Stonegate Group

OPERATING AND FINANCIAL REVIEW
FOR THE 28 WEEKS ENDED 7 APRIL 2024

Stonegate Pub Company Limited announces its trading update for the 28 week period to 7 April 2024 (2023: 28 week period to 9 April 2023).

David McDowall, Chief Executive of Stonegate Group, commented:
"I am pleased to report a very strong first half. We have delivered a rise in revenue and a significant increase in profitability. Our all-round performance exemplifies the strength and depth of the Stonegate estate, with our outstanding Craft Union and L&T divisions continuing to lead the way. This is testament to the hard work of our people and partners, but also to the success of our on-going initiatives to increase profitability across our portfolio of brands and venue formats. This in turn has driven a strong improvement in our overall EBITDA margin.

"Our performance gives me real confidence in the future and excitement in seeing our strategy come to fruition. Notably our asset optimisation plan which makes sure we have the right pub in the right location, further profit improvement initiatives, and above all our efforts to continue to support the Great British pub. With the Euros on now and a summer of sport on the horizon, we are looking forward to building on this momentum in the months ahead."

Current Trading

For the 28 weeks to 7 April 2024 the leased and tenanted estate demonstrated consistent growth with like for like sales 6.2% up on the equivalent period in the prior year. Craft Union, the Group's operator-led business, delivered like for like sales of 3.1% and the managed estate delivered flat like for like sales across the period.

Total revenue for the period was £916 million compared to £904 million in the prior year and £1,719 million in the 52 weeks ended 24 September 2023. Of the £916 million, the managed segment contributed £525 million (28 weeks 2023: £545 million, 52 weeks 2023: £1,011 million), whilst the leased and tenanted pubs, being Pub Partners and Commercial Property, together contributed £222 million (28 weeks 2023: £215 million, 52 weeks 2023: £427 million) and the operator-led segment, contributed £169 million (28 weeks 2023: £144 million, 52 weeks 2023: £281 million).

During the 28 weeks to 7 April 2024, the Group achieved adjusted EBITDA of £196 million (28 weeks 2023: £182 million; 52 weeks 2023: £375 million), up 7.7% with a particularly strong performance from the leased and tenanted and operator-led segments. Adjusted EBITDA margin in the 28 weeks to 7 April 2024 was up 1.3% to 21.4%, highlighting the positive impact of the Group's performance improvement and efficiency initiatives.

The Operating profit for the 28 week period is £190 million (28 weeks 2023: £139 million; 52 weeks 2023: £68 million), the loss before taxation is £5 million (28 weeks 2023: loss of £30 million; 52 weeks 2023: loss of £257 million) and the loss after taxation is £4 million (28 weeks 2023: loss of £22 million, 52 weeks 2023: loss of £155 million).

Capital Expenditure

In the 28 week period the Group has spent £74 million (28 weeks 2023: £86 million, 52 weeks 2023: £144 million) on expansionary, conversion and maintenance capital.

Property

The Group has disposed of 34 trading sites, two non-trading sites and two non-licensed properties for net proceeds of £25 million in the 28 weeks to 7 April 2024, which also includes the sale of fixtures and fittings to publicans (28 weeks 2023: 29 trading sites, six non-trading sites and two non-licensed properties for net proceeds of £18 million, 52 weeks 2023: 68 trading sites; eight non-trading sites and 10 non-licensed properties for net proceeds of £49 million). Included in the number of disposals was six lease hand backs for £Nil proceeds (28 weeks 2023: six, 52 weeks 2023: nine).

Financial position

During the period, on 26 January 2024, the Group completed on a limited recourse financing structure over a portfolio of 1,034 of its freehold pubs in order to raise a principal amount of £638 million. The portfolio comprises 944 leased and tenanted and 90 free-of-tie freehold pubs. The portfolio was acquired by newly incorporated, wholly-owned unrestricted subsidiaries of Stonegate Pub Company Limited ("New PubCos"). As part of the transaction, Stonegate has entered into agreements with New PubCos on an arm's length basis to provide the Portfolio with certain management and procurement services. The Group has received £609 million cash proceeds from third party financing providers, which was net of a funded interest reserve, arrangement fees and other expenses. The loan matures five years post-closing and accrues interest at three month SONIA (floored at 2.5%) plus 6.35%, which is cash settled quarterly. The newly financed portfolio will continue to be consolidated within the Group financial statements.

The Group has net assets of £597 million at 7 April 2024 (9 April 2023: net assets of £89 million, 24 September 2023: net assets of £601 million). The Group adopted a policy of revaluation at 24 September 2023 and recognised a net upwards movement of £742 million in the valuation of the estate. Group cash at the quarter end is £690 million (9 April 2023: £83 million, 24 September 2023: £92 million), of which £10 million (9 April 2023: £23 million, 24 September 2023: £40 million), is held within the Unique securitisation and £46 million (9 April 2023: £Nil, 24 September 2023: £Nil) is held in the restricted portfolio loan group and £490 million (9 April 2023: £Nil, 24 September 2023: £Nil) is held on short term deposit. The Group had access to a further £Nil (9 April 2023: £67 million, 24 September 2023: £88 million) from its revolving credit facility and a further £25 million overdraft facility (9 April 2023: £25 million, 24 September 2023: £25 million).

The Group Consolidated Income Statement discloses statutory profit / (loss) information that includes items disclosed in the tables below which Management believe if separately disclosed allow a clearer understanding of the trading performance of the Group. Separately disclosed items are those which are separately identified by virtue of their size or incidence.

	Statutory			Adjusted		
	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m	**28 weeks ended 7 April 2024 £m**	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Revenue	**916**	904	1,719	**916**	904	1,719
Other income	**40**	-	-	**40**	-	-
Operating costs before depreciation and amortisation	**(695)**	(686)	(1,277)	**(760)**	(722)	(1,344)
EBITDA	**261**	218	442	**196**	182	375
Operating profit	**190**	139	68	**117**	102	219

OPERATING AND FINANCIAL REVIEW
FOR THE 28 WEEKS ENDED 7 APRIL 2024
(continued)

	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
EBITDA	**261**	218	442
Business interruption	**(40)**	-	1
Surrender premiums	**1**	1	2
Business reorganisation	**3**	-	5
Management fees	**1**	1	2
Equity settled share based payment expense	**-**	1	1
Pension scheme service costs / (credits)	**-**	-	(1)
Losses on disposed/non-trading sites	**1**	1	1
Professional fees associated with Group restructuring	**11**	-	-
Other non-recurring costs	**1**	1	-
IFRS 16	**(43)**	(41)	(78)
Adjusted EBITDA	**196**	182	375

Adjusted EBITDA represents profit before finance income, finance costs, taxation, depreciation, amortisation, impairment, and the other items shown above. In relation to those leases under IFRS 16, for the 28 weeks ending 7 April 2024, the Group's operating profit before depreciation, amortisation, impairment, revaluation and profit on sale of non-current assets improved by £43 million as operating lease rentals are no longer included in operating profit (28 weeks 2023: £41 million; 52 weeks 2023: £78 million). Depreciation of right-of-use assets and lease liability interest are instead included below operating profit. The Directors consider the adjusted EBITDA provides useful information about the Group's performance and aids a comparison of the Group's trading performance from one period to the next and with similar businesses.

Adjusted Operating profit represents statutory operating profit adjusted for the other items shown above in the adjusted EBITDA reconciliation and the impact of £1 million of reduction in the value of the estate and goodwill (28 weeks 2023: £2 million; 52 weeks 2023: £226 million) and profit on sale of non-current assets of £9 million (28 weeks 2023: £4 million; 52 weeks 2023: £8 million).

Stonegate Group

Stonegate Pub Company Limited

Condensed Consolidated Interim Financial Statements

For the 28 weeks ended 7 April 2024

Registered number FC029833

Contents

Consolidated Income Statement
For the 28 weeks ended 7 April 2024

		Unaudited 28 weeks ended 7 April 2024			Unaudited 28 weeks ended 9 April 2023			Audited 52 weeks ended 24 September 2023		
	Notes	**Pre-exceptional items £m**	**Exceptional items* £m**	**Total £m**	Pre-exceptional items £m	Exceptional items* £m	Total £m	Pre-exceptional items £m	Exceptional items* £m	Total £m
Revenue	2	**916**	**-**	**916**	904	-	904	1,719	-	1,719
Other income	5	**-**	**40**	**40**	-	-	-	-	-	-
Operating costs before depreciation and amortisation		**(679)**	**(16)**	**(695)**	(685)	(1)	(686)	(1,270)	(7)	(1,277)
EBITDA^		**237**	**24**	**261**	219	(1)	218	449	(7)	442
Depreciation and impairment		**(79)**	**-**	**(79)**	(81)	(1)	(82)	(155)	(178)	(333)
Movement in value of the estate		**-**	**(1)**	**(1)**	-	(1)	(1)	-	(48)	(48)
Brand amortisation		**-**	**-**	**-**	-	-	-	(1)	-	(1)
Total depreciation, amortisation, impairment and revaluation		**(79)**	**(1)**	**(80)**	(81)	(2)	(83)	(156)	(226)	(382)
Profit on sale of non-current assets		**-**	**9**	**9**	-	4	4	-	8	8
Operating profit / (loss)		**158**	**32**	**190**	138	1	139	293	(225)	68
Finance income	3	**8**	**-**	**8**	-	-	-	2	-	2
Finance costs	4	**(196)**	**-**	**(196)**	(157)	-	(157)	(301)	-	(301)
Movement in fair value of swaps		**(7)**	**-**	**(7)**	(12)	-	(12)	(26)	-	(26)
(Loss) / profit before taxation		**(37)**	**32**	**(5)**	(31)	1	(30)	(32)	(225)	(257)
Taxation	6	**1**	**-**	**1**	8	-	8	19	83	102
(Loss) / profit for the period		**(36)**	**32**	**(4)**	(23)	1	(22)	(13)	(142)	(155)
Attributable to:										
Owners of the parent company		**(36)**	**32**	**(4)**	(23)	1	(22)	(13)	(142)	(155)
Non-controlling interests		**-**	**-**	**-**	-	-	-	-	-	-

* Exceptional items are explained further in note 5.

^ EBITDA represents Operating profit / (loss) before depreciation, amortisation, impairment, movement in valuation of the estate and profit on sale of non-current assets.

All of the Group’s operations are classed as continuing.

The accompanying notes form part of these financial statements.

Consolidated Statement of Comprehensive Income
For the 28 weeks ended 7 April 2024

	Unaudited 28 weeks ended 7 April 2024 £m	Unaudited 28 weeks ended 9 April 2023 £m	Audited 52 weeks ended 24 September 2023 £m
Loss for the period	**(4)**	(22)	(155)
Items that will not be reclassified to the income statement			
Re-measurement of defined benefit pension schemes	**-**	-	(3)
Tax charge relating to components of other comprehensive income	**-**	-	(142)
Revaluation of assets on transfer to Investment Property	**-**	1	1
Revaluation of property, plant and equipment	**-**	-	790
Other comprehensive profits after tax	-	1	646
Total comprehensive (loss) / profit for the period	**(4)**	(21)	491

The accompanying notes form part of these financial statements.

Consolidated Balance Sheet
At 7 April 2024

	Notes	**Unaudited 7 April 2024 £m**	Unaudited 9 April 2023 £m	Audited 24 September 2023 £m
Assets				
Non-current assets				
Property, plant and equipment	7	**4,404**	3,753	4,441
Investment property	8	**265**	229	259
Brand	10	**1**	2	1
Goodwill	10	**17**	196	17
Financial assets		**5**	4	5
Trade and other receivables	11	**7**	7	7
Derivative financial instruments	13	**1**	-	-
Retirement benefit surplus		**1**	1	1
		4,701	4,192	4,731
Current assets				
Inventories		**22**	24	23
Trade and other receivables	11	**121**	114	96
Cash and cash equivalents		**690**	83	92
Financial assets		**1**	1	1
		834	222	212
Non-current assets held for sale	9	**36**	30	32
Total assets		**5,571**	4,444	4,975
Liabilities				
Current liabilities				
Trade and other payables	12	**(352)**	(321)	(342)
Borrowings	13	**(331)**	(150)	(310)
Derivative financial instruments	13	**(30)**	(10)	-
		(713)	(481)	(652)
Non-current liabilities				
Borrowings	13	**(4,137)**	(3,790)	(3,570)
Derivative financial instruments	13	**-**	-	(24)
Deferred tax liabilities		**(114)**	(69)	(115)
Retirement benefit obligations		**(8)**	(9)	(8)
Provisions		**(2)**	(6)	(5)
		(4,261)	(3,874)	(3,722)
Total liabilities		**(4,974)**	(4,355)	(4,374)
Net assets		**597**	89	601
Equity				
Called up share capital		**5**	5	5
Share premium		**1,198**	1,198	1,198
Revaluation reserve		**793**	3	793
Capital contribution reserve		**3**	3	3
Retained earnings		**(1,400)**	(1,118)	(1,396)
Total equity attributable to owners of the parent company		**599**	91	603
Non-controlling interests		**(2)**	(2)	(2)
Total equity		**597**	89	601

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
For the 28 weeks ended 7 April 2024

	Share capital £m	Share premium £m	Revaluation reserve £m	Capital contribution reserve £m	Retained earnings £m	Equity attributable to owners of the Parent Company £m	Non-controlling interests £m	Total equity £m
Total equity at 24 September 2023	**5**	**1,198**	**793**	**3**	**(1,396)**	**603**	**(2)**	**601**
Total comprehensive losses:								
Losses for the period	**-**	**-**	**-**	**-**	**(4)**	**(4)**	**-**	**(4)**
Total comprehensive losses for the period	**-**	**-**	**-**	**-**	**(4)**	**(4)**	**-**	**(4)**
Total equity at 7 April 2024	**5**	**1,198**	**793**	**3**	**(1,400)**	**599**	**(2)**	**597**
Total equity at 25 September 2022	5	1,198	2	2	(1,095)	112	(3)	109
Total comprehensive income / (losses):								
Losses for the period	-	-	-	-	(22)	(22)	-	(22)
Other comprehensive income for the period	-	-	1	-	-	1	-	1
Total comprehensive income / (losses) for the period	-	-	1	-	(22)	(21)	-	(21)
Change in ownership interest in subsidiary undertaking	-	-	-	-	(1)	(1)	1	-
Capital contribution	-	-	-	1	-	1	-	1
Total equity at 9 April 2023	5	1,198	3	3	(1,118)	91	(2)	89
Total equity at 25 September 2022	5	1,198	2	2	(1,095)	112	(3)	109
Total comprehensive income / (losses):								
Losses for the period	-	-	-	-	(155)	(155)	-	(155)
Other comprehensive income / (losses) for the period	-	-	791	-	(145)	646	-	646
Total comprehensive income / (losses) for the period	-	-	791	-	(300)	491	-	491
Change in ownership interest in subsidiary undertaking	-	-	-	-	(1)	(1)	1	-
Capital contribution	-	-	-	1	-	1	-	1
Total equity at 24 September 2023	5	1,198	793	3	(1,396)	603	(2)	601

The accompanying notes form part of these financial statements.

Consolidated Cash Flow Statement
For the 28 weeks ended 7 April 2024

	Unaudited 28 weeks ended 7 April 2024 £m	Unaudited 28 weeks ended 9 April 2023 £m	Audited 52 weeks ended 24 September 2023 £m
Cash flows from operating activities			
Loss for the period	**(4)**	(22)	(155)
Adjustments for:			
-Depreciation, amortisation, impairment and movement in value of the estate	**80**	83	382
-Profit on sale of non-current assets	**(9)**	(4)	(8)
-Finance income	**(8)**	-	(2)
-Finance costs	**196**	157	301
-Movement in swaps	**7**	12	26
-Taxation	**(1)**	(8)	(102)
	261	218	442
Changes in:			
-Inventories	**1**	(2)	(1)
-Receivables	**(21)**	(9)	(15)
-Payables	**(4)**	(24)	-
-Provisions	**(3)**	-	-
-Difference between pension contributions paid and amounts recognised in operating profit	**-**	-	(3)
Cash generated from operating activities	**234**	183	423
Interest received	**4**	-	1
Income tax paid	**-**	(2)	(2)
Net cash flow from operating activities	**238**	181	422
Cash flows from investing activities			
Purchase of property, plant and equipment	**(74)**	(86)	(144)
Net proceeds from sale of property, plant and equipment	**25**	18	49
Net cash flow from investing activities	**(49)**	(68)	(95)
Cash flows from financing activities			
Interest paid	**(181)**	(164)	(314)
Advance of borrowings	**886**	249	429
Repayment of borrowings	**(244)**	(214)	(447)
Transaction costs related to loans and borrowings	**(16)**	(3)	(3)
Purchase of derivative financial instrument	**(2)**	-	-
Payment of principal portion of lease liabilities	**(34)**	(31)	(33)
Net cash flow from financing activities	**409**	(163)	(368)
Net increase / (decrease) in cash and cash equivalents	**598**	(50)	(41)
Opening cash and cash equivalents	**92**	133	133
Closing cash and cash equivalents	**690**	83	92

The accompanying notes form part of these financial statements.

Notes to the condensed consolidated interim financial statements

1 Accounting policies and basis of preparation

Stonegate Pub Company Limited (the "Company") is governed by Cayman Island Company Law and is limited by shares.

The condensed consolidated interim financial statements consolidates those results of the Company and its subsidiaries (together referred to as the "Group"). The condensed consolidated interim financial statements have been prepared in accordance with Companies Law (2013 Revision) of the Cayman Islands. As the Cayman Islands do not have prescribed accounting standards, the Group has elected to prepare the condensed consolidated interim financial statements in accordance with IAS 34 'Interim Financial Reporting as adopted for use in the UK', as allowed under Cayman Island Company Law.

The results for the current and comparative period are unaudited. The financial information for the year ended 24 September 2023 is extracted from the accounts for that year which are subject to a non-statutory audit for the purpose of filing accounts of the UK branch of this overseas Group and formally setting out the financial performance and position of the Group.

The condensed consolidated interim financial statements have been prepared on a consistent basis using the accounting policies set out in the Annual Report and Accounts for the year ended 24 September 2023. There have been no new standards that have been adopted during the period.

1.1 Going concern

In accordance with IFRS, management has conducted an assessment of the ability to continue as a going concern and have concluded that the accounts should be prepared on a going concern basis. Management refers to the annual report for a discussion of material uncertainties, which remain relevant albeit that substantial progress has been made on a refinancing plan.

1.2 Key accounting judgements

The following are the key judgements that management have made in the period in applying the Group's accounting policies as disclosed in the financial statements of the Group for the period ended 24 September 2023.

Impairment of goodwill

The Group's performance has been in line with forecasts used in the September 2023 impairment review. Therefore, Management do not consider there to be any further indicators of impairment that would trigger an impairment review at the current reporting date.

Valuation of property, plant and equipment, and investment property

Properties are measured at fair value reflecting market conditions at the balance sheet date. Gains and losses arising from changes in the fair value of property, plant and equipment are recognised in the revaluation reserve except where they reverse a revaluation decrease relating to the same asset previously recognised as an expense in the income statement in which case the reversal of the revaluation decrease is recognised in the income statement. Any deficit arising from the revaluation exercise is taken to the revaluation reserve to the extent that there is a surplus in place relating to the same asset. Any further decrease in value is recognised in the income statement as an expense. Changes to the fair value of investment properties are recognised in the income statement in the period in which they arise. Fair values are determined based on an annual revaluation by external valuers. Management have judged that the valuation reached at 24 September 2023 still represents the best estimate of the fair value of such properties at 7 April 2024.

Going concern

The Directors exercise judgement when concluding on going concern as the basis of preparation of the condensed consolidated interim financial statements. For further details see note 1.1.

Notes *(continued)*

2 Segmental reporting

The Directors determine the appropriate operating segments based on the discrete management information regularly reviewed by the Chief Operating Decision Maker (CODM). The Group has five distinguishable revenue generating operating segments being Pub Partners, Commercial Property, Stonegate, Craft Union and Joint Ventures, and the CODM reviews discrete information on these segments. These have been aggregated into three reportable segments as outlined below:

1) Leased and tenanted comprising Pub Partners and Commercial Property – The Group receives rental income from leasing these sites to third parties. Revenue is also received from tied sites within Pub Partners for the supply of drinks and gaming machines. The Group has no direct involvement in the operation of each site.

2) Managed comprising Stonegate and Joint Ventures – The Group generates revenue from the sale of food, drink, admission, accommodation and gaming machine income. Each site is fully managed by the Group, such that the Group is exposed to all operational risks and in return receives the full retail margin.

3) Operator-led comprising Craft Union – The Group receives revenue from the sale of food, drink, admission and gaming machine income. The Group contracts with an operating company to manage the day-to-day operations of the site for which they receive a turnover-based fee. All labour costs are borne by the operating company, with all other costs being borne by the Group. The Group has access to the full retail margin.

Central costs represent certain head office expenses which are not attributable to specific segments. Accordingly, these costs are disclosed as a separate column within the segmental notes.

The CODM reviews the financial results by segment to EBITDA, which represents operating profit / (loss) before depreciation, amortisation, impairment, movement in valuation of the estate and profit on sale of non-current assets, and this therefore provides the basis for the disclosures below. Inter-segment revenues and costs are eliminated upon consolidation such that all numbers disclosed in the table below are with external customers. All of the Group's revenue is generated in the United Kingdom and is not further segmented based on location, therefore no geographical segmental analysis has been provided. The balance sheet is not reviewed by the CODM on a segmented basis and therefore no disclosure has been made in relation to segmental assets and liabilities.

2024 **28 weeks**	**Leased and tenanted** **£m**	**Managed** **£m**	**Operator-led** **£m**	**Central** **£m**	**Total** **£m**
Drink revenue	153	401	153	-	707
Rent revenue	64	-	-	-	64
Food revenue	-	89	1	-	90
Revenue from amusement and other machines	4	13	15	-	32
Admission, accommodation and other revenue	1	22	-	-	23
Total revenue	**222**	**525**	**169**	**-**	**916**
Other income	-	-	-	40	40
Operating costs before depreciation and amortisation	(89)	(411)	(119)	(76)	(695)
EBITDA	**133**	**114**	**50**	**(36)**	**261**
Depreciation, amortisation, impairment and movement in value of the estate					(80)
Profit on sale of non-current assets					9
Net finance costs and movement in fair value of swaps					(195)
Loss before tax					**(5)**
Taxation					1
Loss after tax					**(4)**

Notes *(continued)*

2 Segmental reporting *(continued)*

2023 **28 weeks**	**Leased and tenanted** **£m**	**Managed** **£m**	**Operator-led** **£m**	**Central** **£m**	**Total** **£m**
Drink revenue	148	420	130	-	698
Rent revenue	63	-	-	-	63
Food revenue	-	91	1	-	92
Revenue from amusement and other machines	4	13	12	-	29
Admission, accommodation and other revenue	-	21	1	-	22
Total revenue	**215**	**545**	**144**	**-**	**904**
Operating costs before depreciation and amortisation	(89)	(431)	(105)	(61)	(686)
EBITDA	**126**	**114**	**39**	**(61)**	**218**
Depreciation, amortisation, impairment and movement in value of the estate					(83)
Profit on sale of non-current assets					4
Net finance costs and movement in fair value of swaps					(169)
Loss before tax					**(30)**
Taxation					8
Loss after tax					**(22)**

2023 **52 weeks**	**Leased and tenanted** **£m**	**Managed** **£m**	**Operator-led** **£m**	**Central** **£m**	**Total** **£m**
Drink revenue	297	767	255	-	1,319
Rent revenue	116	-	-	-	116
Food revenue	-	178	1	-	179
Revenue from amusement and other machines	8	24	24	-	56
Admission, accommodation and other revenue	6	42	1	-	49
Total revenue	**427**	**1,011**	**281**	**-**	**1,719**
Operating costs before depreciation and amortisation	(171)	(791)	(198)	(117)	(1,277)
EBITDA	**256**	**220**	**83**	**(117)**	**442**
Depreciation, amortisation, impairment and movement in value of the estate					(382)
Profit on sale of non-current assets					8
Net finance costs and movement in fair value of swaps					(325)
Loss before tax					**(257)**
Taxation					102
Loss after tax					**(155)**

Notes *(continued)*

3 Finance income

	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Other interest receivable	**8**	-	2
Total finance income	**8**	-	2

4 Finance costs

	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Interest payable on loan notes	**157**	123	235
Other interest payable	**10**	5	12
Debt issue costs amortisation	**2**	1	2
Other finance costs	**2**	2	4
Interest expense on lease liabilites	**25**	26	48
Total finance costs	**196**	157	301

Notes *(continued)*

5 Exceptional items

	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Other income:			
Business interruption	**(40)**	-	-
Operating costs before depreciation and amortisation:			
Business interruption	**-**	-	1
Surrender premiums	**1**	1	2
Business reorganisation	**3**	-	5
Other gains	**-**	-	(1)
Professional fees associated with Group restructuring	**11**	-	-
Other non-recurring costs	**1**	-	-
Depreciation, amortisation, impairment and revaluation:			
Movements in valuation of the estate and related assets	**1**	2	48
Impairment of goodwill	**-**	-	178
Profit on sale of non-current assets	**(9)**	(4)	(8)
	(32)	(1)	225
Net finance income	**-**	-	-
UK income tax credit relating to exceptional items	**-**	-	(83)
Total exceptional (gains) / costs	**(32)**	(1)	142

Business interruption: Following the closure of pubs as a result of Covid-19 the Group received £40 million of proceeds relating to business interruption during this period of closure (28 weeks ended 9 April 2023: £Nil; 52 weeks ended 24 September 2023: £1 million costs incurred relating to the insurance claim).

Surrender premiums: During the period £1 million (28 weeks ended 9 April 2023: £1 million; 52 weeks ended 24 September 2023: £2 million) of assignment premiums were paid to publicans in order to take the assignment of a lease or to break a lease at any point other than at renewal. Following the acquisition of Ei Group Limited, the Group are looking to review the entire portfolio of assets and move pubs across segments into their perceived optimum operating format. This one-off process is likely to take five years, during which time any assignment premiums paid will be shown as exceptional.

Business reorganisation: During the period £3 million (28 weeks ended 9 April 2023: £Nil; 52 weeks ended 24 September 2023: £5 million) has been incurred in relation to a Group restructuring of its support function, including associated legal and professional fees.

Professional fees associated with Group restructuring: During the period £11 million (28 weeks ended 9 April 2023: £Nil; 52 weeks ended 24 September 2023: £Nil) has been incurred in relation to a Group restructure to optimise the structure and a move portfolio of pubs out of the restricted group.

Other non-recurring costs: During the period £1 million (28 weeks ended 9 April 2023: £Nil; 52 weeks ended 24 September 2023: £Nil) was incurred in relation to the dual costs of distribution to facilitate a change of provider.

Other gains: In the 52 weeks ended 24 September 2023 a health and safety insurance case was concluded and as a result £1 million was released from provisions to the income statement (28 weeks ended 7 April 2024: £Nil; 28 weeks ended 9 April 2023: £Nil).

Notes *(continued)*

5 Exceptional items *(continued)*

Movements in valuation of the estate and related assets: Movements in valuation of the estate and related assets comprise the following:

	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Impairment of property, plant and equipment (note 7)	**-**	1	27
Reversal of impairment of property plant and equipment (note 7)	**-**	-	(28)
Reversal of impairment of financial assets	**-**	-	(1)
Net movement from impairment	**-**	1	(2)
Movement in investment property from revaluation of the estate (note 8)	**-**	-	(12)
Impairment of non-current assets held for sale (note 7)	**1**	1	6
Revaluation loss charged as an impairment (note 7)	**-**	-	56
Total movements in valuation of the estate and related assets	**1**	2	48

Impairment of goodwill: Impairment of £178 million was recognised in the 52 weeks ended 24 September 2023 (28 weeks ended 7 April 2024: £Nil; 28 weeks ended 9 April 2023: £Nil).

Profit on sale of non-current assets: 36 properties (28 weeks ended 7 April 2023: 37 properties; 52 weeks ended 24 September 2023: 86 properties) were disposed in the current period generating an overall profit on disposal of £9 million (28 weeks ended 9 April 2023: £4 million; 52 weeks ended 24 September 2023: £8 million).

6 Taxation

	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Tax charged in the income statement			
Current tax:			
- UK corporation tax	**-**	-	1
- Adjustments in respect of previous periods	**-**	-	1
Total current tax charge	**-**	-	2
Deferred tax:			
- Origination and reversal of temporary differences	**(1)**	(8)	(85)
- Adjustments in respect of previous periods	**-**	-	(19)
Total deferred tax charge / (credit)	**(1)**	(8)	(104)
Total current and deferred tax credited in the income statement	**(1)**	(8)	(102)

Notes *(continued)*

7 Property, plant and equipment

	Right-of-use assets £m	Land and buildings £m	Leasehold improvements £m	Landlords' fixtures and fittings £m	Furniture, fixtures and equipment £m	Non-licensed properties and other assets £m	Total £m
Cost or valuation							
At 25 September 2022	999	3,010	187	210	242	81	4,729
Additions	-	55	6	21	52	13	147
Modifications	14	-	-	-	-	-	14
Fair value on transfer to investment properties:							
-Revaluation reserve	-	1	-	-	-	-	1
Adoption of revaluation policy:							
-Revaluation reserve	-	506	-	-	-	-	506
-Income statement	-	(133)	-	-	-	-	(133)
Disposals	(13)	(1)	(3)	(1)	(13)	-	(31)
Transfer to non-current assets held for sale (note 9)	-	(59)	(1)	(5)	(1)	-	(66)
Transfer to investment properties (note 8)	(9)	(48)	-	(25)	-	-	(82)
Fully depreciated assets	-	-	-	-	(44)	-	(44)
At 24 September 2023	991	3,331	189	200	236	94	5,041
Additions	-	22	4	6	20	17	69
Modifications	4	-	-	-	-	-	4
Disposals	(6)	-	-	-	(2)	-	(8)
Revaluation of non-current assets held for sale to fair value:							
-Recognised in the income statement	-	(1)	-	-	-	-	(1)
Transfer to non-current assets held for sale (note 9)	-	(15)	-	(1)	-	-	(16)
Transfer to investment properties (note 8)	-	(8)	-	-	-	-	(8)
Reclassification	-	2	(2)	-	-	-	-
At 7 April 2024	**989**	**3,331**	**191**	**205**	**254**	**111**	**5,081**
Depreciation							
At 25 September 2022	(233)	(383)	(87)	(51)	(136)	(39)	(929)
Charge for the period	(57)	(14)	(13)	(21)	(40)	(10)	(155)
Impairment charge (note 5)	(17)	(2)	(8)	-	-	-	(27)
Impairment reversal (note 5)	25	1	2	-	-	-	28
Adoption of revaluation policy:							
-Revaluation reserve	-	284	-	-	-	-	284
-Income statement	-	77	-	-	-	-	77
Disposals	5	1	2	-	8	-	16
Transfer to investment properties (note 8)	-	17	-	24	-	-	41
Transfer to non-current assets held for sale (note 9)	-	19	-	1	1	-	21
Fully depreciated assets	-	-	-	-	44	-	44
At 24 September 2023	(277)	-	(104)	(47)	(123)	(49)	(600)
Charge for the period	(28)	-	(9)	(15)	(20)	(7)	(79)
Disposals	1	-	-	-	1	-	2
At 7 April 2024	**(304)**	**-**	**(113)**	**(62)**	**(142)**	**(56)**	**(677)**
Net book value							
At 7 April 2024	**685**	**3,331**	**78**	**143**	**112**	**55**	**4,404**
At 24 September 2023	714	3,331	85	153	113	45	4,441

Notes *(continued)*

7 Property, plant and equipment *(continued)*

	Right-of-use assets £m	Land and buildings £m	Leasehold improvements £m	Landlords' fixtures and fittings £m	Furniture, fixtures and equipment £m	Non-licensed properties and other assets £m	Total £m
Cost							
At 25 September 2022	999	3,010	187	210	242	81	4,729
Additions	-	29	4	11	31	6	81
Modifications	2	-	-	-	-	-	2
Fair value on transfer to investment properties:							
-Revaluation reserve	-	1	-	-	-	-	1
Disposals	(7)	-	(2)	-	(5)	-	(14)
Transfer to non-current assets held for sale (note 9)	-	(26)	(1)	(2)	-	-	(29)
Transfer to investment properties (note 8)	-	(20)	-	(1)	-	-	(21)
At 9 April 2023	**994**	**2,994**	**188**	**218**	**268**	**87**	**4,749**
Depreciation							
At 25 September 2022	(233)	(383)	(87)	(51)	(136)	(39)	(929)
Charge for the period	(31)	(7)	(6)	(9)	(23)	(5)	(81)
Impairment charge (note 5)	-	(1)	-	-	-	-	(1)
Disposals	2	-	2	-	2	-	6
Transfer to investment properties (note 8)	-	1	-	-	-	-	1
Transfer to non-current assets held for sale (note 9)	-	8	-	-	-	-	8
At 9 April 2023	**(262)**	**(382)**	**(91)**	**(60)**	**(157)**	**(44)**	**(996)**
Net book value							
At 9 April 2023	**732**	**2,612**	**97**	**158**	**111**	**43**	**3,753**
At 25 September 2022	766	2,627	100	159	106	42	3,800

8 Investment property

	Right-of-use assets £m	Land and buildings £m	Total £m
Fair value			
At 25 September 2022	31	181	212
Transfer from property, plant and equipment (note 7)	9	32	41
Transfer from non-current assets held for sale (note 9)	2	-	2
Transfer to non-current assets held for sale (note 9)	-	(5)	(5)
Revaluation	3	9	12
Disposals	(3)	-	(3)
At 24 September 2023	42	217	259
Transfer from property, plant and equipment (note 7)	-	8	8
Transfer to non-current assets held for sale (note 9)	-	(1)	(1)
Disposals	(1)	-	(1)
At 7 April 2024	**41**	**224**	**265**
At 25 September 2022	31	181	212
Transfer from property, plant and equipment (note 7)	-	20	20
Transfer to non-current assets held for sale (note 9)	-	(3)	(3)
At 9 April 2023	**31**	**198**	**229**

Notes *(continued)*

9 Non-current assets held for sale

	Right-of-use assets £m	Land and buildings £m	Leasehold improvements £m	Landlords' fixtures and fittings £m	Furniture, fixtures and equipment £m	Total £m
At 25 September 2022	3	9	-	4	3	19
Transfer from property, plant and equipment (note 7)	-	40	-	5	-	45
Transfer from investment properties (note 8)	-	5	-	-	-	5
Transfer to investment properties (note 8)	(2)	-	-	-	-	(2)
Additions	-	1	-	-	-	1
Write down to fair value less costs to dispose (note 5)	-	(6)	-	-	-	(6)
Disposals	-	(30)	-	-	-	(30)
At 24 September 2023	1	19	-	9	3	32
Transfer from property, plant and equipment (note 7)	-	15	-	1	-	16
Transfer from investment properties (note 8)	-	1	-	-	-	1
Disposals	-	(13)	-	-	-	(13)
At 7 April 2024	**1**	**22**	**-**	**10**	**3**	**36**
At 25 September 2022	3	9	-	4	3	19
Transfer from property, plant and equipment (note 7)	-	18	1	2	-	21
Transfer from investment properties (note 8)	-	3	-	-	-	3
Write down to fair value less costs to dispose (note 5)	-	(1)	-	-	-	(1)
Disposals	-	(12)	-	-	-	(12)
At 9 April 2023	**3**	**17**	**1**	**6**	**3**	**30**

Non-current assets held for sale comprises properties that have been identified by the Group for disposal as part of the continued disposal programme. The sale of all assets within this category is expected to be completed within one year of the balance sheet date.

When assets are identified for disposal and meet the criteria within IFRS 5 they are reclassified from property, plant and equipment to non-current assets held for sale and are revalued at that point to their fair value less costs to dispose if this is lower than their carrying value. Investment property assets are also moved to non-current assets held for sale at book value when they meet the criteria within IFRS 5.

Included in non-current assets held for sale are 55 sites at 7 April 2024 (9 April 2023: 51 sites; 24 September 2023: 63 sites).

Notes *(continued)*

10 Brand and goodwill intangible assets

	Brand £m	Goodwill £m
Cost		
At 25 September 2022	6	245
Disposals	-	(2)
At 24 September 2023	6	243
Disposals	-	-
At 7 April 2024	**6**	**243**
Amortisation		
At 25 September 2022	(4)	(48)
Charge for the period	(1)	-
Impairment (note 5)	-	(178)
At 24 September 2023	(5)	(226)
Charge for the period	-	-
At 7 April 2024	**(5)**	**(226)**
Net book value		
At 7 April 2024	**1**	**17**
At 24 September 2023	1	17

	Brand £m	Goodwill £m
Cost		
At 25 September 2022	6	245
Disposals	-	(1)
At 9 April 2023	**6**	**244**
Amortisation		
At 25 September 2022	(4)	(48)
Charge for the period	-	-
At 9 April 2023	**(4)**	**(48)**
Net book value		
At 9 April 2023	**2**	**196**

Notes *(continued)*

11 Trade and other receivables

	7 April 2024 £m	9 April 2023 £m	24 September 2023 £m
Trade receivables	**56**	59	52
Amounts due from parent undertakings	**9**	8	8
Other receivables	**21**	19	19
Prepayments and accrued income	**32**	23	14
Current tax receivable	**3**	5	3
	121	114	96
Due in more than one year:			
Trade receivables	**2**	3	2
Amounts due from group undertakings	**5**	4	5
	7	7	7

12 Trade and other payables

	7 April 2024 £m	9 April 2023 £m	24 September 2023 £m
Trade payables	**73**	86	91
Amounts due to parent undertakings	**2**	2	2
Other taxation and social security	**39**	45	44
Other payables	**55**	54	45
Accruals	**183**	134	160
	352	321	342

Notes *(continued)*

13 Borrowings

	7 April 2024 £m	9 April 2023 £m	24 September 2023 £m
Current liabilities			
Revolving credit facility	**247**	**-**	158
Securitised bonds	**54**	119	102
Lease liabilities	**30**	31	50
	331	150	310
Non-current liabilities			
Revolving credit facility	-	177	-
Securitised liquidity facility	-	6	-
Securitised bonds	**317**	372	358
Senior secured notes issued by Stonegate Pub Company Financing 2019 plc	**1,240**	1,245	1,242
Privately placed notes issued by Stonegate Pub Company Financing 2019 plc	**502**	503	502
Euro floating rate notes issued by Stonegate Pub Company Financing 2019 plc	**436**	438	436
Second lien facility	**392**	392	390
Portfolio loan - Senior facility	**427**	-	-
Portfolio loan - Mezzanine facility	**195**	-	-
Lease liabilities	**628**	657	642
	4,137	3,790	3,570

Terms and debt repayment schedule:

		Principal outstanding		
	Year of maturity	**7 April 2024 £m**	9 April 2023 £m	24 September 2023 £m
Securitised bonds - A4 - 5.659%	2027	**152**	182	175
Securitised bonds - M - 7.395%	2024	**-**	80	61
Securitised bonds - N - 6.464%	2032	**190**	190	190
Senior secured notes - 8.25%	2025	**1,235**	1,235	1,235
Privately placed notes - 8.00%	2025	**500**	500	500
Euro floating rate notes - Euribor + 5.75%	2025	**452**	452	452
Second lien facility - SONIA + 8.50%	2028	**400**	400	400
Portfolio loan - Senior facility - SONIA + 5.0%	2027	**438**	-	-
Portfolio loan - Mezzanine facility - SONIA + 9.3065%	2027	**200**	-	-
		3,567	3,039	3,013

Notes *(continued)*

13 Borrowings *(continued)*

All financial assets and liabilities, with the exception of derivative financial instruments, are carried at amortised cost. The fair values of all financial instruments are either equal to, or not materially different from their book values, with the exception of securitised bonds, senior secured notes, privately placed notes and euro floating rate notes. The book values and fair values of these financial instruments are summarised below:

	Fair value			Carrying value		
	7 April 2024 £m	9 April 2023 £m	24 September 2023 £m	**7 April 2024 £m**	9 April 2023 £m	24 September 2023 £m
Financial liabilities						
Securitised bonds - A4	**150**	179	172	**159**	194	183
Securitised bonds - M	**-**	80	60	**-**	82	62
Securitised bonds - N	**197**	190	183	**212**	215	215
Senior secured notes	**1,187**	1,142	1,144	**1,240**	1,245	1,242
Privately placed notes	**482**	457	458	**502**	503	502
Euro floating rate notes	**437**	411	426	**436**	438	436
	2,453	2,459	2,443	**2,549**	2,677	2,640

Derivative financial instruments

The carrying values of derivative financial instruments in the balance sheet are as follows:

	7 April 2024 £m	9 April 2023 £m	24 September 2023 £m
Interest rate swaps			
Non-current assets	**(1)**	-	-
Current liabilities	**30**	10	-
Non-current liabilities	**-**	-	24
	29	10	24

During the period the Group entered an interest rate swap in relation to the portfolio loan. The swap relates to £478 million of these borrowings and replaces the floating SONIA rate with which the interest is calculated to a fixed rate of 5.0%. This expires January 2026.

There are cross currency interest rate swaps that replace the Euribor currency and floating rate on the Group's €496 million floating rate loan notes with a fixed rate. Of the €496 million, €222 million is fixed at an average interest rate of 12% and the remainder is at a floating rate of SONIA + an average spread of 6.203%. These expire September 2024.

Notes *(continued)*

14 Net debt

	At 24 September 2023 £m	Cash flow £m	Non-cash movements £m	At 7 April 2024 £m
Cash at bank and in hand	92	598	-	690
Loans and borrowings	(3,188)	(626)	4	(3,810)
Lease liabilities	(692)	59	(25)	(658)
	(3,788)	31	(21)	(3,778)
Debt due within one year				(331)
Debt due after one year				(4,137)
Cash at bank and in hand				690
Net debt per balance sheet				**(3,778)**

	At 25 September 2022 £m	Cash flow £m	Non-cash movements £m	At 9 April 2023 £m
Cash at bank and in hand	133	(50)	-	83
Loans and borrowings	(3,228)	(32)	8	(3,252)
Lease liabilities	(722)	57	(23)	(688)
	(3,817)	(25)	(15)	(3,857)
Debt due within one year				(150)
Debt due after one year				(3,790)
Cash at bank and in hand				83
Net debt per balance sheet				**(3,857)**

	At 25 September 2022 £m	Cash flow £m	Non-cash movements £m	At 24 September 2023 £m
Cash at bank and in hand	133	(41)	-	92
Loans and borrowings	(3,228)	287	(247)	(3,188)
Lease liabilities	(722)	81	(51)	(692)
	(3,817)	327	(298)	(3,788)
Debt due within one year				(310)
Debt due after one year				(3,570)
Cash at bank and in hand				92
Net debt per balance sheet				**(3,788)**

Underlying net debt represents amounts repayable to banks and other lenders net of cash retained in the business. Cash includes £10 million (9 April 2023: £23 million, 24 September 2023: £40 million) held in the securitised Unique sub-group and £46 million (9 April 2023: £Nil, 24 September 2023: £Nil) held in the restricted portfolio loan group and £490 million (9 April 2023: £Nil, 24 September 2023: £Nil) held on short term deposit.

Notes *(continued)*

15 Leases

Leases as a lessee

Impacts for the period

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment', the same line item as it presents underlying assets of the same nature that it owns. The following table sets out the movement in the Group's right-of-use assets during the period and the carrying value at 7 April 2024:

	Investment property	Non-current assets held for sale	Property, plant and equipment		
Right-of-use assets			**Property**	**Vehicles**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**
At 25 September 2022	31	3	763	3	800
Modifications	(3)	-	14	-	11
Depreciation charge for the period	-	-	(56)	(1)	(57)
Impairment	-	-	(17)	-	(17)
Impairment reversal	3	-	25	-	28
Derecognition	-	-	(8)	-	(8)
Transfers	11	(2)	(9)	-	-
At 24 September 2023	42	1	712	2	757
Modifications	-	-	4	-	4
Depreciation charge for the period	-	-	(28)	-	(28)
Derecognition	(1)	-	(5)	-	(6)
At 7 April 2024	**41**	**1**	**683**	**2**	**727**
At 25 September 2022	31	3	763	3	800
Modifications	-	-	2	-	2
Depreciation charge for the period	-	-	(31)	-	(31)
Derecognition	-	-	(5)	-	(5)
At 9 April 2023	**31**	**3**	**729**	**3**	**766**

The following amounts have been recognised in profit or loss for which the Group is a lessee:

Leases under IFRS 16	**28 weeks ended 7 April 2024 £m**	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Interest expense on lease liabilities	**25**	26	48
Depreciation of right of use assets	**28**	31	57
Impairment of right of use assets	**-**	-	17
Impairment reversal of right of use assets	**-**	-	(28)
Expenses relating to leases of low-value assets	**1**	1	1
Variable lease payments	**1**	1	1

Notes *(continued)*

15 Leases *(continued)*

The following amounts have been recognised in the statement of cash flows for which the Group is a lessee:

	28 weeks ended 7 April 2024 £m	28 weeks ended 9 April 2023 £m	52 weeks ended 24 September 2023 £m
Interest payments	**25**	26	48
Principal payments	**34**	31	33
Total cash outflow for leases	**59**	57	81

In relation to those leases under IFRS 16, for the 28 weeks ending 7 April 2024, the Group's operating profit metric improved by £15 million as the new depreciation expense is lower than the IAS 17 operating lease charge (28 weeks ended 9 April 2023: £10 million; 52 weeks ended 24 September 2023: £21 million). Interest expense was charged of £25 million (28 weeks ended 7 April 2023: £26 million; 52 weeks ended 24 September 2023: £48 million), such that net profit after tax is lower compared to the previous IAS 17 reporting basis (28 weeks ended 9 April 2023: lower; 52 weeks ended 24 September 2023: lower). Operating profit before depreciation, amortisation, impairment, movement in valuation of the estate and profit on sale of non-current assets is higher compared to the previous IAS 17 reporting basis (28 weeks ended 9 April 2023: higher; 52 weeks ended 24 September 2023: higher).

16 Pensions

The Group operates two defined benefit pension schemes providing benefits based on final pensionable salary. The assets of the schemes are held separately from those of the Group.

The defined benefit obligation as at 7 April 2024 is calculated on a year-to-date basis using the latest available actuarial valuation at 24 September 2023, being as at 28 February 2023, and the minimum funding requirements as at 24 September 2023, which was carried out by a qualified independent actuary. Differences between the expected return on assets and the actual return on assets have been recognised as an actuarial gain or loss in the consolidated statement of total recognised gains and losses in accordance with the Group's accounting policy.

The Group also participates in defined contribution pension schemes for the benefit of certain employees. The assets of the schemes are held separately from those of the Group in independently administered funds.

The amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting period.

17 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not contained in this note.

Included in amounts due from parent undertakings is a balance of £1 million owing from Stonegate Pub Company Pikco Limited, a parent undertaking (9 April 2023: £1 million; 24 September 2023: £1 million).

The Group also operated a handful of public houses on behalf of entities affiliated with investment funds managed by TDR Capital LLP, known as Cubitt House Limited. The balance owing as a result of transactions on its behalf at 7 April 2024 and included in amounts due from parent undertakings is £22,000 (9 April 2023: £164,000; 24 September 2023: £47,000).

In a prior period, Stonegate Pub Company Limited provided a loan to Stonegate Pub Company Holdings Limited, a parent undertaking. The loan is repayable on demand and charges annual interest of SONIA + 2.50%. The amount owed of £8 million is included in trade and other receivables (9 April 2023: £7 million; 24 September 2023: £7 million).

Notes *(continued)*

17 Related party transactions *(continued)*

On 13 June 2022, Stonegate Pub Company Limited provided a £4 million loan to Stonegate Pub Company Kitchens Limited, a company under common control of the ultimate parent company, Stonegate Pub Company Topco Sarl, a company incorporated in Luxembourg, in relation to a minority investment in Peckwater Brands. The loan charges interest at a rate of 8.5% and expires in 2029. The amount owed of £5 million is included in trade and other receivables due after one year (9 April 2023: £4 million; 24 September 2023: £5 million).

There is an amount of £2 million (9 April 2023: £2 million, 24 September 2023: £2 million) owing to Stonegate Pub Company Midco Limited, the immediate parent undertaking, at 7 April 2024, which is included in trade and other payables.

During the period the Group was invoiced management charges of £1 million (9 April 2023: £1 million; 24 September 2023: £2 million) by TDR Capital LLP. The amount outstanding at 7 April 2024 was £Nil (9 April 2023: £Nil, 24 September 2023: £Nil).

18 Seasonality of operations

The business is subject to seasonal fluctuations dependant on public holidays and the weather.