

TRENDSHIGH LIMITED
Directors' Report and Accounts
Year to 31 August 1998
Registered number : 2329778



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Report of the Directors

YEAR TO 31 AUGUST 1998

The financial statements for the year are set out on pages 6 to 8.

REVIEW OF THE FINANCIAL PERIOD

During the period the company did not trade and received no income and incurred no expenditure. Consequently the company made neither a profit nor a loss.

The directors do not propose to declare a dividend

CREDITOR PAYMENT POLICY AND PRACTICE

The company does not follow a specific payment policy. Instead the company agrees terms and conditions for transactions with suppliers and payment is made on these terms, subject to the supplier meeting the agreed terms and conditions.

ACTIVITIES

The principal activity of the company is as an investment holding subsidiary of the Allied Domecq group.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

YEAR 2000

The company has implemented an examination of its business in order to identify areas where it is not compliant with year 2000 and so to determine and implement the necessary action.

The total costs are quantified at a group level as disclosed in the statutory accounts of Allied Domecq PLC and most of these will be charged to the profit and loss account.

DIRECTORS

The following served as directors during the year:-

Mr P M Burrell

Mr T M H Dalton

Mr P J Lyster

Mr J A F Trigg

(Resigned 1 December 1997)

(Appointed 18 December 1997)

Report of the Directors

YEAR TO 31 AUGUST 1998

Directors' Interests

J A F Trigg was also a director of Allied Domecq PLC and has his interests disclosed within those accounts.

The beneficial interests of other directors in the ordinary share capital of Allied Domecq PLC at 31 August 1998 were as follows:

| | At 31 August 1998 25p Ordinary Shares | At 1 September 1997 25p Ordinary Shares |
|---|--|--|
| P M Burrell | 1,645 | Nil |
| P J Lyster | 3,291 | Nil |
| Total of other directors' beneficial interests | 4,936 | Nil |

During the year options in respect of ordinary shares in Allied Domecq PLC were granted to Mr P M Burrell (20,000) and Mr P J Lyster (20,000). Options in respect of ordinary shares in Allied Domecq PLC were exercised by Mr P M Burrell (1,645) and Mr P J Lyster (3,291). These figures include options under Allied Domecq PLC's savings-related share option schemes.



By order of the board
C Burns SECRETARY

18 December 1998

Statement of 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 and of the profit or loss 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 a 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. 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.

Report of the Auditor

AUDITOR'S REPORT TO THE MEMBERS OF TRENDHIGH LIMITED

We have audited the financial statements on pages 6 to 8.

Respective Responsibilities of Directors and Auditor

As described above the company's directors are responsible for the preparation of 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

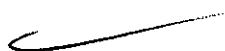
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 affairs of the company as at 31 August 1998 and of its result for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc



KPMG Audit Plc, Chartered Accountants
Registered Auditor

London, 18 December 1998

Accounting Policies

YEAR TO 31 AUGUST 1998

BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention, and comply with applicable UK Accounting Standards.

The company is exempt from the requirement of Financial Reporting Standard No.1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Allied Domecq PLC, and its cash flows are included within the consolidated cash flow statement of that company.

The company is exempt under paragraph 3 (c) of FRS8 Related Party Transactions from disclosing transactions with entities that are part of the group.

Balance Sheet

| | Note | As at 31 August 1998 £000's | As at 31 August 1997 £000's |
|-----------------------------|------|--------------------------------------|--------------------------------------|
| Current assets | | | |
| Debtors | 2 | 40,000 | 40,000 |
| Net current assets | | 40,000 | 40,000 |
| <hr/> | | | |
| Net assets | | 40,000 | 40,000 |
| <hr/> | | | |
| Capital and reserves | | | |
| Called up share capital | 3 | 40,000 | 40,000 |
| Shareholders' funds | | 40,000 | 40,000 |

Approved by the board on 18 December 1998 and signed on its behalf by:

P.M. Burrell

P M Burrell
Director

During the period the company did not trade. Consequently the company has not presented the following statements:

- Profit and Loss Account
- Statement of Total Recognised Gains and Losses
- Note of Historical Cost Profits and Losses
- Reconciliation of Movements in Shareholders' Funds

Notes to the Accounts

YEAR TO 31 AUGUST 1998

1 PROFIT AND LOSS ACCOUNT

The directors received no remuneration in respect of their services to the company (1997: nil).

The auditor's remuneration for their services in the year is paid by Allied Domecq PLC.

During the period there were no employees in the company (1997 : nil).

| 2 | DEBTORS | 1998 £000's | 1997 £000's |
|---|------------------------------------|----------------|----------------|
| | Amounts owed by group undertakings | 40,000 | 40,000 |
| | | 40,000 | 40,000 |

| 3 | SHARE CAPITAL | Authorised | | Allotted, called up and fully paid | |
|---|-----------------------|----------------|----------------|---------------------------------------|----------------|
| | | 1998 £000's | 1997 £000's | 1998 £000's | 1997 £000's |
| | Ordinary shares of £1 | 60,000 | 60,000 | 40,000 | 40,000 |

4 ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of Allied Domecq PLC incorporated in Great Britain.

The largest group in which the results of the company are consolidated is that headed by Allied Domecq PLC. The consolidated accounts of this company are available to the public and may be obtained from:

The Company Secretary
Allied Domecq PLC
24 Portland Place
LONDON
W1N 4BB

No other group accounts include the results of the company.