

**SYMONDS CIDER & ENGLISH WINE
COMPANY LIMITED
Reg. No. 1809366**

**DIRECTORS' REPORT AND ACCOUNTS
for the 11 months ended 28th March, 2003**



SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

REPORT OF THE DIRECTORS for the 11 months ended 28th March, 2003

The directors have pleasure in submitting the audited accounts for the 11 months ended 28th March, 2003.

ACTIVITIES

The company's principal activity is the manufacture and distribution of cider. The company has continued to make good progress during the year. Scrumpy Jack, the company's principal brand, is the leading premium draught cider.

YEAR END

The financial year of the company has been changed to end on the last Friday in March. Previous periods comprised either 52 or 53 weeks, ending on the last Friday in April of each year.

RESULTS

The profit for the period amounted to £1,596,000 (2002 - £1,904,000) which has been transferred to reserves.

The directors do not propose the payment of a dividend (2002 – nil)

DIRECTORS

The directors holding office during the year were:

T M Furse	(resigned 30 th September 2002)
M J Hughes	(resigned 11 th September 2002)
R A Harrington	(resigned 30 th September 2002)
T J Gregory	(resigned 30 th June 2003)
R J Pennycook	(appointed 5 th February 2003)
M H Templeman	(appointed 3 rd January 2003)
C D Hitchiner	(appointed 27 th September 2002)
J P Eggleton	(appointed 18 th December 2002)
W G Stebbings	(appointed 27 th September 2002)
J-F Jamet	(appointed 18 th December 2002)
C C C Brown	(appointed 18 th December 2002, resigned 1 st January 2003)

DIRECTORS' INTERESTS IN SHARES

No director had an interest in the issued shares of the company during the period. The company's ultimate parent company is HP Bulmer Holdings PLC and the directors had the following interests in the issued shares of HP Bulmer Holdings PLC at the dates shown (or date of appointment if later):

		At 28 th March, 2003	At 26 th April, 2002
C D Hitchiner	- Ordinary	500	500
	- Ordinary Options	34,196	34,196
T J Gregory	- Ordinary	4,943	4,943
	- Ordinary Options	59,876	59,876
W G Stebbings	- Ordinary	691	691
J-F Jamet	- Ordinary options	65,497	65,497
J P Eggleton	- Ordinary options	61,132	61,132

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

REPORT OF THE DIRECTORS for the 11 months ended 28th March, 2003 (continued)

The options referred to above are options granted under the HP Bulmer Holdings PLC 2001 and 1998 Executive Share Option Schemes to acquire ordinary shares in HP Bulmer Holdings PLC.

The shareholdings include interests, if any, held by a director as trustee or by a director's wife or infant children.

Save as disclosed above, none of the directors held shares in the company's ultimate parent company or in subsidiaries of the company's ultimate parent company.

DEFERRED PROFIT SHARING PLAN

Under the terms of the HP Bulmer Group Employees' Deferred Profit Sharing Plan, the Group has made insufficient profits this financial period for employees to qualify for profit share (2002: £Nil).


TERMS OF PAYMENT

The Company has no trade creditors (2002 - none)

AUDITORS

In the UK an agreement for the partners and personnel of Arthur Andersen to join Deloitte & Touche has been concluded. Completion of this transaction occurred on 1 August 2002. Arthur Andersen resigned as auditors to the company with effect from 31 July 2002. Following the resignation the Board appointed Deloitte & Touche to fill the casual vacancy, and a resolution was put to the Annual General Meeting to appoint Deloitte & Touche as auditors.

By Order of the Board


W G STEBBINGS
Secretary

18th July, 2003

The Cider Mills
Plough Lane
Hereford

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period 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; and
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

To the shareholders of Symonds Cider & English Wine Company Limited

We have audited the financial statements of Symonds Cider & English Wine Company Limited for the 11 months ended 28th March 2003 which comprise the profit and loss account, the balance sheet, the reconciliation of movements in shareholders' funds and the related notes 1 to 18. These financial statements have been prepared under 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 directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 the directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit 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

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

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 28th March 2003 and of its profit for the 11 month period then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte + Touche

Deloitte & Touche
Chartered Accountants and Registered Auditors
London

18th July 2003

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

for the 11 months ended 28th March, 2003

		11 months ended 28th March, 2003 £'000	12 months ended 26th April, 2002 £'000
Turnover	Note 2	20,745	24,918
Cost of Sales		<u>(10,693)</u>	<u>(12,600)</u>
Gross Profit		10,052	12,318
Selling, marketing and distribution costs		(7,605)	(9,590)
Administrative expenses		(187)	(185)
Other operating income		<u>-</u>	<u>7</u>
Operating Profit		2,260	2,550
Interest receivable/(payable)	5	<u>14</u>	<u>(49)</u>
Profit on ordinary activities before taxation	3	2,274	2,501
Taxation on profit on ordinary activities	6	<u>(678)</u>	<u>(597)</u>
Profit on ordinary activities after taxation and retained profit for the financial period	14	<u>1,596</u>	<u>1,904</u>

The results of the company for the period and prior period all arise from continuing operations.

The accompanying notes are an integral part of this profit and loss account.

The company had no recognised gains or losses in either period other than the profit for the financial year.

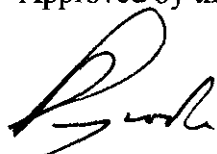
SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

BALANCE SHEET AT 28th March, 2003

		28 th March, 2003 £'000	26 th April, 2002 £'000
	Note		
Fixed assets			
Tangible assets	7	-	4
Investment in Subsidiary Company	8	9,082	9,082
		<u>9,082</u>	<u>9,086</u>
Current assets			
Stocks	9	289	317
Debtors	10	8,522	6,388
		<u>8,811</u>	<u>6,705</u>
Current liabilities			
Creditors – amounts falling due within one year	11	(1,863)	(1,354)
Net current assets		<u>6,948</u>	<u>5,351</u>
Total assets less current liabilities		<u>16,030</u>	<u>14,437</u>
 Provision for liabilities and charges			
Deferred tax	12	-	(3)
		<u>16,030</u>	<u>14,434</u>
 Capital and reserves			
Called up share capital	13	3,735	3,735
Profit and loss account	14	12,295	10,699
Equity shareholders' funds		<u>16,030</u>	<u>14,434</u>

The accompanying notes are an integral part of this balance sheet.

Approved by the Board on 18th July, 2003.



R J Pennycook
Director

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

For the 11 months ended 28th March, 2003

	28th March 2003 £'000	26th April 2002 £'000
Profit for the financial year	1,596	1,904
Opening shareholders' funds	14,434	12,530
Closing shareholders' funds	<u>16,030</u>	<u>14,434</u>

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Financial Periods

The financial year of the company has been changed to end on the last Friday in March. Previous periods comprised either 52 or 53 weeks ending on the last Friday in April.

Accounting Basis

These accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The accounts do not include a cash flow statement, as these accounts are included within the consolidated accounts of HP Bulmer Holdings PLC.

Tangible Fixed Assets

Tangible fixed assets are depreciated over their expected useful lives on a straight line basis. Freehold buildings are depreciated over their expected useful lives, being 50 years.

Plant, vehicles and equipment are depreciated at the following rates per annum:

General plant	-	10 or 5%
Cars and office equipment	-	20%

Government Grants

Grants related to expenditure on tangible fixed assets are credited to profit over a period approximating to the lives of the qualifying assets. The balance of grants received, less the amounts credited to profit, is included in the balance sheet as deferred income.

Fixed Asset Investments

Shares in subsidiaries are stated at cost less provision for any impairment in value.

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

NOTES TO THE ACCOUNTS

Stocks

Stocks are valued at the lower of cost and net realisable value on the basis of average cost, including production overheads, for manufactured stock and cost on a first in first out basis for factored stock.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and recognised in the accounts only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries and associates only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into and that tax would be payable taking into account the availability of any double taxation relief.

Deferred tax is measured at the 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 in process of enactment at the balance sheet date. It is measured on a non-discounted basis.

Turnover

Turnover represents the amount derived from the provision of goods and services, including Excise Duty but excluding Value Added Tax. The origin and destination of all turnover is the United Kingdom.

2. SEGMENTAL ANALYSIS

The company's activity is the distribution of cide, which is carried out in the United Kingdom. All turnover and profit derives from continuing activities.

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

NOTES TO THE ACCOUNTS

3. Profit on ordinary activities before taxation	28th March 2003 £'000	26th April 2002 £'000
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This is stated after charging/(crediting):

- Depreciation of tangible fixed assets	1	1
- Plant and machinery hire	-	2
- Amortisation of Government grants	-	(25)
- Profit on disposal of fixed assets	-	(42)
- Writeoff of fixed assets	3	-

The audit fee for the current and prior periods has been borne by HP Bulmer Limited.

4. Staff costs and numbers

There were no employees in either period and director costs have been borne by H.P.Bulmer Limited.

5. Interest receivable/(payable)

Interest receivable from tax authorities	14	-
Interest payable to group companies	-	(49)
	<u>14</u>	<u>(49)</u>

6. Taxation on profit on ordinary activities

The charge for taxation comprises:

UK corporation tax on income for the year	-	795
Adjustments in respect of prior years	(473)	(120)
Total UK corporation tax	<u>(473)</u>	<u>675</u>
Charge for group relief from fellow subsidiary	1,154	-
Transfer from deferred tax provision	<u>(3)</u>	<u>(78)</u>
	<u>678</u>	<u>597</u>

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

NOTES TO THE ACCOUNTS

Factors affecting current tax charge for the period:

The current tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%) applied to the profit on ordinary activities before taxation. The differences are:

	28 th March 2003	26 th April 2002
	£'000	£'000
Tax charge at UK corporation tax rate (30%)	682	750
Expenses not deductible for tax purposes	-	23
Income taxable when received	2	-
Non taxable income	(4)	-
Excess book depreciation over tax depreciation	1	22
Adjustment to tax charge in respect of prior periods	(473)	(120)
Utilisation of surrendered tax losses	(681)	-
Current tax charge for the period	<u>(473)</u>	<u>675</u>

Factors that may affect future tax charges:

Deferred tax has not been provided on the unremitted earnings of overseas subsidiaries as earnings are continually reinvested locally and the remittance of the retained earnings is unlikely to lead to future tax charges due to the availability of double taxation relief.

	Plant, vehicles & equipment £'000
7. Tangible fixed assets	
Cost	
At beginning of period	185
Written off	<u>(3)</u>
At end of period	<u>182</u>
Depreciation	
At beginning of period	181
Amount provided	<u>1</u>
At end of period	<u>182</u>
Net book amounts	
At 28 th March, 2003	-
At 26 th April, 2002	4

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

NOTES TO THE ACCOUNTS

8. Investment in Subsidiary Company	£'000
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At 28 th March, 2003	9,082
At 26 th April, 2002	9,082

At 28th March, 2003 the following company was a wholly owned subsidiary company with ordinary shares only.

	Country of Registration/ Incorporation	Principal Activity
Bulmers Europe SA (previously Cidre Stassen SA)	Belgium	Cider

Group accounts have not been prepared as the Company is a wholly owned subsidiary of another company incorporated in Great Britain (see note 17).

9. Stocks	2003 £'000	2002 £'000
Raw materials and consumables	-	-
Work in progress	-	-
Finished goods	289	317
	<u>289</u>	<u>317</u>

The replacement costs of stocks do not differ materially from their historical costs.

10. Debtors	2003	2002
	£'000	£'000
Corporation tax	122	-
Other debtors	14	5
Amounts owed by fellow subsidiaries	-	6,383
Amounts owed by parent undertaking	8,386	-
	<u>8,522</u>	<u>6,388</u>

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

NOTES TO THE ACCOUNTS

	2003	2002
	£'000	£'000
11. Creditors – amounts falling due within one year		
Amounts owed to fellow subsidiaries	1,395	575
Amounts owed to ultimate parent company	468	468
Corporation tax	-	311
	<u>1,863</u>	<u>1,354</u>

	2003	2002
	£'000	£'000
12. Deferred Tax		
Provision has been made for corporation tax at 30% on fixed asset timing differences		
Amounts provided:		
At beginning of year	3	81
Transfer to profit and loss account	(3)	(78)
At end of year	<u>-</u>	<u>3</u>

13. Share Capital	2003	2003	2002	2002
	Number	£'000	Number	£'000
Ordinary shares of £1 each:				
Authorised	3,750,000	3,750	3,750,000	3,750
Allotted, called up and fully paid	3,735,000	3,735	3,735,000	3,735

14. Reserves	Profit and Loss Account £'000
At 26 th April, 2002	10,699
Retained profit for the period	1,596
At 28 th March, 2002	<u>12,295</u>

SYMONDS CIDER & ENGLISH WINE COMPANY LIMITED

NOTES TO THE ACCOUNTS

15. Capital Commitments

At 28th March, 2003 there were no future commitments for capital expenditure under contract (2002 – nil).

16. Guarantees and Contingent Liabilities

The company, together with other material subsidiaries, has entered into guarantees in respect of the syndicated credit facility and senior loan notes of the ultimate parent company, H P Bulmer Holdings PLC. At the period end, these facilities totalled £122 million (2002 – £173 million).

17. Leases

At the year end the company had no commitments to make payments in respect of operating leases (2002 – nil).

18. Ultimate Parent Company

The company is a subsidiary undertaking of H.P.Bulmer Limited, a company incorporated in Great Britain. At the balance sheet date, the directors regard H.P.Bulmer Holdings PLC as the ultimate parent company and the ultimate controlling party.

H P Bulmer Holdings PLC is the parent company of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of the accounts are available from the registered office of H P Bulmer Holdings PLC, The Cider Mills, Plough Lane, Hereford. The company has not disclosed related party transactions with group companies, as permitted by Financial Reporting Standard 8, as it is a wholly owned subsidiary of H P Bulmer Holdings PLC.

Following the offer for H.P.Bulmer Holdings PLC from Scottish & Newcastle plc becoming unconditional on 1 July 2003, the directors regard Scottish & Newcastle plc, a company incorporated in Great Britain, as the ultimate parent undertaking and controlling party.