward policies are in place and comprehensive training is provided to ensure that the group's people have the right skills to perform their jobs successfully and achieve their full potential.

• **IT AND TELECOMS**

The group, and particularly its managed estate, is reliant on IT systems for communication, sales transaction recording, stock management, purchasing, accounting and reporting and many of its internal controls. Any failure of these systems would cause some degree of disruption to the business and any extended period of downtime, loss of backed up information or delay in recovering information could affect performance significantly. To help protect against this, information is routinely backed up and arrangements are in place with third party providers to assist with data recovery and business continuity. The group also regularly monitors the needs of the business and invests in new technology and services as necessary.

• **FINANCE**

Note 24, starting on page 46, contains an indication of the group's exposure to certain financial risks.

• **REGULATION OF TIED PUBS**

According to the Government self-regulation has had some positive impact on the industry but this has not been sufficiently far-reaching. As a result, last month the Government began to consult on establishing a statutory code (to govern the relationship between large pub companies and their tenants) and an independent adjudicator for the pubs sector (to enforce that code). As currently proposed, this new regulatory regime would not apply to the group as it doesn't have more than 500 non-managed pubs. The consultation is due to end next month. According to the consultation the willingness of smaller companies to operate a self-regulatory regime, in particular with regards to the creation of company codes and their certification by an appropriate body, is likely to influence the decision on whether the threshold for the code should be set at 500. From the company's perspective further regulation of its relationships with its tenants would be disappointing as the company's tenancy agreements already address the perceived industry issues. Further, the company operates a legally binding code which is currently being updated to meet the latest requirements of the UK pub industry framework code of practice on how tied agreements should operate in the pub trade; this is expected to be accredited later this year.

FINANCIAL INSTRUMENTS AND RELATED MATTERS

The group's financial risk management objectives and policies are set out in note 24, starting on page 46.

PAYMENT OF SUPPLIERS

The company's policy is to pay those persons who are or may become its suppliers promptly at the end of the month following the month in which invoices are received provided all trading terms and conditions have been complied with. As at 1 April 2013 the aggregate amount owing to trade creditors (see note 23 on page 46) was equivalent to 34 days' average purchases from suppliers (2012: 35 days).

GOING CONCERN

This report contains a review of the group's business together with a list of principal risks and uncertainties facing the group. The financial position of the group, its cash flows, liquidity position and borrowing facilities are described within the financial statements. Note 24, starting on page 46, summarises the group's capital management and principal treasury objectives and some tools it uses to monitor and manage its exposure to certain financial risks (including credit risk and liquidity and cash flow risk). The group has a predominantly freehold backed balance sheet and committed facilities of £150 million in place, of which £118.5 million was drawn down at the period end, none of which needs to be refinanced until December 2015. The directors believe that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook and they have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and financial statements.

DIRECTORS

NAMES AND BRIEF BIOGRAPHICAL DETAILS

The names and brief biographical details of the current directors are on page 13. Apart from Edward Turner (who joined the board on 2 April 2013), all of them were directors throughout the period; no other person was a director during the period.

LENGTH OF APPOINTMENTS

Each of the executive directors has been appointed for an indefinite period. The period of notice required to be given to terminate his appointment is as follows:

NAME	MINIMUM PERIOD OF NOTICE FROM YOUNG'S	MINIMUM PERIOD OF NOTICE FROM THE EXECUTIVE
Stephen Goodyear	one year	six months
Torquil Sligo-Young	one year	six months
Peter Whitehead	one year	six months
Patrick Dardis	one year	one year
Edward Turner	one year	one year

No compensation is payable by Young's for early termination.

Each of the non-executive directors is part way through a three year term: Nicholas Bryan's expires on 11 July 2014, both Roger Lambert's and David Page's on 31 July 2014 and Rupert Clevely's on 1 April 2016.

RE-APPOINTMENT

Under the company's articles of association the following automatically retire from office at every AGM but may offer themselves for re-appointment:

- any director who held office at the time of the two preceding AGMs but did not retire at either of them – this applies to Nicholas Bryan, Stephen Goodyear and Patrick Dardis at this year's AGM; and
- any director appointed by the board since the last AGM – this applies to Edward Turner at this year's AGM.

Nicholas Bryan, Stephen Goodyear, Patrick Dardis and Edward Turner are seeking re-appointment and their brief biographical details are on page 13.

REMUNERATION

Details of each director's remuneration appear in note 8(b) on page 35. No director is involved in deciding his own remuneration. The remuneration of the executive directors is determined by the company's remuneration committee; the remuneration of the non-executive directors is determined by the executive committee. None of the executive directors receives remuneration as a non-executive director elsewhere.

QUALIFYING INDEMNITY PROVISIONS

The company's articles of association contains an indemnity provision in favour of the directors; this provision, which is a qualifying third party indemnity provision, was in force throughout the period and is in force at the date of this report. Additional indemnity provisions in favour of Rupert Clevely are described in note 30 on page 53; these provisions, which are qualifying third party indemnity provisions, were in force throughout the period and are in force at the date of this report.

DIRECTORS' HOLDINGS AND INTERESTS

The holdings and interests of the directors who held office at the period end (and their immediate families) in the share capital of the company are shown in the table below; these are in addition to the interests shown in notes 8(d) and (e) on page 36.

		As at	A shares	Non-voting shares
Nicholas Bryan	Beneficial and family	**1 April 2013**	**8,505**	**–**
		2 April 2012	8,505	–
Stephen Goodyear (i), (ii)	Beneficial and family	**1 April 2013**	**119,836**	**–**
		2 April 2012	111,004	–
Torquil Sligo-Young (i), (ii)	Beneficial and family	**1 April 2013**	**240,971**	**10,000**
		2 April 2012	240,971	14,000
	Trustee	**1 April 2013**	**3,317,972**	**111,436**
		2 April 2012	3,317,972	111,436
Peter Whitehead (i), (ii)	Beneficial and family	**1 April 2013**	**50,000**	**–**
		2 April 2012	50,000	–
Patrick Dardis (i), (ii)	Beneficial and family	**1 April 2013**	**7,869**	**–**
		2 April 2012	7,869	–
Rupert Clevely (i)	Beneficial and family	**1 April 2013**	**17,000**	**–**
		2 April 2012	80,756	–
Roger Lambert	Beneficial and family	**1 April 2013**	**5,250**	**5,000**
		2 April 2012	1,000	1,000
David Page	Beneficial and family	**1 April 2013**	**3,278**	**–**
		2 April 2012	3,278	–

Also interested in:

(i) 719,956 (2012: 762,284) A shares held in trust by RBT II Trustees Limited – see note 30 on page 54

(ii) 502,769 (2012: 702,769) A shares held in trust by Young's Pension Trustees Limited – see note 30 on page 54

CORPORATE GOVERNANCE

The board is committed to good corporate governance in the management and operation of the group's business.

THE BOARD

The business and management of the group is the collective responsibility of the board. At each meeting the board considers and reviews the group's financial and trading performance. It has a formal written schedule of matters reserved for its review and approval; this includes matters such as strategy, long term objectives and major financial and key operational issues. The board meets every two months with additional meetings arranged as required; it met six times during the period. Formal agendas and reports are provided to the board on a timely basis along with other information to enable it to discharge its duties. All directors have access to independent professional advice at the company's expense and to the advice and services of the Company Secretary. There is a clear division of responsibility between the Chairman (who is responsible for the effective running of the board) and the Chief Executive (who has overall responsibility for the running of the business).

COMMITTEES

The board has four standing committees: executive, audit, remuneration and disclosure.

• EXECUTIVE COMMITTEE

This comprises the executive directors and is chaired by Stephen Goodyear, the Chief Executive. It usually meets on a weekly basis and is responsible for the daily running of the group and the execution of approved policies and the business plan. Members of the company's senior management are invited to attend as appropriate.

• AUDIT COMMITTEE

This comprises Nicholas Bryan, who chairs it, Roger Lambert and David Page. It assists the board in fulfilling its oversight responsibilities; its primary functions are to monitor the integrity of the company's financial statements and internal control systems (including risk management), to oversee the company's relationship with its external auditor and to review the effectiveness of the audit process. The committee's terms of reference, which set out in full its responsibilities, can be found in the investor relations section of www.youngs.co.uk.

- **REMUNERATION COMMITTEE**
  This comprises David Page, who chairs it, Nicholas Bryan and Roger Lambert. Its primary function is to determine, on behalf of the board, the remuneration packages of the executive directors. The committee's terms of reference, which set out its other responsibilities, can be found in the investor relations section of www.youngs.co.uk.

- **DISCLOSURE COMMITTEE**
  This comprises the executive directors and is chaired by Peter Whitehead, the Finance Director. It assists the company in making timely and accurate disclosure of information required to be disclosed in order to meet legal and regulatory obligations. The committee's terms of reference, which set out its other responsibilities, can be found in the investor relations section of www.youngs.co.uk.

- **NOMINATION COMMITTEE**
  In practice the Chairman and the Chief Executive lead on the board nomination and appointment process. They consider the balance of skills, knowledge and experience on the board and make appropriate recommendations for consideration by the board. This formal but unwritten process has been used effectively for a number of years and has led the board to remain of the view that it should continue to operate in this way rather than through a more formal nomination committee.

INTERNAL CONTROL

The board has overall responsibility for the internal control system and for reviewing its effectiveness. The executive directors implement and maintain the risk management and internal control systems. The audit committee assists the board in fulfilling its oversight responsibilities by monitoring the system's integrity. The system of control has been designed to manage risk; it cannot eliminate it and therefore provides reasonable, not absolute, assurance against material misstatement or loss.

RELATIONS WITH SHAREHOLDERS AND INVESTORS

Copies of the annual report and the financial statements and the interim report are sent to all shareholders and copies are available at www.youngs.co.uk. The company's website also provides other information for shareholders and interested parties. Written or e-mailed enquiries are handled by the Company Secretary. Shareholders are given the opportunity to ask questions and raise issues at the AGM; this can be done formally during the meeting or informally with the directors after it. The Chief Executive and the Finance Director meet with institutional investors and analysts after the announcement of the interim and year end results. Additional meetings with institutional investors and/or analysts are arranged from time to time.

EMPLOYEES

Considerable importance is placed on communications with employees and so, within the limitation of commercial confidentiality and security, Young's provided them with information concerning trading, development and other appropriate matters. It did this at many levels throughout the business on both a formal and informal level, including through management presentations. It also consulted regularly with employees and their representatives thereby enabling the board to have regard to their views when making decisions likely to affect their interests; in connection with this Young's continued to operate an information and consultation committee with its members being drawn from departments based at its head office in Wandsworth. The company's integrated appraisal and development process, designed to improve communications and company performance, remained in place, and the company continued to operate a bonus scheme for eligible employees. To encourage further involvement in the group's performance the company introduced an approved savings-related share option scheme during the period; all employees of the company, Geronimo Inns Limited and Geronimo Airports Limited who had been continuously employed from 2 April 2010 were given the opportunity to join. After saving for a three-year period (through deductions from net salary), scheme members can then buy A shares in the company if they choose to do so at a discount to the market price at the time the options were granted to them. Young's maintained its policy of giving full and fair consideration to all applications for employment, including those made by disabled people, taking account of the applicant's particular aptitude and ability; of seeking to continue to employ anyone who becomes disabled while employed by the company and arranging training in a role appropriate to the person's changed circumstances; and of giving all employees, including disabled employees, equal opportunities for training, career development and promotion.

DONATIONS

The group made £14,780 of charitable donations. In addition the group's customers, pub managers and other members of staff were involved in a variety of initiatives and fundraising activities. No political donations were made.

PUBLIC HEALTH RESPONSIBILITY DEAL

The company continued to support the Government's public health responsibility deal, an initiative established to tap into the potential for businesses and other influential organisations to make a signification contribution to improving public health by helping to create that environment. As a result the company agreed to ensure effective action was taken in its managed pubs to reduce and prevent under-age sales of alcohol (primarily through the rigorous application of Challenge 21). The company also maintained its financial and in-kind support for Drinkaware and the "Why let the Good times go bad?" campaign and agreed to ensure alcohol advertising was undertaken by the company's managed pubs in accordance with industry codes on advertising and was not placed on any outdoor poster site within 100 meters of a school. Recognising the impact chronic conditions could have, guides (developed through the public health responsibility deal's health at work network) remained embedded within the company's HR procedures to ensure that those with chronic conditions at work were managed in the best way possible with reasonable flexibilities and workplace adjustments.

NOTIFICATIONS OF MAJOR HOLDINGS OF VOTING RIGHTS

As at 1 April 2013 the company had been notified of the following holdings of 3% or more of the voting rights in the company:

Thomas Young	14.31%
James Young	13.81%
Torquil Sligo-Young	11.99%
BlackRock Investment Management (UK) Limited	8.13%
Lindsell Train Limited	5.28%
El Oro and Exploration Company plc	3.10%

No changes in those holdings, and no other holdings of 3% or more of the voting rights in the company, had been notified to the company between 2 April 2013 and 21 May 2013, both dates inclusive.

STATEMENT OF CERTAIN RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS AND OTHERWISE

For each financial period the directors are required to prepare an annual report and financial statements. The latter must be prepared in accordance with International Financial Reporting Standards ("IFRS") and applicable law and must present fairly the financial position of the group and the financial performance and cash flows of the group for the relevant period. The directors have also elected to prepare the company's financial statements under IFRS. In preparing the statements the directors must select suitable accounting policies and then apply them consistently, state that the group has complied with IFRS (subject to any material departures disclosed and explained in the financial statements) and present information, including accounting policies, in a manner that provides relevant, reliable and comparable information. The directors are responsible for keeping accounting records which disclose with reasonable accuracy, at any time, the financial position of the group and the company at that time and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who was a director at the time when this report was approved has confirmed that, so far as he was aware, there was no information needed by the company's auditor in connection with preparing its report of which the company's auditor was unaware. Each of those individuals has also confirmed that he took all the steps that he ought to have taken as a director to make himself aware of any such information and to establish that the company's auditor was aware of it. This paragraph is to be interpreted in accordance with section 418 of the Companies Act 2006.

PREPARATION AND DISCLAIMER

This annual report and the financial statements for the period ended 1 April 2013 have been drawn up and presented for the purpose of complying with English law. Any liability arising out of or in connection with them will also be determined in accordance with English law.

By order of the board

Anthony Schroeder
Company Secretary
22 May 2013

Independent auditor's report to the members of Young & Co.'s Brewery, P.L.C.

We have audited the financial statements of Young & Co.'s Brewery, P.L.C. for the period ended 1 April 2013 which comprise the Group Income Statement, the Group and Parent Company Statements of Comprehensive Income, the Group and Parent Company Balance Sheets, the Group and Parent Company Statements of Cash Flow, the Group and Parent Company Statements of Changes in Equity and the related notes 1 to 34. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 20, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 1 April 2013 and of the group's profit for the period then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Andy Glover (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
22 May 2013

Notes:

1. The maintenance and integrity of the Young & Co.'s Brewery, P.L.C. website is the responsibility of the directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

GROUP INCOME STATEMENT

For the 52 weeks ended 1 April 2013

	Notes	2013 £000	2012 £000
Continuing operations			
Revenue	6	**193,677**	178,964
Operating costs before exceptional items	7	**(164,742)**	(152,802)
Operating profit before exceptional items		**28,935**	26,162
Operating exceptional items	9	**(1,809)**	(28,827)
Operating profit/(loss)		**27,126**	(2,665)
Finance costs	11	**(5,894)**	(6,135)
Finance revenue	11	**543**	537
Other finance income	26	**544**	769
Profit/(loss) before tax		**22,319**	(7,494)
Taxation	12	**(5,274)**	(3,540)
Taxation on property revaluation	12	**–**	5,640
Profit/(loss) for the period from continuing operations		**17,045**	(5,394)
Discontinued operations			
Loss for the period from discontinued operations	13	**–**	(1,117)
Profit/(loss) for the period		**17,045**	(6,511)
Attributable to			
Shareholders of the parent		**16,988**	(6,484)
Non controlling interest		**57**	(27)
Profit/(loss) for the period		**17,045**	(6,511)

	Notes	Pence	Pence
Earnings/(loss) per 12.5p ordinary share			
Basic from continuing operations	16	**35.23**	(11.13)
Basic from continuing and discontinued operations	16	**35.23**	(13.45)
Diluted from continuing operations	16	**35.20**	(11.13)
Diluted from continuing and discontinued operations	16	**35.20**	(13.45)

All discontinued operations are attributable to the shareholders of the parent.

The notes on pages 28 to 56 form part of these financial statements.
The independent auditor's report is set out on page 21.

STATEMENTS OF COMPREHENSIVE INCOME

For the 52 weeks ended 1 April 2013

		Group		Company	
	Notes	**2013 £000**	2012 £000	**2013 £000**	2012 £000
Profit/(loss) for the period		**17,045**	(6,511)	**14,786**	(9,623)
Other comprehensive income					
Unrealised gain on revaluation of property	18	**8,547**	203,065	**5,450**	203,065
Actuarial loss on retirement benefit schemes	26	**(3,102)**	(4,088)	**(3,102)**	(4,088)
Fair value movement of interest rate swaps	24	**(1,647)**	(8,215)	**(1,647)**	(8,215)
Tax on above components of other comprehensive income	12	**2,916**	(41,222)	**3,144**	(41,222)
Discontinued operations' actuarial loss (net of deferred tax) on retirement benefit schemes		**–**	(377)	**–**	–
		6,714	149,163	**3,845**	149,540
Total comprehensive income		**23,759**	142,652	**18,631**	139,917
Attributable to					
Shareholders of the parent		**23,702**	142,679	**18,631**	139,917
Non controlling interest		**57**	(27)	**–**	–
Total comprehensive income		**23,759**	142,652	**18,631**	139,917

All discontinued operations are attributable to the shareholders of the parent.

The notes on pages 28 to 56 form part of these financial statements.
The independent auditor's report is set out on page 21.

BALANCE SHEETS

At 1 April 2013

	Notes	Group 2013 £000	Group 2012 £000	Company 2013 £000	Company 2012 £000
Non current assets					
Goodwill	17	**20,426**	20,426	**–**	–
Property and equipment	18	**515,899**	502,042	**462,358**	450,191
Investment in subsidiaries	19	**–**	–	**24,254**	24,254
Deferred tax assets	25	**7,111**	–	**7,135**	–
Other financial asset	13	**–**	4,463	**–**	4,463
		543,436	526,931	**493,747**	478,908
Current assets					
Inventories	20	**2,455**	2,342	**1,875**	1,887
Other financial asset	13	**4,749**	4,749	**4,749**	4,749
Trade and other receivables	21	**4,261**	4,445	**29,729**	32,029
Cash		**6,123**	3,914	**4,938**	2,577
		17,588	15,450	**41,291**	41,242
Non current assets classified as held for sale	22	**–**	755	**–**	755
Total assets		**561,024**	543,136	**535,038**	520,905
Current liabilities					
Borrowings	24	**(10,006)**	(5)	**(10,006)**	(5)
Trade and other payables	23	**(24,156)**	(26,140)	**(23,108)**	(24,256)
Income tax payable		**(2,545)**	(2,469)	**(2,101)**	(2,204)
		(36,707)	(28,614)	**(35,215)**	(26,465)
Non current liabilities					
Borrowings	24	**(108,680)**	(121,978)	**(108,680)**	(121,978)
Derivative financial instruments	24	**(13,870)**	(12,223)	**(13,870)**	(12,223)
Deferred tax liabilities	25	**(58,381)**	(54,388)	**(51,850)**	(47,156)
Retirement benefit schemes	26	**(8,841)**	(8,290)	**(8,841)**	(8,290)
		(189,772)	(196,879)	**(183,241)**	(189,647)
Total liabilities		**(226,479)**	(225,493)	**(218,456)**	(216,112)
Net assets		**334,545**	317,643	**316,582**	304,793
Capital and reserves					
Share capital	27	**6,028**	6,028	**6,028**	6,028
Share premium		**1,274**	1,274	**1,274**	1,274
Capital redemption reserve		**1,808**	1,808	**1,808**	1,808
Hedging reserve		**(10,680)**	(9,290)	**(10,680)**	(9,290)
Revaluation reserve		**168,860**	158,731	**165,991**	158,731
Retained earnings		**167,255**	159,134	**152,161**	146,242
Equity attributable to equity shareholders of the parent		**334,545**	317,685	**316,582**	304,793
Non controlling interest		**–**	(42)	**–**	–
Total equity		**334,545**	317,643	**316,582**	304,793

Approved by the board of directors and signed on its behalf by:

Nicholas Bryan Chairman
Peter Whitehead Finance Director

22 May 2013

The notes on pages 28 to 56 form part of these financial statements.
The independent auditor's report is set out on page 21.

STATEMENTS OF CASH FLOW

For the 52 weeks ended 1 April 2013

	Notes	Group 2013 £000	Group 2012 £000	Company 2013 £000	Company 2012 £000
Operating activities					
Net cash generated from operations	29	**35,118**	34,601	**30,794**	31,235
Interest received		**6**	5	**1,264**	768
Tax paid		**(5,393)**	(3,885)	**(4,420)**	(3,885)
Net cash flow from operating activities		**29,731**	30,721	**27,638**	28,118
Investing activities					
Sale of property and equipment		**4,161**	7,033	**4,155**	7,033
Sale of discontinued operations		**5,000**	5,100	**5,000**	5,100
Purchases of property and equipment	18	**(16,793)**	(25,605)	**(14,542)**	(22,119)
Business combinations, net of cash acquired	14	**(3,700)**	–	**(3,700)**	–
Net cash used in investing activities		**(11,332)**	(13,472)	**(9,087)**	(9,986)
Financing activities					
Interest paid		**(5,808)**	(6,154)	**(5,808)**	(6,154)
Equity dividends paid	15	**(6,882)**	(6,549)	**(6,882)**	(6,549)
Decrease in borrowings		**(3,500)**	(300)	**(3,500)**	(300)
Decrease in short term borrowings		**–**	(2,664)	**–**	(2,664)
Net cash flow used in financing activities		**(16,190)**	(15,667)	**(16,190)**	(15,667)
Increase in cash		**2,209**	1,582	**2,361**	2,465
Cash at the beginning of the period		**3,914**	2,332	**2,577**	112
Cash at the end of the period		**6,123**	3,914	**4,938**	2,577

The notes on pages 28 to 56 form part of these financial statements.
The independent auditor's report is set out on page 21.

GROUP STATEMENT OF CHANGES IN EQUITY

At 1 April 2013

	Notes	Share capital [1] £000	Capital redemption reserve £000	Hedging reserve £000	Revaluation reserve £000	Retained earnings £000	Total equity attributable to equity shareholders £000	Non controlling interest £000	Total equity £000
At 4 April 2011		**7,302**	**1,808**	**(2,966)**	**–**	**175,388**	**181,532**	**(15)**	**181,517**
Total comprehensive income									
Loss for the period		–	–	–	–	(6,484)	(6,484)	(27)	(6,511)
Other comprehensive income									
Unrealised gain on revaluation of property	18	–	–	–	203,065	–	203,065	–	203,065
Actuarial loss on retirement benefit schemes	26	–	–	–	–	(4,088)	(4,088)	–	(4,088)
Fair value movement of interest rate swaps	24	–	–	(8,215)	–	–	(8,215)	–	(8,215)
Tax on above components of other comprehensive income	12	–	–	1,891	(43,702)	589	(41,222)	–	(41,222)
Discontinued operations' actuarial loss (net of deferred tax) on retirement benefit schemes		–	–	–	–	(377)	(377)	–	(377)
		–	–	(6,324)	159,363	(3,876)	149,163	–	149,163
Total comprehensive income		–	–	(6,324)	159,363	(10,360)	142,679	(27)	142,652
Transactions with owners recorded directly in equity									
Dividends paid on equity shares	15	–	–	–	–	(6,549)	(6,549)	–	(6,549)
Revaluation reserve realised on disposal of properties		–	–	–	(632)	632	–	–	–
Share based payments by discontinued operations		–	–	–	–	23	23	–	23
		–	–	–	(632)	(5,894)	(6,526)	–	(6,526)
At 2 April 2012		**7,302**	**1,808**	**(9,290)**	**158,731**	**159,134**	**317,685**	**(42)**	**317,643**
Total comprehensive income									
Profit for the period		–	–	–	–	16,988	16,988	57	17,045
Other comprehensive income									
Unrealised gain on revaluation of property	18	–	–	–	8,547	–	8,547	–	8,547
Actuarial loss on retirement benefit schemes	26	–	–	–	–	(3,102)	(3,102)	–	(3,102)
Fair value movement of interest rate swaps	24	–	–	(1,647)	–	–	(1,647)	–	(1,647)
Tax on above components of other comprehensive income	12	–	–	257	2,183	476	2,916	–	2,916
		–	–	(1,390)	10,730	(2,626)	6,714	–	6,714
Total comprehensive income		–	–	(1,390)	10,730	14,362	23,702	57	23,759
Transactions with owners recorded directly in equity									
Dividends paid on equity shares	15	–	–	–	–	(6,882)	(6,882)	–	(6,882)
Revaluation reserve realised on disposal of properties		–	–	–	(601)	601	–	–	–
Disposal of subsidiary		–	–	–	–	–	–	(15)	(15)
Share based payments	28	–	–	–	–	33	33	–	33
Tax on share based payments		–	–	–	–	7	7	–	7
		–	–	–	(601)	(6,241)	(6,842)	(15)	(6,857)
At 1 April 2013		**7,302**	**1,808**	**(10,680)**	**168,860**	**167,255**	**334,545**	**–**	**334,545**

[1] Total share capital comprises the share capital issued and fully paid of £6,028,000 (2012: £6,028,000) and the share premium account of £1,274,000 (2012: £1,274,000).

The notes on pages 28 to 56 form part of these financial statements.
The independent auditor's report is set out on page 21.

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

At 1 April 2013

	Notes	Share capital [1] £000	Capital redemption reserve £000	Hedging reserve £000	Revaluation reserve £000	Retained earnings £000	Total equity £000
At 4 April 2011		**7,302**	**1,808**	**(2,966)**	**–**	**165,281**	**171,425**
Total comprehensive income							
Loss for the period		–	–	–	–	(9,623)	(9,623)
Other comprehensive income							
Unrealised gain on revaluation of property	18	–	–	–	203,065	–	203,065
Fair value movement of interest rate swaps	24	–	–	(8,215)	–	–	(8,215)
Actuarial loss on retirement benefit schemes	26	–	–	–	–	(4,088)	(4,088)
Tax on above components of other comprehensive income	12	–	–	1,891	(43,702)	589	(41,222)
		–	–	(6,324)	159,363	(3,499)	149,540
Total comprehensive income		–	–	(6,324)	159,363	(13,122)	139,917
Transactions with owners recorded directly in equity							
Dividends paid on equity shares	15	–	–	–	–	(6,549)	(6,549)
Revaluation reserve realised on disposal of properties		–	–	–	(632)	632	–
		–	–	–	(632)	(5,917)	(6,549)
At 2 April 2012		**7,302**	**1,808**	**(9,290)**	**158,731**	**146,242**	**304,793**
Total comprehensive income							
Profit for the period		–	–	–	–	14,786	14,786
Other comprehensive income							
Unrealised gain on revaluation of property	18	–	–	–	5,450	–	5,450
Actuarial loss on retirement benefit schemes	26	–	–	–	–	(3,102)	(3,102)
Fair value movement of interest rate swaps	24	–	–	(1,647)	–	–	(1,647)
Tax on above components of other comprehensive income		–	–	257	2,411	476	3,144
		–	–	(1,390)	7,861	(2,626)	3,845
Total comprehensive income		–	–	(1,390)	7,861	12,160	18,631
Transactions with owners recorded directly in equity							
Dividends paid on equity shares	15	–	–	–	–	(6,882)	(6,882)
Revaluation reserve realised on disposal of properties		–	–	–	(601)	601	–
Share based payments	28	–	–	–	–	33	33
Tax on share based payments		–	–	–	–	7	7
		–	–	–	(601)	(6,241)	(6,842)
At 1 April 2013		**7,302**	**1,808**	**(10,680)**	**165,991**	**152,161**	**316,582**

[1] Total share capital comprises the share capital issued and fully paid of £6,028,000 (2012: £6,028,000) and the share premium account of £1,274,000 (2012: £1,274,000).

The notes on pages 28 to 56 form part of these financial statements.
The independent auditor's report is set out on page 21.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 1 April 2013

1. GENERAL INFORMATION

The group and parent company financial statements of Young & Co.'s Brewery, P.L.C. for the period ended 1 April 2013 were authorised for issue by the board of directors on 22 May 2013. Young & Co.'s Brewery, P.L.C. is a public limited company incorporated and domiciled in England and Wales. The company's shares are listed on the Alternative Investment Market of the London Stock Exchange. The nature of the group's operations and its principal activities are set out in note 5 and in the directors' report on pages 14 to 20.

The current period and prior period relate to the 52 weeks ended 1 April 2013 and 2 April 2012 respectively.

The financial statements are presented in pounds sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

2. BASIS OF PREPARATION

The consolidated financial statements of the group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union. IFRS includes the application of International Financial Reporting Standards including International Accounting Standards (IAS) and related Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and Interpretations of the Standing Interpretations Committee (SIC). During the period, new IFRS and amendments to existing IFRS were issued by the International Accounting Standards Board (IASB). The impact and, if applicable, the adoption of these standards is described below in "New Accounting Standards, Amendments and Interpretations".

No separate income statement is presented for the company, as permitted by section 408(3) of the Companies Act 2006. The company's profit after tax for the period was £14,786,000 (2012: £9,623,000 loss).

New Accounting Standards, Amendments and Interpretations

The group has adopted the following new accounting standards during the period.

IFRS 1: Severe Hyperinflation and Removal of Fixed Dates for First time Adopters (Amendment): The amendment allows entities that were subject to serve hyperinflation to measure all assets and liabilities at fair value on conversion date to IFRS. The group considers the amendment to have no impact as its operations are based entirely in the UK and is not subject to serve hyperinflation.

IFRS 7: Financial Instruments: Disclosures (Amendment): The amendments are effective for accounting periods beginning on or after 1 July 2011. Additional disclosures are now required when financial assets are derecognised. The adoption of the amendment has had no impact on the group.

IAS 12: Income Taxes (Amendment) – Deferred Taxes: Recovery of Underlying Assets: The amendment presumes that deferred tax on investment properties measured at fair value will be recognised on a sale basis. Non-depreciable assets should always be measured on a sale basis. The group does not hold any investment properties but adopted the revaluation model on its property and equipment in the prior period. The group does not depreciate freehold land and the residual value of its freehold and long leasehold buildings. These non-depreciable assets are measured on a sale basis for deferred tax.

At the date of authorisation of these financial statements, the following revised standard, which has not been applied in these financial statements, was in issue but not yet effective:

IAS 19: Employee Benefits (Revised) – was issued in June 2011 and the key impact on the group will be to remove the separate assumptions for expected return on plan assets and discounting of scheme liabilities and replace them with one single discount rate for the net deficit.

The revised standard is expected to increase the other finance charge in 2014 by approximately £900,000. Had the standard been applied in 2013 it is estimated that, within the income statement, the other finance income of £544,000 would have been a charge of approximately £360,000 (2012: £769,000 income restated to a £349,000 charge). Within other comprehensive income, the actuarial loss on retirement benefits would have reduced by £904,000 (2012: £1,118,000). Therefore the overall impact on the retirement benefit schemes liability would be nil (2012: £nil) and it would additionally have no impact on the deferred tax asset (2012: £nil).

The directors intend to adopt the revised standard in 2014 and restate the prior year information onto a comparable basis.

The directors also intend to adopt the Standards, Amendments and Interpretations listed below when they become effective. The directors do not expect that adoption in future periods will have a material impact, apart from IFRS 13, on the financial statements of the group or company. IFRS 13: Fair Value Measurement – establishes a single source of guidance under IFRS for all fair value measurements. The standard does not change when a company is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The group is currently assessing the impact that this standard will have on the financial position and performance.

		Effective date
IFRS 1	Government Loans (Amendment)	1 January 2013
IFRS 7	Offsetting Financial Assets and Financial Liabilities (Amendment)	1 January 2013
IFRS 9	Financial Instruments: Classification and Measurement	1 January 2015
IFRS 10, IAS 27	Consolidated Financial Statements, Separate Financial Statements	1 January 2014
IFRS 10, IFRS 12 and IAS 27	Investments Entities (Amendments)	1 January 2014
IFRS 11, IAS 28	Joint Arrangements, Investments in Associates and Joint Ventures	1 January 2014
IFRS 12	Disclosure of Interests in Other Entities	1 January 2014
IFRS 13	Fair Value Measurement	1 January 2013
IAS 1	Presentation of Items of Other Comprehensive Income (Amendment)	1 July 2012
IAS 32	Offsetting Financial Assets and Financial Liabilities (Amendment)	1 January 2014
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are set out below and, except as noted above, have been applied consistently in presenting the group and parent company financial information.

(a) Basis of consolidation

The group's financial statements consolidate the financial statements of Young & Co.'s Brewery, P.L.C. with the entities it controls, its subsidiaries, and a special purpose entity, drawn up to the period end. Control exists where the company has the power to govern the financial and operating policies of the investee entity so as to obtain benefits from its activities. The special purpose entity is an Employee Share Ownership Plan (ESOP) Trust.

The results of subsidiaries acquired or disposed of during the period are included in the group income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

The financial statements of the subsidiaries and special purpose entity are consolidated on a comparable period basis, using consistent accounting policies. All inter company balances and transactions, including unrealised profits arising on them, are eliminated.

For non wholly owned subsidiaries, a share of the profit/(loss) for the financial period and the net assets is attributed to the non controlling interests as shown in the group income statement, the group statement of comprehensive income and the group balance sheet.

(b) The parent company's investments in subsidiaries

In its separate financial statements, the parent company recognises its investments in its subsidiaries on the basis of the direct equity interest. Income is recognised from these investments in relation to distributions received.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and VAT.

The following criteria must also be met before revenue is recognised:

Sale of goods
Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

Rental income
Rental income arising from operating leases on properties is accounted for on a straight line basis over the lease term.

Interest income
Revenue is recognised as interest accrues (using the effective interest method).

Dividends
Revenue is recognised when the company's right to receive payment is established.

(d) Exceptional items

Exceptional items, as disclosed on the face of the income statement, are items which due to their material and non recurring nature have been classified separately in order to draw them to the attention of the reader of the financial statements. They are included in the adjustments that, in management's judgement, are required in order to show more accurately the business performance of the group in a consistent manner and to reflect how the business is managed and measured on a day to day basis.

(e) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non controlling interest in the acquiree. The non controlling interest is measured as the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in operating exceptional items.

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the net identifiable assets acquired and liabilities assumed at the date of acquisition. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Property and equipment

Properties, including land and buildings, and fixtures, fittings and equipment are held at fair value, and are revalued by qualified valuers on a sufficiently regular basis using open market values so that the carrying value of an asset does not differ significantly from its fair value at the balance sheet date. Surpluses which arise from the revaluation exercise are included within other comprehensive income (in the revaluation reserve) unless they are reversing a revaluation adjustment which has been recognised in the income statement previously. Where the revaluation exercise gives rise to a deficit, this is reflected directly in other comprehensive income (in the revaluation reserve) to the extent that a surplus exists against the same asset. Any further decrease in value is recognised in the income statement as an exceptional expense.

The carrying amount of an asset, less any residual value, is depreciated on a straight line basis over the asset's useful life or lease term if shorter. The residual value, useful life and depreciation method applied to each asset are reviewed annually. The group does not depreciate freehold land and the residual value of its freehold and long leasehold buildings.

Useful lives:

Freehold and long leasehold buildings	50 years
Short leasehold buildings	Shorter of the estimated useful life and the lease term
Fixtures, fittings and equipment	3-10 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 3(g)).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The gain arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the income statement. Pub fixtures, fittings and equipment are treated as disposals in the period following completion of their write down.

(g) Impairment of assets

The carrying values of investments, property and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is mandatorily assessed for impairment on an annual basis or more frequently if there are indications that the carrying value may be impaired.

Impairment is assessed on the basis of either each individual asset or each individual cash generating unit (an individual pub) or, in the case of goodwill, the group of cash generating units associated with it. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash generating units (or groups of cash generating units) that are expected to benefit from the combination.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the value in use; it is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets of groups of assets. The fair value less costs to sell of the asset is assumed to be the market value of the property. Value in use is assessed by reference to the estimated future cash flows which are discounted to present value using an appropriate pre tax discount rate. Impairment losses are recognised in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the group income statement unless the impairment loss related to goodwill in which case it is not reversed.

(h) Leases

(1) Where the group is the lessee

Assets held under finance leases which transfer to the group substantially all the risks and benefits incidental to ownership of the leased item are capitalised at the inception of the lease, with a corresponding liability being recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability.

Leases where the lessor retains a significant portion of the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged in the income statement on a straight line basis over the lease term.

(2) Where the group is the lessor

Assets leased out under operating leases are included in property and equipment and depreciated over their estimated useful lives. Rental income, including the effect of lease incentives, is recognised on a straight line basis over the lease term.

(i) Non current assets held for sale

Assets whose carrying amounts will be recovered principally by sale rather than continuing use are classified separately as assets held for sale. Assets are classified as held for sale when management has committed to their sale, the asset is available for immediate sale and a sale is highly probable. Assets held for sale are measured at the lower of their carrying value and fair value less costs of disposals.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost formula used is equivalent to a 'First in, First out' method.

(k) Cash

Cash in the balance sheet comprises cash at banks and in hand. For the purpose of the group and parent company cash flow statements cash is net of outstanding bank overdrafts. Cash and cash equivalents include only deposits which mature in less than three months.

(l) Trade and other payables

Trade payables are recognised initially at fair value and subsequently at amortised cost. When applicable, trade and other payables are analysed between current and non current liabilities on the face of the balance sheet, depending on when the obligation to settle will crystallise.

(m) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value. Directly attributable transaction costs are capitalised and amortised, using the effective interest method through finance expense, over the life of the facility.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(n) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The current tax payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using UK tax rates that have been enacted or substantively enacted by the balance sheet date.

The current tax expense is recognised in the income statement unless it relates to items that are credited or charged to equity, in which case it is credited or charged directly to equity.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts, with the following exceptions:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries or associates where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Where capital gains have been rolled over for tax purposes a deferred tax liability is recorded on the rolled over gain to reflect the tax that may be due on this amount at a future date.

Where there has been an upward revaluation of an asset and the asset is expected to be realised through disposal, a deferred tax liability is recorded based on the difference between the indexed cost of the asset less any capital gains which have been rolled over against the asset and the revalued amount.

Deferred tax is measured on an undiscounted basis at the UK tax rates that are expected to apply on reversal of the underlying temporary differences, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(o) Accounting for the ESOP Trust

The capital gains tax liability that may arise on the allocated shares in the Ram Brewery Trust II when they are transferred to employees on retirement is recognised as a provision in the financial statements.

(p) Derivative financial instruments and hedging

The group uses derivative financial instruments such as interest rate swaps to hedge its risk associated with interest rate fluctuations. From 1 April 2006 derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

For those derivatives designated as hedges and for which hedge accounting is desired, the hedging relationship is documented at its inception. This documentation identifies the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how its effectiveness will be measured throughout its duration. Such hedges are expected at inception to be highly effective.

Where cash flow hedge accounting is not applied, the movement in the fair value of the derivative is recognised immediately in the income statement. Where cash flow hedge accounting is applied, as in the case of the interest rate swaps held by the group, the effective portion of the gain or loss on the hedging instrument is recognised in the statement of comprehensive income, while the ineffective portion is recognised in the income statement.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs, at which point they are transferred to the income statement. If the related transaction is not expected to occur, the amount held in equity is recognised immediately in the income statement.

(q) Pensions and other post retirement benefits

The company operates a defined contribution pension scheme, a defined benefit pension scheme and a post retirement health care scheme.

Contributions to the defined contribution scheme are recognised in the income statement in the period in which they become due.

For the defined benefit scheme, the cost of providing benefits is determined using the projected unit credit method, which attributes entitlements to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. Past service costs are recognised in the income statement on a straight line basis over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in the future entitlement) occurs, the obligation and related scheme assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the income statement during the period in which the settlement or curtailment occurs.

The interest element of the defined benefit cost represents the change in present value of scheme obligations resulting from the passage of time, and is determined by applying the discount rate to the opening present value of the benefit obligations, taking into account material changes in the obligations during the period. The expected return on scheme assets is based on an assessment made at the beginning of the period of long term market returns on scheme assets, adjusted for the effect on the fair value of scheme assets of contributions received and benefits paid during the period. The difference between the expected return on scheme assets and the interest cost is recognised in the income statement as other finance income or expense.

Actuarial gains and losses are recognised in full in the statement of comprehensive income in the period in which they occur.

The defined benefit pension liability in the balance sheet comprises the present value of the defined benefit obligations (using a discount rate based on high quality corporate bonds), less any past service cost not yet recognised less the fair value of scheme assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is restricted to the sum of any unrecognised past service costs and the present value of any amount the group expects to recover by way of refunds from the scheme or reductions in the future contributions.

Post retirement health care benefits are provided for certain employees and certain directors (together, the "members"). Entry to the scheme is on a discretionary basis. The annual premium for providing cover is determined by BUPA. This information is taken by qualified actuaries who then assess the reserve required to provide this benefit for members' future lifetimes, using IAS 19 assumptions. The liability for new entrants is recognised through the income statement in the period in which the benefit is granted. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions, are recognised in full directly in the statement of comprehensive income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Trade and other receivables

Trade receivables are recognised and carried at the lower of their original invoice value and recoverable amount. A provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the group will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an impairment provision. Impaired debts are derecognised when they are assessed as irrecoverable.

(s) Use of estimates

The preparation of financial information in conformity with IFRS requires management to make certain judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

The areas involving a higher degree of judgement or complexity, or where the most sensitive estimates and assumptions are significant to the financial statements, are set out in note 4.

4. KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The following are the key judgements that management have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(a) Estimated valuation of property and equipment

The group is required to value property and equipment on a sufficiently regular basis using open market values to ensure the current carrying value does not differ significantly from the fair value. The valuation is based on market observations and estimates on the selling price in an arms' length transaction, and includes estimates of future income levels and trading potential for each pub, as well as taking into account other factors such as location, tenure and current income levels.

(b) Estimated impairment of goodwill

The group considers annually whether goodwill has suffered any impairment in accordance with the accounting policy set out in note 3(g). The recoverable amounts of cash generating units have been determined based on value in use calculations. This calculation requires the use of estimates including growth rates, capital maintenance expenditure and pre tax discount rates. See notes 3(g) and 17.

(c) Business combinations

When assets are acquired, management determines whether the assets form a business combination. A fair value exercise of both the consideration and the net assets acquired is performed once it is determined that a business combination has taken place. If the fair value of the consideration is in excess of the fair value of the net assets acquired, the difference is recognised as goodwill. If the opposite occurs, the difference is recognised in the income statement. The group makes judgements and estimates in relation to the fair value of the consideration, the net assets acquired and whether the purchase represents a business combination. See notes 3(e) and 14.

(d) Depreciation

Depreciation is provided so as to write down the assets to their residual values over the estimated useful lives. The selection of these residual values and estimated lives requires the exercise of management's judgement. See notes 3(f) and 18.

(e) Defined benefit pension obligations

Measurement of defined benefit pension obligations requires an estimate of future changes in salaries and inflation, as well as mortality rates, the expected return on assets and the selection of a suitable discount rate. These have been determined on advice from an independent qualified actuary. See notes 3(q) and 26.

(f) Taxation

Assessing the outcome of uncertain tax positions requires judgements to be made in relation to the likely outcome of dealings with HM Revenue & Customs and case law e.g. recoverability of VAT on gaming machines (see note 33). Tax benefits are not recognised unless it is probable that they will be obtained. Tax provisions are made if it is probable that a liability will arise. The group reviews each significant tax liability or benefit to assess the appropriate accounting treatment. See notes 3(n), 12 and 25.

5. SEGMENTAL REPORTING

The group is organised into the reporting segments referred to opposite. These segments are based on the different resources and risks involved in the running of the group. The executive board of the group internally reviews each reporting segment's operating profit or loss before exceptional items for the purpose of deciding on the allocation of resources and assessing performance.

The group has three operating segments: Young's managed houses, Geronimo managed houses and Tenanted houses. Both Young's and Geronimo managed houses operate pubs. Revenue is derived from sales of drink, food and, also for Young's managed houses, accommodation. Due to common economic characteristics, similar product offerings and customers, the Young's managed houses and Geronimo managed houses operating segments have been reported below as a single reportable segment, managed houses. Tenanted houses consists of pubs owned or leased by the company and leased or sub leased to third parties. Revenue is derived from rents payable by, and sales of drink made to, tenants. Unallocated relates to head office costs.

There were intersegment revenues of £511,000 between the segments in the current period (2012: £473,000), which have been eliminated on consolidation. Intersegment sales are charged at current market prices. The group's revenue is derived entirely from the UK.

Income statement

2013	**Managed houses £000**	**Tenanted houses £000**	**Segment total £000**	**Unallocated £000**	**Total £000**
External revenue	**181,558**	**11,623**	**193,181**	**496**	**193,677**
Intersegment revenue	**–**	**–**	**–**	**511**	**511**
Total segment revenue	**181,558**	**11,623**	**193,181**	**1,007**	**194,188**
Depreciation	**(10,377)**	**(1,019)**	**(11,396)**	**(288)**	**(11,684)**
Operating profit/(loss) before exceptional items	**39,560**	**4,245**	**43,805**	**(14,870)**	**28,935**
Operating exceptional items	**(977)**	**(114)**	**(1,091)**	**(718)**	**(1,809)**
Operating profit/(loss)	**38,583**	**4,131**	**42,714**	**(15,588)**	**27,126**
2012					
External revenue	164,999	13,555	178,554	410	178,964
Intersegment revenue	–	–	–	473	473
Total segment revenue	164,999	13,555	178,554	883	179,437
Depreciation	(10,158)	(1,222)	(11,380)	(460)	(11,840)
Operating profit/(loss) before exceptional items	35,257	5,286	40,543	(14,381)	26,162
Operating exceptional items	(21,605)	(6,950)	(28,555)	(272)	(28,827)
Operating profit/(loss)	13,652	(1,664)	11,988	(14,653)	(2,665)

The following is a reconciliation of the operating profit/(loss) to the profit/(loss) before tax from continuing operations:

	2013 £000	2012 £000
Operating profit/(loss)	**27,126**	(2,665)
Finance costs	**(5,894)**	(6,135)
Finance revenue	**543**	537
Other finance income	**544**	769
Profit/(loss) before tax from continuing operations	**22,319**	(7,494)

Balance sheet

2013	**Managed houses £000**	**Tenanted houses £000**	**Segment total £000**	**Unallocated £000**	**Total £000**
Segment assets	**487,487**	**48,766**	**536,253**	**6,788**	**543,041**
Deferred tax assets	**–**	**–**	**–**	**7,111**	**7,111**
Other financial asset	**–**	**–**	**–**	**4,749**	**4,749**
Cash	**–**	**–**	**–**	**6,123**	**6,123**
Total assets	**487,487**	**48,766**	**536,253**	**24,771**	**561,024**
Other segmental information					
Additions to non current assets	**19,352**	**989**	**20,341**	**152**	**20,493**
Downward movements in property valuation	**687**	**271**	**958**	**–**	**958**
2012					
Segment assets	470,741	52,449	523,190	6,820	530,010
Other financial asset	–	–	–	9,212	9,212
Cash	–	–	–	3,914	3,914
Total assets	470,741	52,449	523,190	19,946	543,136
Other segmental information					
Additions to non current assets	24,185	1,144	25,329	276	25,605
Downward movements in property valuation	21,066	7,902	28,968	142	29,110

6. REVENUE

	2013 £000	2012 £000
Sales of goods	**182,735**	167,985
Rental income	**10,942**	10,979
Revenue	**193,677**	178,964
Finance revenue	**543**	537
	194,220	179,501

Revenue shown above is from continuing operations.

7. OPERATING COSTS BEFORE EXCEPTIONAL ITEMS

	2013 £000	2012 £000
Changes in inventories of finished goods and raw materials	**(113)**	(199)
Raw materials, consumables and finished goods used	**52,058**	49,239
Employment costs (note 8(a))	**60,864**	54,879
Depreciation (note 18)	**11,684**	11,840
Other operating costs	**40,249**	37,043
	164,742	152,802

Other operating costs include:

		2013	2012
Operating lease rentals:	minimum lease payments	**6,156**	5,549
	sublease payments	**544**	500
		6,700	6,049
Auditor's remuneration to main group auditor:	audit of the group financial statements	**111**	137
	audit of subsidiaries' accounts	**18**	21
	audit related assurance services	**37**	32
	taxation advisory services	**30**	4
	all other services	**267**	–
		463	194

8. EMPLOYMENT

(a) Costs and employee numbers

	2013	2012
	£000	£000
Wages and salaries	**55,444**	49,816
Social security	**4,422**	4,096
Pension and health care schemes	**998**	967
Employment costs before exceptional items	**60,864**	54,879
Employment costs in exceptional items: capital gains tax on ESOP Trust allocated shares	**168**	152
	61,032	55,031

The average monthly number of employees was 3,242 (2012: 2,985).

(b) Directors' emoluments

	Basic salary and fees	**Benefits**	**Bonus**	**Total excluding pension costs 2013**	Total excluding pension costs 2012
	£	**£**	**£**	**£**	£
Nicholas Bryan	**79,825**	**–**	**–**	**79,825**	66,363
Christopher Sandland	**–**	**–**	**–**	**–**	29,457
Stephen Goodyear	**301,809**	**21,557**	**152,980**	**476,346**	526,585
Torquil Sligo-Young	**122,530**	**26,542**	**87,456**	**236,528**	216,581
Peter Whitehead	**216,106**	**19,579**	**102,327**	**338,012**	372,575
Patrick Dardis	**224,775**	**2,685**	**112,560**	**340,020**	364,350
Rupert Clevely	**218,714**	**24,915**	**51,000**	**294,629**	440,449
Roger Lambert	**37,740**	**–**	**–**	**37,740**	36,333
David Page	**37,740**	**–**	**–**	**37,740**	36,333
Total 2013	**1,239,239**	**95,278**	**506,323**	**1,840,840**	
Total 2012	1,236,362	102,664	750,000		2,089,026

Notes:

The amounts shown in the "Benefits" column relate primarily to the provision of private medical insurance and car related benefits.

Bonuses were receivable by the directors in connection with the performance targets they were set during the period. At the outset, it was agreed that if any bonus were to be paid, half of it would be settled in shares, with the other half being paid in cash except to the extent that the director elected to receive all or part of it in shares instead. For every share taken in place of cash, the director would be allowed to subscribe at nominal value for one "matching" share. Each of Stephen Goodyear and Peter Whitehead has elected to take his cash element in shares and is therefore entitled to subscribe for "matching" shares. None of the directors are generally free to sell any of the shares before the end of a restricted period which ordinarily will end three years after the shares have been acquired or, if earlier, the date on which his employment terminates by reason of illness, disability or redundancy. The "matching" shares are subject to satisfaction of a further condition relating to the extent to which the group's adjusted earnings per ordinary share in respect of the group's continuing operations for the financial period ending on or around 31 March 2016 exceeds the same measure for the financial period ended 2 April 2012. Any of the shares acquired, whether "matching" or otherwise, are liable to forfeiture in certain circumstances. The number of shares to be issued to each director in order to fulfil his entitlement will be calculated with reference to the market price of the company's A ordinary shares as shown in the Financial Times (on-line version) published on the date on which the issue is made (which is expected to be around 17 June 2013). The amounts shown in the "Bonus" column reflect the cash value of the bonuses receivable by the directors, excluding the cash value of any "matching" shares. The cash value of the "matching" shares to be awarded to Stephen Goodyear and Peter Whitehead is £76,490 and £51,164 respectively.

Christopher Sandland retired during the prior period in July 2011.

8. EMPLOYMENT (CONTINUED)

(c) Retirement benefits

The company operates one pension scheme, namely the Young & Co.'s Brewery, P.L.C. Pension Scheme. All individuals in the pension scheme contribute to it, with contributions being at the rate of 5.0% of pensionable earnings. The pension scheme is a defined benefit scheme investing largely in managed funds. As at 1 April 2013 only two directors, Peter Whitehead and Patrick Dardis, were accruing benefits under the pension scheme in respect of qualifying service.

The company bears the cost of post retirement health care premia for certain employees and ex-employees.

The company accounts for retirement benefits in accordance with IAS 19. Detailed disclosures are set out in note 26.

	1 Increase in accrued pension during the period (excluding inflation) £	2 Transfer value of increase (net of member contributions) £	3 Accumulated total accrued pension as at 1 April 2013 £	4 Transfer value of accrued pension benefits as at 2 April 2012 £	5 Transfer value of accrued pension benefits as at 1 April 2013 £	6 Increase in transfer value during the period (net of member contributions) £
Peter Whitehead	3,937	78,211	56,080	900,187	1,155,645	248,589
Patrick Dardis	2,699	42,642	32,424	437,668	571,558	127,020

Notes:

(i) The pension entitlement shown in column 3 is that which would be paid annually on retirement under the terms of the relevant director's service agreement based on service to 1 April 2013. As Peter Whitehead was appointed before 6 April 1997 he is entitled to a pension payable without reduction at the earliest age permissible by HM Revenue & Customs; this has been allowed for in the calculation of his transfer values shown above.

(ii) Stephen Goodyear began to draw his pension during the period ended 2 April 2012 and Torquil Sligo-Young began to draw his pension during the period ended 29 March 2010. Neither of them therefore has any further defined benefit accrual and they have not therefore been included in the above table.

(d) Profit sharing scheme

Share allocations made up to and including those for the company's financial period that ended in 2 April 2005, which were based on a member's individual entitlement after deductions of income tax and national insurance, are held in the Ram Brewery Trust II. On retirement the member receives their accrued entitlement to shares. If they leave the company's employment before reaching normal retirement age they continue to receive the income accruing to them by virtue of their membership of the scheme prior to them leaving, and their allocation to the date of leaving is held on their behalf until normal retirement age.

The accrued entitlement to A shares under the scheme of each of the directors who served during the period is as follows (and there is no further accrual): Stephen Goodyear (22,680), Torquil Sligo-Young (31,412), Peter Whitehead (20,816) and Patrick Dardis (6,696). None of Nicholas Bryan, Rupert Clevely, Roger Lambert and David Page has an accrued entitlement under the scheme.

(e) Savings-related share option scheme

During the period the company introduced an approved savings-related share option scheme. All employees of the company, Geronimo Inns Limited and Geronimo Airports Limited who had been continuously employed from 2 April 2010 were given the opportunity to join. After saving for a three-year period (through deductions from net salary) scheme members can then buy A shares in the company if they choose to do so, at a discount to the market price at the time the options were granted to them. The entitlement to A shares under the scheme of each of the directors who served during the period (and of Edward Turner) is as follows:

	At 2 April 2012	Granted during the period	At 1 April 2013	Exercise price (pence)	Exercisable from	Exercisable to
Stephen Goodyear	–	1,844	1,844	488	01.09.15	28.02.16
Torquil Sligo-Young	–	1,844	1,844	488	01.09.15	28.02.16
Peter Whitehead	–	1,844	1,844	488	01.09.15	28.02.16
Patrick Dardis	–	1,844	1,844	488	01.09.15	28.02.16
Edward Turner	–	1,844	1,844	488	01.09.15	28.02.16

None of Nicholas Bryan, Rupert Clevely, Roger Lambert and David Page has an entitlement under the scheme.

The exercise price of 488p per share represented a 20% discount to the market price at the time of grant. This price was set in accordance with the rules of the scheme approved by HM Revenue & Customs. There are no performance conditions other than continued employment.

9. EXCEPTIONAL ITEMS

	2013 £000	2012 £000
Amounts included in operating profits:		
Movement on the revaluation of properties (note 18)	**(958)**	(29,110)
Acquisition costs	**(217)**	(489)
Profit on sale of properties	**765**	1,306
Restructuring costs	**(552)**	–
Compensation to terminate leases	**(679)**	(382)
Capital gains tax on ESOP Trust allocated shares	**(168)**	(152)
	(1,809)	(28,827)
Exceptional tax:		
Movement on the revaluation of properties	**–**	5,640
Change in corporation tax rate	**811**	1,746
Tax attributable to above adjustments	**(228)**	(39)
	583	7,347
Total exceptional items after tax	**(1,226)**	(21,480)

The movement on the revaluation of properties relates to the revaluation exercise which was completed during the period. The revaluation was conducted at an individual pub level and identified a downward movement of £958,000 (2012: £29,110,000) which has been taken to the income statement. The movement is split between land and buildings £228,000 (2012: £26,534,000) and fixtures and fittings £730,000 (2012: £2,576,000). See note 5 for segmental information.

The acquisition costs include legal fees and stamp duty incurred on the purchase of the Cutty Sark (Greenwich) and the Narrow Boat (Islington). In the prior period acquisitions costs related to the purchase of the freeholds for the Clarence (Whitehall), Fentiman Arms (Vauxhall) and the King's Head (Winchmore Hill).

The profit on sales of properties relates to the difference between the cash, less selling costs, received from the sale of the Plough Inn (Lambeth), Marble Hill (Twickenham), Mitre (Richmond), Gorringe Park (Tooting), Chequers (Cassington), Prince of Wales (Merton) and the Old Anchor (Twickenham) and the carrying value of the assets on the date of sale.

Restructuring costs relate to a reorganisation of the group's head office functions. These are largely made up of severance costs and consultancy fees.

Compensation paid to terminate leases represents payments made to former tenants to enable properties to be moved into both the Young's managed house and Geronimo managed house operations.

The capital gains tax on ESOP Trust allocated shares relates to the shares held within the Ram Brewery Trust II on behalf of the closed profit sharing scheme. A liability is recognised at each balance sheet date for the potential capital gains tax that could arise on the disposal of shares to the members of the scheme on retirement.

In the prior period the tax on the movement on the revaluation of properties was separately disclosed due to its size and nature.

10. ADJUSTED PROFIT BEFORE TAX

The table below shows how adjusted group profit before tax has been arrived at. This alternative performance measure has been provided as the board believes that it gives a useful additional indication of the group's underlying performance. All the results below are from continuing operations.

	2013 £000	2012 £000
Profit/(loss) before tax	**22,319**	(7,494)
Operating exceptional items (note 9)	**1,809**	28,827
	24,128	21,333

11. FINANCE COSTS AND REVENUE

	2013 £000	2012 £000
Bank loans and overdrafts	**5,852**	6,093
Finance lease interest	**42**	42
Finance costs	**5,894**	6,135
Interest receivable and unwinding of discounted deferred consideration	**(543)**	(537)
Net finance cost	**5,351**	5,598

12. TAXATION

Tax charged in the group income statement	2013 £000	2012 £000
Current tax		
Current tax expense	**5,719**	4,825
Adjustment in respect of current tax of prior periods	**(250)**	(229)
	5,469	4,596
Deferred tax		
Movement on the revaluation of properties	**–**	(5,640)
Origination and reversal of temporary differences	**854**	875
Change in corporation tax rate	**(811)**	(1,746)
Adjustment in respect of deferred tax of prior periods	**(238)**	(185)
	(195)	(6,696)
Tax expense/(credit)	**5,274**	(2,100)
Presented in the income statement as follows:		
Taxation	**5,274**	3,540
Taxation on property revaluation	**–**	(5,640)
Tax expense/(credit)	**5,274**	(2,100)

Deferred tax in the group statement of comprehensive income	2013	2012
Property revaluation and disposals	**(378)**	47,344
Retirement benefit schemes	**(744)**	(1,063)
Interest rate swaps	**(395)**	(2,136)
Change in corporation tax rate	**(1,399)**	(2,923)
Tax (credit)/expense	**(2,916)**	41,222

Deferred tax in the group income statement	2013	2012
Property revaluation and disposals	**795**	(4,926)
Fair value gains on acquisition of subsidiaries	**(600)**	(1,543)
Capital allowances	**(1,050)**	(1,583)
Retirement benefit schemes	**578**	858
Other tax provisions	**63**	72
Share based payments	**(8)**	–
Derecognition of deferred tax on the sale of subsidiary	**27**	–
Utilisation of tax losses	**–**	426
Tax credit	**(195)**	(6,696)

In the prior period the group changed its accounting policy for property and equipment. The tax impact in relation to the downward movement was a credit in the income statement of £5.6 million while the impact of the upward movement was a debit through the statement of comprehensive income of £47.3 million. A deferred tax liability relating to fair value gains on acquisition of subsidiaries arose on the acquisition of Geronimo Group Limited on 16 December 2010.

A reconciliation of the tax expense/(credit) applicable to the profit/(loss) from operating activities before tax at the statutory rate to the actual tax expense/(credit) at the group's effective tax rate for the periods ended 1 April 2013 and 2 April 2012 respectively is as follows:

	2013 £000	2012 £000
Profit/(loss) before tax from continuing operations	**22,319**	(7,494)
Total profit/(loss) before tax at corporation tax rate of 24% (2012: 26%)	**5,357**	(1,948)
Tax effects of:		
Expenses not deductible for tax purposes	**778**	7,988
Recognition of property revaluation, rollover claim and other property movements	**723**	(5,640)
Non assessable income	**(312)**	(340)
Re-measurement of deferred tax – change in corporation tax rate	**(811)**	(1,746)
Derecognition of deferred tax on sale of subsidiary	**27**	–
Prior period adjustment – current tax	**(250)**	(229)
Prior period adjustment – deferred tax	**(238)**	(185)
Total tax expense/(credit)	**5,274**	(2,100)

During the period, as a result of the change in the UK corporation tax rate from 24% to 23% that was substantively enacted on 3 July 2012 and has been effective from 1 April 2013, the relevant deferred tax balances have been re-measured. Deferred tax expected to reverse in the period ending 31 March 2014 and thereafter has been measured using the effective rate that will apply in the UK for the period of 23%.

Further reductions to the UK tax rate have been announced. The changes, which are expected to be enacted in Finance Bill 2013, propose to reduce the rate to 21% from 1 April 2014 and 20% from 1 April 2015. The changes had not been substantively enacted at the balance sheet date and are not therefore recognised in these financial statements.

13. DISCONTINUED OPERATIONS

In the prior period the group disposed of its entire 40% share in Wells & Young's Brewing Company Limited ("Wells & Young's"), its brewing associate.

The consideration receivable for the company's shareholding was £15.1 million in cash of which £5.0 million remains outstanding at 1 April 2013. This final instalment is due in February 2014. This deferred consideration has been discounted to its present value, £4,749,000, and is recognised in the group's balance sheet as "Other financial asset" within current assets (2012: £4,749,000 within current assets and £4,463,000 within non current assets).

The discounted present value of these proceeds less the carrying amount of the investment in associate and disposal costs resulted in a loss on disposal in the prior period of £1.7 million:

	2012 £000
Cash consideration	13,782
Net assets disposed	(15,455)
Disposal costs	(60)
Loss on disposal of discontinued operations	(1,733)

The results of the discontinued operations, which have been included in the group income statement, were as follows:

	2012 £000
Share of associate's profit before exceptional items and tax	1,289
Share of associate's exceptional items	(401)
Share of associate's tax expense	(272)
Share of associate's post tax result	616
Loss on disposal of discontinued operations	(1,733)
Tax on loss on disposal of discontinued operations	–
Loss for the period from discontinued operations	(1,117)

During the current period and the prior period Wells & Young's contributed £nil to the group's cash flows.

13. DISCONTINUED OPERATIONS (CONTINUED)

Investment in associate

	Group		Company	
	2013 £000	2012 £000	**2013 £000**	2012 £000
Opening balance	**–**	15,273	**–**	11,303
Items charged directly to equity	**–**	(354)	**–**	–
Share of profit of associate	**–**	616	**–**	–
Release of stock provision	**–**	(80)	**–**	–
Disposal	**–**	(15,455)	**–**	(11,303)
	–	–	**–**	–

14. BUSINESS COMBINATIONS

The group acquired the Cutty Sark (Greenwich) and Narrow Boat (Islington) in the current period. The aggregated fair value of the identifiable assets and liabilities of the acquired businesses was property and equipment of £3.7 million and inventories of £nil. The group incurred £217,000 of costs associated with the acquisitions which have been recorded as operating exceptional items.

There were no business combinations in the prior period.

15. DIVIDENDS ON EQUITY SHARES

	2013 Pence	2012 Pence	**2013 £000**	2012 £000
Final dividend (previous period)	**7.25**	6.90	**3,497**	3,328
Interim dividend (current period)	**7.02**	6.68	**3,385**	3,221
	14.27	13.58	**6,882**	6,549

The board is proposing a final dividend in respect of the period ended 1 April 2013 of 7.61p per share at a cost of £3,670,000. If approved it is expected to be paid on 11 July 2013 to shareholders who are on the register of members at the close of business on 7 June 2013.

16. EARNINGS/(LOSS) PER ORDINARY SHARE

(a) Earnings/(loss)

	2013 £000	2012 £000
Profit/(loss) from continuing operations	**16,988**	(5,367)
Loss from discontinued operations	**–**	(1,117)
Profit/(loss) attributable to shareholders of the parent	**16,988**	(6,484)
Profit/(loss) from continuing operations	**16,988**	(5,367)
Operating exceptional items	**1,809**	28,827
Tax on movement on revaluation of properties	**–**	(5,640)
Tax attributable to above adjustments	**228**	39
Change in corporation tax rate	**(811)**	(1,746)
Adjusted earnings after tax	**18,214**	16,113

	Number	Number
Basic weighted average number of ordinary shares in issue	**48,224,000**	48,224,000
Dilutive potential ordinary shares from outstanding employee share options	**33,932**	–
Diluted weighted average number of shares	**48,257,932**	48,224,000

(b) Basic earnings per share

	2013 Pence	2012 Pence
Basic from continuing operations	**35.23**	(11.13)
Effect of exceptional items and other adjustments listed opposite	**2.54**	44.54
Adjusted basic from continuing operations	**37.77**	33.41
Basic from continuing operations	**35.23**	(11.13)
Basic from discontinued operations	**–**	(2.32)
Basic	**35.23**	(13.45)

(c) Diluted earnings per share

	Pence	Pence
Diluted from continuing operations	**35.20**	(11.13)
Effect of exceptional items and other adjustments listed opposite	**2.54**	44.54
Adjusted diluted from continuing operations	**37.74**	33.41
Diluted from continuing operations	**35.20**	(11.13)
Diluted from discontinued operations	**–**	(2.32)
Diluted	**35.20**	(13.45)

The basic earnings per share figure is calculated by dividing the net profit before the non controlling interest for the period attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share have been calculated on a similar basis taking into account 33,932 (2012: nil) dilutive potential shares under the SAYE scheme.

Adjusted earnings per share are presented to eliminate the effect of the exceptional items and the tax attributable to those items on basic and diluted earnings per share.

17. GOODWILL

	Group	
	2013 £000	2012 £000
Goodwill	**20,426**	20,426

Goodwill of £20.4 million arose on the acquisition of Geronimo Group Limited and was allocated for impairment testing purposes to the Geronimo group of cash generating units. The Geronimo group of cash generating units is the pubs trading under the Geronimo concept and falls within the Geronimo managed houses segment.

The group tests the goodwill annually for impairment or more frequently if there are indicators that goodwill may have been impaired.

The recoverable amount is the value in use and exceeds the carrying value. The value in use is calculated using the three year business plan approved by senior management. Cash flows beyond this period assume 2.0% growth (2012: 2.0%) which is below the industry long term average growth rate. The pre-tax discount rate applied to cash flow projections is 8.5% (2012: 8.6%). The calculation is most sensitive to revenue assumptions and the pre-tax discount rate, however senior management believes that the assumptions used are reasonable. The group has conducted a sensitivity analysis on the impairment test and neither a 10% decline in revenue nor a 1% increase in the discount rate would lead to the impairment of the goodwill in the current period.

18. PROPERTY AND EQUIPMENT

	Group			Company		
	Land & buildings £000	Fixtures, fittings & equipment £000	Total £000	Land & buildings £000	Fixtures, fittings & equipment £000	Total £000
Cost or valuation						
At 4 April 2011	303,322	72,975	376,297	252,652	69,488	322,140
Additions	12,405	13,200	25,605	11,773	10,346	22,119
Transfer from other financial assets	600	–	600	600	–	600
Disposals	(7,799)	(1,026)	(8,825)	(7,799)	(1,026)	(8,825)
Transfer to assets held for sale	(777)	–	(777)	(777)	–	(777)
Fully depreciated assets	–	(5,124)	(5,124)	–	(5,124)	(5,124)
Revaluation*	201,544	–	201,544	201,544	–	201,544
At 2 April 2012	509,295	80,025	589,320	457,993	73,684	531,677
Additions	5,229	11,564	16,793	4,867	9,675	14,542
Business combinations	3,397	303	3,700	3,397	303	3,700
Disposals	(3,011)	(1,058)	(4,069)	(3,009)	(876)	(3,885)
Fully depreciated assets	–	(4,916)	(4,916)	–	(4,916)	(4,916)
Revaluation*	8,547	–	8,547	5,450	–	5,450
At 1 April 2013	**523,457**	**85,918**	**609,375**	**468,698**	**77,870**	**546,568**
Depreciation and impairment						
At 4 April 2011	18,095	37,998	56,093	17,472	37,531	55,003
Depreciation charge	2,650	9,190	11,840	1,036	7,970	9,006
Disposals	(2,377)	(721)	(3,098)	(2,377)	(721)	(3,098)
Transfer to assets held for sale	(22)	–	(22)	(22)	–	(22)
Fully depreciated assets	–	(5,124)	(5,124)	–	(5,124)	(5,124)
Revaluation*						
effect of downward movements in property valuation	26,534	2,576	29,110	24,877	2,365	27,242
effect of upward movements in property valuation	(1,521)	–	(1,521)	(1,521)	–	(1,521)
At 2 April 2012	43,359	43,919	87,278	39,465	42,021	81,486
Depreciation charge	2,172	9,512	11,684	1,255	8,037	9,292
Disposals	(770)	(758)	(1,528)	(768)	(582)	(1,350)
Fully depreciated assets	–	(4,916)	(4,916)	–	(4,916)	(4,916)
Revaluation*						
effect of downward movements in property valuation	2,559	817	3,376	1,270	609	1,879
effect of upward movements in property valuation	(2,331)	(87)	(2,418)	(2,181)	–	(2,181)
At 1 April 2013	**44,989**	**48,487**	**93,476**	**39,041**	**45,169**	**84,210**
Net book value						
At 4 April 2011	285,227	34,977	320,204	235,180	31,957	267,137
At 2 April 2012	465,936	36,106	502,042	418,528	31,663	450,191
At 1 April 2013	**478,468**	**37,431**	**515,899**	**429,657**	**32,701**	**462,358**

* The group's net book value uplift due to revaluation of £7.6 million (2012: £174.0 million) comprises an upward movement of £8.6 million (2012: £203.1 million) shown in the statements of comprehensive income net of a downward movement of £1.0 million (2012: £29.1 million) in the income statement. The company's net book value uplift due to revaluation of £5.8 million (2012: £175.9 million) comprises an upward movement of £5.5 million (2012: £203.1 million) shown in the statements of comprehensive income plus a reversal of previous downward revaluations of £0.3 million (2012: £27.2 million downward) in the income statement.

(a) Revaluation of property and equipment

A policy of valuing the group's property estate was adopted in the prior period as described in note 3(f). The group's freehold and leasehold land, buildings, fixtures and fittings were valued at market value, as at 1 April 2013 and 3 October 2011, by CBRE Ltd, independent chartered surveyors and by Andrew Cox MRICS, Director of Property and Tenancies and a Chartered Surveyor. The valuation was carried out in accordance with the provisions of the RICS Valuation Standards ('the Red Book'). The pubs were valued as fully equipped operational entities having regard to trading potential and factors such as current and future projected income levels, taking account of the location, tenure, quality of the pub and recent market transactions in the sector. Changes in these assumptions, such as the valuation basis applied in comparable market transactions or the income level generated by a pub, could materially impact the valuations.

At 1 April 2013 had the property estate been carried at historic cost less accumulated depreciation and impairment losses their carrying amount would have been approximately £336.1 million (2012: £327.8 million).

The revaluation surplus represents the amount by which the fair value of the estate exceeds its historic value.

A sensitivity analysis was conducted on the property estate to give an indication of the impact of movements in the most sensitive assumption, cash flow. The analysis considers the single change with the other assumptions assumed to be unchanged. In practice changes in one assumption may be accompanied by changes in another assumption. Changes in market values may also occur at the same time as the changes in assumptions and may or may not offset them. This information should not be taken as a projection of likely future valuation movements. Decreasing the cash flows used in the revaluation by 10% would decrease the valuation by £45.4 million (2012: £41.4 million). Increasing the cash flows used in the revaluation by 10% would increase the valuation by £45.4 million (2012: £41.4 million).

(b) Assets held under finance leases

The net book value of assets held under finance leases was:

	2013 £000	2012 £000
Land and buildings held under finance leases	**9,209**	9,311

(c) Capital commitments

Capital commitments not provided for in these financial statements and for which contracts have been placed amounted to:	**2,719**	5,606

19. INVESTMENTS IN SUBSIDIARIES

	Company	
	2013	2012
	£000	£000
Opening balance at cost	**24,254**	25,620
Additions	**–**	24,254
Disposals	**–**	(25,620)
Closing balance at cost	**24,254**	24,254

Group subsidiary undertakings	Country of incorporation and registration	Country of principal operations	% of equity and votes held
Geronimo Inns Limited	England	England	100
Geronimo Airports Limited	England	England	100

On 25 February 2013 the group disposed of its entire 51% share in Sticky Fingers Food Limited ("Sticky Fingers"), its food production subsidiary. Sticky Fingers was a non-core business and the disposal allows the group to focus on operating pubs. The disposal was for a consideration of £2 and resulted in a loss on disposal of £23,000.

20. INVENTORIES

	Group		Company	
	2013	2012	**2013**	2012
	£000	£000	**£000**	£000
Finished goods and goods for resale	**2,455**	2,342	**1,875**	1,887

21. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2013	2012	**2013**	2012
	£000	£000	**£000**	£000
Trade receivables	**1,438**	1,340	**1,282**	1,210
Other receivables	**417**	512	**393**	363
Prepayments and accrued income	**2,406**	2,593	**1,824**	2,046
Amounts due from subsidiaries	**–**	–	**26,230**	28,410
	4,261	4,445	**29,729**	32,029

Trade receivables are denominated in sterling, are non interest bearing and are generally on 0-20 days' terms. The above carrying values are shown net of a provision for impairment and equate to fair value.

At 1 April 2013 trade receivables with a nominal value of £587,000 (2012: £899,000) were impaired and fully provided for.

Movements in the provision for impairment of receivables were as follows:

	2013	2012
	£000	£000
Opening balance	**899**	1,112
Charge for period	**109**	54
Amounts written off	**(421)**	(267)
	587	899

The amounts written off in the period were specific debts which proved irrecoverable.

At 1 April 2013 the analysis of trade receivables is as follows:

	Total	**Neither past due nor impaired**	**<31 days**	**31-60 days**	**61-90 days**	**91+ days**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
2013	**1,438**	**323**	**742**	**264**	**45**	**64**
2012	1,340	264	709	154	64	149

Of the trade receivables that are neither past due nor impaired by value 1.8% (2012: 8.7%) reflects new customers with no previous history of default, 68.3% (2012: 89.1%) represents existing customers with no history of default and 29.9% (2012: 2.2%) represents existing customers with some history of default.

22. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Group		Company	
	2013	2012	**2013**	2012
	£000	£000	**£000**	£000
Non current assets classified as held for sale	**–**	755	**–**	755

At 1 April 2013 no properties were classified as held for sale (2012: two). The two properties held as for sale at the end of the prior period were both sold during the current period.

During the period no properties were transferred from property and equipment (2012: two) to non current assets classified as held for sale.

23. TRADE AND OTHER PAYABLES

	Group		Company	
	2013	2012	**2013**	2012
	£000	£000	**£000**	£000
Trade payables	**8,428**	9,859	**8,370**	9,304
Other related parties: Ram Brewery Trust General Fund	**–**	–	**325**	325
Other tax and social security	**5,520**	5,551	**5,191**	5,249
Other creditors	**5,706**	4,739	**5,228**	4,118
Accruals and deferred income	**4,502**	5,991	**3,994**	5,260
	24,156	26,140	**23,108**	24,256

All trade payables are payable on demand and the carrying values above equate to fair value.

24. CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS

The group's capital management objective is to maintain an optimal structure, measuring investment opportunities against returning capital to shareholders, but with an appropriate level of gearing. This provides a platform from which the group can seek to maximise shareholder value. The group monitors its capital using gearing ratios, net debt as a multiple of EBITDA and interest cover. The group finances the business with a mixture of equity (note 27) and debt (note 29).

The group's principal treasury objective is to manage financial risks and provide secure and competitively priced funding for the group's activities. When appropriate the group uses financial instruments and derivatives to manage these risks.

The borrowing requirements are met largely by bank debt and to a very small extent finance leases. Other sources of funding arise directly from trading activities such as trade and other payables.

The main financial risks relate to interest rates, credit and liquidity. The board seeks to manage these in the following manner:

Interest rate risk

The objective is to minimise the group's interest cost and provide protection from adverse movements in interest rates. The board does this by maintaining a mix of debt at fixed and variable interest rates. Interest rate swaps are used to help manage this exposure by fixing interest rates whilst matching the maturity profile and cash flows of the underlying debt. These swaps are designated as cash flow hedges.

The following table demonstrates the sensitivity of the group's profit before tax to a change in interest rates with all other variables held constant.

	Increase/ decrease in %	**Effect on profit before tax £000**
2013	**+1.0**	**(184)**
	–0.5	**92**
2012	+1.0	(218)
	–0.5	109

Credit risk

The objective is to minimise the group's credit risk. Credit risks include counterparties defaulting on their debts or other obligations which would impair the group's ability to recover the carrying value of that asset. The group has financial control policies which it follows before entering into arrangements with a new counterparty or when there is a substantial change in the existing relationship. Any potential impairments are monitored and, where appropriate, provision is made for any irrecoverable balances. The company is not considered to have any exposure to credit risk from amounts due from subsidiaries.

Liquidity and cash flow risk

The objective is to ensure that the group has sufficient financial resources to develop its existing business and exploit opportunities as they arise. The board manages liquidity risk by ensuring that the group's debt profile is long dated, facilities are committed and the group does not rely unduly on short term borrowings. The group's borrowings are dependent on certain financial covenants being met. If these were breached funding could be withdrawn leaving the group with insufficient working capital and if the group were unable to find other alternative sources of funding it may not be possible to continue trading in its current form. The board is vigilant in managing the business, assessing and monitoring acquisitions and investments, and forecasting the group's profit and cash flows. The funding position of the group is continuously reviewed against the headroom in the group's borrowing facilities.

Other risks that the group faces are referred to in the principal risks and uncertainties section starting on page 14.

(a) Derivative financial instruments: interest rate swaps

	Group and company	
	2013	2012
	£000	£000
Financial liability – interest rate swaps	**(13,870)**	(12,223)
Loss on cash flow hedge taken to equity	**(1,647)**	(8,215)

The group has a number of interest rate swaps that fix future interest cash flows on the variable interest rate bank loans. These instruments result in the group paying fixed interest rates on the notional amount for each swap's life. The swaps are being used to hedge the exposure to changes in the group's cash flows on its variable rate loans due to changes in LIBOR. The secured loans and the interest rate swaps have the same critical terms over their relevant period.

The duration of each swap, and its respective interest rates once combined with the bank's margin and other costs, are detailed in part (b) of this note.

(b) Loans, borrowing, interest rates and fair values

	Group and company						
	Term or expiry date	Effective interest rate	Period rate fixed	**Fair value 2013 £000**	Fair value 2012 £000	**Book value 2013 £000**	Book value 2012 £000
Secured							
£20 million loan swapped into fixed rate	March 2018	4.58%	5 years	**22,790**	22,492	**19,940**	19,916
£30 million loan swapped into fixed rate	March 2023	5.97%	10 years	**39,182**	37,660	**29,910**	29,873
£50 million loan swapped into fixed rate	December 2013 to 2015	4.51%	1 to 3 years	**51,898**	52,071	**49,821**	49,747
£50 million revolving credit facility	December 2015	Variable	None	**18,321**	21,747	**18,321**	21,747
				132,191	133,970	**117,992**	121,283
Unsecured							
Finance leases						**694**	700
Financial liabilities						**118,686**	121,983

As shown		
Current borrowings	**10,006**	5
Non current borrowings	**108,680**	121,978
Financial liabilities	**118,686**	121,983

The secured borrowings are secured on the assets of the group.

The fair values of borrowings and interest rates derivatives are estimates based on prevailing market rates of interest and expected future cash flows arising from those instruments.

Bank overdrafts

Bank overdrafts are used for day to day cash management. The group has a £5 million overdraft facility with interest linked to the base rate.

Bank loan

The group has a bilateral £50 million term loan with the Royal Bank of Scotland and a £50 million syndicated facility with the Royal Bank of Scotland and Barclays. The bilateral is repayable as to £20 million on 28 March 2018 and as to £30 million on 28 March 2023. The syndicated loan is repayable in two instalments of £10 million on 15 December 2013 and 15 December 2014 with a final £30 million repayment on 15 December 2015. Interest rate swaps have been entered into in respect of all these bank loans which results in the effective interest charge being fixed at the rates disclosed above.

Revolving credit facility

The group has a £50 million revolving credit facility with the Royal Bank of Scotland and Barclays of which £18.5 million was drawn at the period end. Final repayment of the total drawn down balance is due as one payment on 15 December 2015. This is a committed facility which permits drawings of different amounts and periods. These drawings carry interest at a margin above LIBOR with a commitment payment on the undrawn portions. Interest is payable at each renewal date.

24. CAPITAL MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

(c) Maturity of the group's financial liabilities and expiry of facilities

	Maturity of financial liabilities				
2013	**Within one year £000**	**Between one and two years £000**	**Between two and five years £000**	**After five years £000**	**Total £000**
Borrowings	**12,713**	**12,259**	**53,828**	**52,320**	**131,120**
Trade and other payables	**13,948**	**–**	**–**	**–**	**13,948**
Derivative financial instruments	**2,712**	**2,712**	**7,006**	**7,628**	**20,058**
	29,373	**14,971**	**60,834**	**59,948**	**165,126**

2012	Within one year £000	Between one and two years £000	Between two and five years £000	After five years £000	Total £000
Borrowings	4,012	14,012	70,595	61,511	150,130
Trade and other payables	15,850	–	–	–	15,850
Derivative financial instruments	1,712	1,712	4,506	6,244	14,174
	21,574	15,724	75,101	67,755	180,154

The above maturity table includes contractual gross undiscounted cash flows of the borrowings, related interest, net derivatives, finance leases, trade payables and contractual accruals.

(d) Fair value hierarchy for instruments measured at fair value

	Group and company			
	Fair value 2013 £000	**Level 1 2013 £000**	**Level 2 2013 £000**	**Level 3 2013 £000**
Financial liabilities at fair value				
Interest rate swaps	**(13,870)**	**–**	**(13,870)**	**–**
	(13,870)	**–**	**(13,870)**	**–**

	Fair value 2012 £000	Level 1 2012 £000	Level 2 2012 £000	Level 3 2012 £000
Financial liabilities at fair value				
Interest rate swaps	(12,223)	–	(12,223)	–
	(12,223)	–	(12,223)	–

Level 1
Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2
Fair values measured using inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly.

Interest rate swaps are accounted for at their fair value based on market prices.

Level 3
Fair values measured using inputs for the asset or liability that are not based on observable market data.

(e) Financial assets

Financial assets of the group and the company are not included in this note because their book value approximates their carrying value.

25. DEFERRED TAX

	Group		Company	
	2013 £000	2012 £000	**2013 £000**	2012 £000
Deferred tax assets				
Interest rate swaps	**3,190**	2,934	**3,190**	2,934
Retirement benefit schemes	**2,033**	2,135	**2,033**	2,135
Decelerated capital allowances	**898**	–	**922**	203
Capital losses	**860**	–	**860**	–
Other provisions	**116**	179	**116**	179
Share based payments	**14**	–	**14**	–
Tax losses	**–**	26	**–**	–
	7,111	5,274	**7,135**	5,451
Deferred tax liabilities				
Rolled over gains and property revaluations	**(52,078)**	(52,607)	**(51,850)**	(52,607)
Fair value gains on acquisition of subsidiaries	**(6,303)**	(6,903)	**–**	–
Accelerated capital allowances	**–**	(152)	**–**	–
	(58,381)	(59,662)	**(51,850)**	(52,607)
Net deferred tax liabilities	**(51,270)**	(54,388)	**(44,715)**	(47,156)

At 1 April 2013 deferred tax assets and deferred tax liabilities were presented separately on the face of the balance sheet. However, at 2 April 2012 these amounts were presented as net deferred tax liabilities.

The deferred tax assets and liabilities at the balance sheet date are calculated at the substantively enacted rate of 23%. Whilst detailed calculations have not been prepared at this stage, it is estimated that the impact of the remaining annual corporation tax rate reductions from 23% to 20% would be to reduce the value of the group's net deferred tax liabilities at the balance sheet date by approximately £6,687,000 and to reduce the value of the company's net deferred tax liabilities by approximately £5,832,000.

The group has realised capital losses of £5,589,000 (2012: £6,252,000) which are available indefinitely to offset against future capital gains. Deferred tax assets have not been recognised in respect of £1,946,000 (2012: £1,327,000) of these losses because at present it is unclear whether suitable gains will arise in the foreseeable future to utilise these losses.

In addition the group has unrealised capital losses of £11,985,000 (2012: £10,236,000) of which £99,000 (2012: £1,375,000) have been recognised and £11,886,000 (2012: £8,861,000) have not been recognised at present because it is uncertain whether these unrealised losses will be utilised. The company has unrealised capital losses of £8,807,000 (2012: £7,131,000) of which £99,000 (2012: £1,375,000) have been recognised and £8,708,000 (2012: £5,756,000) have not been recognised because it is uncertain whether these unrealised losses may be utilised.

26. RETIREMENT BENEFIT SCHEMES

The company operates one defined benefit pension scheme, namely the Young & Co.'s Brewery, P.L.C. Pension Scheme, a defined contribution pension scheme and a post retirement health care scheme.

The contribution to the defined contribution scheme was £286,000 (2012: £227,000).

An independent qualified actuary has updated the most recent actuarial valuations at 5 April 2011 to take account of the requirements of IAS 19 in order to assess the liabilities of the schemes as at 1 April 2013.

The employer contribution to the defined benefit scheme for the period ended 1 April 2013 was £2,478,000 (2012: £3,129,000) plus premiums of £241,000 (2012: £232,000) to the post retirement health care scheme. The current arrangement as regards contribution rates is described in the relevant Schedule of Contributions.

The defined benefit scheme is closed to new entrants. Consequently the current service cost will increase as the members of that scheme approach retirement.

Future employee contribution rates are projected to be 5.0% of pensionable earnings. Future employer contribution rates are projected to be 18.0% of pensionable earnings. The total contributions to the defined benefit scheme in the 2014 financial period are expected to be £2,500,000. The total contributions to the post retirement health care scheme in the 2014 financial period are expected to be £250,000.

The pension scheme assets includes some of the company's A shares with a fair value of £3,670,000 (2012: £4,498,000). There are no property assets of the scheme occupied by the company.

26. RETIREMENT BENEFIT SCHEMES (CONTINUED)

Assumptions

	Pension		Health care	
	2013	2012	**2013**	2012
	%	%	**%**	%
Rate of increase in salaries	**3.40**	4.20	**N/A**	N/A
Discretionary pension increases	**3.40**	3.20	**N/A**	N/A
Rate of revaluation of deferred pensions	**2.40**	2.20	**N/A**	N/A
Discount rate	**4.50**	4.95	**4.50**	4.95
Inflation	**3.40**	3.20	**3.40**	3.20
General medical expenses inflation	**N/A**	N/A	**9.00**	9.00

Mortality assumptions

The life expectancies underlying the valuation are as follows:

	2013	2012
	Years	Years
Current pensioners (at age 65) – males	**22.7**	22.6
Current pensioners (at age 65) – females	**25.1**	25.0
Future pensioners (at age 65) – males	**24.6**	24.5
Future pensioners (at age 65) – females	**27.0**	26.9

A one percentage point change in the assumed rate of increase in health care costs would have the following effects:

	Increase	Decrease
	£000	£000
Effect on the aggregate service cost and interest cost	25	(20)
Effect on defined benefit obligation	521	(444)

Pension scheme and health care scheme assets, liabilities and expected rates of return

	Group and company			
	Expected rates of return		Assets and liabilities	
	2013	2012	**2013**	2012
	%	%	**£000**	£000
Equities	**N/A**	7.00	**24,454**	22,358
Diversified growth fund	**N/A**	7.00	**21,443**	18,905
Absolute return	**N/A**	5.50	**4,384**	1,624
Corporate bonds	**N/A**	5.15	**38,972**	35,018
Insured pensions	**N/A**	4.95	**14,633**	14,512
Other	**N/A**	2.00	**–**	535
Total fair value of assets			**103,886**	92,952
Present value of retirement benefit liabilities			**(112,727)**	(101,242)
Scheme deficit			**(8,841)**	(8,290)

The overall expected rate of return of the scheme assets has been based on the average expected return for each asset class weighted by the amount of assets in each class. As at 1 April 2013 the expected rate of return is not applicable due to the removal of the expected return on scheme assets under IAS 19 Employee Benefits (Revised), effective for accounting periods beginning on or after 1 January 2013. The long term weighted average rate of return on scheme assets at 2 April 2012 was 5.93%.

History of experience gains and losses

	2013	2012	2011	2010	2009
	£000	£000	£000	£000	£000
Fair value of scheme assets	**103,886**	92,952	86,873	81,432	65,070
Present value of defined benefit obligations	**(112,727)**	(101,242)	(94,465)	(95,553)	(76,823)
Deficit in the schemes	**(8,841)**	(8,290)	(7,592)	(14,121)	(11,753)
Experience (losses)/gains arising on scheme liabilities	**(2,006)**	835	2,962	(365)	5,883
Experience gains/(losses) arising on scheme assets	**6,836**	627	(262)	13,869	(16,973)

The cumulative amount of actuarial gains and losses recognised since 2 April 2006 in the statement of comprehensive income is a £19,958,000 loss (2012: £16,856,000 loss). The directors are unable to determine how much of the pension scheme deficit of £5,898,000 recognised on transition to IFRS and taken to equity is attributable to actuarial gains and losses since inception of this scheme. Consequently the directors are unable to determine the amount of actuarial gains and losses that would have been recognised in the statement of comprehensive income before 2 April 2006.

Movement in scheme deficits in the period

	Group and company					
	2013			2012		
	Pension scheme £000	**Health care scheme £000**	**Total £000**	Pension scheme £000	Health care scheme £000	Total £000
(a) Changes in the present value of the pension schemes are as follows:						
Opening deficit	**(3,802)**	**(4,488)**	**(8,290)**	(3,572)	(4,020)	(7,592)
Current service cost	**(701)**	**(11)**	**(712)**	(730)	(10)	(740)
Contributions	**2,478**	**241**	**2,719**	3,129	232	3,361
Other finance income/(cost)	**760**	**(216)**	**544**	986	(217)	769
Actuarial losses	**(2,940)**	**(162)**	**(3,102)**	(3,615)	(473)	(4,088)
Closing deficit	**(4,205)**	**(4,636)**	**(8,841)**	(3,802)	(4,488)	(8,290)
(b) Recognised in the income statement						
Current service cost included in operating costs	**(701)**	**(11)**	**(712)**	(730)	(10)	(740)
Expected return on pension scheme assets	**5,471**	**–**	**5,471**	5,926	–	5,926
Interest on pension liabilities	**(4,711)**	**(216)**	**(4,927)**	(4,940)	(217)	(5,157)
Other finance income/(charge)	**760**	**(216)**	**544**	986	(217)	769
(c) Recognised in statement of comprehensive income						
Actual return less expected return on scheme assets	**6,836**	**–**	**6,836**	627	–	627
Experience gains/(losses) arising on the scheme liabilities	**(2,051)**	**45**	**(2,006)**	859	(24)	835
Changes in assumptions underlying the scheme liabilities	**(7,725)**	**(207)**	**(7,932)**	(5,101)	(449)	(5,550)
Actuarial losses recognised	**(2,940)**	**(162)**	**(3,102)**	(3,615)	(473)	(4,088)
(d) Movements in the present value of defined benefit obligations during the period						
Opening defined benefit obligations	**(96,754)**	**(4,488)**	**(101,242)**	(90,445)	(4,020)	(94,465)
Current service cost	**(701)**	**(11)**	**(712)**	(730)	(10)	(740)
Interest on obligation	**(4,711)**	**(216)**	**(4,927)**	(4,940)	(217)	(5,157)
Contributions by scheme members	**(104)**	**–**	**(104)**	(107)	–	(107)
Actuarial losses on obligations	**(9,776)**	**(162)**	**(9,938)**	(4,242)	(473)	(4,715)
Benefits paid	**3,955**	**241**	**4,196**	3,710	232	3,942
Present value of scheme liabilities	**(108,091)**	**(4,636)**	**(112,727)**	(96,754)	(4,488)	(101,242)
(e) Change in fair value of scheme assets						
Opening fair value of scheme assets	**92,952**	**–**	**92,952**	86,873	–	86,873
Expected return on scheme assets	**5,471**	**–**	**5,471**	5,926	–	5,926
Actuarial gain on scheme assets	**6,836**	**–**	**6,836**	627	–	627
Contributions by employer	**2,478**	**241**	**2,719**	3,129	232	3,361
Contributions by scheme members	**104**	**–**	**104**	107	–	107
Benefits paid	**(3,955)**	**(241)**	**(4,196)**	(3,710)	(232)	(3,942)
Fair value of scheme assets	**103,886**	**–**	**103,886**	92,952	–	92,952

26. RETIREMENT BENEFIT SCHEMES (CONTINUED)

The sensitivities regarding the principal assumptions used to measure the schemes liabilities are set out below. The illustrations consider the single change shown with the other assumptions assumed to be unchanged. In practice changes in one assumption may be accompanied by offsetting changes in another assumption. Changes in market values may also occur at the same time as the changes in assumptions and may or may not offset them.

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 8.8%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 7.6%
Life expectations	Increase by 1 year	Increase by 3.4%

27. SHARE CAPITAL AND RESERVES

	2013 and 2012 Shares	2013 and 2012 £000
Issued and fully paid shares		
A shares of 12.5p each	**29,064,000**	**3,633**
Non voting shares of 12.5p each	**19,160,000**	**2,395**
	48,224,000	**6,028**

The two classes of shares are equal in all respects except that the non voting shares do not carry the right to receive notices of general meetings or to attend, speak or vote at them.

28. SHARE AWARDS

During the current period the group introduced a Save-As-You-Earn ("SAYE") scheme which has been approved by HM Revenue & Customs. The scheme enables directors and eligible employees to acquire options over A shares of the company at a discount of up to 20% of their market price at the time of granting using the proceeds of a related SAYE contract. All employees who have worked for the minimum qualifying period on an invitation date are eligible to join the scheme. Options granted under the SAYE scheme are not subject to performance conditions other than continued employment. These options are all equity settled.

SAYE options were granted over 130,679 A shares on 1 August 2012 at an exercise price of 488.0p per share. Subject to the participants remaining in the employment of the group and making 36 monthly contributions, these options will be exercisable between September 2015 and February 2016. A charge of £33,000, valued using the Black-Scholes option pricing model, was made to the group and company income statement in respect of these options in the period. As at 1 April 2013 options over 120,739 A shares remain outstanding.

29. NET CASH GENERATED FROM OPERATIONS AND ANALYSIS OF NET DEBT

	Group		Company	
	2013	2012	**2013**	2012
	£000	£000	**£000**	£000
Profit/(loss) before tax on continuing operations	**22,319**	(7,494)	**19,814**	(13,335)
Net finance cost	**5,351**	5,598	**4,093**	4,834
Other finance income	**(544)**	(769)	**(544)**	(769)
Operating profit/(loss) on continuing operations	**27,126**	(2,665)	**23,363**	(9,270)
Depreciation	**11,684**	11,840	**9,292**	9,006
Movement on revaluation of properties	**958**	29,110	**(302)**	27,242
Profit on sale of properties	**(765)**	(1,306)	**(765)**	(1,306)
Difference between pension service cost and cash contributions paid	**(2,007)**	(2,621)	**(2,007)**	(2,621)
Amounts due from subsidiaries waived	**–**	–	**90**	6,080
Share based payments	**33**	–	**33**	–
Provision for capital gains tax on ESOP Trust allocated shares	**168**	152	**168**	152
Movements in working capital				
Inventories	**(113)**	(119)	**12**	(63)
Receivables	**184**	442	**2,300**	459
Payables	**(2,150)**	(232)	**(1,390)**	1,556
Net cash generated from operations	**35,118**	34,601	**30,794**	31,235

Analysis of net debt

	Group		Company	
	2013	2012	**2013**	2012
	£000	£000	**£000**	£000
Cash	**6,123**	3,914	**4,938**	2,577
Loan capital and finance leases	**(118,686)**	(121,983)	**(118,686)**	(121,983)
Net debt	**(112,563)**	(118,069)	**(113,748)**	(119,406)

30. RELATED PARTY TRANSACTIONS

Balances and transactions between the company and its wholly owned subsidiaries have been eliminated on consolidation and are not disclosed in this note. These are on an arms' length basis and disclosed in notes 5, 21 and 23.

Directors

Directors' emoluments and retirement benefits are disclosed in notes 8(b) and (c). Directors' shareholdings and interests are disclosed or referred to on page 18 and in notes 8(d) and (e).

Rupert Clevely and his wife, Jo Clevely:

- reside from time to time, free of charge, in accommodation above one of the group's pubs in London – the value of the benefit was £9,787 (2012: £9,050) and is included in the "Benefits" column for Rupert Clevely in note 8(b);
- are lessees of a property in London from which the group operates one of its pubs – they hold the property on trust for two companies within the group jointly and, as part of that arrangement, those companies have agreed to indemnify Rupert and Jo Clevely in respect of certain liabilities relating to the property and the lease under which it is held; and
- are entitled to be reimbursed for certain liabilities, costs and expenses that may be incurred by them pursuant to or in connection with certain pub related guarantees given by them – the guarantees are not expected to be called on.

Rupert Clevely and four other members of his family own a 50% share of Rogers and Rufus Pty Limited, an Australian wine producer. That company provides wine to the group for sale in its pubs via an intermediary wine supplier on an arm's length basis. Goods purchased by the group totalled £38,102 (2012: £54,011). No amount was outstanding at 1 April 2013 (2012: £nil).

Jo Clevely Design Limited, a company owned and controlled by Jo Clevely, provides interior design services for some of the group's pubs. For these services (and inclusive of expenses and reimbursement for items of furniture purchased on behalf of the group) that company has received £131,385 (2012: £202,713). £17,286 was outstanding at 1 April 2013 (2012: £20,580).

No other transactions requiring disclosure have been entered into with the directors.

30. RELATED PARTY TRANSACTIONS (CONTINUED)

Former director

Roy Summers, a former non-executive director, has agreed to advise on the quality of the company's own-brand beers brewed by the company's former associate, Wells & Young's Brewing Company Limited, in Bedford, and also to assist with quality monitoring. For these services (and inclusive of expenses) he has received £15,451 (2012: £7,854). £1,580 was outstanding at 1 April 2013 (2012: £nil).

Pension scheme and trusts

In 1959 the Ram Brewery Trust was established. It has two parts, namely:

- the General Fund. This holds assets and makes payments to or for the benefit of employees, but has not made any such payments in the current period (2012: nil). It is managed by a corporate trustee, Ram Brewery Trustees Limited, none of the directors of which is a director of the company. As at 1 April 2013, the General Fund held nil A shares (2012: nil).
- the Pension Fund (now renamed and known as the Young & Co.'s Brewery, P.L.C. Pension Scheme). This provides pensions and other benefits to employees of the group and certain other individuals. It is managed by a corporate trustee, Young's Pension Trustees Limited ("YPTL"). Torquil Sligo-Young, a director of the company, and two other individuals, neither of whom is a director of the company, are the directors of YPTL. As at 1 April 2013 the Young & Co.'s Brewery, P.L.C. Pension Scheme held 502,769 A shares (2012: 702,769), being 1.73% of the class.

In 2008 the Ram Brewery Trust II was established. It holds assets for the benefit of employees and former employees, principally reflecting their accrued entitlement to A shares under the group's now closed profit sharing scheme – see note 8(d). The shares are all fully vested and are not therefore disclosed as an investment in own shares in the group's financial statements. The Ram Brewery Trust II is managed by a corporate trustee, RBT II Trustees Limited ("RBT II"). Torquil Sligo-Young, a director of the company, and Roy Summers, a former non-executive director of the company, are the directors of RBT II. As at 1 April 2013 the trust held 719,956 A shares (2012: 762,284), being 2.48% of the class.

Key management

The group considers key management personnel to be solely the directors of the company as they are the only people with authority and responsibility for planning, directing and controlling the activities of the group. The compensation provided to the directors is detailed in note 8.

Former majority owned subsidiary

On 25 February 2013 the group disposed of its 51% interest in Sticky Fingers Food Limited ("Sticky Fingers"), a supplier of food to the group for sale in its pubs. The consideration for the disposal was £2. As part of the disposal the aggregate sum of £53,000 borrowed by Sticky Fingers from Geronimo Inns Limited when the Sticky Fingers venture was set up in 2010 was rescheduled (over a five year period) and Sticky Fingers was released from its obligation to re-pay the sum of £90,000 owed to the company.

Goods purchased by the group from Sticky Fingers up until the date of disposal totalled £510,815 (2012: £472,781). £49,951 was outstanding at the date of disposal (2012: £57,321).

Until 25 February 2013 the group performed payroll and administration functions on behalf of Sticky Fingers. For these services the group re-charged £266,298 (2012: £319,387). £38,430 was outstanding at the date of disposal (2012: £144,990).

Former associate

The group has agreed to purchase the majority of its drinks for its pub estate from its former associate, Wells & Young's, at commercial market prices. This arrangement is terminable on two year's notice which may only be given by the group on or after 30 September 2013 (in respect of wines and spirits) and on or after 30 September 2014 (in respect of beers and ciders). The group disposed of its entire 40% share in Wells & Young's in August 2011. Listed below are the transactions between the group and Wells & Young's up until the date of disposal:

	2012 £000
Purchase of beer, wines and spirits for resale by the group	(10,450)
Other charges made to the group	(336)

All transactions arise in the normal course of business on an arm's length basis.

31. OBLIGATIONS UNDER LEASES

(a) Obligations under finance leases

Finance leases for property are for terms ranging from 50 to 999 years. Minimum lease payments for most leases are nominal amounts. Leases do not have a purchase option but most are renewable at the lessee's option at the end of the lease term. Equipment is leased over terms of up to five years.

Future minimum lease payments under finance leases are as follows:

	Group		Company	
	2013 £000	2012 £000	**2013 £000**	2012 £000
Future minimum lease payments due:				
Not later than one year	**47**	47	**47**	47
Later than one year and not later than five years	**190**	190	**190**	190
Later than five years	**2,708**	2,755	**2,708**	2,755
	2,945	2,992	**2,945**	2,992
Less: finance charges allocated to future years	**(2,251)**	(2,292)	**(2,251)**	(2,292)
	694	700	**694**	700

The present value of minimum lease payments is analysed as follows:				
Not later than one year	**6**	5	**6**	5
Later than one year and not later than five years	**27**	25	**27**	25
Later than five years	**661**	670	**661**	670
	694	700	**694**	700

Future minimum rentals receivable from non cancellable subleases on the above properties as at 1 April 2013 were £206,000 (2012: £1,248,000).

(b) Operating lease agreements where the group is lessee

Operating leases for property are for terms ranging from two to 50 years. Minimum lease payments are typically reviewed every five years and are based on a percentage of turnover or a negotiated rate per square foot. Most property leases are renewable at the lessee's option at the end of the lease term. Equipment is leased over terms of up to five years.

Future minimum rentals payable under non cancellable operating leases are as follows:				
Not later than one year	**6,315**	6,267	**2,278**	2,141
Later than one year and not later than five years	**19,226**	18,856	**8,898**	7,635
Later than five years	**38,849**	39,690	**20,745**	19,504
	64,390	64,813	**31,921**	29,280

Future minimum rentals receivable from non cancellable subleases on the above properties as at 1 April 2013 were £821,000 (2012: £1,009,000).

(c) Operating lease agreements where the group is lessor

The group leases licensed properties to third party tenants. These non cancellable lease terms are over terms varying from one to 21 years.

Future minimum rentals receivable under non cancellable operating leases are as follows:				
Not later than one year	**2,992**	3,179	**2,992**	3,179
Later than one year and not later than five years	**4,913**	4,749	**4,913**	4,749
Later than five years	**7,665**	8,164	**7,665**	8,164
	15,570	16,092	**15,570**	16,092

32. POST BALANCE SHEET EVENTS

There were no post balance sheet events.

33. CONTINGENT ASSET

In a prior period, following the House of Lords' ruling in the Condé Nast/Fleming cases (removing the three year limit on VAT reclaims) the company lodged a claim for repayment of VAT on gaming machine receipts on the basis of fiscal discrimination. In a subsequent prior period the company made a further claim for repayment of VAT on similar grounds. Both claims stand behind the Rank case on fiscal neutrality and gaming machines. The Rank case was referred to the European Court of Justice ("ECJ"), which released its decision on 10 November 2011 confirming the key principles upon which Rank's case relied. The case has now been remitted to the First-tier Tribunal ("FTT") to reconsider the evidence in line with the ECJ's findings. Following the FTT hearing and decision the matter is likely to be appealed to at least one other UK Court.

Management views the outcome of the company's claims to be uncertain. In addition the company's claims were based on management's best estimates from the information available and the company expects the valuation of the claim to be reviewed by HM Revenue & Customs before any settlement is reached.

The group and the company have not recognised any revenue from the claims.

34. CONTINGENT LIABILITIES

There were no contingent liabilities at the current or prior period balance sheet date.

If you hold any A shares, this notice is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this notice or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser. If you have sold or otherwise transferred all of your shares, please pass this copy of the annual report, and any proxy form and business reply envelope that came with it, to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass it or them to the person who now holds the shares.

If you hold any A shares, you should have received a proxy form for use at the meeting. Guidance notes on how to complete it, and on other matters, are given on the form itself and in the notes to this notice. Whether or not you propose to attend the meeting, please complete and submit the proxy form. It must be received by Computershare Investor Services PLC by 11.30am on Sunday, 7 July 2013. Appointing a proxy does not stop you from attending the meeting and voting. An admission card is attached to the proxy form; please bring this with you to the meeting.

If you do not hold any A shares, this notice is for information purposes only.

Notice is hereby given that the 124th annual general meeting of Young & Co.'s Brewery, P.L.C. (the "Company") will be held in the Civic Suite in Wandsworth Town Hall, Wandsworth High Street, Wandsworth, London SW18 2PU on Tuesday, 9 July 2013 at 11.30am for the following purposes:

Ordinary resolutions

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive the Company's annual accounts for the financial year ended 1 April 2013, together with the directors' report and the auditor's report on those accounts and that directors' report.

2. To declare a final dividend of 7.61p per share for the financial year ended 1 April 2013.

3. That Ernst & Young LLP be, and is hereby, re-appointed as the Company's auditor to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which the Company's annual accounts and reports are laid in accordance with section 437 of the Companies Act 2006.

4. That the directors be, and are hereby, authorised to fix the remuneration of the Company's auditor.

5. That Nicholas Bryan be, and is hereby, re-appointed as a director.

6. That Stephen Goodyear be, and is hereby, re-appointed as a director.

7. That Patrick Dardis be, and is hereby, re-appointed as a director.

8. That Edward Turner be, and is hereby, re-appointed as a director.

9. That the Company and all companies that are subsidiaries of the Company at any time during the period for which this resolution has effect be, and are hereby, authorised to:
   (a) make political donations to political parties, not exceeding £50,000 in total;
   (b) make political donations to political organisations other than political parties, not exceeding £50,000 in total; and
   (c) incur political expenditure, not exceeding £50,000 in total;
   in each case at any time during the period starting with the date this resolution is passed and ending at the end of next year's annual general meeting (or, if earlier, at the close of business on 30 September 2014) but the aggregate amount of political donations and political expenditure that may be made and incurred by the Company and its subsidiaries pursuant to this authority must not exceed £50,000.

   Note: for the purposes of this resolution, "political donation" has the meaning given in section 364 of the Companies Act 2006, "political expenditure" has the meaning given in section 365 of the Companies Act 2006 and reference to a "political party" or to a "political organisation" is to a party or to an organisation to which Part 14 of the Companies Act 2006 applies.

10. That the directors be, and are hereby, authorised to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company:
    (a) up to a nominal amount of £2,009,333 (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) below in excess of such sum); and
    (b) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of £4,018,666 (such amount to be reduced by the nominal amount allotted or granted under paragraph (a) above) in connection with an offer by way of a rights issue:
    (i) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
    (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,
    and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply until the end of next year's annual general meeting (or, if earlier, until the close of business on 30 September 2014) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for, or to convert securities into, shares to be granted after the authority ends and the directors may allot shares or grant rights to subscribe for, or to convert securities into, shares under any such offer or agreement as if the authority had not ended.

Special resolutions

To consider and, if thought fit, to pass the following resolutions which will be proposed as special resolutions:

11. That if resolution 10 is passed, the directors be, and are hereby, given power to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authorities given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such power to be limited:
    (a) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of resolution 10, by way of a rights issue only):
        (i) to holders of ordinary shares in proportion (as nearly as may be practicable) to their existing holdings; and
        (ii) to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,
    and so that the directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and
    (b) in the case of the authority granted under paragraph (a) of resolution 10 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraph (a) above) of equity securities or sale of treasury shares up to a nominal amount of £301,400,

    such power to apply until the end of next year's annual general meeting (or, if earlier, until the close of business on 30 September 2014) but during this period the Company may make offers and enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

12. That the Company be, and is hereby, authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 12.5p each ("Ordinary Shares"), such authority to be limited:
    (a) to a maximum number of 4,822,400 Ordinary Shares (which may be all A shares, all non-voting shares or a mix); and
    (b) by the condition that, in each case exclusive of expenses, the minimum price which may be paid for an Ordinary Share is the nominal amount of that share and the maximum price which may be paid for an Ordinary Share is an amount equal to five per cent. above the average of the middle market quotations for that share as derived from the AIM appendix to the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which that share is contracted to be purchased,

    such authority to apply until the end of next year's annual general meeting (or, if earlier, until the close of business on 30 September 2014) but during this period the Company may enter into a contract to purchase Ordinary Shares which would, or might, be executed wholly or partly after the authority ends and the Company may purchase Ordinary Shares pursuant to any such contract as if the authority had not ended.

By order of the board

Anthony Schroeder
Company Secretary
22 May 2013

Young & Co.'s Brewery, P.L.C.
Registered office:
Riverside House,
26 Osiers Road,
Wandsworth,
London SW18 1NH
Registered in England and Wales No. 32762

Notes

Entitlement to attend, speak and vote at the meeting

To be entitled to attend, speak and vote at the meeting (and for the purpose of determining the number of votes you may cast), your name must be entered in that part of the register of members relating to holders of A shares at 7am on Monday, 8 July 2013 (or, in the event of any adjournment, at 7am on the day before the day of the adjourned meeting).

What you need to bring

If you come to the meeting, please bring with you the admission card attached to the proxy form.

Appointment of proxies

If you hold any A shares, you may appoint a proxy to exercise all or any of your rights to attend and to speak and vote on your behalf at the meeting. You can do this by completing the proxy form which came with this document. If you did not receive a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars. To be valid, your proxy form must be received by the Company's registrars no later than 11.30am on Sunday, 7 July 2013.

Who to appoint as a proxy

A proxy does not have to be a member of the Company but must attend the meeting for your vote to be counted and to otherwise represent you. Your proxy could be the chairman of the meeting, a director of the Company or someone you know personally who has agreed to attend and represent you. If you appoint a proxy, you may still attend the meeting.

Multiple proxies

You may appoint more than one proxy in relation to the meeting provided each proxy is appointed to exercise the rights attached to a different A share or different A shares held by you. A space has been included in the proxy form to allow you to specify the number of A shares in respect of which that proxy is appointed. If you return the proxy form duly executed but leave this space blank, you will be deemed to have appointed the proxy in respect of all of your holding of A shares. If you wish to appoint more than one proxy in respect of your A shares, you should contact the Company for further proxy forms or photocopy the form as required; you should also read the notes on the proxy form relating to the appointment of multiple proxies.

The following principles apply in relation to the appointment of multiple proxies:

(a) The Company will give effect to your intentions and include votes wherever and to the fullest extent possible.

(b) Where a proxy does not state the number of A shares to which it applies (a "blank proxy") then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of A shares registered in your name ("your entire holding"). If there is a conflict between a blank proxy and a proxy which does state the number of A shares to which it applies (a "specific proxy"), the specific proxy will be counted first, regardless of the time it was sent or received (on the basis that as far as possible the conflicting forms of proxy should be judged to be in respect of different A shares) and remaining A shares will be apportioned to the blank proxy (pro rata if there is more than one).

(c) Where there is more than one proxy appointed and the total number of A shares in respect of which proxies are appointed is no greater than your entire holding, it is assumed that proxies are appointed in relation to different A shares, rather than that conflicting appointments have been made in relation to the same A shares; that is, there is only assumed to be a conflict where the aggregate number of A shares in respect of which proxies have been appointed exceeds your entire holding.

(d) When considering conflicting proxies, later proxies will prevail over earlier proxies, and which proxy is later will be determined on the basis of which proxy is last sent (or, if the Company is unable to determine which is last sent, last received). Proxies in the same envelope will be treated as sent and received at the same time to minimise the number of conflicting proxies.

(e) If conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) your entire holding, none of them will be treated as valid.

(f) Where the aggregate number of A shares in respect of which proxies are appointed exceeds your entire holding and it is not possible to determine the order in which they were sent or received (or they were all sent or received at the same time), the Company's registrars or the Company will take steps to try to clarify the situation with you should time permit. If this is not possible, none of your proxies will be treated as valid.

(g) If you appoint a proxy or proxies and then decide to attend the meeting in person and vote in person, then the vote in person will override any proxy vote. If the vote in person is on a poll and is in respect of your entire holding then all proxy votes will be disregarded. If, however, you vote at the meeting on a poll in respect of less than your entire holding, then if you indicate on your poll card that all proxies are to be disregarded, that shall be the case; but if you do not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding your entire holding.

(h) In relation to paragraph (g), if you do not specifically revoke proxies, it will not be possible for the Company to determine the intentions of you in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.

Changing proxy instructions

To change your proxy instructions, you need to submit a new proxy appointment – further copies can be obtained from the Company. However, in doing so, you should be aware of the principles that apply to multiple proxies – see the note headed Multiple proxies. If you are in any doubt as to what to do where you wish to change your proxy instruction, please contact the Company's registrars or your stockbroker, solicitor, accountant or other professional adviser.

Termination of proxy appointments

If you wish to revoke your proxy instruction, you must send to the Company's registrars a signed hard copy notice clearly stating your intention to revoke your proxy appointment. If you are a corporation, the revocation notice must be executed under your common seal or signed on your behalf by an officer of you or an attorney for you. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company's registrars before the start of the meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject as follows, your proxy appointment will remain valid. Appointing a proxy does not stop you from attending the meeting and voting. If you appoint a proxy and attend the meeting, your proxy appointment will automatically be terminated.

Multiple corporate representatives

If you are a corporation, you may appoint one or more corporate representatives who may exercise on your behalf all your powers as a member provided they do not do so in relation to the same A shares.

Name and address of the Company's registrars

The Company's registrars are Computershare Investor Services PLC. They can be contacted at The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ.

Display documents

The following will be available for inspection at the Company's registered office during normal business hours (Saturdays, Sundays and public holidays excepted) from the date of this notice until 10am on the day of the meeting:

- copies of the executive directors' service contracts; and
- copies of the letters of appointment of the non-executive directors.

After 10am on the day of the meeting, these documents will be available for inspection in the Civic Suite in Wandsworth Town Hall, Wandsworth High Street, Wandsworth, London SW18 2PU until the end of the meeting.

Communication

Any address or number used for the purpose of sending or receiving documents or information by electronic means that is referred to in the Company's annual report 2013 or any proxy form for the Company's 124th annual general meeting may not be used to communicate with the Company for any purpose other than any expressly stated.

Notice of the 124th annual general meeting of Young & Co.'s Brewery, P.L.C. (the "Company") to be held on Tuesday, 9 July 2013 is set out on pages 57 to 60. The directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole; accordingly, the Company's board of directors will be voting in favour of them and unanimously recommends that all A shareholders do so as well.

Resolutions 1 to 10 are ordinary resolutions; this means that for each of those resolutions to be passed, more than half of the votes cast must be in favour.

Resolution 1: annual accounts and reports
The directors have to lay copies of the Company's annual accounts, the directors' report and the auditor's report on those accounts and that directors' report before you at a general meeting; this is a legal requirement.

Resolution 2: final dividend
An interim dividend of 7.02p per share was paid in December 2012. The directors are recommending a final dividend of 7.61p per share for the year ended 1 April 2013, bringing the total dividend for the year to 14.63p per share. Subject to approval being given, the final dividend is expected to be paid on 11 July 2013 to shareholders on the register at the close of business on 7 June 2013.

Resolution 3: re-appointment of auditor
An auditor is required to be appointed for each financial year of the Company. Ernst & Young LLP, the Company's current auditor, has agreed to serve for the current financial year and its re-appointment is therefore being proposed.

Resolution 4: auditor's remuneration
In accordance with normal practice, the directors are asking for your authority to determine the auditor's remuneration.

Resolutions 5-8: re-appointments of directors
Each of Nicholas Bryan, Stephen Goodyear and Patrick Dardis will be retiring automatically from the office of director at the meeting; this is because he held that position at the last two annual general meetings and did not retire at either of them. Edward Turner will also be retiring automatically from the office of director at the meeting; this is because he was appointed by the board since the last annual general meeting. Each of these individuals is seeking re-appointment and his brief biographical details are on page 13.

Resolution 9: political donations and expenditure
This resolution seeks renewal of the existing authority for the Company and its subsidiaries to make or incur certain political donations and political expenditure. Although there is no intention to make or incur such donations or expenditure, the legislation is very broadly drafted and may catch activities such as funding seminars and other functions to which politicians are invited and supporting certain bodies involved in policy review and law reform. The authority given by this resolution will be capped at £50,000 in total.

Resolution 10: general authority to allot
This resolution effectively seeks renewal of the directors' existing authority to allot shares and grant rights. Paragraph (a) of this resolution would give the directors the authority to allot shares or grant rights to subscribe for, or to convert any securities into, shares up to an aggregate nominal amount equal to £2,009,333 – this amount represents approximately one-third of the Company's issued share capital as at 21 May 2013 (but would be reduced by the nominal amount of any shares allotted or rights granted under paragraph (b) of this resolution in excess of £2,009,333).

In line with guidance issued by the Association of British Insurers, paragraph (b) of this resolution would give the directors authority to allot shares or grant rights to subscribe for, or to convert any securities into, shares in connection with a rights issue in favour of shareholders up to an aggregate nominal amount equal to £4,018,666, as reduced by the nominal amount of any shares allotted or rights granted under paragraph (a) of this resolution - this amount (before any reduction) represents approximately two-thirds of the Company's issued share capital as at 21 May 2013. Therefore the maximum nominal amount of shares and rights that may be allotted or granted under this resolution is £4,018,666. The authorities sought under paragraphs (a) and (b) of this resolution will expire at the end of next year's annual general meeting (or, if earlier, the close of business on 30 September 2014). The directors have no present intention of exercising either of the authorities sought under this resolution other than in respect of any one or more of the Company's share schemes. As at the date of the notice, no shares are held by the Company in treasury.

Resolutions 11 and 12 are special resolutions; this means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour.

Resolution 11: general power to disapply
This resolution effectively seeks renewal of the directors' existing power to allot shares (or sell any shares which the Company elects to hold in treasury) for cash without first offering them to existing shareholders in proportion to their existing shareholdings. This authority would be, similar to previous years, limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the directors otherwise consider necessary, or otherwise up to an aggregate nominal amount of £301,400. This aggregate nominal amount represents five per cent. of the Company's issued share capital as at 21 May 2013. The power sought under this resolution will expire at the end of next year's annual general meeting (or, if earlier, the close of business on 30 September 2014).

Resolution 12: authority to undertake market purchases of own shares
This resolution effectively seeks renewal of the Company's existing authority to make market purchases of not more than 4,822,400 of its shares, being no more than ten per cent. of its issued share capital as at 21 May 2013. The authority sought under this resolution will expire at the end of next year's annual general meeting (or, if earlier, the close of business on 30 September 2014). The directors have no present intention of exercising the authority to make market purchases, however the authority provides the flexibility to allow them to do so in the future. The directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally, and could be expected to be earnings enhancing. Any shares purchased pursuant to this authority will be held in treasury or be cancelled. The minimum price, exclusive of expenses, which may be paid for a share is its nominal value. The maximum price, exclusive of expenses, which may be paid for a share is an amount equal to 105% of the average of the middle market quotations for that share for the five business days immediately preceding the date of the purchase. As at 1 May 2013, there were options outstanding over 119,892 A shares, representing 0.25 per cent of the Company's issued share capital at that date. If the Company were to purchase its own shares to the fullest possible extent of its existing authority and of the authority sought pursuant to this resolution, these would then represent 0.31 per cent. of the Company's issued share capital. No warrants to subscribe for shares are outstanding.

FIVE YEAR REVIEW

	2013	2012	2011	2010	2009
	£000	£000	£000	£000	£000
Revenue	**193,677**	178,964	142,597	127,539	126,091
Operating profit before exceptional items	**28,935**	26,162	21,746	20,307	20,546
Operating exceptional items	**(1,809)**	(28,827)	(4,883)	(234)	(10,519)
Net finance costs and other finance income	**(4,807)**	(4,829)	(3,569)	(2,844)	(3,281)
Profit/(loss) before tax	**22,319**	(7,494)	13,294	17,229	6,746
Taxation	**(5,274)**	2,100	2,555	(5,858)	(2,988)
Profit/(loss) from continuing operations	**17,045**	(5,394)	15,849	11,371	3,758
(Loss)/profit from discontinued operation	**–**	(1,117)	1,964	1,147	(1,684)
Profit/(loss) for the period	**17,045**	(6,511)	17,813	12,518	2,074
Adjusted profit before tax	**24,128**	21,333	18,177	17,463	17,265
Net assets employed					
Non current assets	**543,436**	526,931	356,503	277,506	276,992
Current assets and assets held for sale	**17,588**	16,205	9,362	10,174	8,760
Current liabilities	**(36,707)**	(28,614)	(30,611)	(19,734)	(20,505)
Non current liabilities	**(189,772)**	(196,879)	(153,737)	(99,332)	(101,036)
	334,545	317,643	181,517	168,614	164,211
Financed by					
Share capital	**6,028**	6,028	6,028	6,028	6,028
Reserves	**328,517**	311,657	175,504	162,586	158,183
Non controlling interest	**–**	(42)	(15)	–	–
	334,545	317,643	181,517	168,614	164,211
Purchase of fixed assets and business combinations	**20,493**	25,605	78,614	10,819	24,487
Net debt	**(112,563)**	(118,069)	(122,615)	(62,632)	(65,690)

	Pence	Pence	Pence	Pence	Pence
Per 12.5p ordinary share					
Adjusted basic earnings from continuing operations	**37.77**	33.41	28.36	24.92	23.09
Basic earnings/(loss) from continuing operations	**35.23**	(11.13)	32.89	23.62	7.84
Dividends – paid in period	**14.27**	13.58	13.12	12.87	12.62

Gearing	**33.6%**	37.2%	67.6%	37.1%	40.0%
Average number of employees	**3,242**	2,985	2,335	2,059	2,084

SENIOR PERSONNEL, COMMITTEES AND ADVISERS

Directors

Nicholas Bryan, B.A., F.C.A.
Non-executive Chairman

Stephen Goodyear
Chief Executive

Torquil Sligo-Young
Human and Information Resources

Peter Whitehead, F.C.A.
Finance

Patrick Dardis
Retail

Edward Turner
Managing Director Geronimo Inns

Roger Lambert, M.A.
Non-executive Senior Independent Director

David Page
Non-executive

Rupert Clevely
Non-executive

Company Secretary

Anthony Schroeder

Audit committee

Nicholas Bryan (Chairman)
Roger Lambert
David Page

Remuneration committee

David Page (Chairman)
Nicholas Bryan
Roger Lambert

Auditor

Ernst & Young LLP
1 More London Place
London SE1 2AF

Bankers

Royal Bank of Scotland Group plc
Corporate Banking London
280 Bishopsgate
London EC2M 4RB

Barclays Bank plc
1 Churchill Place
London E14 5HP

Nominated adviser and stockbroker

J.P. Morgan Securities plc
25 Bank Street
London E14 5JP

Solicitors

Slaughter and May
One Bunhill Row
London EC1Y 8YY

Wragge & Co
55 Colmore Row
Birmingham
B3 2AS

SHAREHOLDER INFORMATION

Registrar

The company's registrar is Computershare Investor Services PLC.

If you have questions about your shareholding or if you require other guidance (e.g. to notify a change of address or to give instructions for dividends to be paid directly into a bank account), please contact Computershare.

All requests to amend account details must be made in writing to:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

You can also contact Computershare by telephone on 0870 707 1420.

Shareholders can manage their Young's shareholding online at:
www.investorcentre.co.uk

Share dealing service

J.P. Morgan Cazenove
020 7588 2828

The availability of this service should not be taken as a recommendation to deal.

Shareholder offers

Details of shareholder discounts and offers are mailed to shareholders from time to time. Any shareholder who does not wish to receive details of such offers should write to the Company Secretary at the registered office.

Registered office and company number

Riverside House
26 Osiers Road
Wandsworth
London SW18 1NH
Registered number: 32762

Further information

Please visit www.youngs.co.uk

Proposed financial diary 2013

5 June 2013
Ex-dividend date for final dividend

7 June 2013
Record date for final dividend

9 July 2013
Annual general meeting

11 July 2013
Payment of final dividend

21 November 2013
Interim results announcement

27 November 2013
Ex-dividend date for interim dividend

29 November 2013
Record date for interim dividend

13 December 2013
Payment of interim dividend

YOUNG'S PUBS AND HOTELS

Key
Young's managed house unless marked
Tenanted **T**
Geronimo **G**
Hotel **H**

Balham
Devonshire
Grove
Nightingale

Barnes
Bull's Head **T**
Coach & Horses
White Hart

Barnet
Lord Nelson **T**

Battersea
Duke of Cambridge
Northcote **G**
Plough
Prince Albert **G**

Bayswater
Mitre

Beddington
Plough

Betchworth
Dolphin

Blindley Heath
Red Barn **G**

Bloomsbury
Calthorpe Arms **T**
Lamb

Bognor Regis
Waverley

Borough Market
Bunch of Grapes
Wheatsheaf

Bow
Coborn Arms
Crown **G**

Bradford-on-Avon
Bunch of Grapes **T**

Brighton
Seven Stars

Bristol
Bristol Ram **T**
Highbury Vaults
Horts
Rope Walk **T**

Brixton
Grand Union **T**

Broadway, Nr Illminster
Bell Inn **T**

Bromley
Two Doves **T**

Burnham-on-Sea
Dunstan House Inn **H**

Camberwell
Grand Union **T**

Camden
Spread Eagle

Carshalton
Greyhound **H**

Castle Cary
Horse Pond **T**

Catford
Catford Ram **T**

Chelmsford
O'Connor's **T**
Riverside Inn **H**

Chelsea
Builder's Arms **G**
Chelsea Ram **G**
Cooper's Arms
Hollywood Arms
King's Arms **G**
Phoenix **G**
Surprise **G**

Chertsey
Crown Hotel **H**

Chichester
Crown & Anchor

Chislehurst
Bull's Head Hotel **H**

City of London
Albion
Boisdales **T**
Dirty Dick's
Elephant
Lamb Tavern
Master Gunner
Oyster Shed **G**
Paternoster
Three Lords
White Horse **G**

Clapham Common
Windmill on
the Common **H**

Clapton
Princess of Wales **G**

Claygate
Foley **H**

Clerkenwell
Sekforde Arms **T**

Congresbury
Old Inn **T**

Covent Garden
Marquess of Anglesey

Croydon
Dog & Bull
Tamworth Arms **T**

Dartford
Court House **T**
Malt Shovel **T**

Dorking
Falkland Arms **T**
Old House at Home **T**

Dulwich
Dulwich Wood House

Ealing
Grange

Earlsfield
Halfway House
Leather Bottle

East Grinstead
Ship **T**

East Sheen
Hare & Hounds

Effingham
Plough **T**

Emsworth
Sussex Brewery **T**

Epsom
King's Arms **T**
Rising Sun **T**

Esher
Bear Inn **H**

Euston
Square Tavern **T**

Exeter
City Gate **H**
Double Locks

Exmouth
Grove

Farnborough
Rose & Crown

Fetcham
Bell

Fitzrovia
Adam & Eve **G**
One Tun

Fulham
Cock Tavern
Duke on the Green
Waterside

Greenford
Bridge Hotel **H**

Greenwich
Cutty Sark
Richard the First

Hammersmith
Brook Green Hotel **H**
Hammersmith Ram
Old Ship
Thatched House

Hampstead
Flask
Roebuck

Harlesden
Grand Junction Arms **T**

Heathrow Airport
Five Tuns **G**
Three Bells **G**
Tin Goose **G**

Hendon
Beaufort
Greyhound **T**

Hindon
Lamb Inn **T**

Isleworth
Castle **T**
Coach & Horses

Islington
Castle **G**
Duchess of Kent **G**
Marquess Tavern
Narrow Boat

Kensington
Britannia
Curtains Up **G**
Duke of Clarence **G**

Kentish Town
Bull & Gate
Lion & Unicorn **G**

Kew
Coach & Horses **H**

Keynsham
Lock Keeper

Kilburn
Queen's Arms T

Kingston
Albert
Bishop out of Residence
Grey Horse T
Spring Grove

Lambeth
Surprise T

Leatherhead
Penny Black

Lee
Crown

Lingfield
Greyhound T

Littleton-on-Severn
White Hart

Maida Vale
Prince Alfred

Marylebone
Lord Wargrave T

Mayfair
Guinea
Windmill

Mitcham
King's Arms T

Mortlake
Jolly Gardeners T

Norwood
Hope T
Railway Bell T

Notting Hill
Duke of Wellington
Elgin G

Oxford
Angel & Greyhound
King's Arms

Oxshott
Bear

Paddington
Porchester

Peckham Rye
Clock House

Pimlico
Fox & Hounds T
Rising Sun T

Plumpton Green
Fountain Inn T

Primrose Hill
Queens

Putney
Boathouse
Coat and Badge G
Duke's Head
Green Man
Half Moon G
Spotted Horse

Radlett
Red Lion Hotel H

Redhill
Home Cottage
William IV T

Richmond
Lass O'Richmond Hill
Marlborough
Old Ship
Orange Tree
Red Cow T
Shaftesbury
Waterman's Arms T
White Cross

Roehampton
Angel T
King's Head

Rotherhithe
Ship T

St Pancras Station
Betjeman Arms G

Shaftesbury
Mitre

Shepherd's Bush
Bull (Westfield) G
Eagle G

Sherfield-on-Loddon
White Hart

Sherston
Rattlebone T

Sidmouth
Swan T

Somerton
Unicorn T

Southampton
Mavericks T

Southwark
Founders' Arms
Mulberry Bush
Prince William Henry T

Staines
Bells T

Stepney
Queen's Head T

Stockwell
Trinity Arms

Stonebridge
Royal Oak T

Stratford
Cow (Westfield) G

Streatham
Pied Bull

Surbiton
Black Lion T
Victoria
Waggon & Horses T

Sutton
Lord Nelson T
New Town T
Robin Hood T

Teddington
Abercorn Arms T

Thornton Heath
Lord Napier T
Railway Telegraph T

Tooting
Castle

Tufnell Park
Lord Palmerston G

Twickenham
Alexander Pope H

Vauxhall
Fentiman Arms G
Riverside

Wallington
Duke's Head H

Walton-on-Thames
Royal George T
Swan

Walton-on-the-Hill
Chequers

Wandsworth
Alma H
Armoury T
Brewers Inn H
County Arms
East Hill G
Gardeners' Arms T
Grand Union T
Grapes T
Old Sergeant T
Pig & Whistle T
Queen Adelaide
Ship
Spread Eagle T
Waterfront

Westminster
Buckingham Arms
Clarence G
Morpeth Arms
Phoenix G
Royal Oak T

Weybridge
Hand & Spear

Wimbledon
Alexandra
Bayee Village T
Crooked Billet
Dog & Fox
Fire Stables
Hand in Hand
Rose & Crown H

Winchmore Hill
Kings Head G

Witley
White Hart T

Woolwich
Dial Arch

Wrington
Plough Inn T

Young & Co.'s Brewery, P.L.C.
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Registered in England number 32762