



**PRIVATE LIQUOR BRANDS
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 1998

Company no 1655729

PRIVATE LIQUOR BRANDS LIMITED

FINANCIAL STATEMENTS

For the year ended 31 August 1998

Company registration number: 1655729

Registered office: 33-35 Cantelupe Road
East Grinstead
West Sussex
RH19 3BE

Directors: J M Fredericks
Mrs J Fredericks
S K Fredericks
R C Harris
D J McCord
J E D Smith
J M Hooton

Secretary: S K Fredericks

Bankers: Barclays Bank plc
Crawley Business Centre
90-92 High Street
Crawley
West Sussex
RH10 1BP

Solicitors: Kingsford Stacey
Lincoln House
34b High Street
Harpenden
Herts
AL5 2SX

Auditors: Grant Thornton
Registered auditors
Chartered accountants
London

PRIVATE LIQUOR BRANDS LIMITED

FINANCIAL STATEMENTS

For the year ended 31 August 1998

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PRIVATE LIQUOR BRANDS LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 August 1998.

Principal activities

The company's principal activity is the importing of wines and spirits from Spain, Portugal, France, Australia, South 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 of the company. With shareholders' funds now in excess of £2.3m, the company has achieved a position of financial strength upon which it intends to build.

Although turnover dipped slightly to £43.5m, this was largely due to currency factors and volume sales continue to be maintained. The company has had continued success in its traditional markets of European wine where it has maintained volumes despite fierce competition. Sales of wine from Spain and France continue to be developed and this is central to the company's future growth. New World wine sales have performed extremely well and Private Liquor Brands are now seen as important New World wine suppliers to the UK market. The appointment of joint managing directors for the European wines (John Smith) and New World wines (David McCord) has provided both areas with more focus and has been well received by the UK market.

There was a profit for the year after taxation amounting to £765,673 (1997: profit £880,377). The directors recommend payment of dividends of £150,000 (1997: £175,000).

The directors are pleased to report a healthy start to the financial year 1998/99 and are confident this will be maintained throughout the year. The Board are forecasting an increase in turnover for the coming financial year and are confident of developing sales in existing and new markets. The Board will continue to build on the success achieved through the company's strategy of continued sales growth whilst maintaining a tight control on costs.

Directors

The directors during the year and their interests in the share capital of the company were as follows:

	£1 Ordinary shares		£1 Participating preference shares	
	31 August 1998	1 September 1997	31 August 1998	1 September 1997
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 - appointed 5 November 1997	-	-	-	-

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

PRIVATE LIQUOR BRANDS LIMITED

REPORT OF THE DIRECTORS

Donations

Donations to charitable organisations during the year amounted to £8,421 (1997:£7,840).

Year 2000 Compliance

Many computer systems which express dates using only the last two digits of the year may malfunction due to the date change to the year 2000. This risk to the business relates not only to the company's computer system, but also to some degree on those of the company's customers and suppliers.

The company has reviewed its computer systems for the impact of the Year 2000 date change. An impact analysis has been prepared to identify the major risks and action plans have been developed to address these in advance of critical dates. These plans give priority to the systems which could have a significant financial or legal impact if they were to fail.

The main systems affected are the accounting and sales order processing systems which are being upgraded and will be Year 2000 compliant by April 1999.

The company has requested from major customers, suppliers and other trading partners which whom information is exchanged electronically, confirmation that their relevant systems are Year 2000 compliant.

The issue is complex and no business can guarantee that there will be no Year 2000 problems. However, the Board believes that its plans and resources allocated are appropriate and adequate to address the issue.

External costs to address the issue are not expected to exceed £3,500.

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.

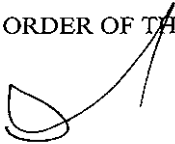
PRIVATE LIQUOR BRANDS LIMITED

REPORT OF THE DIRECTORS

Auditors

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

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'S K Fredericks', written over the text 'BY ORDER OF THE BOARD'.

S K Fredericks
Secretary

14 December 1998

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

We have audited the financial statements on pages 5 to 18 which have been prepared under the accounting policies set out on pages 5 to 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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.

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 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
LONDON**

14 December 1998

PRIVATE LIQUOR BRANDS LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

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

The principal accounting policies of the company have been applied consistently throughout the year and remain unchanged from the previous year.

TURNOVER

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

CONSOLIDATION

Group accounts 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 that of a single company and not a group.

DEPRECIATION

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

Leasehold buildings	10% on cost
Motor vehicles	20% on cost
Fixtures, fittings and equipment	15% on cost

Depreciation is not provided on freehold property where the directors are of the opinion that the buildings are sufficiently well maintained to ensure the residual value of such property is not less than cost and accordingly annual depreciation would not be material to the financial statements. Provision for permanent diminution in the value of a property to below its carrying value is charged to the profit and loss account.

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 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.

Debit balances arising in respect of advance corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

PRIVATE LIQUOR BRANDS LIMITED

PRINCIPAL ACCOUNTING POLICIES

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.

CONTRIBUTIONS TO PENSION FUNDS

The company operates a defined contribution pension 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.

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

For the year ended 31 August 1998

	Note	1998 £	1997 £
Turnover	1	43,569,355	46,313,916
Cost of sales		(39,187,638)	(41,526,195)
Gross profit		4,381,717	4,787,721
Administrative expenses		(3,196,643)	(3,287,773)
Operating profit		1,185,074	1,499,948
Other interest receivable and similar income		56,989	50,315
Amounts written off investments	7	-	(17,434)
Interest payable and similar charges	2	(90,093)	(83,791)
Profit on ordinary activities before taxation	1	1,151,970	1,449,038
Tax on profit on ordinary activities	4	(386,297)	(568,661)
Profit for the financial year	17	765,673	880,377
Dividends	5		
Equity		(150,000)	(175,000)
Profit transferred to reserves	16	615,673	705,377

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

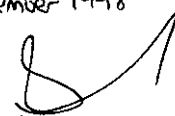

BALANCE SHEET AT 31 AUGUST 1998

	Note	1998 £	1998 £	1997 £	1997 £
Fixed assets					
Tangible assets	6		543,689		477,775
Investments	7		27,160		27,160
			<u>570,849</u>		<u>504,935</u>
Current assets					
Stocks	8	2,116,366		1,639,853	
Debtors	9	9,430,139		10,417,647	
Cash at bank and in hand		2,456,673		4,866	
		<u>14,003,178</u>		<u>12,062,366</u>	
Creditors: amounts falling due within one year	10	(12,167,494)		(10,777,568)	
Net current assets			<u>1,835,684</u>		<u>1,284,798</u>
Total assets less current liabilities			<u>2,406,533</u>		<u>1,789,733</u>
Creditors: amounts falling due after more than one year	11		(50,635)		(49,508)
			<u>2,355,898</u>		<u>1,740,225</u>
Capital and reserves					
Called up share capital	15	200,000		200,000	
Profit and loss account	16	2,155,898		1,540,225	
Shareholders' funds	17	<u>2,355,898</u>		<u>1,740,225</u>	

The financial statements were approved by the Board of Directors on 14 December 1998

S K Fredericks

R C Harris

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 1998

	Note	1998 £	1997 £
Net cash inflow from operating activities	12	3,230,362	110,330
Returns on investments and servicing of finance			
Interest received		56,989	50,315
Interest paid		(84,134)	(79,168)
Finance lease interest paid		(5,959)	(4,623)
Net cash outflow from returns on investments and servicing of finance		(33,104)	(33,476)
Taxation		(429,199)	(280,272)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(155,974)	(203,426)
Sale of tangible fixed assets		14,667	-
Loans made to other entities		-	93,000
Net cash outflow from capital expenditure and financial investment		(141,307)	(110,426)
Acquisitions and disposals			
Purchase of investments		-	(7,260)
Sale of investments		(132,454)	(34,543)
Net cash outflow from acquisitions and disposals		(132,454)	(41,803)
Equity dividends paid		-	(175,000)
Financing			
Capital element of finance lease rentals		(22,974)	(14,266)
Net cash outflow from financing		(22,974)	(14,266)
Increase in cash	13	2,471,324	(544,913)

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 1998

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities is stated after:

	1998 £	1997 £
Auditors' remuneration:		
Audit services	20,745	19,250
Non-audit services	18,600	-
Depreciation and amortisation:		
Tangible fixed assets, owned	82,866	77,799
Tangible fixed assets, held under finance leases and hire purchase contracts	19,537	11,141
Write-downs of fixed asset investments	-	17,434
Other operating lease rentals	85,515	99,196

2 INTEREST PAYABLE AND SIMILAR CHARGES

	1998 £	1997 £
On bank loans and overdrafts	84,134	79,168
Finance charges in respect of finance leases	5,959	4,623
	90,093	83,791

3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	1998 £	1997 £
Wages and salaries	1,441,239	1,641,625
Social security costs	178,268	158,511
Other pension costs	136,305	82,547
	1,755,812	1,882,683

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

	1998 Number	1997 Number
Selling and distribution	10	9
Office and management	25	21
	35	30

PRIVATE LIQUOR BRANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 1998

Remuneration in respect of directors was as follows:

	1998 £	1997 £
Emoluments	759,657	963,949
Pension contributions to money purchase pension schemes	94,541	44,283
	<u>854,198</u>	<u>1,008,232</u>

Amounts accruing to money purchase pension schemes, as noted above, relate to all directors.

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

	1998 £	1997 £
Emoluments	224,845	499,978
Pension contributions to money purchase pension schemes	62,000	12,000
	<u>286,845</u>	<u>511,978</u>

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge is based on the profit for the year and represents:

	1998 £	1997 £
UK Corporation tax at 31% (1997: 32.2%)	352,021	447,532
Overseas tax	8,036	-
	<u>360,057</u>	<u>447,532</u>
Adjustments in respect of prior periods:		
Underprovision of tax in previous years	26,240	121,129
	<u>386,297</u>	<u>568,661</u>

5 DIVIDENDS

	1998 £	1997 £
Participating preference shares - final proposed dividend of £1.50 per share (1997: final paid dividend of £1.50 per share)	150,000	175,000
	<u>150,000</u>	<u>175,000</u>

PRIVATE LIQUOR BRANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 1998

6 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 September 1997	141,000	181,084	195,003	379,964	897,051
Additions	-	-	97,085	86,972	184,057
Adjustment	(8,100)	-	-	-	(8,100)
Disposals	-	-	(46,283)	-	(46,283)
At 31 August 1998	132,900	181,084	245,805	466,936	1,026,725
Depreciation					
At 1 September 1997	-	75,716	84,757	258,803	419,276
Provided in the year	-	18,108	34,422	49,873	102,403
Eliminated on disposals	-	-	(38,643)	-	(38,643)
At 31 August 1998	-	93,824	80,536	308,676	483,036
Net book amount at 31 August 1998	132,900	87,260	165,269	158,260	543,689
Net book amount at 31 August 1997	141,000	105,368	110,246	121,161	477,775

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 1998	76,905
Net book amount at 31 August 1997	68,353
Depreciation provided during year	19,537

The adjustment to freehold land and buildings represents a revision to the final purchase price of the freehold property acquired in the prior year.

PRIVATE LIQUOR BRANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 1998

7 FIXED ASSETS INVESTMENTS

	Shares in group undertakings £	Other investments £	Total £
Cost At 1 September 1997	100	27,060	27,160
Net book amount at 31 August 1998	100	27,060	27,160
Net book amount at 31 August 1997	100	27,060	27,160

The company owns 100% of the issued share capital of French Wine Farmers (UK) Ltd, an unlisted company registered in England and Wales. The company is dormant and its accumulated capital and reserves as at 1 September 1997 and 31 August 1998 were £100.

Its results 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 land at cost of £19,900 (1997: £19,900) and a share in Sotogrande Golf Club, at a cost of £7,160 (1997: £7,160). In the directors' opinion the current market value of this share is in excess of original cost.

8 STOCKS

	1998 £	1997 £
Stock in transit	1,166,637	1,160,768
Finished goods and goods for resale	949,729	479,085
	2,116,366	1,639,853

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

For the year ended 31 August 1998

9 DEBTORS

	1998 £	1997 £
Trade debtors	7,791,594	9,084,908
Other debtors	12,384	52,848
Taxation recoverable	12,531	-
Prepayments and accrued income	1,613,630	1,279,891
	<u>9,430,139</u>	<u>10,417,647</u>

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

Taxation recoverable	<u>37,500</u>	<u>-</u>
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10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998 £	1997 £
Bank loans and overdrafts	-	19,517
Trade creditors	9,007,616	7,994,932
Corporation tax	364,051	394,422
Social security and other taxes	721,991	883,663
Proposed dividends	150,000	-
Other creditors	1,904,134	1,469,314
Amounts due under finance leases	19,702	15,720
	<u>12,167,494</u>	<u>10,777,568</u>

The bank overdrafts are secured by a fixed and floating charge over all of the company's assets.

11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1998 £	1997 £
Amounts due under finance leases	<u>50,635</u>	<u>49,508</u>

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

For the year ended 31 August 1998

Borrowings are repayable as follows:

	1998 £	1997 £
Within one year		
Bank and other borrowings	-	19,517
Finance leases	19,702	15,720
After one and within five years		
Finance leases	50,635	49,508
	<u>70,337</u>	<u>84,745</u>

12 NET CASH INFLOW FROM OPERATING ACTIVITIES

	1998 £	1997 £
Operating profit	1,185,074	1,499,948
Depreciation	102,403	88,940
Profit on sale of tangible fixed assets	(7,027)	-
Increase in stocks	(476,513)	437,879
Decrease in debtors	1,132,493	(851,797)
Increase in creditors	1,293,932	(1,064,640)
Net cash inflow from operating activities	<u>3,230,362</u>	<u>110,330</u>

13 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	1998 £	1997 £
Increase in cash in the year	2,471,324	(544,913)
Cash outflow from finance leases in the year	22,974	14,266
Change in net debt resulting from cashflows	2,494,298	(530,647)
Inception of finance leases	(28,083)	(79,494)
Movement in net debt in the year	2,466,215	(610,141)
Net debt at 1 September 1997	(79,879)	530,262
Net funds at 31 August 1998	<u>2,386,336</u>	<u>(79,879)</u>

PRIVATE LIQUOR BRANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 1998

14 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 1997 £	Cash flow £	Non - cash items £	At 31 August 1998 £
Cash in hand, at bank	4,866	2,451,807	-	2,456,673
Overdrafts	(19,517)	19,517	-	-
Finance leases	(65,228)	22,974	(28,083)	(70,337)
	<u>(79,879)</u>	<u>2,494,298</u>	<u>(28,083)</u>	<u>2,386,336</u>

15 SHARE CAPITAL

	1998 £	1997 £
Authorised		
300,000 ordinary shares of £1 each	200,000	200,000
100,000 participating preference shares of £1 each	100,000	100,000
	<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	100,000	100,000
	<u>200,000</u>	<u>200,000</u>

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.

PRIVATE LIQUOR BRANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 1998

16 RESERVES

	Profit and loss account £
At 1 September 1997	1,540,225
Retained profit for the year	615,673
Capitalisation of reserves	-
At 31 August 1998	<u>2,155,898</u>

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Profit for the financial year	765,673	880,377
Dividends	(150,000)	(175,000)
Net increase in shareholders' funds	<u>615,673</u>	<u>705,377</u>
Shareholders' funds at 1 September 1997	1,740,225	1,034,848
Shareholders' funds at 31 August 1998	<u>2,355,898</u>	<u>1,740,225</u>

18 CONTINGENT LIABILITIES

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

	1998 £	1997 £
Customs and Excise:		
- General Removal Bond and Duty Deferment	250,000	550,000
Adeja Co-op de Benfica	49,706	50,618
Intervention Board for Agricultural Produce	3,000	3,000
	<u>302,706</u>	<u>603,618</u>

At 31 August 1998 the company had outstanding forward foreign exchange contracts of £2,959,839 denominated in US Dollars, Pesetas, Escudos and Deutschmarks. There were no contingent liabilities at 31 August 1998 or 31 August 1997 except in respect of deferred taxation..

PRIVATE LIQUOR BRANDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 1998

19 LEASING COMMITMENTS

Operating lease payments amounting to £96,237 (1997: £85,376) are due within one year. The leases to which these amounts relate expire as follows:

	1998		1997	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	-	4,574	-	4,293
Between one and five years	25,300	66,363	23,500	57,583
	<u>25,300</u>	<u>70,937</u>	<u>23,500</u>	<u>61,876</u>

20 TRANSACTIONS WITH DIRECTORS

Amounts due in respect of loans, quasi-loans and credit transactions by directors were as follows:

Name of director and connected person	Amount outstanding		Maximum liability during year	Interest due not paid
	1998 £	1997 £		
JM Fredericks	(12,770)	12,309	15,427	N/A

There were no interest provisions attached to this loan.

21 RELATED PARTY TRANSACTIONS

The lease on the company's premises is owned by the Private Liquor Brands Limited Directors Retirement Benefit Scheme. Rent payments for the year amounted to £25,300.

22 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.