



**PRIVATE LIQUOR BRANDS  
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2001

Company no 1655729

**PRIVATE LIQUOR BRANDS LIMITED**

**FINANCIAL STATEMENTS**

**For the year ended 31 August 2001**

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Company registration number:	1655729
Registered office:	Dorset House 64 High Street East Grinstead West Sussex RH19 3DE
Directors:	J M Fredericks Mrs J Fredericks S K Fredericks R C Harris D J McCord J E D Smith J M Hooton B S Barraclough J C M Newton P C Crameri
Secretary:	S K Fredericks
Bankers:	Barclays Bank plc Crawley Business Centre 90-92 High Street Crawley West Sussex RH10 1BP
Solicitors:	Kingsford Stacey Blackwell Lincoln House 34b High Street Harpenden Hertfordshire AL5 2SX
Auditors:	Grant Thornton Registered Auditors Chartered Accountants London Thames Valley Office Slough

**PRIVATE LIQUOR BRANDS LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 31 August 2001

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## **PRIVATE LIQUOR BRANDS LIMITED**

### **REPORT OF THE DIRECTORS**

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#### **Principal activity**

The company's principal activity is the importing of wines and spirits from Spain, Portugal, France, Australia, South America, United States of America and South Africa; and beer from France, Spain, Portugal, Argentina and the Czech Republic.

#### **Business review**

The Directors are pleased to report on the continued success and improved financial strength of the company. The reduction in turnover this year has largely been the result of the loss of Australian wine sales with a major customer and the loss of a major Californian wine agency. The effects of these losses have been mitigated through the continued control of overheads and the development of business in other areas.

The directors have decided to make strategic investments in certain wineries and companies which supply Private Liquor Brands. In this financial year the company made a significant investment in the South African wine company, Winecorp. This is viewed as a *long term investment designed to bring the two companies closer together to develop their mutual business in the U.K and Europe.* The loss in the value of this investment in the short term will be offset by the development of the company's South African wine business which is growing substantially.

The investment in Xanadu Wines (see Post Balance sheet events) is another strategic investment with the same long term objectives as that in Winecorp.

There was a profit for the year after taxation amounting to £494,901. The directors recommend payment of dividends of £300,000.

#### **Post balance sheet events**

On 25 October 2001, the company acquired a minority holding in the share capital in Xanadu Wines Limited, a company incorporated in Australia and listed on the Australian Stock Exchange, for cash consideration of Aus \$1m. The principal activities of Xanadu Wines Limited are the growing of grapes and wine production.

## PRIVATE LIQUOR BRANDS LIMITED

### REPORT OF THE DIRECTORS

#### Directors

The present membership of the Board is set out below. All directors served throughout the year except as noted below.

The interests of the directors and their families in the shares of the company as at 31 August 2001 and 1 September 2000, were as follows:

	£1 ordinary shares		£1 participating preference shares	
	31 August 2001	1 September 2000	31 August 2001	1 September 2000
J M Fredericks (Chairman)	30,000	30,000	100,000	100,000
Mrs J Fredericks	-	-	-	-
S K Fredericks	-	-	-	-
R C Harris	-	-	-	-
D J McCord	-	-	-	-
J E D Smith	-	-	-	-
J M Hooton	-	-	-	-
B S Barraclough (appointed 1 September 2000)	-	-	-	-
J C M Newton (appointed 1 April 2001)	-	-	-	-
P C Crameri (appointed 1 April 2001)	-	-	-	-

J M Fredericks and Mrs J Fredericks were interested as trustees in a further 70,000 £1 ordinary shares of the company.

No right to subscribe in the shares of the company was granted or exercised in the year.

#### Donations

Donations to charitable organisations during the year amounted to £12,305 (2000: £29,159).

#### Directors' responsibilities for the financial statements

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 and of the profit or loss of the company for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PRIVATE LIQUOR BRANDS LIMITED**

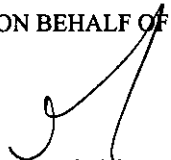
**REPORT OF THE DIRECTORS**

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**Auditors**

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



S F Fredericks  
Director  
26 April 2002

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
PRIVATE LIQUOR BRANDS LIMITED**

We have audited the financial statements of Private Liquor Brands Limited for the year ended 31 August 2001 which comprise the profit and loss account, the balance sheet, the cash flow statement, the principal accounting policies and notes 1 to 24 on pages 6 to 19.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
PRIVATE LIQUOR BRANDS LIMITED**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'Grant Thornton', is written over the printed name.

**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
LONDON THAMES VALLEY OFFICE  
SLOUGH  
26 April 2002**



## **PRIVATE LIQUOR BRANDS LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

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#### **BASIS OF PREPARATION**

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

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

#### **TURNOVER**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT, net of commissions payable.

#### **CONSOLIDATION**

*Consolidated financial statements have not been prepared as the subsidiary undertaking is dormant and the directors do not consider that it is material to the financial statements of the company.*

The information presented in these financial statements is therefore that of the company as an individual entity and not of its group.

#### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Depreciation is calculated to write down the cost less estimated residual value of tangible fixed assets over their expected useful lives. The rates generally applicable are:

Freehold buildings	2% on cost
Motor vehicles	20% on cost
Fixtures, fittings and equipment	15% on cost
Computer equipment	25% on cost

#### **INVESTMENTS**

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

#### **VALUATION OF STOCKS AND STOCK-IN-TRANSIT**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

Stock-in-transit is valued at cost and is recognised when the risks and rewards of ownership pass to the company.

#### **DEFERRED TAXATION**

Deferred tax is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

#### **FOREIGN CURRENCIES**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

## **PRIVATE LIQUOR BRANDS LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

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#### **CONTRIBUTIONS TO PENSION FUNDS**

The company operates a defined contribution scheme and the pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

#### **LEASED ASSETS**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

#### **LIQUID RESOURCES**

Funds on deposit that are not accessible within 24 hours have been treated as liquid resources for the purposes of the cashflow statement in accordance with Financial Reporting Standard 1 (revised) 'Cash Flow Statements'.

**PRIVATE LIQUOR BRANDS LIMITED****PROFIT AND LOSS ACCOUNT**

For the year ended 31 August 2001

	Note	2001 £	2000 £
<b>Turnover</b>	1	48,924,428	54,476,542
Cost of sales		(43,783,273)	(49,289,148)
<b>Gross profit</b>		<u>5,141,155</u>	<u>5,187,394</u>
Administrative expenses		(4,785,366)	(5,062,399)
Other operating income		427,887	377,264
<b>Operating profit</b>		<u>783,676</u>	<u>502,259</u>
Other interest receivable and similar income		176,812	200,874
Amounts written off investments	7	(186,434)	-
Interest payable and similar charges	2	(8,326)	(234,887)
<b>Profit on ordinary activities before taxation</b>	1	<u>765,728</u>	<u>468,246</u>
Tax on profit on ordinary activities	4	(270,827)	(204,745)
<b>Profit for the financial year</b>	13	<u>494,901</u>	<u>263,501</u>
Equity dividends	5	(300,000)	(100,000)
<b>Profit transferred to reserves</b>	12	<u>194,901</u>	<u>163,501</u>

There were no recognised gains or losses other than the profit for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

**PRIVATE LIQUOR BRANDS LIMITED**

**BALANCE SHEET AT 31 AUGUST 2001**

	Note	2001 £	2001 £	2000 £	2000 £
<b>Fixed assets</b>					
Tangible assets	6		373,471		469,169
Investments	7		236,598		66,131
			<u>610,069</u>		<u>535,300</u>
<b>Current assets</b>					
Stocks	8	1,559,213		1,786,379	
Debtors	9	11,184,154		12,177,485	
Cash at bank and in hand		7,231,845		3,345,059	
		<u>19,975,212</u>		<u>17,308,923</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(17,252,013)</u>		<u>(14,671,374)</u>	
<b>Net current assets</b>			<u>2,723,199</u>		<u>2,637,549</u>
<b>Total assets less current liabilities</b>			<u>3,333,268</u>		<u>3,172,849</u>
<b>Provisions for liabilities and charges</b>	19		34,482		-
			<u>3,367,750</u>		<u>3,172,849</u>
<b>Capital and reserves</b>					
Called up share capital	11		200,000		200,000
Profit and loss account	12		3,167,750		2,972,849
<b>Shareholders' funds</b>	13		<u>3,367,750</u>		<u>3,172,849</u>

The financial statements were approved by the Board of Directors on 26 April 2002.

  
J M Fredericks

Director

  
S K Fredericks

Director

The accompanying accounting policies and notes form an integral part of these financial statements.

**PRIVATE LIQUOR BRANDS LIMITED****CASH FLOW STATEMENT**

For the year ended 31 August 2001

	Note	2001 £	2000 £
<b>Net cash inflow from operating activities</b>	14	4,381,049	545,449
<b>Returns on investments and servicing of finance</b>			
Interest received		176,812	200,874
Interest paid		(8,134)	(230,923)
Finance lease interest paid		(192)	(3,964)
Non-equity dividends paid		(100,000)	(100,000)
<b>Net cash inflow from returns on investments and servicing of finance</b>		68,486	(134,013)
<b>Taxation</b>		(191,734)	(395,489)
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(54,215)	(205,217)
Sale of tangible fixed assets		62,248	26,679
<b>Net cash inflow from capital expenditure and financial investment</b>		8,033	(178,538)
<b>Acquisitions and disposals</b>			
Purchase of investments		(357,001)	(46,875)
Sale of investments		-	744
<b>Net cash outflow from acquisitions and disposals</b>		(357,001)	(46,131)
<b>Equity dividends paid</b>		-	26,884
<b>Management of liquid resources</b>			
Deposits		(820,407)	-
<b>Financing</b>			
Capital element of finance lease rentals		(22,047)	(28,588)
<b>Net cash outflow from financing</b>		(22,047)	(28,588)
<b>Increase in cash</b>	15	3,066,379	(210,426)

The accompanying accounting policies and notes form an integral part of these financial statements.

# PRIVATE LIQUOR BRANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

### 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation are attributable to the principal activity of the company.

The profit on ordinary activities is stated after:

	2001 £	2000 £
Auditors' remuneration:		
Audit services	22,376	23,685
Non-audit services	14,140	42,705
Depreciation and amortisation:		
Tangible fixed assets, owned	110,845	110,503
Tangible fixed assets, held under finance leases and hire purchase contracts	-	2,675
Write-downs of fixed asset investments	186,434	-
Other operating lease rentals	118,608	122,015
Other operating income comprises:		
Commission receivable	427,887	377,264

### 2 INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
On bank loans and overdrafts	8,134	230,923
Finance charges in respect of finance leases	192	3,964
	8,326	234,887

### 3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2001 £	2000 £
Wages and salaries	2,642,519	2,492,258
Social security costs	305,304	297,424
Other pension costs	239,111	169,224
	3,186,934	2,958,906

# PRIVATE LIQUOR BRANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

The average number of employees of the company during the year was as follows:

	2001 Number	2000 Number
Selling and distribution	15	15
Office and management	32	32
	<u>47</u>	<u>47</u>

Remuneration in respect of directors was as follows:

	2001 £	2000 £
Emoluments	1,493,270	1,233,859
Pension contributions to money purchase pension schemes	173,358	99,358
	<u>1,666,628</u>	<u>1,333,217</u>

During the year 10 (2000: 7) directors participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2001 £	2000 £
Emoluments	419,177	362,667
Pension contributions to money purchase pension schemes	12,000	62,000
	<u>431,177</u>	<u>424,667</u>

## 4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge represents:

	2001 £	2000 £
UK Corporation tax at 30% (2000: 30%)	335,128	204,745
Deferred taxation	(34,482)	-
Adjustments in respect of prior periods:		
Overprovision of corporation tax	(29,819)	-
	<u>270,827</u>	<u>204,745</u>

# PRIVATE LIQUOR BRANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

### 5 DIVIDENDS

	2001 £	2000 £
Ordinary shares - final dividend of £2.00 per share	200,000	-
Participating preference shares - final proposed of £1.00 per share	100,000	100,000
	<u>300,000</u>	<u>100,000</u>

### 6 TANGIBLE FIXED ASSETS

	Freehold buildings £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 September 2000	132,900	269,521	660,876	1,063,297
Additions	-	30,580	23,635	54,215
Disposals	-	(119,666)	(4,390)	(124,056)
At 31 August 2001	<u>132,900</u>	<u>180,435</u>	<u>680,121</u>	<u>993,456</u>
Depreciation				
At 1 September 2000	-	141,004	453,124	594,128
Provided in the year	2,658	38,699	69,488	110,845
Eliminated on disposals	-	(82,990)	(1,998)	(84,988)
At 31 August 2001	<u>2,658</u>	<u>96,713</u>	<u>520,614</u>	<u>619,985</u>
Net book amount at 31 August 2001	<u>130,242</u>	<u>83,722</u>	<u>159,507</u>	<u>373,471</u>
Net book amount at 31 August 2000	<u>132,900</u>	<u>128,517</u>	<u>207,752</u>	<u>469,169</u>

The figures stated above include assets held under finance leases and similar hire purchase contracts, as follows:

	Motor vehicles £
Net book amount at 31 August 2001	-
Net book amount at 31 August 2000	<u>6,690</u>



# PRIVATE LIQUOR BRANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

### 7 FIXED ASSETS INVESTMENTS

	Shares in group undertakings £	Other investments £	Total £
Cost			
At 1 September 2000	100	66,031	66,131
Additions	-	357,001	357,001
At 31 August 2001	100	423,032	423,132
Amounts written off			
Provided during the year	100	-	100
Impairment losses	-	186,434	186,434
At 31 August 2001	100	186,434	186,534
Net book amount at 31 August 2001	-	236,598	236,598
Net book amount at 31 August 2000	100	66,031	66,131

Application having been made to the Registrar of Companies to deregister French Wine Farmers (UK) Limited, an unlisted company incorporated in England and Wales, the company has written off its investment in 100% of the issued share capital. The company was dormant and its accumulated capital and reserves at 31 August 2001 were £100 (2000: £100).

The results of the subsidiary have not been consolidated into the financial statements of the company because its inclusion would not have a material effect and its exclusion is permitted under section 229(2) of the Companies Act 1985.

Other investments consist of a share in freehold land at cost of £19,156 (2000: £19,156) and a share in Valderrama, SA, a golf club registered in Spain at cost of £46,875 (2000: £46,875). The company also acquired 10% of the share capital in Winecorp Limited, a listed company incorporated in South Africa and whose principal activity is investing in companies involved in wine farming, wine production, wine marketing and cleaning and sale of wine barrels, at cost of £357,001. A provision of £186,434 was made against the latter to bring the carrying amount in line with the underlying net asset value of the company.

### 8 STOCKS

	2001 £	2000 £
Stock in transit	516,080	335,763
Finished goods and goods for resale	1,043,133	1,450,616
	1,559,213	1,786,379

**PRIVATE LIQUOR BRANDS LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 August 2001

**9 DEBTORS**

	2001 £	2000 £
Trade debtors	10,406,545	10,333,481
Other debtors	8,774	41,999
Taxation recoverable	8,100	8,734
Prepayments and accrued income	760,735	1,793,271
	<u>11,184,154</u>	<u>12,177,485</u>

Included above are the following amounts which are due after more than one year:

Taxation recoverable	<u>8,100</u>	<u>8,100</u>
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**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2001 £	2000 £
Trade creditors	11,907,948	10,598,463
Corporation tax	335,128	222,187
Social security and other taxes	797,574	389,042
Proposed dividends	300,000	100,000
Other creditors	3,911,363	3,339,635
Amounts due under finance leases	-	22,047
	<u>17,252,013</u>	<u>14,671,374</u>

**11 SHARE CAPITAL**

	2001 £	2000 £
Authorised		
200,000 ordinary shares of £1 each	200,000	200,000
100,000 participating preference shares of £1 each	<u>100,000</u>	<u>100,000</u>
	<u>300,000</u>	<u>300,000</u>
 Allotted, called up and fully paid		
100,000 ordinary shares of £1 each	100,000	100,000
100,000 participating preference shares of £1 each	<u>100,000</u>	<u>100,000</u>
	<u>200,000</u>	<u>200,000</u>

# PRIVATE LIQUOR BRANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

### Participating preference shares

The participating preference shares carry an annual entitlement to the greater of a fixed cumulative preferential net cash dividend at the rate of £1 (net) per share per annum or a cumulative net cash dividend of a sum on each share equal to 0.0001% of the net profit, where net profit shall mean the net profit before taxation of the company calculated on the historical cost accounting basis and shown in the audited profit and loss account of the company, adjusted by disregarding any amortisation of goodwill.

Holders of preference shares have one vote for every one share held, but only on a resolution for the winding-up of the company, or at the date of the notice or requisition of the meeting the payments due on the participating preference shares are in arrears for more than six months, or when the meeting is convened for the purpose of considering the purchase by the company of its own shares or a reduction of capital of the company, or on a resolution affecting the rights attached to the shares.

On a winding up participating preference shareholders have the right to receive their capital stake and any arrears of dividends in priority to any other class of shares. Any balance of assets remaining after the repayment of share capital shall be divided between all shares equally.

### 12 RESERVES

	Profit and loss account £
At 1 September 2000	2,972,849
Retained profit for the year	194,901
At 31 August 2001	<u>3,167,750</u>

### 13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year	494,901	263,501
Dividends	(300,000)	(100,000)
Net increase in shareholders' funds	<u>194,901</u>	<u>163,501</u>
Shareholders' funds at 1 September 2000	3,172,849	3,009,348
Shareholders' funds at 31 August 2001	<u>3,367,750</u>	<u>3,172,849</u>

# PRIVATE LIQUOR BRANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

### 14 NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	783,676	502,259
Depreciation	110,845	113,178
Profit on sale of tangible fixed assets	(23,180)	46,451
Decrease in stocks	227,166	1,802,571
Decrease/(increase) in debtors	992,697	(1,717,954)
Increase/(decrease) in creditors	2,289,845	(201,056)
Net cash inflow from operating activities	<u>4,381,049</u>	<u>545,449</u>

### 15 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2001 £	2000 £
Increase in cash in the year	3,066,379	(210,426)
Cash outflow from finance leases in the year	22,047	28,588
Cash outflow from increase in liquid resources	820,407	-
Change in net debt resulting from cashflows	3,908,833	(181,838)
Net funds at 1 September 2000	<u>3,323,012</u>	<u>3,504,850</u>
Net funds at 31 August 2001	<u>7,231,845</u>	<u>3,323,012</u>

### 16 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2000 £	Cash flow £	At 31 August 2001 £
Cash in hand and at bank	3,345,059	3,066,379	6,411,438
Finance leases	(22,047)	22,047	-
Current asset investments (Short-term bank deposits)	-	820,407	820,407
	<u>3,323,012</u>	<u>3,908,833</u>	<u>7,231,845</u>

### 17 CAPITAL COMMITMENTS

The company had no capital commitments at 31 August 2001 or 31 August 2000.

# PRIVATE LIQUOR BRANDS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

### 18 CONTINGENT LIABILITIES

Guarantees in existence at the year end were issued by the company for:

	2001 £	2000 £
HM Customs and Excise:		
- General Removal Bond and Duty Deferment	550,000	550,000
Intervention Board for Agricultural Produce	20,000	20,000
	<u>570,000</u>	<u>570,000</u>

At 31 August 2001 the company had outstanding forward foreign exchange contracts of £1,002,136 (2000: £747,260) denominated in US Dollars and Pesetas.

There were no other contingent liabilities at 31 August 2001 or 31 August 2000 except in respect of deferred taxation.

### 19 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £	Total £
Provided during the year	(34,482)	(34,482)
At 31 August 2001	<u>(34,482)</u>	<u>(34,482)</u>

### 20 DEFERRED TAXATION

	Amount provided		Amount unprovided	
	2001 £	2000 £	2001 £	2000 £
Accelerated capital allowances	-	-	(23,951)	(10,729)
Other timing differences	(34,482)	-	-	-
	<u>(34,482)</u>	<u>-</u>	<u>(23,951)</u>	<u>(10,729)</u>

The deferred tax asset attributable to accelerated capital allowances has not been recognised in accordance with SSAP 15 'Accounting for Deferred Tax', as it is not expected to crystallise in the foreseeable future.

## PRIVATE LIQUOR BRANDS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2001

#### 21 LEASING COMMITMENTS

Operating lease payments amounting to £127,420 (2000: £132,358) are due within one year. The leases to which these amounts relate expire as follows:

	2001		2000	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	-	35,321	-	12,813
Between one and five years	41,750	50,349	41,750	77,795
	<u>41,750</u>	<u>85,670</u>	<u>41,750</u>	<u>90,608</u>

#### 22 POST BALANCE SHEET EVENTS

Details of significant events which have occurred since the balance sheet date have been provided in the directors' report on page 1.

#### 23 RELATED PARTY TRANSACTIONS

The leases on the premises occupied by the company during the year were owned by the Private Liquor Brands Limited Directors Retirement Benefit Scheme. Rent payments for the year amounted to £41,750 (2000: £33,525).

#### 24 CONTROLLING RELATED PARTY

JM Fredericks is this company's controlling related party by virtue of his personal shareholding and by being a trustee of a further 70,000 £1 ordinary shares of the company.