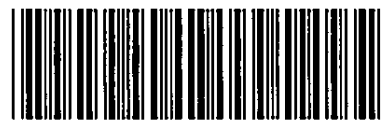


The Guinness Group Limited

Financial statements 30 June 2008

Registered number 213108

FRIDAY



L8NQR849

LD6

13/03/2009

175

COMPANIES HOUSE

Directors' report

The directors have pleasure in submitting their annual report, together with the audited financial statements for the year ended 30 June 2008.

Activities

The company did not trade during the financial year. The directors foresee no change in the company's activities.

Financial

The results for the year ended 30 June 2008 are shown on page 5. The directors do not recommend the payment of a dividend for the year (2007 - £nil). The profit for the year transferred to reserves is £1,261,000 (2007 - £1,178,000).

Directors

The directors who held office during the year were as follows:

S M Bunn	(resigned 4 January 2008)
C D Coase	
G P Crickmore	
M C Flynn	(resigned 15 June 2008)
J Kyne	
N Makos	
C R R Marsh	(resigned 30 September 2007)
S C Moore	
P D Tunnacliffe	(appointed 7 January 2008)

A A Abigail was appointed a director of the company on 7 August 2008.

Directors' emoluments

None of the directors received any remuneration during the year in respect of their services as directors of the company (2007 - £ nil).

Directors' report (continued)

Auditor

The company has taken advantage of Section 386(1) of the Companies Act 1985, as amended, to dispense with the obligation to appoint an auditor annually. The auditor, KPMG Audit Plc, is willing to continue in office and will be deemed to be reappointed on the expiry of its term in office in respect of the year ended 30 June 2008.

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



J Nicholls
Secretary
8 Henrietta Place
London W1G 0NB

27 February 2009

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of The Guinness Group Limited

We have audited the financial statements of The Guinness Group Limited for the year ended 30 June 2008 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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

The directors responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities on page 3. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

12 March 2009

Profit and loss account

	<i>Notes</i>	Year ended 30 June 2008 £'000	Year ended 30 June 2007 £'000
Other income	2	1,261	1,178
Profit on ordinary activities before taxation		1,261	1,178
Taxation on profit on ordinary activities	3	-	-
Profit for the financial year		1,261	1,178

There are no recognised gains and losses other than the result for the year and consequently a statement of total recognised gains and losses has not been presented as part of the financial statements.

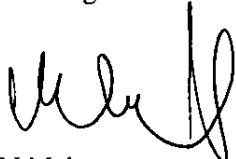
There is no difference between the results for the years shown in the profit and loss account and the results for the relevant years restated on an historical cost basis.

All results arise from continuing operations.

Balance sheet

	<i>Notes</i>	30 June 2008		30 June 2007	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	4		1,015		1,015
Current assets					
Debtors- due within one year:					
Amount owed by Justerini & Brooks, Limited		4		4	
Creditors – due within one year	5	(29,861)		(31,122)	
Net current liabilities			(29,857)		(31,118)
Net liabilities			(28,842)		(30,103)
Capital and reserves					
Called up share capital	6		20		20
Profit and loss account	7		(28,862)		(30,123)
Shareholders' deficit	8		(28,842)		(30,103)

The financial statements on pages 5 to 11 were approved by the Board of Directors on 27 February 2009 and were signed on its behalf by:



N Makos
Director

Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards.

The company is a wholly owned subsidiary of Diageo plc and is included in the consolidated financial statements of Diageo plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard No 1 (Revised 1996).

The company is exempt under the terms of Financial Reporting Standard No 8 from disclosing related party transactions (but not balances) with entities that are part of the Diageo plc group ("group undertakings") or investees of the Diageo plc group.

The company is exempt from the requirement to prepare group accounts under Section 228 of the Companies Act 1985 as its results are included in the consolidated financial statements of Diageo plc.

Going concern

The financial statements have been prepared on a going concern basis as a fellow group undertaking has agreed to provide financial support for the foreseeable future. The only liabilities at the balance sheet date relate to amounts due to group undertakings.

Fixed asset investments

Income from fixed asset investments is credited to the profit and loss account when it is approved by the paying company. Investments are stated individually at cost less, where appropriate, provision for impairment in value where such impairment is expected by the directors to be permanent.

Debtors due within one year

Included within intercompany receivables are amounts due from Harp Limited and Guinness Morrison International Limited for £6,648,000 and £7,128,000 respectively against which the company has made full provision.

Notes to the financial statements

1. Operating costs

The company did not employ any staff during either the current or prior year.

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2007 - £nil).

The auditor's remuneration of £2,917 (2007 - £2,341) was settled on behalf of the company by a fellow group undertaking. There were no fees payable to the auditor in respect of non-audit services (2007 - £nil).

2. Other income

	Year ended 30 June 2008 £'000	Year ended 30 June 2007 £'000
Proceeds from dissolution of M.S.J. Light Engineering (International) Limited	-	171
Loss on writing off 'intercompany receivables'	-	(8)
Release of prior year impairment on 'intercompany receivables'	1,261	-
Release of prior year impairment on investment in subsidiary company	-	1,015
	<u>1,261</u>	<u>1,178</u>

3. Taxation

	Year ended 30 June 2008 £'000	Year ended 30 June 2007 £'000
Factors affecting current tax charge for the year		
Profit for the year on ordinary activities before taxation	1,261	1,178
	<u> </u>	<u> </u>
Taxation on profit on ordinary activities at UK corporation tax rate of 29.5% (2007 - 30%)	(372)	(353)
Items not chargeable to tax	372	302
Group relief received for nil consideration	-	51
	<u> </u>	<u> </u>
Current ordinary tax charge for the year	-	-

Notes to the financial statements (continued)

4. Fixed assets - Investments

	Shares in subsidiary undertakings £'000
Cost:	
At 30 June 2007 and 30 June 2008	3,235
Provision:	
At 30 June 2007 and 30 June 2008	(2,220)
Net book value:	
At 30 June 2007 and 30 June 2008	1,015

Details of the subsidiary undertakings of the company are as follows:

Subsidiary undertakings	Principal activity	Class of shares held
Guinness Brewing Worldwide Limited	Dormant	Ordinary
Guinness Morison International Limited	Non-trading	Ordinary & Deferred
Harp Limited	Dormant	Ordinary
Park Royal Development Company Limited	Dormant	Ordinary
Werneth Mould Engineering Limited	Dormant	Ordinary

All of the subsidiary undertakings are incorporated in the United Kingdom and are wholly and directly owned by the company.

In the opinion of the directors the investment in the subsidiary undertakings is worth at least the amount at which it is stated in the financial statements.

Notes to the financial statements (continued)

5. Creditors – due within one year

	30 June 2008	30 June 2007
	£'000	£'000
Amount owed to parent undertaking (Diageo plc)	28,348	28,323
Amounts owed to fellow group undertakings:		
The Gleneagles Collection Limited (dissolved)	-	25
Guinness Brewing Worldwide Limited	1	1
Kimpheer Limited (dissolved)	-	1,261
White Child & Beney Limited	1,512	1,512
	<u>29,861</u>	<u>31,122</u>

6. Called up share capital

	30 June 2008	30 June 2007
	£'000	£'000
Authorised		
31,024 ordinary shares of £1 each	<u>31</u>	<u>31</u>
Allotted, called up and fully paid		
20,034 ordinary shares of £1 each	<u>20</u>	<u>20</u>

7. Reserves

	Profit and loss account
	£'000
At 30 June 2007	(30,123)
Retained profit for the year	1,261
	<u>(28,862)</u>
At 30 June 2008	<u>(28,862)</u>

Notes to the financial statements (continued)

8. Reconciliation of movement in shareholders' deficit

	30 June 2008 £'000	30 June 2007 £'000
Profit on ordinary activities after taxation	1,261	1,178
	<hr/>	<hr/>
Net reduction in shareholders' deficit	1,261	1,178
Shareholders' deficit at beginning of year	(30,103)	(31,281)
	<hr/>	<hr/>
Shareholders' deficit at end of year	<u>(28,842)</u>	<u>(30,103)</u>

9. Immediate and ultimate parent undertaking

The immediate and ultimate parent undertaking of the company is Diageo plc, a company registered and incorporated in England. The consolidated financial statements of Diageo plc can be obtained from the Registered Office at 8 Henrietta Place, London W1G 0NB.