

Registration number 2367133

UBSN Limited

Directors' Report and Financial Statements
for the Year Ended 31 December 2010

THURSDAY



A7SSGXR5

A29

22/09/2011

182

COMPANIES HOUSE

UBSN Limited

Contents

Company Information	1
Directors' report	2 to 3
Statement of Directors' Responsibilities	4
Independent auditors' report	5 to 6
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10 to 19

UBSN Limited
Company Information

Directors	Dr V Mallya K Ganguly B Dozey (Resigned 15 April 2010) J Merchant P Murali D Swarbrick (appointed 1 July 2010) Y Singh (appointed 1 July 2010) S Ramumurthy (appointed 1 July 2010)
Secretaries	D Barlow (Resigned 30 June 2010) M Davis (appointed 1 July 2010)
Registered office	75 Westow Hill Crystal Palace London SE19 1TX
Auditors	Hawsons Chartered Accountants Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL
Solicitors	Gardner Croft Solicitors LLP 2 Castle Street Canterbury Kent CT1 2QH
Principal bankers	Royal Bank of Scotland plc Smith House, PO Box 50, Elmwood Avenue, Feltham Middlesex TW13 7QD

UBSN Limited

Directors' Report for the Year Ended 31 December 2010

The directors present their report and the audited financial statements for the year ended 31 December 2010

Principal activity

The principal activity of the company is that of the marketing and distribution of beer

Business review

The results for the year show a loss of £831,086 (2009 Loss of £514,651) on sales of £13,221,117 (2009 £13,440,464) As a result of the loss for the year the company has a deficit on shareholder's funds of (£1,542,421) (2009 deficit of (£711,335)) Net cash inflow for 2010 was £82,916 (2009 inflow of £206,280)

Despite the continuing decline in the United Kingdom beer market the company has had a reasonable year in terms of turnover and volumes, although both are lower than in 2009 However, the company has managed to improve gross margin through improved sales mix

Following the appointment of a new Chief Executive Officer at the end of 2009, the company has substantially completed its strategic review of all aspects of the business, which has resulted in a number of costs of a non-recurring nature being incurred during the year

Financial risk

Financial risk management objectives and policies

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors and finance lease agreements The main purpose of these instruments is to finance the business' operations

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest All of the business' cash balances are held in such a way that achieves a competitive rate of interest The business makes use of money market facilities where funds are available

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits The amounts presented in the balance sheet are net of allowances for doubtful debtors

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

The business is a lessee in respect of finance leased assets The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments

Dividends

The directors do not recommend the payment of a dividend (2009 £Nil)

UBSN Limited
Directors' Report for the Year Ended 31 December 2010

continued

Directors

The directors who held office during the year were as follows

- Dr V Mallya
- K Ganguly
- B Dozey (Resigned 15 April 2010)
- J Merchant
- P Murali
- D Swarbrick (appointed 1 July 2010)
- Y Singh (appointed 1 July 2010)
- S Ramumurthy (appointed 1 July 2010)

Approved by the Board on 29 March 2011 and signed on its behalf by.



M Davis
Company Secretary

UBSN Limited

Statement of Directors' responsibilities in respect of the accounts Year Ended 31 December 2010

Directors are required by company law to prepare financial statements 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 or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on a 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 the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement of Disclosure of information to auditors

The directors of the company who held office at the date of approval of this Annual Report as set out above each confirm that

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Independent Auditors' Report to the Members of UBSN Limited

We have audited the financial statements of UBSN Limited for the year ended 31 December 2010, set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditors' Report to the Members of
UBSN Limited**

continued

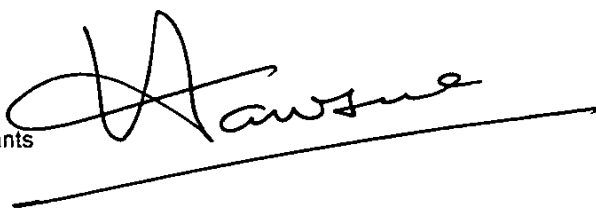
Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

**Philip Lomas
Senior Statutory Auditor**

for and on behalf of
Hawsons Chartered Accountants
Statutory Auditor
Jubilee House
32 Duncan Close
Moulton Park
Northampton
NN3 6WL

A handwritten signature in black ink, appearing to read 'Hawsons', is written over a horizontal line.

29 March 2011

UBSN Limited
Profit and Loss Account for the Year Ended 31 December 2010

	Note	2010 £	2009 £
Turnover	3	13,221,117	13,440,464
Cost of sales		(9,474,840)	(10,007,731)
Gross profit		<u>3,746,277</u>	<u>3,432,733</u>
Distribution costs		(2,861,865)	(2,353,519)
Administrative expenses		(1,657,545)	(1,525,535)
Operating loss	4	<u>(773,133)</u>	<u>(446,321)</u>
Interest payable and similar charges	7	(57,953)	(68,330)
Loss on ordinary activities before and after taxation for the financial year	15	<u><u>(831,086)</u></u>	<u><u>(514,651)</u></u>

Turnover and operating loss derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

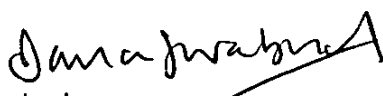
The notes on pages 10 to 19 form an integral part of these financial statements.

UBSN Limited
Balance Sheet as at 31 December 2010

Registration number: 2367133

		2010	2009
	Note	£	£
Fixed assets			
Tangible assets	9	891,239	980,175
Current assets			
Debtors due within one year		1,770,900	6,352,041
Debtors due after one year		319,987	252,701
Cash at bank and in hand		877	54,945
		<u>2,091,764</u>	<u>6,659,687</u>
Creditors. Amounts falling due within one year	11	<u>(4,245,412)</u>	<u>(8,065,144)</u>
Net current liabilities		<u>(2,153,648)</u>	<u>(1,405,457)</u>
Total assets less current liabilities		<u>(1,262,409)</u>	<u>(425,282)</u>
Creditors. Amounts falling due after more than one year	12	<u>(280,012)</u>	<u>(286,053)</u>
Net liabilities		<u>(1,542,421)</u>	<u>(711,335)</u>
Capital and reserves			
Called up share capital	14	100,000	100,000
Profit and loss reserve	15	<u>(1,642,421)</u>	<u>(811,335)</u>
Equity shareholders' deficit	16	<u>(1,542,421)</u>	<u>(711,335)</u>

Approved by the Board on 29 March 2011 and signed on its behalf by


D Swarbrick
Director

UBSN Limited

Cash Flow Statement for the Year Ended 31 December 2010

		2010	2009
	Note	£	£
Net cash flow from operating activities	17	473,762	578,974
Returns on investment and servicing of finance			
Interest paid		(57,953)	(68,330)
		<u>(57,953)</u>	<u>(68,330)</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(218,778)	(193,098)
Sale of tangible fixed assets		5,400	2,200
		<u>(213,378)</u>	<u>(190,898)</u>
Financing			
Capital element of loan repaid		(60,000)	(60,000)
Capital element of hire purchase contracts		(59,515)	(50,133)
Other loans repaid		-	(3,333)
		<u>(119,515)</u>	<u>(113,466)</u>
Increase in cash		<u>82,916</u>	<u>206,280</u>

Reconciliation of net cash flow to movement in net debt

		2010	2009
	Note	£	£
Increase in cash in the year	18	82,916	206,280
Repayment of debt		60,000	63,333
Repayment of capital element of finance leases		59,515	50,133
Change in net funds resulting from cash flows		<u>202,431</u>	<u>319,746</u>
 New hire purchase contracts		 -	 (63,042)
Movement in net funds in the year		<u>202,431</u>	<u>256,704</u>
 Net debt at the start of the year	18	 (1,189,262)	 (1,445,966)
Net debt at the end of the year	18	<u>(986,831)</u>	<u>(1,189,262)</u>

The notes on pages 10 to 19 form an integral part of these financial statements

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

1 Accounting policies

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. In addition, these financial statements have been prepared on a going concern basis since the directors are satisfied that there will be continued financial and commercial support from the ultimate holding company and its financiers for the foreseeable future.

Turnover

Turnover from the sale of products in the ordinary course of business represents amounts receivable by the company, net of VAT, returns, customer discounts and other sales-related discounts.

Depreciation

Depreciation is provided on all fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful economic life as follows:

Plant and machinery	5 to 7 years
Fixtures and fittings	2 to 5 years

Foreign currency

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates and the exchange differences are included in the profit and loss account.

Marketing rights

Payments made to third parties under an agreement to market the company's product on its behalf are carried forward within prepayments and amortised on a straight line basis over the period of the agreement.

Hire purchase and finance lease contracts

Assets held under finance leases, which are leases where predominantly all the risks and rewards of ownership of the asset have been passed onto the company, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Pensions

The company does not operate a pension scheme.

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

continued

2 Ownership and Principal Activity

The company is owned by United Breweries International (UK) Limited

Under an exclusive licence granted from United Breweries Limited of India, the company holds the rights to brew, market, develop and sell Kingfisher Lager in the United Kingdom. The company, in turn, has granted a sub-licence to Shepherd Neame Limited for the brewing of Kingfisher

3 Turnover

An analysis of turnover by geographical market is given below

	2010 £	2009 £
United Kingdom	12,164,439	12,541,378
Export	1,056,678	899,086
	<u>13,221,117</u>	<u>13,440,464</u>

4 Operating loss

Operating loss is stated after crediting

	2010 £	2009 £
Depreciation	307,714	319,572
(Profit)/Loss on sale of fixed assets	(5,400)	(1,524)
Operating lease rentals – land and buildings	21,419	11,281
Exchange differences	1,001	(14,071)

Fees payable to the company's auditor are disclosed within the consolidated financial statements of the immediate parent undertaking

5 Directors' remuneration

The directors' remuneration for the year is as follows

	2010 £	2009 £
Directors' Emoluments	<u>293,256</u>	<u>173,807</u>

Emoluments of the Chairman excluding pension contributions were £89,580 (2009 £89,590) and emoluments of the highest paid Director were £108,400 (2009 £89,580), which included pension contributions of £8,400 (2009 £Nil). The emoluments were paid on behalf of UBSN Limited by the company's immediate parent undertaking, United Breweries International (UK) Limited and are recharged to the company.

6 Staff costs

The company had no employees during the year ended 31st December 2010 (2009 - Nil). All staff who undertook services on behalf of the company during the year were employed by the company's immediate parent undertaking.

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

continued

7 Interest payable and similar charges

	2010 £	2009 £
Interest on bank borrowings	41,747	50,786
Other interest payable	16,206	17,544
	<u>57,953</u>	<u>68,330</u>

8 Taxation

As a result of the losses the company has no liability to corporation tax arising either in the year or in 2009

Factors affecting current period tax

The tax assessed on the loss on ordinary activities before for the year is higher than (2009 - higher than) the standard rate of corporation tax in the UK of 28% (2009 - 28%)

The differences are reconciled below

	2010 £	2009 £
Loss on ordinary activities before	<u>(831,086)</u>	<u>(514,651)</u>
Standard rate corporation tax credit	(232,704)	(144,102)
Expenses not deductible for tax purposes	16,046	15,461
Capital allowances for period less than depreciation	209	2,083
Trade losses not accounted for	<u>216,449</u>	<u>126,558</u>
Total current tax for the year	<u>-</u>	<u>-</u>

The company has available losses amounting to some £2,654,000 (2009 £1,901,000) to be carried forward against future trading profits. The losses are sufficient to offset any potential deferred tax liabilities.

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

continued

9 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Total £
Cost			
As at 1 January 2010	1,879,721	213,848	2,093,569
Additions	218,778	-	218,778
Disposals	(249,059)	(26,589)	(275,648)
As at 31 December 2010	<u>1,849,440</u>	<u>187,259</u>	<u>2,036,699</u>
Depreciation			
As at 1 January 2010	1,024,428	88,966	1,113,394
Eliminated on disposals	(249,059)	(26,589)	(275,648)
Charge for the year	261,011	46,703	307,714
As at 31 December 2010	<u>1,036,380</u>	<u>109,080</u>	<u>1,145,460</u>
Net book value			
As at 31 December 2010	<u>813,060</u>	<u>78,179</u>	<u>891,239</u>
As at 31 December 2009	<u>855,293</u>	<u>124,882</u>	<u>980,175</u>

Hire purchase agreements

Included within the total net book value of tangible fixed assets is £59,921 (2009 - £124,884) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £30,129 (2009 - £36,814).

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

continued

10 Debtors

	2010 £	2009 £
Trade debtors in respect of related parties		
Amounts owed by Shepherd Neame Limited	179,464	3,571,929
Amounts owed by Force India Limited	1,410	662
Amounts owed by Kingfisher Airlines Limited	793	364
Trade debtors		
Others	1,422,769	2,258,559
Prepayments	62,302	236,220
Prepayments and accrued income in respect of related parties		
Mendocino Brewing Company Inc	85,360	85,360
Loans		
United Breweries International (UK) Limited	-	162,000
Others	18,802	36,947
	<u>1,770,900</u>	<u>6,352,041</u>

Debtors: Amounts falling due after one year

	2010 £	2009 £
Loans		
United Breweries International (UK) Limited	162,000	-
Others	8,651	18,005
Prepayments and accrued income in respect of related parties		
Mendocino Brewing Company Inc	149,336	234,696
	<u>319,987</u>	<u>252,701</u>

Included within prepayments and accrued income in respect of related parties are costs of £234,696 (2009 £320,056) in respect of a marketing and promotional agreement with Mendocino Brewing Company Inc. These costs are being spread over the period for which a licence has been granted by UBSN Limited to Mendocino Brewing Company Inc to brew and sell Kingfisher lager in the United States of America. There are no future financial commitments in respect of the marketing and promotional agreement. Of the £234,696 noted above, £149,336 (2009 £234,696) represents amounts to be expensed after one year.

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

. continued

11 Creditors: Amounts falling due within one year

	2010 £	2009 £
Bank overdraft and loans (secured)	829,963	966,947
Trade creditors in respect of related parties		
Shepherd Neame Limited	2,568,096	6,318,922
United Breweries International (UK) Limited	42,340	43,675
Trade Creditors		
Others	166,491	145,296
Accruals		
Shepherd Neame Limited	192,163	223,839
United Breweries International (UK) Limited	167,317	101,438
Mendocino Brewing Company Inc	-	-
Other	160,844	154,464
Loans		
Shepherd Neame Limited	60,000	60,000
Obligations under hire purchase contracts	27,641	50,563
Other taxation	30,557	-
	<u>4,245,412</u>	<u>8,065,144</u>

Bank loans and overdrafts are secured against certain trade debtors and other assets of the company under a fixed and floating charge dated 16th May 2005

12 Creditors: Amounts falling due after more than one year

	2010 £	2009 £
Loans - Shepherd Neame Limited	60,000	120,000
Obligations under finance leases and hire purchase contracts	10,104	46,698
Trade creditors - Mendicino Brewing Company Inc	209,908	119,355
	<u>280,012</u>	<u>286,053</u>

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

. continued

13 Maturation of borrowings

Amounts repayable

	Bank loans and overdrafts £	Loans - Shepherd Neame Limited £	Obligations under finance leases and HP contracts £	Total £
As at 31 December 2010				
In one year or less on demand	829,963	60,000	27,641	917,604
Between one and two years	-	60,000	10,104	70,104
	<u>829,086</u>	<u>120,000</u>	<u>37,745</u>	<u>987,708</u>
As at 31 December 2009				
In one year or less on demand	966,947	60,000	50,563	1,077,510
Between one and two years	-	60,000	33,320	93,320
Between two and five years	-	60,000	13,378	73,378
	<u>912,002</u>	<u>180,000</u>	<u>97,261</u>	<u>1,244,208</u>

Security

Obligations under hire purchase and lease contracts are secured on the assets to which the finance relates. All these obligations are due for payment within 5 years. Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company.

Loans from Shepherd Neame Limited are repayable in annual instalments of £60,000. The loan is due to expire during the year ended 31 December 2012.

14 Share capital

	2010 £	2009 £
Allotted, called up and fully paid		
Equity		
50,000 A shares of £1 each	50,000	50,000
50,000 B shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>

All shares rank pari passu in all respects.

15 Reserves

	Profit and loss reserve £
Balance at 1 January 2010	(811,335)
Transfer from profit and loss account for the year	(831,086)
Balance at 31 December 2010	<u>(1,642,421)</u>

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

continued

16 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Loss attributable to members of the company	(831,086)	(514,651)
Opening shareholders' deficit	<u>(711,335)</u>	<u>(196,684)</u>
Closing shareholders' deficit	<u>(1,542,421)</u>	<u>(711,335)</u>

17 Analysis of cash flows

	2010 £	2009 £
Net cash flow from operating activities		
Operating loss	(773,133)	(446,321)
Depreciation	307,714	319,572
Profit on disposal of fixed assets	(5,400)	(1,524)
Decrease/(increase) in debtors	4,512,270	(2,375,025)
(Decrease)/increase in creditors	<u>(3,567,689)</u>	<u>3,082,272</u>
	<u>473,762</u>	<u>578,974</u>

18 Analysis of net debt

	At start of period £	Cash flow £	At end of period £
Cash at bank and in hand	54,945	(54,068)	877
Bank overdraft	<u>(966,947)</u>	<u>136,984</u>	<u>(829,963)</u>
Cash and bank net funds	<u>(912,002)</u>	<u>82,916</u>	<u>(829,086)</u>
Loan from related party	(180,000)	60,000	(120,000)
Hire purchase obligations	(97,260)	59,515	(37,745)
Other loans	-	-	-
Change in debt	<u>(277,260)</u>	<u>119,515</u>	<u>(157,745)</u>
Net debt	<u>(1,189,262)</u>	<u>202,431</u>	<u>(986,831)</u>

19 Parent undertaking and controlling party

The company's immediate parent undertaking is United Breweries International (UK) Limited

The smallest group into which the accounts of UBSN Limited have been consolidated are those of its immediate parent undertaking

The ultimate parent undertaking during the year was United Breweries (Holdings) Limited, "UB Tower", Level 12, 14&15, UB City, 24, Vittal Mallya Road, Bangalore, 560 001

For the period under review Shepherd Neame Limited remains a related party in accordance with FRS 8 on the basis of shared business interests

20 Capital Commitments

The company had no capital commitments at the end of the financial year (2009 £Nil)

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

continued

21 Operating lease commitments

As at 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	Land and Buildings	
	2010	2009
	£	£
Within one year	-	5,641
Within two and five years	37,310	-
	<u>37,310</u>	<u>5,641</u>

UBSN Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

continued

22 Transactions with related parties

During the year the company has had the following transactions with its related parties

	2010 £	2009 £
Shepherd Neame Limited		
Sales	3,519,323	4,227,537
Freight Costs	392,205	278,666
Commission Payable	309,141	368,415
Purchases and other recharges	9,489,740	9,863,180
Interest payable	7,500	10,500
Rent payable for offices	4,700	11,281
United Breweries International (UK) Limited (Parent Company registered in the UK)		
Royalty payable	38,657	40,093
Recharges	-	755,105
Mendocino Brewing Company Inc. (Intermediate Parent Company registered in the USA)		
Management charge payable	125,161	131,963
Royalty receivable	75,931	73,231
Payments under marketing agreement	85,360	85,360
Marketing Fees Payable	35,484	33,908
Force India Formula One Team Limited (A company under common control registered in the UK)		
Sales	625	575
Kingfisher Airlines Limited (A company under common control registered in the UK)		
Sales	372	1,100

As a result of the trading and other activities with related parties, the following balances remained outstanding at the year end

	2010 £	2009 £
Amounts owed by Kingfisher Airlines Limited	793	364
Amounts owed by Force India Formula One Team Limited	1,410	662
Amounts owed by United Breweries International (UK) Limited - Loan	162,000	162,000
Amounts owed by United Breweries International (UK) Limited - Expenses	-	-
Amounts owed by Shepherd Neame Limited	179,464	3,571,929
Prepayment in respect of Mendocino Brewing Company Inc	149,336	234,696
Amounts owed to Shepherd Neame Limited	(2,568,096)	(6,318,922)
Amounts owed to Mendocino Brewing Company Inc	(209,908)	(119,355)
Amounts owed to United Breweries International (UK) Limited	(42,340)	(43,675)
Accruals – Shepherd Neame Limited	(192,163)	(223,839)
Accruals - United Breweries International (UK) Limited	(167,317)	(101,438)
Accruals – Mendocino Brewing Company Inc	-	-
Loan from Shepherd Neame Limited	<u>(120,000)</u>	<u>(180,000)</u>