

BUTCOMBE BREWERY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31 AUGUST 2000



NAYLOR WILLIS
Chartered Accountants & Registered Auditors
Redland House,
157 Redland Road,
Bristol,
BS6 6YE.

BUTCOMBE BREWERY LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2000

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BUTCOMBE BREWERY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	S. Whitmore Mrs M.E. Whitmore
Company secretary	Mrs M.E. Whitmore
Registered office	Butcombe Bristol BS40 7XQ
Auditors	Naylor Willis Chartered Accountants & Registered Auditors Redland House, 157 Redland Road, Bristol, BS6 6YE.
Bankers	NatWest Bank plc PO Box 185 86 Bedminster Parade Bristol BS99 5AB Girobank plc Bridle Road Bootle Merseyside GIR 0AA

BUTCOMBE BREWERY LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 15, together with the financial statements of the company for the year ended 31 August 2000 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION


We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 15 are properly prepared in accordance with those provisions.

Redland House,
157 Redland Road,
Bristol,
BS6 6YE.

18 May 2001



NAYLOR WILLIS
Chartered Accountants
& Registered Auditors

BUTCOMBE BREWERY LIMITED

. THE DIRECTORS' REPORT

YEAR ENDED 31 AUGUST 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 August 2000.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the year continued to be the operation of a brewery and three public houses. The company owns but does not operate a fourth public house.

The overall performance of the company was very satisfactory in view of pressure on margins.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

DIRECTORS

The directors who served the company during the year were as follows:

S. Whitmore
Mrs M.E. Whitmore

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 10, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DONATIONS

During the year the company made the following contributions:

	2000	1999
	£	£
Charitable	500,245	1,300
Other	4,019	549

BUTCOMBE BREWERY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 AUGUST 2000

AUDITORS

A resolution to re-appoint Naylor Willis as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Butcombe
Bristol
BS40 7XQ

Signed by order of the directors

M.E. Whitmore

MRS M.E. WHITMORE
Company Secretary

Approved by the directors on 18 May 2001

BUTCOMBE BREWERY LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 AUGUST 2000

	Note	2000 £	1999 £
GROSS PROFIT		1,961,231	1,761,672
Distribution Costs		89,460	81,901
Administrative expenses		1,870,700	1,118,411
OPERATING PROFIT	2	1,071	561,360
Interest receivable		97,188	66,335
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		98,259	627,695
Tax on profit on ordinary activities	5	(20,531)	(174,634)
RETAINED PROFIT FOR THE FINANCIAL YEAR		77,728	453,061
Balance brought forward		2,958,085	2,505,024
Balance carried forward		3,035,813	2,958,085

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 10 to 15 form part of these financial statements.

BUTCOMBE BREWERY LIMITED

YEAR ENDED 31 AUGUST 2000

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Profit for the financial year	77,728	453,061
Opening shareholders' equity funds	2,958,087	2,505,026
Closing shareholders' equity funds	<u>3,035,815</u>	<u>2,958,087</u>

The notes on pages 10 to 15 form part of these financial statements.

BUTCOMBE BREWERY LIMITED


ABBREVIATED BALANCE SHEET

31 AUGUST 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Tangible assets	6	<u>1,727,111</u>	<u>1,702,139</u>
CURRENT ASSETS			
Stocks	7	52,143	65,587
Debtors	8	361,724	279,294
Investments	9	1,224,831	1,284,583
Cash at bank and in hand		<u>445,289</u>	<u>340,511</u>
		2,083,987	1,969,975
CREDITORS: Amounts falling due within one year	10	<u>(689,280)</u>	<u>(630,521)</u>
NET CURRENT ASSETS		<u>1,394,707</u>	<u>1,339,454</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,121,818</u>	<u>3,041,593</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	11	<u>(86,003)</u>	<u>(83,506)</u>
		<u>3,035,815</u>	<u>2,958,087</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	2	2
Profit and Loss Account		<u>3,035,813</u>	<u>2,958,085</u>
SHAREHOLDERS' FUNDS		<u>3,035,815</u>	<u>2,958,087</u>

These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 18 May 2001 and are signed on their behalf by:


S. WHITMORE
Director

The notes on pages 10 to 15 form part of these financial statements.

BUTCOMBE BREWERY LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2000

	2000 £	1999 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	173,825	764,088
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	97,188	66,335
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	97,188	66,335
TAXATION	(150,667)	(152,491)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Payments to acquire tangible fixed assets	(75,320)	(83,157)
Receipts from sale of fixed assets	-	2,000
Acquisition of other current asset investments	59,752	(655,963)
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	(15,568)	(737,120)
INCREASE/(DECREASE) IN CASH	104,778	(59,188)

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2000 £	1999 £
Operating profit	1,071	561,360
Depreciation	47,081	52,563
Loss on disposal of fixed assets	3,267	8,530
Decrease/(Increase) in stocks	13,444	(4,601)
Increase in debtors	(82,430)	(5,373)
Increase in creditors	191,392	151,609
Net cash inflow from operating activities	173,825	764,088

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2000 £	1999 £
Increase/(Decrease) in cash in the period	104,778	(59,188)
Movement in net funds in the period	104,778	(59,188)
Net funds at 1 September 1999	340,511	399,700
Net funds at 31 August 2000	445,289	340,511

The notes on pages 10 to 15 form part of these financial statements.

BUTCOMBE BREWERY LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 AUGUST 2000

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Sep 1999 £	Cash flows £	At 31 Aug 2000 £
Net cash:			
Cash in hand and at bank	340,511	104,778	445,289
Net funds	<u>340,511</u>	<u>104,778</u>	<u>445,289</u>

The notes on pages 10 to 15 form part of these financial statements.

BUTCOMBE BREWERY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2000

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings - 1%

Leasehold property improvements - 1%

Casks - 15%

Plant and equipment - 15%

Motor vehicles - 25%

Office equipment - 15%

Cellar equipment - 15%

Depreciation is provided on a reducing balance basis.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Pension costs

The company operates a defined contribution pension scheme for the directors. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account. In addition the company has established a money purchase pension scheme for employees. The assets of the scheme are held separately from those of the company. Contributions paid are charged to the profit and loss account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

BUTCOMBE BREWERY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2000

2. OPERATING PROFIT

Operating profit is stated after charging:

	2000	1999
	£	£
Depreciation	47,081	52,563
Loss on disposal of fixed assets	3,267	8,530
Auditors' remuneration		
- as auditors	5,000	5,000
Operating lease costs:		
Vehicles	53,957	50,738

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2000	1999
	No.	No.
Number of production staff	11	11
Number of administrative staff	2	2
Number of management staff	2	2
Number of other staff	23	23
	<u>38</u>	<u>38</u>

The aggregate payroll costs of the above were:

	2000	1999
	£	£
Wages and salaries	800,172	744,425
Social security costs	24,306	19,955
Other pension costs	114,376	-
	<u>938,854</u>	<u>764,380</u>

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2000	1999
	£	£
Emoluments receivable	<u>208,000</u>	<u>175,000</u>

Emoluments of highest paid director:

	2000	1999
	£	£
Total emoluments (excluding pension contributions):	<u>119,765</u>	<u>104,888</u>

BUTCOMBE BREWERY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2000

4. DIRECTORS' EMOLUMENTS *(continued)*

The number of directors who are accruing benefits under company pension schemes were as follows:

	2000	1999
	No.	No.
Money purchase schemes	<u>2</u>	<u>2</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	£
In respect of the year:		
Corporation Tax based on the results for the year at 20% (1999 - 30%)	18,034	150,690
Increase in deferred tax provision (Note 11):		
Capital allowances	(1,788)	(16,220)
Other	<u>4,285</u>	<u>40,282</u>
	<u>2,497</u>	<u>24,062</u>
	<u>20,531</u>	<u>174,752</u>
Adjustment in respect of previous years:		
Corporation Tax	-	(118)
	<u>20,531</u>	<u>174,634</u>

6. TANGIBLE FIXED ASSETS

	Brought forward 1 Sep 99 £	Additions £	Disposals £	Carried forward 31 Aug 00 £
COST				
Freehold Property	1,286,111	57,335	-	1,343,446
Casks	261,335	-	(6,534)	254,801
Plant & Equipment	478,161	14,276	-	492,437
Office Equipment	19,314	-	-	19,314
Leasehold Property Improvements	146,829	-	-	146,829
Cellar Equipment	46,529	3,709	-	50,238
	<u>2,238,279</u>	<u>75,320</u>	<u>(6,534)</u>	<u>2,307,065</u>

BUTCOMBE BREWERY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2000

6. TANGIBLE FIXED ASSETS *(continued)*

	Brought forward 1 Sep 99 £	Charges £	Disposals £	Carried forward 31 Aug 00 £
DEPRECIATION				
Freehold Property	(13,560)	-	-	(13,560)
Casks	(168,917)	(13,373)	3,267	(179,023)
Plant & Equipment	(294,248)	(29,728)	-	(323,976)
Office Equipment	(10,877)	(1,266)	-	(12,143)
Leasehold Property Improvements	(17,929)	-	-	(17,929)
Cellar Equipment	(30,609)	(2,714)	-	(33,323)
	<u>(536,140)</u>	<u>(47,081)</u>	<u>3,267</u>	<u>(579,954)</u>

	Brought forward 1 Sep 99 £	Carried forward 31 Aug 00 £
NET BOOK VALUE		
Freehold Property	1,272,551	1,329,886
Casks	92,418	75,778
Plant & Equipment	183,913	168,461
Office Equipment	8,437	7,171
Leasehold Property Improvements	128,900	128,900
Cellar Equipment	15,920	16,915
	<u>1,702,139</u>	<u>1,727,111</u>

7. STOCKS

	2000 £	1999 £
Raw Materials	27,465	37,110
Finished goods	24,678	28,477
	<u>52,143</u>	<u>65,587</u>

8. DEBTORS

	2000 £	1999 £
Trade debtors	327,309	261,223
Other debtors	19,799	2,204
Prepayments and accrued income	14,616	15,867
	<u>361,724</u>	<u>279,294</u>

BUTCOMBE BREWERY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2000

9. INVESTMENTS

	2000 £	1999 £
Other investments	<u>1,224,831</u>	<u>1,284,583</u>

10. CREDITORS: Amounts falling due within one year

	2000 £	1999 £
Trade creditors	191,044	72,671
Other creditors including taxation		
Corporation Tax	18,057	150,690
PAYE and social security	33,662	15,025
VAT	147,489	130,502
Other creditors	5,000	9,700
	<u>395,252</u>	<u>378,588</u>
Accruals and deferred income	294,028	251,933
	<u>689,280</u>	<u>630,521</u>

11. DEFERRED TAXATION

	2000 £	1999 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	83,506	59,444
Increase in provision	2,497	24,062
Provision carried forward	<u>86,003</u>	<u>83,506</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2000 £	1999 £
Excess of taxation allowances over depreciation on fixed assets	43,784	45,572
Other timing differences	42,219	37,934
	<u>86,003</u>	<u>83,506</u>

12. RELATED PARTY TRANSACTIONS

The company was under the control of Mr & Mrs Whitmore throughout the current and previous year. Mr S. Whitmore is the managing director. Mr & Mrs Whitmore hold all of the company's issued shares.

The company made sales of £48,273 (1999-£49,740) to two public houses which are owned by Mr & Mrs Whitmore in partnership.

BUTCOMBE BREWERY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2000

13. SHARE CAPITAL

Authorised share capital:

	2000	1999
	£	£
100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	<u>2</u>	<u>2</u>