

Silvester Brothers (AMHUK) Limited

Registered Number: 00085110

Silvester Brothers (AMHUK) Limited

Directors' report and financial statements

For the year ended 30 June 2010

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Silvester Brothers (AMHUK) Limited

Company Information

Registered number	00085110
Country of incorporation	England
Registered office	Regal House 70 London Road Twickenham Middlesex TW1 3QS
Directors	Mr R K Dudfield Mr P G Smith
Company Secretaries	Mr R K Dudfield Mr D P Jackman

Silvester Brothers (AMHUK) Limited

Directors' report

The directors present their report and financial statements of the company for the year ended 30 June 2010

Business review and principal activities

During the year the company did not trade and had no income or expenditure. The Company is managed as part of the Foster's Group Limited discontinued agribusiness operations. As a result, the assets of the company are being realised in an orderly manner as and when the circumstances permit. The central management and control resides in Australia and the functional currency is the Australian dollar. The financial statements are presented in Australian dollars.

The company's profit for the financial year amounted to \$nil (2009: \$nil).

On 26 May 2010 Foster's Group Limited announced that it intends to pursue a structural separation to create separate stock exchange listings in Australia for Beer and Wine (a "demerger"), subject to a detailed evaluation of the issues, costs and benefits to Foster's shareholders and ongoing assessment of prevailing economic and capital market conditions. At the time of issue of these financial statements, the directors are considering the impact of this potential structural separation on the company going forwards.

Directors

The directors who served during the period to the date of this report were:

Mr P. G. Smith
Mr R. K. Dudfield

Directors' indemnity

As permitted by the articles of association, the directors have the benefit of an indemnity (provided on a group wide basis via Fosters Group Limited) which is a qualifying third party indemnity provision as defined by section 236 of the companies' act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Fosters Group Limited also purchased and maintained throughout the year directors' and officers' liability insurance in respect of itself and its directors.

Statement of directors' responsibilities

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 and for that period. In preparing these financial statements, the directors are required to:

Silvester Brothers (AMHUK) Limited

Directors' report (continued)

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the group and parent company financial statements respectively,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

Advantage has been taken of the audit exemption available for small companies conferred by section 475 of the Companies Act

The directors acknowledge

- a) the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- b) their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

By order of the board



P. G. Smith
Director
16 September 2010

Silvester Brothers (AMHUK) Limited

Registered number. 00085110

Statement of comprehensive income for the year ended 30 June 2010 Australian Dollars

	Note	2010 \$AUD	2009 \$AUD
Revenue		-	-
Gross profit		-	-
Administrative expenses		-	-
Operating Profit/(Loss)		-	-
Profit/(Loss) before taxation		-	-
Taxation		-	-
Profit/(Loss) for the year		-	-
Total comprehensive profit/(loss) for the financial year		-	-

All amounts relate to continuing operations

There is no difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents

Statement of changes in equity for the year ended 30 June 2010 Australian Dollars

	Note	2010 \$AUD	2009 \$AUD
Opening shareholders' equity	5	1,619,521	1,619,521
Opening retained earnings as at 1 July		-	-
Dividend Paid		-	-
Closing retained profits as at 30 June		-	-
Total equity shareholders' funds as at 30 June		1,619,521	1,619,521

Silvester Brothers (AMHUK) Limited

Statement of financial position

at 30 June 2010

Australian Dollars

	Note	2010 \$AUD	2009 \$AUD
Assets			
Current assets			
Inventories		-	-
Other receivables	3	1,619,521	1,619,521
		1,619,521	1,619,521
Non current assets		-	-
Total assets		1,619,521	1,619,521
Liabilities			
Current liabilities		-	-
		-	-
Non current liabilities		-	-
Total liabilities		-	-
Net assets		1,619,521	1,619,521
Equity			
Capital and reserves attributable to equity holders of the company			
Share capital	5	1,619,521	1,619,521
Retained earnings		-	-
Total equity		1,619,521	1,619,521

Silvester Brothers (AMHUK) Limited

Statement of cash flows for the year ended 30 June 2010 Australian Dollars

		2010 \$AUD	2009 \$AUD
	<i>Note</i>		
Cash flows from operating activities			
Cash used in operations		-	-
Net cash generated from operations		-	-
Cash flows from investing activities			
Loans received from related parties		-	-
Net cash used in investing activities		-	-
Cash flows from financing activities		-	-
Net cash used in financing activities		-	-
Net inflow (outflow) in cash and cash equivalents		-	-
Cash and cash equivalents at start of year		-	-
Cash and cash equivalents at end of year		-	-

For the year ending 30 June 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Director's responsibilities,

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements and the accompanying notes on pages 4 to 13 were approved by the board of directors on 16 September 2010 and signed on its behalf by


P. G. Smith
Director

Silvester Brothers (AMHUK) Limited

Notes to the financial statements for the year ended 30 June 2010

1 General information

The company is a private limited company, incorporated in United Kingdom and managed and controlled in Australia

2 Summary of significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS

The financial statements have been prepared under the historical cost convention

Foreign currencies

Transactions in currencies other than the entity's functional currency (foreign currencies) are initially recorded at the rates of exchange prevailing on the date of the transaction. At each subsequent balance sheet date assets and liabilities denominated in foreign currencies are translated into Australian dollars at rates of exchange ruling at the end of the financial period. Foreign exchange differences are taken to the profit and loss account in the period in which they arise. All exchange differences arising are dealt with in the profit and loss account.

Taxation

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the balance sheet date.

Deferred taxation

Deferred tax is provided in full using the liability method on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for income tax purposes. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements. 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 subsequently enacted by the balance sheet date. Deferred tax assets are not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted.

Silvester Brothers (AMHUK) Limited

Notes to the financial statements for the year ended 30 June 2010 (continued)

2 Summary of significant accounting policies (continued)

Financial assets

The company classifies its financial assets in the following categories at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The company has no financial assets classified as at fair value through profit or loss or as available for sale.

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

All receivables are regularly reviewed and a provision for impairment of trade receivables is established when there is objective evidence that all amounts may not be collectible according to the original terms of the sales transaction. Bad debts are written off when identified.

Loans and borrowings

All loans and borrowings except for certain inter-entity loans and borrowings are non-interest bearing and are initially recognised at fair value and subsequently recorded at amortised cost, representing the present value of the loan, calculated using the effective interest rate of the loan or borrowing over its term.

Loans are classified as current assets, and borrowings as current liabilities, unless the company has an unconditional right to defer settlement of the loan or borrowing for at least 12 months after the balance sheet date. Costs incurred with borrowings are expensed to the income statement in the year in that they are incurred.

3 Other receivables

	2010 \$AUD	2009 \$AUD
Non Interest bearing loans to related parties	1,619,521	1,619,521
	1,619,521	1,619,521

Silvester Brothers (AMHUK) Limited

Notes to the financial statements for the year ended 30 June 2010 (continued)

4 Share capital

	30 June 2010 \$AUD	30 June 2009 \$AUD
Equity		
Authorised Capital	Unlimited	Unlimited
Issued Capital		
750,000 ordinary shares of £1 each (translated at the historical rate of exchange on 30 September 1988)	1,619,521	1,619,521

5 Statement of changes in equity

The primary statement, the statement of changes in equity, sets out equity share capital

Equity share capital

The balance classified as share capital includes the total proceeds on issue of the company's equity share capital, comprising £1 ordinary shares

6 Related party transactions

Silvester Brothers (AMHUK) Limited is a related party of Foster's Group Limited and its subsidiaries as it is wholly owned by Foster's Group Limited

Trading balances arising in the normal course of business

These balances have arisen during the normal course of business, and as such are non-interest bearing

		Amounts due from/(to) other Foster's Group Limited companies	
	Related party's relationship	2010	2009
		\$AUD	\$AUD
Silvester Brothers (AMH) Pty Limited	Direct Parent	1,619,521	1,619,521

Silvester Brothers (AMHUK) Limited

Notes to the financial statements for the year ended 30 June 2010 (continued)

7 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below

Assets as per balance sheet

30 June 2010

	Loans and receivables \$'000	At fair value through the profit and loss \$'000	Available for sale \$'000	Total \$'000
Other receivables	1,619,521	-	-	1,619,521
Total	1,619,521	-	-	1,619,521

30 June 2009

Other receivables	1,619,521	-	-	1,619,521
Total	1,619,521	-	-	1,619,521

8 Financial risk management

Treasury risk management policy

As a wholly owned subsidiary, the company follows Foster's Group Limited's treasury risk management policy as detailed below

Foster's Treasury has responsibility for the identification and management of the group's financial risks and conducts the group's treasury activities in accordance with the group's Treasury Policy. Group Treasury Policy sets out the policies with respect to the internal controls (including segregation of duties), organisational relationships, and functions, delegated authority levels, management of foreign currency, interest rate exposures and counterparty credit limits and requires regular reporting to the board of directors of exposures to derivative financial instruments. The group's board of directors have an oversight role which involves ratification of group Treasury Policy, delegation of authorities and consideration of reports on implementation, effectiveness and compliance. The group's Audit Committee has a role of monitoring, reviewing and approving recommendations for Board approval.

The group's Treasury Policy manages the following financial risks

- Liquidity risk,
- Interest rate risk,
- Foreign exchange risk, and
- Counterparty credit risk

Silvester Brothers (AMHUK) Limited

Notes to the financial statements for the year ended 30 June 2010 (continued)

8 Financial risk management (continued)

The group's policy to risk management is to take an active approach to identify and manage financial risks and ensure that adequate risk management systems exist within the group such that risks are identified and appropriately managed. Financial asset and liability transactions are to be structured to enable the achievement of planned outcomes, reduce volatility and provide increased certainty.

The objectives relating to management of financial risks are as follows:

Liquidity risk

Liquidity risk is identified across the entire group.

The aim of liquidity risk management is to ensure that the group has an appropriate level of liquidity and access to sufficient cash resources (including reserves, banking facilities and standby borrowing facilities) to maintain normal operations, meet its financial obligations as they fall due, pay dividends, meet capital expenditure commitments and undertake investment/strategic opportunities as they arise. To do this, debt maturity profile must be appropriately structured, taking into account the group's core assets and working capital funding requirements, asset and liability matching and refinancing risks.

The company does not have any borrowing obligations.

Interest rate risk

Interest rate risk is the risk of a reduction in earnings and cash flow as a consequence of adverse movements in interest rates. This includes exposures that may arise if the group was to fix interest rates in a falling interest rate environment. Interest rate risk is measured by the effect of interest rate movements on the total portfolio of current and forecast debt, interest rate hedging transactions and financial market risks.

The majority of the group's interest rate risk arises from borrowings. Other sources of interest rate risk for the group may include interest bearing investments, payables and receivables accounts on which discounts are offered. The group's objective is to ensure that it is not exposed to interest rate movements to the extent that interest expense adversely impacts the group's ability to meet operating obligations as they arise. To achieve this, the group uses a mix of fixed and floating interest rates and related interest rate derivative products.

The group's interest rate exposures are hedged in accordance with board-approved policies to minimise the impact of adverse interest rate movements through the use of authorised hedging instruments. Variations to the interest rate risk management strategies must be submitted to the Audit Committee for review and approval.

Foreign exchange risk

The group's policy is to fund foreign currency assets, where practicable and cost effect, in the respective currencies in which such assets are denominated.

Silvester Brothers (AMHUK) Limited

Notes to the financial statements for the year ended 30 June 2010 (continued)

8 Financial risk management (continued)

Risks are quantified using historical data to determine the potential worst-case expected sensitivity of the group's operating cash flows to fluctuations in foreign exchange rates on the net exposures. A correlation matrix is used to measure the impact of relevant exposures at the group level. The matrix measures the extent to which risk factors move together and considers the long and short term nature of exposures.

Foreign exchange risk management focuses on transaction exposures. The Group has two types of transaction exposure. Financing exposures are exposures from foreign currency financing activities such as asset purchases, asset sales, capital returns, coupon payments, external and inter-company loan repayments. Operating exposures arise from normal operations of the group. These exposures are both known and forecast. The group's aim is to ensure prompt identification of foreign currency exposures and to ensure net exposure of foreign currency fluctuations to which the divisions of Foster's Group Limited are exposed are within agreed benchmarks.

Currency requirements are offset against each other on a monthly basis with excess currency bought or sold at the spot rate or the relevant rate at the time of netting. All cash received is held for a maximum of three months prior to a commitment. Transactions that fall outside the normal payments and receipts will be hedged within the trading cycle associated with the transaction.

Counterparty credit risk - treasury products

Counterparty credit risk represents the potential loss which the group could incur if counterparts failed to meet their obligations under their respective contracts or arrangement with the group. Credit risk for financial assets which have been recognised in the balance sheet is generally the carrying amount, net of any provisions for doubtful debts. Credit risk is minimised as the group deals only with reputable, highly rated financial institutions in respect of inter alia, the entering into of derivative financial instruments to manage its exposure to fluctuations in interest rate and exchange rates.

Sensitivity analysis

Sensitivity analysis, required by IFRS 7 "Financial Instruments Disclosures", is intended to illustrate the sensitivity to changes in market variables. As the company has no foreign currency exposures and no interest bearing assets and liabilities as at the balance sheet date, there is no effect on the income statement that would result from changes in interest rates and in any exchange rate, before the effects of tax.

Capital management

The company manages its capital by following the Foster's Group Limited's capital management initiatives, which aim to maintain a sound balance sheet position. The capital management initiative is consistent with the company's commitment to disciplined capital management and allows the company and the Foster's Group Limited to maintain appropriate gearing levels and an appropriate entity level capital structure.

Silvester Brothers (AMHUK) Limited

Notes to the financial statements for the year ended 30 June 2010 (continued)

9 Ultimate parent undertaking

The company's ultimate parent company and controlling party, which is the parent undertaking of the largest group to consolidate the financial statements of the company, is Fosters Group Limited, a company incorporated in Australia

The company's immediate parent company is Silvester Brothers (AMH) Pty Limited (Australia)

Copies of the accounts may be obtained from The Company Secretary, Regal House, 70 London Road, Twickenham, Middlesex, TW1 3QS