Debt, Balance Sheet & Capital Spending:

- The group has spent more money than ever before on expansionary capex; it opened 46 pubs in FY14 and should open between 30 and 40 in the current year
- Debt will rise by around £10m to £20m this year on around 40 new units and substantial capital spending on existing sites
- The group will buy more freeholds including reverted freeholds on already-leased sites

Langton View: FY14 clearly ended relatively well and current sales are good. JDW is not particularly adversely impacted by the absence of sunshine and it has outperformed in August.

This will put upward pressure on margins (a rarity in the case of JDW) but the group reports that it is far too early in the year to sanction upgrades.

New units are performing well and the pipeline is healthy. The first Dublin unit is trading well and another 3-4 units should be opened this financial year.

Freeholds will be acquired where possible, the dividend was not increased to provide flexibility and the group maintains that it is creating moats (lower prices, better brand, well-invested units) in order to out-trade rival operators.

Debt is manageable, even with c40 units likely to open and Ireland could provide a new source of (modest) growth. There are no perceived issues in Scotland and the group is set fair.

Concentrating now on FY15 rather than FY14, the group's shares do not look expensive. The consumer is better placed than he/she has been for some time and we believe that JDW, at around 14x this year's earnings, offers good value.

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