

1836130

A & A WINES LIMITED
FINANCIAL STATEMENTS
AS AT 31 DECEMBER 1994

MacIntyre & Co
Chartered Accountants
Registered Auditors

Company Number: 1836130



A & A WINES LIMITED

DIRECTORS

A P Connor
S E Cole
A P Bickerton

SECRETARY

S E Cole

AUDITORS

MacIntyre & Co
28 Ely Place
London
EC1N 6RL

BANKERS

Lloyds Bank Plc
75 Castle Street
Farnham
Surrey
GU9 7LT

REGISTERED OFFICE

Smithbrook Kilns
Near Cranleigh
Surrey
GU6 8JJ

A & A WINES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994

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Company Registration Number: 1836130

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 1994

The directors present their annual report and the company's financial statements for the year ended 31 December 1994.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company in the year under review was the sale of wines and spirits.

There were no significant changes in the operation of the company's business during the year.

In the opinion of the directors, the company was in a satisfactory position at the year end.

RESULTS AND DIVIDENDS

The results for the year are shown in the financial statements that follow.

The directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS IN THE COMPANY'S SHARES

The directors and their interests in the company's shares at the beginning and end of the year were as follows:

	At the end of the year No.	At the beginning of the year No.
Ordinary Shares		
A P Connor	51	51
A P Bickerton	51	51
Class 'A' Non-Voting Shares		
A P Connor	37,500	37,500
A P Bickerton	37,500	37,500

S E Cole held no interest in the company's shares during the year.

FIXED ASSETS

The movements in fixed assets during the year are shown in note 7 to the financial statements.

REPORT OF THE DIRECTORS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1994

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 of the company for that period. In preparing those financial statements, the directors are required to:-

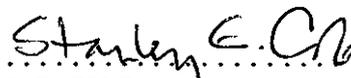
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 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.

AUDITORS

Messrs MacIntyre & Co. have expressed their willingness to continue in office and a resolution proposing their re-appointment will be submitted to the next Annual General Meeting.

By order of the Board


S E COLE
Secretary

Registered Office

Smithbrook Kilns
Near Cranleigh
Surrey
GU6 8JJ

19 May 1995

A & A WINES LIMITED

FOR THE YEAR ENDED 31 DECEMBER 1994

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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 31 December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

MacIntyre & Co.

MacIntyre & Co
Chartered Accountants
Registered Auditors

28 Ely Place
London
EC1N 6RL

19 May 1995

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1994

	Notes	1994 £	1993 £
Turnover	2	758,831	546,129
Cost of sales		(624,132)	(421,648)
		-----	-----
GROSS PROFIT		134,699	124,481
Administrative expenses		(130,749)	(111,719)
		-----	-----
OPERATING PROFIT	3	3,950	12,762
Interest payable and similar charges	5	(5,977)	(6,913)
		-----	-----
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,027)	5,849
Taxation	6	-	-
		-----	-----
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(2,027)	5,849
BALANCE BROUGHT FORWARD		(22,163)	(28,012)
		-----	-----
BALANCE CARRIED FORWARD		£(24,190)	£(22,163)
		=====	=====

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains and losses other than the profit or loss for the above two financial years.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no difference between the results as disclosed in the profit and loss account and the results on a historical cost basis.

The notes on pages 6 to 10 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 1994

	Notes	1994 £	£	1993 £	£
FIXED ASSETS					
Tangible assets	7		24,643		20,468
CURRENT ASSETS					
Stocks	8	103,955		104,836	
Debtors	9	152,782		84,841	
Cash at bank and in hand		1,744		14,120	
		-----		-----	
		258,481		203,797	
CREDITORS: Amounts falling due within one year					
	10	(224,109)		(165,057)	
		-----		-----	
NET CURRENT ASSETS					
			34,372		38,740
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES					
			59,015		59,208
CREDITORS: Amounts falling due after more than one year					
	11		(8,103)		(6,269)
			-----		-----
NET ASSETS					
			£ 50,912		£ 52,939
			=====		=====
CAPITAL AND RESERVES					
Share capital	13		75,102		75,102
Profit and loss account			(24,190)		(22,163)
SHAREHOLDERS' FUNDS					
	14		£ 50,912		£ 52,939
			=====		=====


.....Director

The financial statements were approved by the board of directors on 19 May 1995.

The notes on pages 6 to 10 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below:

Basis of Accounting

These financial statements have been prepared under the historical cost convention.

Cash Flow Statement

The company has taken advantage of the exemptions allowed under Financial Reporting Standard No.1 (FRS 1) not to produce a cash flow statement.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced by the company during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Furniture and Equipment	25% straight line basis
Motor Vehicles	25% straight line basis

Stock

Stock has been valued at the lower of cost and net realisable value. The basis of this stock valuation has not changed from the previous year.

Obligations Under Finance Leases and Hire Purchase Contracts

Obligations under finance leases and hire purchase contracts are included in creditors net of the related finance charges. Finance charges have been allocated over the remaining payments using the straight line method.

Foreign Currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

2. TURNOVER

The turnover and (loss)/profit before tax is attributable to the one principal activity of the company.

3. OPERATING PROFIT

	1994	1993
	£	£
Operating profit is stated after charging:		
Directors' emoluments	47,960	46,346
Depreciation	8,827	8,697
Profit on disposals of fixed assets	-	(525)
Auditors' remuneration	1,775	1,650
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1994

4. STAFF NUMBERS AND COSTS

The average number of staff including directors employed by the company during the year amounted to 4 (1993 - 4).

The aggregate costs of staff were:	1994 £	1993 £
Wages and salaries	57,816	52,470
Social Security costs	5,926	4,632
	-----	-----
	£ 63,742	£ 57,102
	=====	=====

5. INTEREST PAYABLE AND SIMILAR CHARGES

	1994 £	1993 £
Bank interest	4,365	4,818
Finance leases and HP agreements	1,612	2,095
	-----	-----
	£ 5,977	£ 6,913
	=====	=====

6. TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

Due to the availability of losses, no provision for corporation tax is required.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1994

7. TANGIBLE FIXED ASSETS	Furniture and Equipment £	Motor Vehicles £	Total £
COST			
At 1 January 1994	5,345	32,017	37,362
Additions	569	12,433	13,002
	-----	-----	-----
At 31 December 1994	5,914	44,450	50,364
	-----	-----	-----
ACCUMULATED DEPRECIATION			
At 1 January 1994	4,957	11,937	16,894
Charge for the year	305	8,522	8,827
	-----	-----	-----
At 31 December 1994	5,262	20,459	25,721
	-----	-----	-----
NET BOOK VALUE			
At 31 December 1994	£ 652	£ 23,991	£ 24,643
	=====	=====	=====
At 31 December 1993	£ 388	£ 20,080	£ 20,468
	=====	=====	=====

Included within £24,643 is £23,991 (1993 - £20,080) relating to assets held under finance lease and hire purchase agreements. The depreciation charged for the year on these assets amounted to £8,522 (1993 - £7,743).

8. STOCKS	1994 £	1993 £
Stocks consisted of the following:		
Goods for resale	£103,955	£104,836
	=====	=====
9. DEBTORS	1994 £	1993 £
Trade debtors	150,053	79,003
Prepayments and accrued income	2,729	5,838
	-----	-----
	£152,782	£ 84,841
	=====	=====
10. CREDITORS: Amounts falling due within one year	1994 £	1993 £
Obligations under HP and finance leases	7,835	7,067
Trade creditors	136,935	94,473
Other taxes and Social Security	31,275	25,201
Other creditors	24,544	9,547
Accruals and deferred income	4,626	1,875
Directors loan accounts	18,894	26,894
	-----	-----
	£224,109	£165,057
	=====	=====

The company has a bank overdraft facility which is secured by a fixed and floating charge over the company's assets.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1994

11. CREDITORS: Amounts falling due after more than one year	1994 £	1993 £
Obligations under HP and finance leases	£ 8,103 =====	£ 6,269 =====

12. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	1994 £	1993 £
Amounts payable within 1 year	9,317	8,633
Amounts payable between 2 to 5 years	9,506	7,537
	-----	-----
	18,823	16,170
Less: Finance charges relating to future periods	(2,885)	(2,834)
	-----	-----
	£15,938 =====	£ 13,336 =====

13. SHARE CAPITAL	1994 £	1993 £
AUTHORISED SHARE CAPITAL		
1,000 Ordinary Shares of £1 each	1,000	1,000
99,000 Class 'A' Non-Voting Shares of £1 each	99,000	99,000
	-----	-----
	£100,000 =====	£100,000 =====
ALLOTTED, CALLED UP AND FULLY PAID		
102 Ordinary Shares of £1 each	102	102
75,000 Class 'A' Non-Voting Shares of £1 each	75,000	75,000
	-----	-----
	£ 75,102 =====	£ 75,102 =====

The class 'A' shares do not have a right to vote at general meetings, but in all other respects rank pari passu with the company's ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 1994

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1994 £	1993 £
(Loss)/Profit for the year	(2,027)	5,849
Opening shareholders' funds	52,939	47,090
Closing shareholders' funds	£ 50,912 =====	£ 52,939 =====

15. FINANCIAL COMMITMENTS

At 31 December 1994 the company had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	1994 £	1993 £
Expiring after five years	£ 24,732 =====	£ 24,105 =====

A & A WINES LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1994

	1994		1993	
	£	£	£	£
TURNOVER		758,831		546,129
COST OF SALES				
Opening stock	104,302		86,878	
Purchases	580,185		408,586	
Transport and delivery costs	43,294		30,486	
	-----		-----	
	727,781		525,950	
Less: Closing stock	(103,649)		(104,302)	
	-----		-----	
		(624,132)		(421,648)
		-----		-----
GROSS PROFIT		134,699		124,481
LESS: EXPENSES				
Rent and rates	28,983		28,576	
Light and heat	686		625	
Insurance	3,126		2,628	
Repairs and renewals	208		210	
Salaries	12,756		11,754	
National Insurance	5,926		4,632	
Telephone and postage	5,425		4,458	
Printing and stationery	6,756		4,639	
Advertising	2,971		2,752	
Sundry expenses	209		369	
Bank charges and interest	4,365		4,818	
Hire purchase interest	1,612		2,095	
Legal and professional	540		538	
Audit and accountancy	1,775		1,650	
Directors remuneration	45,060		40,716	
Depreciation				
- Office equipment	305		954	
- Motor vehicles	8,522		7,743	
Profit on disposal of fixed assets	-		(525)	
Bad debts	7,501		-	
	-----		-----	
		(136,726)		(118,632)
		-----		-----
(LOSS)/PROFIT ON ORDINARY ACTIVITIES		£ (2,027)		£ 5,849
		=====		=====