

Registered number 03804715

Estate Bottled Foods Limited  
Annual report and financial statements  
For the period ended 2 July 2010

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# **Estate Bottled Foods Limited**

## **Annual report and financial statements for the period ended 2 July 2010**

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# **Estate Bottled Foods Limited**

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## **Company Information**

### **Directors**

S N McMurtrie  
C A Humphreys

### **Registered office**

New Aquitaine House  
Exeter Way  
Theale  
Reading  
Berkshire  
RG7 4PL

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
9 Greyfriars Road  
Reading  
Berkshire  
RG1 1JG

### **Bankers**

Yorkshire Bank  
2-4 Abingdon Street  
Blackpool  
Lancashire  
FY1 2DR

**Directors' report for the period ended 2 July 2010**

The directors present their report and the audited financial statements of the company for the period ended 2 July 2010

**Principal activities**

The principal activity of the company continued to be that of the mail order of food and wine products, to customers in the UK

**Review of business and future developments**

The company has taken advantage of the exemption applying to small companies from preparing an enhanced business review in accordance with the provisions of section 15 of the Companies Act 2006

The profit and loss account is set out on page 5. The company has had another challenging period and consequently the directors have taken the decision to gradually wind-down the company's activities. As such the company is expected to become dormant in future accounting periods.

These financial statements are prepared on the going concern basis as Direct Wines Holdings Limited, the company's parent undertaking, has indicated its intention to provide such ongoing financial support as is necessary for the company to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements.

**Results and dividends**

The trading loss for the period amounted to £100,995 (2009: loss of £13,297)

The directors have not recommended a dividend (2009: Nil)

**Directors**

The directors of the company who held office during the period and up to the signing of the financial statements, except as stated otherwise, are given below:

S N McMurtrie	
C A Humphreys	(appointed 1 February 2010)
A H G Laithwaite	(resigned 1 February 2010)
B A Laithwaite	(resigned 1 February 2010)
F Stratford	(resigned 29 January 2010)

**Financial risk management**

The management of the company actively monitors foreign exchange risk. Where foreign currency purchases are made the company manages this risk through its parent company, Direct Wines Holdings Limited.

**Statement as to disclosure of information to auditors**

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

This disclosure is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

**Directors' report for the period ended 2 July 2010 (continued)**

**Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

On behalf of the board



C A Humphreys  
Director

## **Independent auditors' report to the members of Estate Bottled Foods Limited**

We have audited the financial statements of Estate Bottled Foods Limited for the period ended 2 July 2010 which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of directors' responsibilities the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of 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 2 July 2010 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



**Matthew Hall (Senior Statutory Auditor)**  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading, 18 October 2010

## Profit and loss account for the period ended 2 July 2010

	Note	53 week period ended 2 July 2010 £	52 week period ended 26 June 2009 £
Turnover	2	211,609	238,545
Cost of sales		(102,670)	(90,096)
<b>Gross profit</b>		<b>108,939</b>	<b>148,449</b>
Net operating expenses	3	(209,936)	(161,811)
<b>Operating loss</b>		<b>(100,997)</b>	<b>(13,362)</b>
Interest receivable and similar income	4	2	65
<b>Loss on ordinary activities before taxation</b>	5	<b>(100,995)</b>	<b>(13,297)</b>
Taxation	8	-	-
<b>Loss for the period</b>	16,17	<b>(100,995)</b>	<b>(13,297)</b>

The results for the periods shown above are derived entirely from discontinued activities

The company has no recognised gains and losses other than the losses above and therefore no separate statement of total recognised gains and losses has been presented

There are no material differences between the loss on ordinary activities before taxation and the loss for the period stated above, and their historical cost equivalents

# Estate Bottled Foods Limited

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## Balance sheet as at 2 July 2010

	Note	2 July 2010 £	26 June 2009 £
<b>Fixed assets</b>			
Tangible assets	9	808	1,211
<b>Current assets</b>			
Stocks	10	-	28,363
Debtors	11	116	5,597
Cash at bank and in hand		13,950	5,331
		14,066	39,291
<b>Creditors - Amounts falling due within one year</b>	12	(232,921)	(87,871)
<b>Net current liabilities</b>		(218,855)	(48,580)
<b>Total assets less current liabilities</b>		(218,047)	(47,369)
<b>Creditors - Amounts falling due after more than one year</b>	13	-	(69,683)
<b>Net liabilities</b>		(218,047)	(117,052)
<b>Capital and reserves</b>			
Called-up share capital	15	100	100
Profit and loss account (deficit)	16	(218,147)	(117,152)
<b>Total shareholders' deficit</b>	17	(218,047)	(117,052)

The financial statements on pages 5 to 13 were approved by the board of directors on 18 October 2010 and were signed on its behalf by



**C A Humphreys**  
Director  
Estate Bottled Foods Limited  
Registered number 03804715



**Notes to the financial statements for the period ended  
2 July 2010****1 Accounting policies**

These financial statements are prepared under the historical cost convention in accordance with the Companies Act 2006 and with applicable accounting standards in the United Kingdom. Principal accounting policies, which have been applied consistently throughout the period, are set out below.

**Financial period**

The financial statements are made up to the Friday nearest to 30 June each year. Periodically this results in a financial period of 53 weeks. The current accounting period is for the 53 weeks period ended 2 July 2010. The previous accounting period was for the 52 weeks ended 26 June 2009.

**Basis of preparation**

The company is dependent on the ongoing support of its parent company, Direct Wines Holdings Limited, to continue to trade. Direct Wines Holdings Limited has indicated its intention to provide such ongoing financial support as is necessary for the company to continue in operation and to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

**Turnover**

Turnover, which excludes value added tax, trade discounts and returns, represents the invoiced value of goods supplied. Turnover is recognised on sales when title to the product passes, which is generally upon delivery.

**Tangible fixed assets**

Tangible fixed assets are stated at historic cost less accumulated depreciation. Depreciation is provided at rates calculated to write off each asset down to its estimated residual value evenly over its expected useful economic life, as follows:

Fixtures, fittings & equipment    25% reducing balance

**Stocks**

Stock is stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for selling costs. Provision is made where necessary for obsolete, slow moving and defective stocks.

**Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Trading transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange gains or losses are included in the profit and loss account in the period in which they arise.

## Notes to the financial statements for the period ended 2 July 2010 (continued)

### 2 Accounting policies (continued)

#### Taxation

UK Corporation tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

#### Deferred taxation

Deferred tax is recognised in respect of all timing difference that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis

#### Cash flow transactions and related party disclosure

The company is a wholly owned subsidiary of Direct Wines Holdings Limited. The company is included in the consolidated financial statements of Direct Wines Holdings Limited, its ultimate parent undertaking, which are publically available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996) "Cash flow statement". The company is also exempt under the terms of FRS 8 "Related party disclosure" from disclosing related party transactions with entities that are part of the Direct Wines Holdings Limited group or investees of the Direct Wines Holdings Limited group

### 2 Turnover

The company's turnover was all derived from its principal activity and arises solely within the United Kingdom

### 3 Net operating expenses

	53 week period ended 2 July 2010 £	52 week period ended 26 June 2009 £
Distribution costs	13,698	12,133
Administrative expenses	196,238	149,678
	<b>209,936</b>	<b>161,811</b>

## Notes to the financial statements for the period ended 2 July 2010 (continued)

### 4 Interest receivable and similar income

	53 week period ended 2 July 2010	52 week period ended 26 June 2009
	£	£
Interest on bank deposits	2	65

### 5 Loss on ordinary activities before taxation

	53 week period ended 2 July 2010	52 week period ended 26 June 2009
	£	£
<b>Loss on ordinary activities before taxation is stated after charging.</b>		
Wages and salaries	67,140	56,875
Social security costs	6,199	4,798
Redundancy payments	40,000	-
<b>Staff costs</b>	<b>113,339</b>	<b>61,673</b>
Depreciation charge for the period		
Owned assets	403	403
Operating lease rentals		
Other than plant and machinery	6,449	6,379
Services provided by the company's auditors		
Fees payable for the audit	4,000	5,250

### 6 Employee information

The average monthly number of persons (excluding the executive directors) employed by the company during the period was

	53 week period ended 2 July 2010	52 week period ended 26 June 2009
By activity	Number	Number
Office and management	2	2

## Notes to the financial statements for the period ended 2 July 2010 (continued)

### 7 Directors' emoluments

	53 week period ended 2 July 2010 £	52 week period ended 26 June 2009 £
Aggregate emoluments	-	30,295

Two of the directors (2009 four) are remunerated by Direct Wines Limited, a fellow Direct Wines Holdings Group company. No recharge is made to the company for these costs and none of their remuneration is in respect of their services to the company.

### 8 Taxation

	53 week period ended 2 July 2010 £	52 week period ended 26 June 2009 £
<b>Current tax</b>		
<b>Taxation on the loss for the period</b>		
United Kingdom corporation tax at 28%	-	-
<b>Tax on loss on ordinary activities</b>	-	-

The tax assessed for the period is lower (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 28%).

The differences are explained below:

	53 week period ended 2 July 2010 £	52 week period ended 26 June 2009 £
Loss on ordinary activities before tax	(100,995)	(13,297)
Loss on ordinary activities multiplied by standard rate in the UK of 28% (2009 28%)	(28,279)	(3,723)
Effects of:		
Tax losses for the current period carried forward	-	-
Differences in capital allowances and depreciation	15	(9)
Group relief surrendered	28,264	3,732
Current tax charge for the period	-	-

The company has ceased to trade and as a result, has no trading losses to carry forward (2009 £85,306).

# Notes to the financial statements for the period ended 2 July 2010 (continued)

## 9 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 27 June 2009	6,027
Additions	-
<b>At 2 July 2010</b>	<b>6,027</b>
<b>Accumulated depreciation</b>	
At 27 June 2009	4,816
Charge for the period	403
<b>At 2 July 2010</b>	<b>5,219</b>
<b>Net book value</b>	
<b>At 2 July 2010</b>	<b>808</b>
At 26 June 2009	1,211

## 10 Stocks

	2 July 2010 £	26 June 2009 £
Goods for resale	-	28,363

## 11 Debtors

	2 July 2010 £	26 June 2009 £
Amounts falling due within one year		
Other debtors	116	5,597

## Notes to the financial statements for the period ended 2 July 2010 (continued)

### 12 Creditors – Amounts falling due within one year

	2 July 2010	26 June 2009
	£	£
Amounts owed to group undertaking	221,323	69,912
Accruals and deferred income	11,598	17,959
	<b>232,921</b>	<b>87,871</b>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

### 13 Creditors – Amounts falling due after more than one year

	2 July 2010	26 June 2009
	£	£
Amounts owed to group undertakings	-	69,683

Amounts owed to group undertakings are unsecured, interest free and repayable on demand. They have been categorised as falling due after more than one year as the directors have received confirmations that these group undertakings will not require payment of these amounts due for at least 12 months from the balance sheet date.

### 14 Called-up share capital

	2 July 2010	26 June 2009
	£	£
<b>Authorised</b>		
1,000 (2009 1,000) ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid</b>		
100 (2009 100) ordinary shares of £1 each	100	100

## Notes to the financial statements for the period ended 2 July 2010 (continued)

### 15 Profit and loss deficit

	2 July 2010 £
At 27 June 2009	(117,152)
Loss for the period	(100,995)
<b>At 2 July 2010</b>	<b>(218,147)</b>

### 16 Reconciliation of movements in shareholders' deficit

	2 July 2010 £	26 June 2009 £
Loss for the period	(100,995)	(13,297)
Net increase in shareholders' deficit	(100,995)	(13,297)
Opening shareholders' deficit	(117,052)	(103,755)
<b>Closing shareholders' deficit</b>	<b>(218,047)</b>	<b>(117,052)</b>

### 17 Ultimate parent and controlling party

The immediate and ultimate parent company is Direct Wines Holdings Limited. According to the register kept by the company, Direct Wines Holdings Limited had a 100% interest in the equity capital of Estate Bottled Foods Limited at 2 July 2010 and is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 2 July 2010. Copies of the parent's consolidated financial statements may be obtained from The Secretary, Direct Wines Holdings Limited, New Aquitaine House, Exeter Way, Theale, Reading, Berkshire, RG7 4PL.

The directors regard the Laithwaite family as the ultimate controlling party of the company by virtue of their interest in the share capital of Direct Wines Holdings Limited.