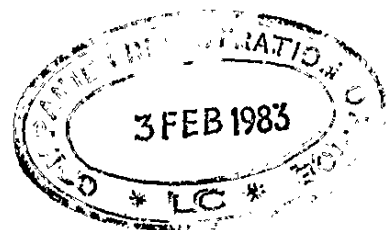


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MARK BIRLEY ASSOCIATES LIMITED

GROUP FINANCIAL STATEMENTS

for the year ended 31st May, 1982



MACFARLANES
DOWGATE HILL HOUSE,
LONDON, EC4R 2SY

MARK BIRLEY ASSOCIATES LIMITED

DIRECTORS' REPORT

for the year to 31st May, 1982

1. FINANCIAL RESULTS

The group made a loss for the year after taxation of £24,729. The Directors recommend that no dividend be paid.

2. DIRECTORS

Mark Birley - Chairman

Lucy Nelson

3. DIRECTORS' INTERESTS

	<u>Ordinary Shares</u>	
	<u>1982</u>	<u>1981</u>
Mark Birley	2	2

4. GROUP ACTIVITIES

The Holding Company provides management services for its Subsidiary Company and Associated Companies. The Subsidiary Company acts as wine merchants. The Associated Companies own and run proprietary clubs in London.

5. EXPORTS

No services were directly exported during the year.

6. FIXED ASSETS

Movements in Fixed Assets are shown in Note 5 to the Financial Statements.

MARK BIRLEY ASSOCIATES LIMITED

DIRECTORS' REPORT

for the year to 31st May, 1982

7. AUDITORS

Messrs. Slater & Co., have signified their willingness to continue in office as Auditors. A resolution for their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board

MARK BIRLEY

Secretary

Registered Office:

44, Hays Mews,
London
W.1.

AUDITORS' REPORT TO THE MEMBERS

of

MARK BIRLEY ASSOCIATES LIMITED

We have audited the Financial Statements on pages 3 to 15. Our audit was conducted in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation, the Company's system of control is dependent upon the close involvement of the Directors. Where independent confirmation of the completeness of the accounting records was therefore not available, we have accepted assurances from the Directors that all the Company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion the Financial Statements give a true and fair view of the state of the Group's affairs at 31st May, 1982, and of its loss and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

7, Royal Parade,
Dawes Road,
London, SW6.

SLATER & CO

30th December, 1982

Chartered Accountants

MARK BIRLEY ASSOCIATES LIMITED
GROUP PROFIT AND LOSS ACCOUNT
for the year ended 31st May, 1982

	Note	£	<u>1981</u> £
TURNOVER	2	<u>£370,182</u>	<u>£308,072</u>
LOSS FOR THE YEAR BEFORE TAXATION	3	24,729	34,754
TAXATION	4	-	-
LOSS FOR THE YEAR AFTER TAXATION (PROFIT OF £14,955 (1981 £8,341) IN HOLDING COMPANY)		<u>24,729</u>	<u>34,754</u>
ADVERSE BALANCE BROUGHT FORWARD		57,677	22,923
ADVERSE BALANCE CARRIED FORWARD		<u>£82,406</u>	<u>£57,677</u>

MARK BIRLEY ASSOCIATES LIMITED

GROUP BALANCE SHEET

as at 31st May, 1982

	Note	£	<u>1981</u> £
<u>FIXED ASSETS</u>	5	51,033	67,943
<u>ASSOCIATED COMPANIES</u>	6	(147,679)	(19,815)
		_____	_____
		(96,646)	48,128
<u>NET CURRENT ASSETS</u> <u>(LIABILITIES)</u>	7	14,242	(105,803)
		_____	_____
		<u>£(82,404)</u>	<u>£ (57,675)</u>
<u>REPRESENTED BY:</u>			
<u>SHARE CAPITAL</u>	8	2	2
<u>PROFIT AND LOSS ACCOUNT</u>		(82,406)	(57,677)
		_____	_____
		<u>£(82,404)</u>	<u>£(57,675)</u>

The Financial Statements on pages 3 to 15, were approved by the board on 30th December, 1982, and were signed on its behalf by:

Mark Birley

Lucy Nelson

Directors

Lucy Nelson

MARK. BIRLEY ASSOCIATES LIMITED

BALANCE SHEET

as at 31st May, 1982

	Note	£	<u>1981</u> £
<u>FIXED ASSETS</u>	5	37,208	43,119
<u>GROUP COMPANIES</u>	6	(12,249)	38,186
		—————	—————
		24,959	81,305
<u>NET CURRENT LIABILITIES</u>	7	(4,714)	(76,014)
		—————	—————
		<u>£20,245</u>	<u>£ 5,291</u>
<u>REPRESENTED BY:</u>			
<u>SHARE CAPITAL</u>	8	2	2
<u>PROFIT AND LOSS ACCOUNT</u>		20,243	5,289
		—————	—————
		<u>£20,245</u>	<u>£5,291</u>

The Financial Statements on pages 3 to 15, were approved by the board on 30th December, 1982, and were signed on its behalf by:

Mark Birley

Lucy Nelson

Directors

Lucy Nelson.

MARK BIRLEY ASSOCIATES LIMITED

GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the year ended 31st May, 1982

	£	<u>1981</u> £
<u>SOURCES OF FUNDS</u>		
Loss before Taxation	(24,729)	(34,754)
Items not involving the movement of fund: Depreciation	<u>11,145</u>	<u>14,052</u>
<u>TOTAL DEFICIT FROM OPERATIONS</u>	(13,584)	(20,702)
<u>FUNDS FROM OTHER SOURCES</u>		
Sale of Vehicle	<u>6,412</u>	<u>-</u>
<u>TOTAL DEFICIT</u>	(7,172)	(20,702)
<u>APPLICATION OF FUNDS</u>		
Purchase of Fixed Assets	<u>(647)</u>	<u>(2,404)</u>
	<u>(7,819)</u>	<u>(23,106)</u>
<u>ITEMS INCREASING (DECREASING)</u> <u>WORKING CAPITAL</u>		
Stock	(22,557)	(21,412)
Debtors	4,553	28,705
Creditors	(82,878)	86,093
Associated Companies	<u>127,864</u>	<u>(59,955)</u>
	<u>26,982</u>	<u>33,431</u>
	<u>£19,163</u>	<u>£10,325</u>
<u>MOVEMENT IN NET LIQUID FUNDS</u>		
Increase in cash balance	85	549
Decrease in overdraft	13,399	5,063
Decrease in loan	<u>5,679</u>	<u>4,713</u>
	<u>£19,163</u>	<u>£10,325</u>

MARK BIRLEY ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May, 1982

1. ACCOUNTING POLICIES

- (a) The Financial Statements are prepared under the historical cost convention.
- (b) The Group accounts include the audited accounts made up to 31st May, 1982, of the subsidiary Company, Annabel's Wine Cellars Limited (formerly Birley and Goedhuis Limited) Note 6.
- (c) Other accounting policies are set out in the relevant individual notes.

2. TURNOVER

Turnover represents invoiced sales less discounts allowed together with service charges receivable.

3. NET LOSS FOR THE YEAR BEFORE TAXATION

	<u>1982</u> £	<u>1981</u> £
After Charging:		
Interest	4,954	9,816
Auditors' Remuneration	2,125	1,575
Amortisation and Depreciation	<u>11,145</u>	<u>14,052</u>
After Crediting		
Rental Income	<u>14,700</u>	<u>14,700</u>

No Director received any remuneration during the year.

4. TAXATION

The results for the year as adjusted for taxation purposes and group relief do not give rise to a Corporation Tax liability. The balance of unrelieved losses will be carried forward.

MARK BIRLEY ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May, 1982

5. FIXED ASSETS

THE GROUP

	Total	Leasehold Property	Fixtures & Fittings	Motor Vehicle
	£	£	£	£
<u>Cost</u>				
At 1st June, 1981	99,140	53,866	42,195	3,079
Disposals	6,662	-	5,912	750
	92,478	53,866	36,283	2,329
Additions	647	-	647	-
At 31st May, 1982	93,125	53,866	36,930	2,329
<u>Aggregate Depreciation</u>				
At 1st June, 1981	31,197	11,963	17,875	1,359
Eliminated	2,055	-	1,867	188
	29,142	11,963	16,008	1,171
Charge for year	12,950	5,303	7,068	579
At 31st May, 1982	42,092	17,266	23,076	1,750
<u>Net Values</u>				
At 31st May, 1982	£51,033	£36,600	£13,854	£ 579
At 31st May, 1981	£67,943	£41,903	£24,320	£1,720

MARK BIRLEY ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May, 1982

5. FIXED ASSETS (CONT'D)

THE COMPANY

	TOTAL	Leasehold Property	Fixtures & Fittings
	£	£	£
<u>Cost</u>			
At 1st June, 1981	58,380	53,866	4,514
Additions	-	-	-
At 31st May, 1982	58,380	53,866	4,514
<u>Aggregate Depreciation</u>			
At 1st June, 1981	15,261	11,963	3,298
Charge for year	5,911	5,303	608
At 31st May, 1982	21,172	17,266	3,906
<u>Net Values</u>			
At 31st May, 1982	£37,208	£36,600	£ 608
At 31st May, 1981	£43,119	£41,903	£1,216

- (a) Fixed Assets are stated in the Balance Sheet at cost less aggregate depreciation.
- (b) Fixtures and Fittings and Motor Vehicles are written down on a straight line basis at rates between 10% and 25% per annum over their estimated useful lives.
- (c) The Leasehold Property is amortised over the length of the lease. The lease has less than 50 years unexpired.

MARK BIRLEY ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May, 1982

6. GROUP COMPANIES

<u>THE GROUP</u>	<u>1982</u>	<u>1981</u>
	£	£
Associated Companies		
(b) below		
Shares at cost	19,058	19,058
<u>Less: Provision</u>	<u>(7,000)</u>	<u>(7,000)</u>
	12,058	12,058
Amount due to	<u>(159,737)</u>	<u>(31,873)</u>
Balance	<u>£(147,679)</u>	<u>£(19,815)</u>
<u>THE COMPANY</u>		
Subsidiary Company		
(a) below		
Shares at cost	100	100
Amount due from	<u>64,852</u>	<u>42,039</u>
	<u>64,952</u>	<u>42,139</u>
Associated Companies		
(b) below		
Shares at cost	19,058	19,058
<u>Less: Provision</u>	<u>(7,000)</u>	<u>(7,000)</u>
	12,058	12,058
Amount due to	<u>(89,259)</u>	<u>(16,011)</u>
	<u>(77,201)</u>	<u>(3,953)</u>
Balance	<u>£(12,249)</u>	<u>£38,186</u>

(a) SUBSIDIARY COMPANY

The wholly owned subsidiary is Annabel's Wine Cellars Limited (formerly Birley & Goedhuis Limited) a Company incorporated in England.

	<u>1982</u>	<u>1981</u>
100 Ordinary Shares of £1 each	100%	100%

MARK BIRLEY ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May, 1982

6. GROUP COMPANIES (CONT'D)

(b) ASSOCIATED COMPANIES

	<u>1982</u>	<u>1981</u>
	£	£
i) Mark's Club (Charles Street) Limited See c(i)		
2,000 'A' Ordinary Shares of £1 each	2.0%	2.9%
ii) Annabel's (Berkeley Square) Limited		
2,224 Ordinary Shares of £1 each	14.2%	14.2%
7,000 Deferred Ordinary Shares of £1 each	100.0%	100.0%

(c) NOTES ON INVESTMENTS

- i) These holdings are considered by the Directors to be long-term investments. Accordingly, no provision has been made for any diminution in value save as shown.
- ii) The percentage shown above represents the number of shares held by Mark Birley Associates Limited as a percentage of the total number of shares of that class.
- iii) All the Associated Companies are incorporated in England.

MARK BIRLEY ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May, 1982

7. NET CURRENT ASSETS (LIABILITIES)

<u>THE GROUP</u>	Note	<u>1982</u> £	<u>1981</u> £
<u>CURRENT ASSETS</u>			
Stock	(a)	61,286	38,729
Debtors & Prepayments		32,186	36,739
Directors Current Account		17,198	17,198
Cash at Bank		882	797
		<u>111,552</u>	<u>93,463</u>
<u>CURRENT LIABILITIES</u>			
Creditors & Accruals		72,325	155,203
Bank Overdraft (secured)		18,792	32,191
Bank Loan (secured)		6,193	11,872
		<u>97,310</u>	<u>199,266</u>
<u>NET CURRENT ASSETS (LIABILITIES)</u>		£ <u>14,242</u>	£ <u>(105,803)</u>

(a) Stock is valued at the lower of cost and net realisable value.

MARK BIRLEY ASSOCIATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st May, 1982

7. NET CURRENT ASSETS (LIABILITIES)

<u>THE COMPANY</u>	<u>1982</u> £	<u>1981</u> £
<u>CURRENT ASSETS</u>		
Debtors & Prepayments	3,558	4,601
Directors' Current Account	<u>17,198</u>	<u>17,198</u>
	<u>20,756</u>	<u>21,799</u>
<u>CURRENT LIABILITIES</u>		
Creditors	16,435	74,552
Bank Overdraft (secured)	2,842	11,389
Bank Loan (secured)	<u>6,193</u>	<u>11,872</u>
	<u>25,470</u>	<u>97,813</u>
<u>NET CURRENT LIABILITIES</u>	£ <u>4,714</u>	£ <u>76,014</u>

8. SHARE CAPITAL

Authorised

100 Ordinary Shares of £1 each	£ <u>100</u>	£ <u>100</u>
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Issued & Fully Paid

2 Ordinary shares of £1 each	£ <u>2</u>	£ <u>2</u>
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MARK BIRLEY ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st May, 1982

9. CAPITAL COMMITMENTS

The Directors have contracted for £NIL (1981-£NIL) of capital expenditure and have authorised but not contracted for £NIL (1981-£NIL) on capital items.

10. CONTINGENT LIABILITIES

There are contingent liabilities in respect of cross guarantees to the Bank for the liabilities of Associated Companies.