

3027016

Report and Accounts

Groundworks UK Limited

31 December 2003



Groundworks UK Limited

Company Number: 3027016

Report of the Directors

Principal Activity

The principal activity of the company is the wholesaling of wine.

Directors and their Interests

The directors of the Company during the year were as follows:-

S.R Straker

O.J Winkler

Mr S.R Straker holds 50% of the called up share capital of the company. Mr O.J Winkler did not at any time hold a direct interest in the company.

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 of the Company for that year. In preparing those financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates 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. They 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.

Small Company Disclosure

The above report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies

15 Windsor Park
50 Windsor Avenue
London
SW19 2TJ

23rd March 2005

BY ORDER OF THE BOARD

S.R STRAKER
DIRECTOR



GROUNDWORKS UK LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2003**

	Notes	2003 £	2002 £
TURNOVER		704,907	761,610
Cost of Sales		<u>(696,589)</u>	<u>(585,031)</u>
GROSS PROFIT		8,318	176,579
Operating Expenses		<u>(138,576)</u>	<u>(145,107)</u>
OPERATING (LOSS)/PROFIT		(130,258)	31,472
Interest Receivable		<u>26</u>	<u>0</u>
		(130,232)	31,472
Interest Payable	3	<u>(6,048)</u>	<u>474</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(136,280)	31,946
Taxation	4	-	-
(LOSS)/PROFIT FOR FINANCIAL YEAR	9	<u><u>(136,280)</u></u>	<u><u>31,946</u></u>

All turnover and costs relate to continuing operations.

The Company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 5 and 6 form part of these financial statements.

GROUNDWORKS UK LIMITED

BALANCE SHEET AT 31ST DECEMBER 2003

	Notes	2003 £	2002 £
CURRENT ASSETS			
Debtors	5	43,074	455,040
Bank balance		<u>1,200</u>	<u>4,546</u>
		44,274	459,586
CREDITORS			
Amounts falling due within one year	6	<u>(228,305)</u>	<u>(495,337)</u>
NET CURRENT LIABILITIES		(184,031)	(35,751)
LONG TERM LOAN	7	<u>(265,792)</u>	<u>(277,792)</u>
NET LIABILITIES		<u>(449,823)</u>	<u>(313,543)</u>
CAPITAL AND RESERVES			
Called up share capital	8	60,000	60,000
Profit and Loss account	9	<u>(509,823)</u>	<u>(373,543)</u>
		<u>(449,823)</u>	<u>(313,543)</u>

The directors have:-

- Taken advantage of the Companies Act 1985 in not having these accounts audited under section 249A(1) (Total exemption)
- Confirmed that no notices have been deposited under Section 249B(2) of the Companies Act 1985
- Acknowledged their responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- Acknowledge their responsibilities for preparing accounts which give a true and fair view of the Company and of its profit for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to this Company.
- The Directors acknowledge their responsibilities for preparing the accounts in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

S.R Straker
Director



Approved by the Board on the
The notes on page 5 and 6 form part of these financial statements

GROUNDWORKS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 ACCOUNTING POLICIES

Basis of Accounting

The Financial statements have been prepared under the historical cost convention

Turnover

Turnover represents the invoice value of goods sold during the year.

Going Concern

The financial statements are prepared on the going concern basis, the validity of which is dependent upon the continuing support of the shareholders.

Foreign Exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions.

All differences are taken to the profit and loss.

Cash Flow

The accounts do not include a cash flow statement because the Company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

2 DIRECTORS RENUMERATION

Neither of the directors received any emoluments from the Company, other than as disclosed at note 10.

3 INTEREST PAYABLE

	2003	2002
	£	£
Bank Overdraft	6,048	3,567
Other	-	(4,041)
	<u>6,048</u>	<u>(474)</u>

The holders of the Long Term loans have waived interest on their loans in respect of 2003 and 2002.

In 2001 £4,041 was provided in respect of interest on these loans, and this provision was reversed in 2002.

4 TAXATION

No taxation arises on the loss for the year.

5 DEBTORS

	2003	2002
	£	£
Trade Debtors	57	414,814
Group Company	27,782	27,647
Other debtors	<u>15,235</u>	<u>12,579</u>
	<u>43,074</u>	<u>455,040</u>

Repayment of the advance to the group company is dependent on the future profitability of that company.

GROUNDWORKS UK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (cont.)

6	CREDITORS	2003 £	2002 £
	Interest accrued on sums due to shareholders and associates	51,689	51,689
	Other accruals	5,015	15,150
	Trade creditors	159,092	320,430
	Bank overdraft	12,509	108,068
		<u>228,305</u>	<u>495,337</u>

The bank overdraft is secured by a floating charge over the assets of the company and is guaranteed by the shareholders.

7 LONG TERM LOAN

Loans have been provided by or on behalf of the shareholders. No interest has been provided on them since 31st December 1998 and no date has been set for their repayment. It is intended that the loans be capitalised in the near future.

8 SHARE CAPITAL

	2003 £	2002 £
Authorised:		
Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>

The share capital of the Company relates to equity interests.

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	Share capital	Profit & Loss account	Total shareholders funds
2002	£	£	£
Balance at 1st January 2002	60,000	(405,489)	(345,489)
Profit for the year	-	31,946	31,946
Balance at 31st December 2002	60,000	(373,543)	(313,543)
2003			
Loss for the year	-	(136,280)	(136,280)
Balance as at 31st December 2003	<u>60,000</u>	<u>(509,823)</u>	<u>(449,823)</u>

10 RELATED PARTY TRANSACTIONS

The following transactions with related parties have taken place during the year, on normal commercial terms.

Name of Party	Description of Transaction	Cost	Balance 31 Dec 2003
Straker Associates	Management Services	£80,000	nil
Omex (UK) Limited	Accountancy	£2,500	nil

Straker Associates is a business owned by Mr S R Straker. Omex (UK) Limited is a subsidiary company of Omex International Limited. Both Mr. Straker and Omex International Limited hold 50% of the share capital of the company.