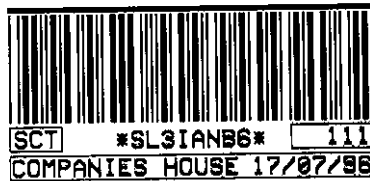


THE BOMBAY SPIRITS COMPANY LIMITED

**FINANCIAL STATEMENTS
YEAR ENDED 30TH SEPTEMBER 1995
COMPANY NO. 36037**

05



BOMBAY SPIRITS COMPANY LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their annual report and financial statements for the year ended 30th September 1995.

Activities

The company acts as a management company for its parent company, Carillon Importers Limited, a subsidiary of Grand Metropolitan PLC. The directors foresee no material change in the nature of the company's activities.

Financial

The directors recommend that no dividend be paid (1994 - £nil). The profit for the year retained in the company is £96,639 (1994 - £114,204).

Directors

The directors during the year were as follows:-

M.G. Delahooke	Resigned 31/12/95
C.J. Evans	Resigned 01/09/95
C.J. Sandham	
D.B. Rickard	Appointed 01/09/95
J.J. Corbett	Appointed 31/12/95

Directors' Interests

The directors at the end of the year were all directors of the parent company, and their interests in the share capital of Grand Metropolitan PLC are disclosed in the accounts of the parent company.

By order of the board.



V A Lynch
Secretary

39 George Street
Edinburgh
EH2 0DB

BOMBAY SPIRITS COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES

in relation to financial statements

The following statement, which should be read in conjunction with the report of the auditors set out on page 3, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for the financial year.

The directors consider that in preparing the financial statements on pages 4 to 8, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, that all accounting standards which they consider to be applicable have been followed, and that it is appropriate to use a going concern basis.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors 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.

The directors, having prepared the financial statements, have requested the auditors to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their audit report.



J J Corbett

Director

BOMBAY SPIRITS COMPANY LIMITED

Report of the Auditors, KPMG, to the members of Bombay Spirits Company Limited

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described on page 2 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 company's affairs as at 30th September 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

kpmg

KPMG

Chartered Accountants

Registered Auditors

London,

10 July 1996

BOMBAY SPIRITS COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30th September 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
Turnover and operating profit	2	144,238	153,806
Profit on ordinary activities before taxation		144,238	153,806
Tax on profit on ordinary activities	3	(47,599)	(39,602)
Profit for the financial year		96,639	114,204
Movements in reserves			
Reserves at beginning of year		805,229	691,025
Retained profits for year		96,639	114,204
Reserves at end of year		901,868	805,229

The profit and loss account relates wholly to continuing operations. The company has no recognised gains or losses for the year other than the profit for the financial year.

BOMBAY SPIRITS COMPANY LIMITED

BALANCE SHEET

As at 30th September 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
CURRENT ASSETS			
DEBTORS:			
Amounts owed by group undertakings	4	949,567	856,085
CREDITORS:			
Amounts falling due within one year			
Other creditors including taxation and social security	5	(47,599)	(50,756)
NET CURRENT ASSETS		<u>901,968</u>	<u>805,329</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>901,968</u>	<u>805,329</u>
CAPITAL AND RESERVES			
Called up share capital			
Authorised, allotted, called up and fully paid: 100 ordinary shares of £1 each		100	100
Profit and loss account		<u>901,868</u>	<u>805,229</u>
Shareholders' funds (all equity)		<u>901,968</u>	<u>805,329</u>

These financial statements were approved by the board of directors on 5th JULY 1996 and were signed on its behalf by:-



J J Corbett
Director

BOMBAY SPIRITS COMPANY LIMITED

Reconciliation of Movements in Shareholders' Funds for the year ended 30th September 1995

	<i>1995</i> <i>£</i>	<i>1994</i> <i>£</i>
Profit for the financial year	96,639	114,204
Net additions to Shareholders' Funds	96,639	114,204
Shareholders' Funds at 30th September 1994	805,329	691,125
Shareholders' Funds at 30th September 1995	901,968	805,329

BOMBAY SPIRITS COMPANY LIMITED

NOTES

(forming part of the financial statements)

1. Accounting policies

a) Accounting convention

The financial statements have been prepared under the historical cost convention. They have been drawn up to comply in all material respects with applicable UK accounting standards.

b) Turnover

Turnover represents royalties receivable during the year.

c) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the year end at the rate of exchange ruling at the balance sheet date. Transactions during the year are translated into sterling at the rates prevailing at the date of transaction. Exchange differences arising in the ordinary course of business are included in the profit and loss account.

d) Taxation

The charge for taxation is based on the result for the year, which takes account of taxation deferred because of timing differences between the treatment of certain items for taxation and the treatment under the Group's accounting policies. Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences, to the extent that it is probable that liabilities will crystallise in the foreseeable future.

2. Operating Profit

The directors received no emoluments in respect of their services to the company (1994 - £nil) and the audit fee has been borne by the parent company. The company has no employees and therefore there are no staff costs.

BOMBAY SPIRITS COMPANY LIMITED

NOTES - *continued*

3. Taxation on profit on ordinary activities

	<u>1995</u>	<u>1994</u>
	£	£
UK corporation tax at 33% (1994-33%) on the profits for the year	47,599	50,756
Transfer to deferred taxation	-	(7,378)
	<u>47,599</u>	<u>43,378</u>
Adjustment in respect of prior year	-	(3,776)
	<u>47,599</u>	<u>39,602</u>

4. Debtors

All debtors are receivable within one year.

5. Creditors:

	<u>1995</u>	<u>1994</u>
	£	£
Amounts falling due within one year		
Mainstream UK corporation tax	<u>47,599</u>	<u>50,756</u>

6. Deferred Taxation

	<u>1995</u>	<u>1994</u>
	£	£
At beginning of year	-	7,378
Transfer from profit and loss account	-	(7,378)
At end of year	<u>-</u>	<u>-</u>

7. Cash Flow Statement

A cash flow statement is not presented as the company is a member of a group whose ultimate holding company, Grand Metropolitan PLC, includes a group cash flow statement in its financial statements.

8. Ultimate holding company

The company is a wholly owned subsidiary of Carillon Importers Limited, a company incorporated in the USA, and its ultimate holding company is Grand Metropolitan PLC, a company incorporated in Great Britain and registered in England and Wales. A copy of the financial statements of the latter can be obtained from 8 Henrietta Place, London, W1M 9AG.