

Licensed Wholesale Company Limited

Financial statements

For the year ended 30 September 2004

Grant Thornton 



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Company No. 2053090

Company information

Company registration number :	2053090
Registered office :	Green Lane Patricroft Eccles Manchester M30 0RJ
Directors :	Mr R M Gray Mr E K Mukadam Mr P Lewis
Secretary :	Mr P D Sumner
Bankers :	National Westminster Bank Plc Corporate Banking, Manchester 6th Floor 1 Spinningfields Place Manchester M3 3AP
Solicitors :	Grindeys Solicitors Glebe Court Stoke On Trent Staffordshire ST4 1ET
Auditors :	Grant Thornton UK LLP Registered Auditors Chartered Accountants Heron House Albert Square Manchester M60 8GT

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Report of the directors

The directors present their report together with the audited financial statements for the year ended 30 September 2004.

Principal activity

The company's principal activity is retailing and wholesaling wines, spirits and beers and the production of own brand products.

Results and dividends

The directors are pleased to report an increase in turnover from £59,166,486 in 2003 to £68,033,276 for the year ended 30 September 2004.

The loss for the year after taxation amounted to £167,195 (2003 : profit £172,607). The directors paid a dividend of £20,000 (2003 : £20,000) leaving the loss of £187,195 (2003 : profit £152,607) to be transferred (from)/to reserves.

Directors

The directors of the company who served during the year and their interests in the share capital at the end of the year are listed below. All served on the Board throughout the year, except where indicated.

	Ordinary shares of £1 each	
	2004	2003
R M Gray	20,001	20,001
E K Mukadam	5,333	5,333
P Lewis	—	—
K Littlewood (resigned 10 June 2004)	—	—

Directors' responsibilities for the financial statements

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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for ensuring that the directors report is prepared in accordance with company law in the United Kingdom.

Auditors

On 1 July 2004, the Grant Thornton partnership transferred its business to a limited liability partnership, Grant Thornton UK LLP. Under Section 26(5) of the Companies Act 1989, the directors consented to extend the audit appointment to Grant Thornton UK LLP from 1 July 2004.

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



Mr P D Sumner
Secretary

~~June 2005~~

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Report of the independent auditors to the members of Licensed Wholesale Company Limited

We have audited the financial statements of Licensed Wholesale Company Limited for the year ended 30 September 2004 which comprise the principal accounting policies, the profit and loss account, the balance sheet, the cash flow statement and notes 1 to 25. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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.

Grant Thornton 

Report of the independent auditors to the members of Licensed Wholesale Company Limited

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
MANCHESTER

28 July 2005
June 2005

Principal accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The directors have reviewed the accounting policies in accordance with FRS 18 "Accounting Policies" and have concluded that no changes were required from the previous year.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful economic lives. The rates generally applicable are:

Freehold buildings	2% straight line on 20% of cost
Leasehold properties	over the period of the lease
Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	25% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Investment income

Investment income comprises dividends declared during the accounting period and interest receivable on listed and unlisted investments.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet.

Contributions to pension funds

Defined Contribution Scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Principal accounting policies

Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

Development costs

All development costs are written off in the year of expenditure.

Goodwill

Purchased goodwill is capitalised and is amortised on a straight line basis over its estimated useful economic life.

As a matter of accounting policy, purchased goodwill first accounted for in accounting years ended before 23 December 1998, the implementation date of FRS 10, was eliminated from the financial statements by immediate write off on acquisition against reserves. Such goodwill will be charged or credited to the profit and loss account on the subsequent disposal of the business to which it relates.

Investments

Investments are included at cost less amounts written off.

Profit and loss account

Continuing activities	Note	2004 £	2003 £
Turnover	1	68,033,276	59,166,486
Cost of sales		<u>(55,642,078)</u>	<u>(47,665,932)</u>
Gross profit		12,391,198	11,500,554
Distribution costs		<u>(4,604,558)</u>	<u>(3,974,572)</u>
Administrative expenses		<u>(7,800,981)</u>	<u>(7,423,533)</u>
Operating (loss)/profit		(14,341)	102,449
Interest receivable		—	20,181
Interest payable	3	<u>(30,674)</u>	<u>(113,684)</u>
(Loss)/profit on ordinary activities before taxation	1	(45,015)	8,946
Tax on (loss)/profit on ordinary activities	4	<u>(122,180)</u>	<u>163,661</u>
(Loss)/profit on ordinary activities after taxation		(167,195)	172,607
Dividends payable	5	<u>(20,000)</u>	<u>(20,000)</u>
(Loss)/profit retained and transferred (from)/to reserves	16	<u><u>(187,195)</u></u>	<u><u>152,607</u></u>

There were no recognised gains or losses other than the result for the financial year.

Balance sheet

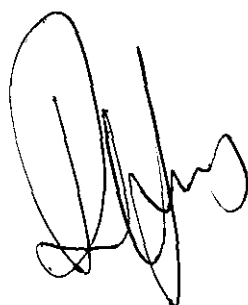
	Note	2004 £	2003 £
Fixed assets			
Intangible assets	6	97,500	1,667
Tangible assets	7	1,533,997	2,013,141
Investments	8	150,048	2,598
		<u>1,781,545</u>	<u>2,017,406</u>
Current assets			
Stocks	9	5,823,462	4,501,757
Debtors	10	7,981,714	6,509,424
Cash at bank and in hand		9,598	1,470,916
		<u>13,814,774</u>	<u>12,482,097</u>
Creditors: amounts falling due within one year	11	<u>(11,386,844)</u>	<u>(12,104,319)</u>
Net current assets		<u>2,427,930</u>	<u>377,778</u>
Total assets less current liabilities		<u>4,209,475</u>	<u>2,395,184</u>
Creditors: amounts falling due after more than one year	12	<u>(2,201,474)</u>	<u>(199,988)</u>
		<u>2,008,001</u>	<u>2,195,196</u>
Capital and reserves			
Called up share capital	15	45,334	45,334
Capital redemption reserve	16	21,335	21,335
Profit and loss account	16	1,941,332	2,128,527
Equity shareholders' funds	17	<u>2,008,001</u>	<u>2,195,196</u>

The financial statements were approved by the Board of Directors on

20th July 2005
~~June 2005~~

R M Gray

Director



The accompanying notes form part of these financial statements.

Cash flow statement

	Note	2004 £	2003 £
Net cash (outflow)/inflow from operating activities	18	<u>(1,839,096)</u>	<u>4,262,349</u>
Returns on investments and servicing of finance			
Interest received		–	20,181
Interest paid		(11,310)	(92,897)
Finance lease interest paid		<u>(19,364)</u>	<u>(20,782)</u>
Net cash outflow from returns on investments and servicing of finance		(30,674)	(93,498)
Taxation		(47,922)	(102,522)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(435,024)	(248,927)
Sale of tangible fixed assets		990,683	67,124
Purchase of investment	8	<u>(2,947,480)</u>	<u>–</u>
Net cash outflow from capital expenditure and financial investment		(2,391,821)	(181,803)
Acquisitions			
Purchase of business	6	<u>(577,090)</u>	<u>–</u>
Net cash outflow from acquisitions		(577,090)	–
Equity dividends paid		(20,000)	(20,000)
Net cash (outflow)/inflow before financing		(4,906,603)	3,864,526
Financing			
Receipt from borrowings	20	1,986,804	–
Capital element of finance lease rentals	20	<u>(131,701)</u>	<u>(100,339)</u>
Net cash inflow/(outflow) from financing		1,855,103	(100,339)
(Decrease)/increase in cash in the year	19	<u>(3,051,500)</u>	<u>3,764,187</u>

Notes to the financial statements

1 Turnover and (loss)/profit on ordinary activities before taxation

Turnover and (loss)/profit on ordinary activities before taxation are attributable to the company's principal activity.

The (loss)/profit on ordinary activities before taxation is stated after charging/(crediting):

	2004	2003
	£	£
Depreciation		
– owned	298,055	290,505
– held under finance leases and hire purchase contracts	63,262	59,850
Auditors' remuneration		
– audit	20,500	20,745
– non-audit	44,500	51,500
Amortisation of goodwill	4,167	5,001
(Profit)/loss on disposal of fixed assets	(207,005)	13,396
Hire of plant and machinery under operating leases	74,400	76,763
Other operating lease rentals	243,377	272,093

2 Directors and employees

	2004	2003
	£	£
Staff costs during the year were as follows :		
Wages and salaries	9,049,891	7,387,675
Social security costs	423,874	376,286
Pension contribution	42,214	27,782
	9,515,979	7,791,743

	2004	2003
	Number	Number
The average number of employees during the year was :		
Administration, selling and distribution	243	224

The total amounts for directors' remuneration and other benefits was as follows :

	2004	2003
	£	£
Emoluments	4,370,766	3,133,955
Pension contributions to money purchase pension schemes	5,920	5,407
	4,376,686	3,139,362

The remuneration in respect of the highest paid director was as follows :

	2004	2003
	£	£
Emoluments	3,785,042	2,636,600

Retirement benefits are accruing to 1 (2003 : 1) director under money purchase pension schemes.

3 Interest payable and similar charges

	2004 £	2003 £
On bank loans and overdrafts	11,310	92,902
Hire purchase interest	19,364	20,782
	<u>30,674</u>	<u>113,684</u>

4 Tax on (loss)/profit on ordinary activities

The taxation charge/(credit) is based on the (loss)/profit for the year and represents :

	2004 £	2003 £
Current tax		
UK Corporation tax at 30% (2003 : 30%)	65,334	16,095
Adjustment in respect of prior period	91,846	(163,756)
	<u>157,180</u>	<u>(147,661)</u>
Deferred tax		
Origination and reversal of timing differences	(35,000)	(16,000)
	<u>122,180</u>	<u>(163,661)</u>

Factors affecting the tax charge/(credit) for the year

The tax assessed for the year differs from the standard rate of corporation tax in the United Kingdom.

The differences are explained as follows :

	2004 £	2003 £
(Loss)/profit on ordinary activities before tax	<u>(45,015)</u>	<u>8,946</u>
(Loss)/profit on ordinary activities before taxation multiplied by standard rate of corporation tax in the United Kingdom of 30% (2003 : 30%)	<u>(13,504)</u>	<u>2,684</u>
Effect of:		
Expenses not deductible for tax purposes	150,580	6,051
Income not taxable for tax purposes	(65,961)	—
Capital allowances for the period in excess of depreciation	10,276	23,250
Short term timing differences	(2,601)	(4,418)
Adjustments in respect of prior periods	91,846	(163,756)
Marginal relief	(13,456)	(11,472)
	<u>157,180</u>	<u>(147,661)</u>

5 Dividends

	2004 £	2003 £
Equity dividends		
Ordinary dividends – paid on 20,000 shares	<u>20,000</u>	<u>20,000</u>

During the year shareholders holding 25,334 shares waived their right to receive a dividend.

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2003	15,545
Additions	100,000
At 30 September 2004	<u>115,545</u>
Amortisation	
At 1 October 2003	13,878
Charge for the year	4,167
At 30 September 2004	<u>18,045</u>
Net book value	
At 30 September 2004	<u>97,500</u>
At 30 September 2003	<u>1,667</u>

On 27 June 2004 the company acquired the trade and assets of Davis Brook & Company Limited for £577,090, comprising £331,037 for debtors, £86,053 for stock, £60,000 for fixtures and fittings resulting in £100,000 of goodwill.

7 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost						
At 1 October 2003	1,117,479	263,022	475,947	683,104	753,685	3,293,237
Additions	–	178,811	44,257	293,446	89,337	605,851
Acquisitions (Note 6)	–	–	–	–	60,000	60,000
Disposals	(709,165)	(2,613)	–	(146,057)	(8,717)	(866,552)
At 30 September 2004	<u>408,314</u>	<u>439,220</u>	<u>520,204</u>	<u>830,493</u>	<u>894,305</u>	<u>3,092,536</u>
Depreciation						
At 1 October 2003	20,985	174,419	293,801	254,793	536,098	1,280,096
Provided in the year	1,701	26,605	114,838	113,431	104,742	361,317
Disposals	(19,011)	–	(823)	(59,115)	(3,925)	(82,874)
At 30 September 2004	<u>3,675</u>	<u>201,024</u>	<u>407,816</u>	<u>309,109</u>	<u>636,915</u>	<u>1,558,539</u>
Net book amount						
At 30 September 2004	<u>404,639</u>	<u>238,196</u>	<u>112,388</u>	<u>521,384</u>	<u>257,390</u>	<u>1,533,997</u>
Net book amount						
At 30 September 2003	<u>1,096,494</u>	<u>88,603</u>	<u>182,146</u>	<u>428,311</u>	<u>217,587</u>	<u>2,013,141</u>

Assets held under finance leases and hire purchase have a net book value of £286,477 (2003 : £290,634).
Depreciation charged for the year was £63,262 (2003 : £59,850).

8 Fixed asset investments

	Licensed Wholesale Company Limited Employee Benefit Trust £	Shares in subsidiary undertakings £	Total £
Cost			
At 1 October 2003	98	2,500	2,598
Additions	—	2,947,480	2,947,480
Diminution in value	—	(2,800,030)	(2,800,030)
At 30 September 2004	98	149,950	150,048

See note 24 for details of the Employee Benefit Trust.

The company had the following subsidiary undertakings as at 30 September 2004 :

Name of subsidiary	Country of incorporation	Class of share capital held	Proportion held by the company	Nature of business
Dateprofit Limited	England & Wales	Ordinary £1	100%	Dormant
Rogersons (Wines and Spirits) Limited	England & Wales	Ordinary £1	100%	Dormant
Abbey Head Limited	England & Wales	Ordinary £1	100%	Corporate trustee
Jollys (Cornwall) Limited	England & Wales	Ordinary £1	100%	Dormant
Robinrate Limited	England & Wales	Ordinary £1	100%	Dormant
Alipes 14	England & Wales	A Ordinary £1 Preference £1	100%	Investment

9 Stocks

	2004 £	2003 £
Finished goods	5,823,462	4,501,757

10 Debtors

	2004 £	2003 £
Trade debtors	6,563,072	5,491,752
Other debtors	1,066,534	750,276
Corporation tax recoverable	—	13,258
Prepayments and accrued income	235,108	172,138
Deferred taxation (Note 14)	117,000	82,000
	7,981,714	6,509,424

11 Creditors : amounts falling due within one year

	2004 £	2003 £
Bank overdraft	1,590,182	—
Trade creditors	6,449,433	6,328,766
Other creditors	379,742	316,418
Corporation tax	96,000	—
Other taxation and social security	1,638,083	1,523,700
Accruals and deferred income	1,099,770	3,826,245
Obligations under financing arrangements	133,634	109,190
	<u>11,386,844</u>	<u>12,104,319</u>

12 Creditors : amounts falling due after more than one year

	2004 £	2003 £
Directors loan account	1,986,804	—
Obligations under financing arrangements	214,670	199,988
	<u>2,201,474</u>	<u>199,988</u>

13 Obligations under hire purchase contracts and finance leases

Obligations under hire purchase contracts and finance leases are analysed between amounts payable :

	2004 £	2003 £
Within one year	133,634	109,190
After one and within two years	117,586	82,672
After two and within five years	97,084	117,316
	<u>348,304</u>	<u>309,178</u>

Obligations under hire purchase contracts and finances are secured on the assets concerned.

14 Deferred taxation

The deferred tax asset provided is set out below and is calculated using a tax rate of 30% (2003 : 30%).

	Asset 2004 £	Asset 2003 £
At 1 October 2003	(82,000)	(66,000)
Movement in the year	(35,000)	(16,000)
At 30 September 2004	<u>(117,000)</u>	<u>(82,000)</u>

Deferred taxation asset in the financial statements is set out below.

	Amount provided 2004 £	2003 £
Accelerated capital allowances	(64,000)	(70,000)
Other timing differences	(53,000)	(12,000)
	<u>(117,000)</u>	<u>(82,000)</u>

15 Share capital

	2004 £	2003 £
Authorised		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
20,001 "A" Ordinary shares of £1 each	20,001	20,001
20,000 "B" Ordinary shares of £1 each	20,000	20,000
5,333 "C" Ordinary shares of £1 each	<u>5,333</u>	<u>5,333</u>
	<u>45,334</u>	<u>45,334</u>

16 Reserves

	Capital redemption reserve £	Profit and loss account £
At 1 October 2003	21,335	2,128,527
Loss for the year	—	(187,195)
At 30 September 2004	<u>21,335</u>	<u>1,941,332</u>

17 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Opening shareholders' funds	2,195,196	2,042,589
(Loss)/profit for the financial year	(187,195)	152,607
Closing shareholders' funds	<u>2,008,001</u>	<u>2,195,196</u>

18 Net cash (outflow)/inflow from operating activities

	2004 £	2003 £
Operating (loss)/profit	(14,341)	102,449
Depreciation	361,317	350,355
Amortisation of intangible fixed assets	4,167	5,001
Diminution in value of other investments	2,800,030	—
(Profit)/loss on sale of tangible fixed assets	(207,005)	13,396
(Increase)/decrease in stocks	(1,235,652)	283,723
Increase in debtors	(1,119,511)	(1,340,349)
(Decrease)/increase in creditors	(2,428,101)	4,847,774
Net cash (outflow)/inflow from operating activities	<u>(1,839,096)</u>	<u>4,262,349</u>

19 Reconciliation of net cash flow to movement in net (debt)/funds

	2004 £	2003 £
(Decrease)/increase in cash in the year	(3,051,500)	3,764,187
Cash inflow from financing	(1,986,804)	—
Cash outflow from finance leases	131,701	100,339
Change in net debt resulting from cash flows	(4,906,603)	3,864,526
Inception of finance leases	(170,827)	(225,885)
Movement in net debt in the year	(5,077,430)	3,638,641
Net funds/(debt) at 1 October 2003	<u>1,161,738</u>	<u>(2,476,903)</u>
Net (debt)/funds at 30 September 2004	<u>(3,915,692)</u>	<u>1,161,738</u>

20 Analysis of changes in net funds/(debt)

	At 1 October 2003 £	Cashflows £	Non-cash changes £	At 30 September 2004 £
Cash at bank and in hand	1,470,916	(1,461,318)	–	9,598
Bank overdraft	–	(1,590,182)	–	(1,590,182)
	<u>1,470,916</u>	<u>(3,051,500)</u>	<u>–</u>	<u>(1,580,584)</u>
Debt	–	(1,986,804)	–	(1,986,804)
Finance leases	(309,178)	131,701	(170,827)	(348,304)
	<u>1,161,738</u>	<u>(4,906,603)</u>	<u>(170,827)</u>	<u>(3,915,692)</u>

21 Guarantees and other financial commitments

Leasing commitments

	Land and buildings £	2004 Other £	Land and buildings £	2003 Other £
Operating leases which expire :				
– within one year	45,000	44,992	16,068	40,724
– between two to five years	100,000	29,408	56,500	27,719
– after five years	162,100	–	84,600	8,116
	<u>307,100</u>	<u>74,400</u>	<u>157,168</u>	<u>76,559</u>

22 Capital commitments

	2004 £	2003 £
Contracted for but not provided in the financial statements	<u>–</u>	<u>–</u>

23 Contingent liabilities

The company has composite guarantee dated 20 March 1997 with Dorbiere Limited, Priortriple Limited, Robinrate Limited and Abbey Head Limited. At 30 September 2004, these companies had bank overdrafts totalling £Nil (2003 : £Nil).

24 Employee benefit trust

The company has established an Employee Benefit Trust with the object of promoting employee loyalty and goodwill. Contributions during the year totalled £Nil (2003 : £Nil) and distributions made during the year were £Nil (2003 : £Nil).

In accordance with FRS 5 – "Reporting the Substance of Transactions", trust assets of £Nil (2003 : £501,671) have been incorporated into the company's balance sheet.

25 Related party transactions

Under the disclosure requirement of Financial Reporting Standard 8 – "Related Party Disclosures", the company is a related party of the following:

- Dorbiere Limited
- Priortriple Limited
- Robinrate Limited
- Moonshine Corporation Limited
- Dorbiere Directors' Benefit Pension Scheme

During the year Licensed Wholesale Company Limited sold goods amounting to £2,273,800 (2003 : £1,894,343) to Dorbiere Limited. The company also purchased goods and services from Dorbiere Limited amounting to £5,756,931 (2003 : £5,430,101). Dorbiere Limited is related through common ownership.

At 30 September 2004 the company was owed £231,201 (2003: £195,235) by Dorbiere Limited, included in trade debtors and £Nil (2003 : £13,851) included in other debtors.

At the same date the company owed £578,847 (2003 : £562,096) to Dorbiere Limited, included in trade creditors.

During the year the company paid rents to Dorbiere Directors' Pension Scheme which amounted to £273,379 (2003 : £273,379).