

W&A GILBEY LIMITED
FINANCIAL STATEMENTS
30 SEPTEMBER, 1994
REGISTERED NUMBER : 596121



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COMPANIES HOUSE 29/04/95

W&A GILBEY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH SEPTEMBER 1994

The Directors have pleasure in submitting their annual report and financial statements for the year ended 30 September, 1994.

Activities

The principal activity of the Company is the granting of licences to companies in the wines and spirits trade. The Directors foresee no material change in the nature of the Company's activities.

Financial

The Directors recommend that no final dividend be paid (1993 - £Nil). The Profit for the year retained in the Company is £1,419,000 (1993 £1,099,000).

Directors

The Directors during the year were as follows:

M G Delahooke
C J Evans
C J Sandham

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.

Political and Charitable Contributions

The company made no political or charitable contributions during the year (1993 - £Nil).

Auditors

The Auditors KPMG Peat Marwick are willing to continue in office and a resolution concerning their re-appointment and remuneration will be submitted to the Annual General Meeting.

By order of the board.



M S Leathes
Secretary

1 York Gate
Regents Park
London NW1 4PU

9th February 1995

W&A GILBEY LIMITED

DIRECTORS' RESPONSIBILITIES

IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

The following statement, which should be read in conjunction with the report of the auditors, 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 at the end of the financial year and of the profit of the company for the financial year.

The directors consider that in preparing the financial statements on pages 5 to 11 the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, that all accounting standards 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 that 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.

W&A GILBEY LIMITED

REPORT OF THE AUDITORS KPMG PEAT MARWICK TO THE MEMBERS OF W&A GILBEY LIMITED

We have audited the financial statements on pages 5 to 11.

Respective responsibilities of Directors and Auditors

As described on Page 3, 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 mis-statement, 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 30 September 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG Peat Marwick

Chartered Accountants
Registered Auditors

9th July 1995

W&A GILBEY LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 30 September, 1994

	<u>Note</u>	<u>1994</u> £'000	<u>1993</u> £'000
Royalties receivable		2,192	1,737
Operating Expenses	2	<u>(76)</u>	<u>(97)</u>
Operating profit from continuing operations		2,116	1,640
Tax on profit on ordinary activities	3	<u>(697)</u>	<u>(541)</u>
Profit for the financial year		<u>1,419</u>	<u>1,099</u>

MOVEMENT IN RESERVES

Balance at beginning of year	4,139	3,040
Retained profit for year	<u>1,419</u>	<u>1,099</u>
Balance at end of year	<u>5,558</u>	<u>4,139</u>

The profit and loss account relates wholly to continuing operations.

There are no recognised gains or losses other than the profit for the Financial Year.

W&A GILBEY LIMITED


BALANCE SHEET

As at 30 September, 1994

	<u>Note</u>	<u>1994</u> £'000	<u>1993</u> £'000
CURRENT ASSETS			
Debtors	4	12,693	11,200
CREDITORS:			
Amounts falling due within one year	5	<u>(341)</u>	<u>(541)</u>
NET CURRENT ASSETS		12,352	10,659
PROVISION FOR LIABILITIES & CHARGES			
Deferred taxation	6	<u>(340)</u>	<u>(66)</u>
		<u>12,012</u>	<u>10,593</u>
CAPITAL AND RESERVES			
Called up share capital	7	2,830	2,830
Share and premium account	8	3,624	3,624
Profit and loss account	8	<u>5,558</u>	<u>4,139</u>
		<u>12,012</u>	<u>10,593</u>

These financial statements were approved by the Board of Directors on the
and were signed on its behalf by:

9 February 1995


C Evans - Director

W&A GILBEY LIMITED

RECONCILIATION OF MOVMENTS IN SHAREHOLDERS' FUNDS

For the Year Ended 30th September 1994

	<u>1994</u> £'000	<u>1993</u> £'000
Profit for the Financial Year	<u>1,419</u>	<u>1,099</u>
Net Addition to Shareholders Fund	1,419	1,099
Opening Shareholder's Funds	<u>10,593</u>	<u>9,494</u>
Closing Shareholder's Funds	<u>12,012</u>	<u>10,593</u>

W&A GILBEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1) Accounting Policies

a) Accounting Convention

The financial statements are prepared under the historical cost convention. They have been drawn up to comply in all material respects with applicable UK Accounting Standards in force at the relevant time. The bases used are consistent with those used in the previous year.

b) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation to the extent that it is probable that the liability will crystallise.

c) Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

All translation differences are taken to the profit and loss account.

d) Royalties Receivable

Royalties receivable comprise amounts receivable in the year and where appropriate include any tax deducted at source.

2) Operating Costs

The only operating costs incurred by the company were advertising expenses. The audit fee has been borne by International Distillers & Vintners Limited.

The Directors received no emoluments in respect of their services to the company (1993 - £Nil).

The company employed no staff during the year (1993 - Nil).

W&A GILBEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont'd..)

3) Tax on Profit on Ordinary Activities

	<u>1994</u>	<u>1993</u>
	£'000	£'000
UK corporation tax at 33% (1993 - 33%) on profits for the year	423	608
Withholding tax on profits for the year	<u>54</u>	<u>46</u>
	477	654
Double tax relief	<u>(54)</u>	<u>(46)</u>
	423	608
Deferred tax charge for year	274	(67)
	<u>697</u>	<u>541</u>

The charge for UK corporation tax includes amounts which may be paid to other companies in the Grand Metropolitan group in return for the surrender of tax losses.

4) Debtors

	<u>1994</u>	<u>1993</u>
	£'000	£'000
Trade debtors	1,031	199
Amount owed by a fellow subsidiary	11,590	10,929
Other debtors	<u>72</u>	<u>72</u>
	<u>12,693</u>	<u>11,200</u>

All debtors are receivable within one year

5) Creditors - Amounts Falling Due Within One Year

	<u>1994</u>	<u>1993</u>
	£'000	£'000
Taxation based on profit	336	533
Other creditors	<u>5</u>	<u>8</u>
	<u>341</u>	<u>541</u>

W&A GILBEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont'd..)

6) Deferred Taxation

	<u>1994</u>	<u>1993</u>
	£'000	£'000
At beginning of year	66	133
Charged during the year	<u>274</u>	<u>(67)</u>
At end of year	<u>340</u>	<u>66</u>

The deferred tax provision represents corporation tax that will become payable on receipt of funds from royalty debtors.

7) Called Up Share Capital

	<u>1994</u>	<u>1993</u>
	£'000	£'000
Authorised: 2,829,796 ordinary shares of £1 each	<u>2,830</u>	<u>2,830</u>
Allotted called up and fully paid 2,829,796 ordinary shares of £1 each	<u>2,830</u>	<u>2,830</u>

8) Reserves

	Share Capital	Share premium account	Profit & Loss account	Total
	£'000	£'000	£'000	£'000
At beginning of year	2,830	3,624	4,139	10,593
Retained profit for year	-	-	<u>1,419</u>	<u>1,419</u>
At end of year	<u>2,830</u>	<u>3,624</u>	<u>5,558</u>	<u>12,012</u>

W&A GILBEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont'd..)

9) 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.

10) Contingent Liabilities

There are no contingent liabilities at 30 September, 1994 (1993 - £Nil).

11) Ultimate Holding Company

The company is a wholly-owned subsidiary of International Distillers and Vintners Limited and its ultimate holding company is Grand Metropolitan PLC, a company incorporated in Great Britain and registered in England and Wales. The group accounts of the holding company are available from their registered office at 20 St James's Square, London, SW1Y 4RR.