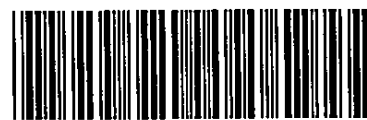


**GEO G. SANDEMAN SONS & CO., LIMITED**

**Report and Financial Statements**

**31 December 2010**

TUESDAY



\*AY7WRSGA\*

A10

15/03/2011

267

COMPANIES HOUSE

Handwritten marks, possibly initials or a signature, located in the bottom right corner of the page.

---

**GEO G. SANDEMAN SONS & CO , LIMITED**

---

Registered no 4222745

**DIRECTORS**

F C Guedes  
S C Guedes  
F J G V Souto  
P Pringuet  
T Billot

**SECRETARY**

J Antunes

**AUDITORS**

Deloitte LLP  
2 New Street Square  
London  
EC4A 3BZ

**REGISTERED OFFICE**

400 Capability Green  
Luton  
Beds  
LU1 3AE

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 2010

**PRINCIPAL ACTIVITY**

During the year ended 31 December 2010, the company received income from the intellectual property rights to a number of trade marks of brands of drinks. The profit for the year after taxation, was €231,949 (2009 - €321,788). A final dividend of €321,788 in respect of 2009 was paid in the year and a dividend of €231,949 is recommended in respect of 2010.

For the year of 2011 the directors anticipate the company to develop its business in the same terms as during the year of 2010.

**DIRECTORS**

The directors who held office throughout the year are shown on page 2.

**AUDITORS**

Each of the persons who is a director at the date of approval of this report confirms that

1 so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

2 the director has taken all the steps that he ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

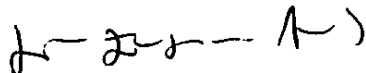
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements will be put in place for them to be deemed reappointed as auditors.

**SPECIAL PROVISIONS RELATING TO SMALL COMPANIES**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

By order of the board



J Antunes  
Secretary

## GEO G SANDEMAN SONS & CO , LIMITED

---

### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent, 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 adequate 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.

# GEO G SANDEMAN SONS & CO., LIMITED

---

## INDEPENDENT AUDITORS' REPORT

To the members of Geo G Sandeman Sons & Co , Limited

We have audited the financial statements of Geo G Sandeman Sons & Co , Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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 (APB's) Ethical Standards for Auditors.

### 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 on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

# GEO G. SANDEMAN SONS & CO , LIMITED

---

## INDEPENDENT AUDITORS' REPORT

To the members of Geo G Sandeman & Co., Limited

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

In our opinion the information given in the Directors' Report for the financial year 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime or take advantage of the small companies exemption in preparing the directors report



Emma Cox (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London, United Kingdom

23 February 2011

## GEO G SANDEMAN SONS & CO., LIMITED

### PROFIT AND LOSS ACCOUNT for the year ended 31 December 2010

	<i>Notes</i>	<i>2010</i> €	<i>2009</i> €
<b>TURNOVER</b>	<b>2</b>	<b>1,543,062</b>	<b>1,575,739</b>
Administrative expenses		(189,630)	(123,627)
Marketing expenses		(1,004,000)	(1,004,000)
		(1,193,630)	(1,127,627)
Operating profit	<b>3</b>	<b>349,432</b>	<b>448,112</b>
Bank interest receivable		2,730	947
Other interest payable		(422)	(68)
Profit on ordinary activities before taxation		351,740	448,991
Tax on profit on ordinary activities	<b>4</b>	(119,791)	(127,203)
Profit for the financial year		<u>231,949</u>	<u>321,788</u>

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

The company has no recognised gains or losses other than those included in the profit shown above and therefore no separate statement of total recognised gains and losses has been presented

All activities relate to continuing operations

Notes on pages 9 to 12 are part of these financial statements

**GEO G SANDEMAN SONS & CO., LIMITED**

Registered no 4222745


**BALANCE SHEET**  
at 31 December 2010

	<i>Notes</i>	<i>2010</i> €	<i>2009</i> €
<b>FIXED ASSETS</b>			
Intangible assets	5	-	-
		<u>-</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Debtors	6	713,042	742,714
Cash at bank and in hand		67,725	105,760
		<u>780,767</u>	<u>848,474</u>
<b>CREDITORS</b> amounts falling due within one year	7	(547,258)	(525,126)
<b>NET CURRENT ASSETS</b>		<u>233,509</u>	<u>323,348</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>233,509</u>	<u>323,348</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1,560	1,560
Profit and loss account		231 949	321,788
<b>EQUITY SHAREHOLDERS' FUNDS</b>	9	<u>233,509</u>	<u>323,348</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Notes on pages 9 to 12 are part of these financial statements

Approved by the board on 21<sup>st</sup> February 2011 and signed on its behalf by



Francisco Valadares Souto  
Director



---

# GEO G. SANDEMAN SONS & CO., LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010

### 1. ACCOUNTING POLICIES

#### *Accounting convention*

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company continues to receive income from the intellectual property rights to a number of trademarks of brands of drinks. Based on a review of future forecasts the directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and as a result the going concern basis has continued to be adopted in preparing the financial statements

#### *Accounts preparation*

The financial statements have been prepared in Euros as this is the operating currency of the company

#### *Cash flow statement*

A cash flow statement has not been prepared as the company is a subsidiary undertaking of Sogrape Investimentos SGPS, SA, a company established in the European Union, which prepares Group accounts which incorporate the cash flows of the company

#### *Intangible assets*

Intangible assets acquired separately from a business are capitalised at cost and amortised on a straight line basis over their useful economic lives of three years

#### *Dividends*

FRS 21 'Events after the Balance Sheet Date' states that final dividends declared and approved by the Company after the balance sheet date should not be recognised as a liability of the Company at the balance sheet date, and interim dividends cannot be included in the accounts until paid. As a result, the dividends shown in note 9 are those approved in the year

#### *Current taxation*

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date

### 2. TURNOVER

Turnover represents licence fees receivable and arises from companies in the European Union. Turnover is recognised in the period in which the underlying collected sale of the licensed product is made by the respective company

## GEO G SANDEMAN SONS & CO., LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010

#### 3. OPERATING PROFIT

	2010 €	2009 €
Operating profit is stated after charging		
Fees payable to the company's auditors for the audit of the company's annual accounts	( 6,473 )	( 8,352 )
Provision for loss on investment in subsidiary undertaking	-	( 156 )
Foreign exchange gains/(losses)	( 2,225 )	( 831 )
	<u>          </u>	<u>          </u>

The company had no employees during current or preceding year other than its directors who received no remuneration for services to the company during the current or preceding year

#### 4. TAXATION

	2010 €	2009 €
<b>Current tax</b>		
<b>UK corporation tax</b>		
UK corporation tax on profits for the year	98,487	125,717
Adjustments in respect of previous periods	21,304	1,486
Double taxation relief	(90,059)	(93,884)
	<u>29,732</u>	<u>33,319</u>
<b>Foreign tax</b>		
Current year	90,059	93,884
Total current tax	<u>119,791</u>	<u>127,203</u>

#### Factors affecting the current tax

Profit on ordinary activities before taxation	351,740	448,991
	<u>          </u>	<u>          </u>
Tax at effective standard rate of 28% (2009 - 28%)	98,487	125,717
Adjustments in respect of previous periods	21,304	1,486
Total current tax	<u>119,791</u>	<u>127,203</u>

There are no unprovided deferred tax amounts (2009 - €nil)

# GEO G. SANDEMAN SONS & CO., LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010

### 5. INTANGIBLE ASSETS

<b>COST</b>	€
Trademarks	7,314
At 31 December 2009 and 31 December 2010	7,314
<b>AMORTISATION</b>	
At 31 December 2009 and 31 December 2010	7,314
<b>NET BOOK VALUE</b>	
At 31 December 2010	-
At 31 December 2009	-

### 6. DEBTORS

	2010 €	2009 €
Amounts owing by group undertakings	442,468	471,989
Other debtors	2,196	758
Tax recoverable	246,697	269,967
Corporation tax recoverable	21,681	-
	713,042	742,714

### 7. CREDITORS – amounts falling due within one year

	2010 €	2009 €
Amounts owing to group undertakings	510,354	441,320
Other creditors	10,770	970
Corporation tax	-	31,833
Accruals	26,134	51,003
	547,258	525,126

Amounts owed to group undertakings are interest free, with no security and no fixed repayment terms

# GEO G SANDEMAN SONS & CO , LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2010

### 8. SHARE CAPITAL

	<i>Authorised, allotted and fully paid</i>	
	<i>2010</i>	<i>2009</i>
	€	€
1,000 Ordinary shares of £1 each	1,560	1,560

### 9. RESERVES AND MOVEMENT IN SHAREHOLDERS' FUNDS

	<i>Share capital</i>	<i>Profit and Loss Account</i>	<i>Total</i>
	€	€	€
At 31 December 2008	1,560	263,050	264,610
Profit for the year	-	321,788	321,788
Dividend	-	(263,050)	(263,050)
At 31 December 2009	1,560	321,788	323,348
Profit for the year	-	231,949	231,949
Dividend	-	(321,788)	(321,788)
At 31 December 2010	1,560	231,949	233,509

Dividends of €321,788 have been approved and paid during the year. A dividend of €231,949 is recommended in respect of 2010.

### 10. RELATED PARTIES

During the year the company charged €258,153 (2009 €299,521) to Sandeman Jerez, a related subsidiary undertaking and €1,284,909 (2009 €1,276,218) to Sogrape Vinhos SA, a related group undertaking, in respect of licence fees receivable. Sogrape Vinhos SA, a related group undertaking, paid administrative expenses of €290 (2009 €34) on the company's behalf. Sogrape Vinhos SA charged €12,500 (2009 €12,500) for management fees and €1,004,000 (2009 €1,004,000) for marketing expenses. At 31 December 2010 the amount due from Sandeman Jerez was €73,377 (2009 €78,193) and from Sogrape Vinhos SA was €369,091 (2009 €393,796) and the amount due to Sandeman Jerez was €nil (2009 10,286) and to Sogrape Vinhos SA was €510,354 (2009 €431,034).

### 11. ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is IW Investment SA, registered in Luxembourg, and the group company preparing group accounts, which are publicly available and which include Geo G Sandeman Sons & Co, Limited is Sogrape Investimentos SGPS, SA, a company registered in Portugal, whose accounts may be obtained from Lugar da Aldeia Nova, Apartado 3032, 4431-852 Avintes, Vila Nova de Gaia, Portugal. Its ultimate holding parent company is Guedes, Carmo & Silva, SGPS, Lda registered in Portugal.

Guedes, Carmo & Silva, SGPS Lda is the largest and Sogrape Investimentos, SGPS, SA is smallest undertaking to include the results of Geo G Sandeman Sons & Co, Limited.