

"Registers"

**LIME STREET WINE BARS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**30TH SEPTEMBER 2002**



Company Registration Number 3217528

**ARTHUR GODDARD & CO**  
Chartered Accountants & Registered Auditors  
2 St John's Place  
St John's Square  
London EC1M 4NP

# **LIME STREET WINE BARS LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 30TH SEPTEMBER 2002**

The directors present their report and the financial statements of the company for the year ended 30th September 2002.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company is the operation of a licensed wine bar.

#### **THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		<b>Ordinary Shares of £1 each</b>	
		<b>At</b>	<b>At</b>
		<b>30 September 2002</b>	<b>1 October 2001</b>
J B Wheeler		34,963	200
E R Cowie		—	—
A Wilson	(Resigned 30 April 2002)		
G Flowitt	(Resigned 30 April 2002)		
H P Snell	(Resigned 30 April 2002)		
		<hr/>	<hr/>

The directors are not subject to retirement by rotation.

#### **DIRECTORS' RESPONSIBILITIES**

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 8 to 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

A resolution to re-appoint Arthur Goddard & Co as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

# LIME STREET WINE BARS LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30TH SEPTEMBER 2002

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
117 Gosbecks Road  
Gosbecks Park  
Colchester  
Essex  
CO2 9JT

Signed by order of the directors



D C SMITH  
Company Secretary

Approved by the directors on 26th June 2003

# **LIME STREET WINE BARS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**

**YEAR ENDED 30TH SEPTEMBER 2002**

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 to 9.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on page 1.

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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

### **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 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.

# LIME STREET WINE BARS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 30TH SEPTEMBER 2002

### OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th September 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



2 St John's Place  
St John's Square  
London EC1M 4NP

ARTHUR GODDARD & CO  
Chartered Accountants  
& Registered Auditors

28<sup>th</sup> July 2003

# LIME STREET WINE BARS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30TH SEPTEMBER 2002

	Note	2002 £	2001 (restated) £
<b>TURNOVER</b>		389,546	392,928
Cost of sales		227,519	236,983
<b>GROSS PROFIT</b>		162,027	155,945
Administrative expenses		150,283	120,366
Other operating income		(5,261)	(5,245)
<b>OPERATING PROFIT</b>	<b>2</b>	17,005	40,824
Interest receivable	<b>3</b>	197	534
Interest payable		—	(8,327)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		17,202	33,031
Tax on profit on ordinary activities	<b>4</b>	4,473	3,077
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		12,729	29,954
Original balance brought forward	(15,990)	(48,968)	
Prior year adjustment	<b>5</b> (3,024)	—	
Restated balance brought forward		(19,014)	(48,968)
Balance carried forward		(6,285)	(19,014)

All of the activities of the company are classed as continuing.

The notes on pages 8 to 14 form part of these financial statements.

# LIME STREET WINE BARS LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 30TH SEPTEMBER 2002

	2002	2001 (restated)
	£	£
Profit for the financial year attributable to the shareholders	12,729	29,954
Total recognised gains and losses relating to the year	<u>12,729</u>	<u>29,954</u>
Prior year adjustment (see note 5)	<u>(3,024)</u>	
Total gains and losses recognised since the last annual report	<u>9,705</u>	

The notes on pages 8 to 14 form part of these financial statements.

# LIME STREET WINE BARS LIMITED

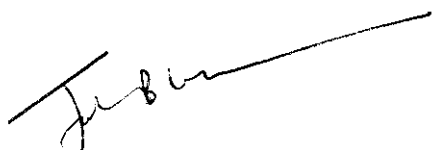
## BALANCE SHEET

30TH SEPTEMBER 2002

		2002		2001 (restated)	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		166,990		182,251
<b>CURRENT ASSETS</b>					
Stocks		12,164		13,685	
Debtors	7	11,368		12,625	
Cash at bank and in hand		25,223		24,339	
		<u>48,755</u>		<u>50,649</u>	
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>95,233</u>		<u>129,590</u>	
<b>NET CURRENT LIABILITIES</b>			(46,478)		(78,941)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			120,512		103,310
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>					
Deferred taxation	9		7,497		3,024
			<u>113,015</u>		<u>100,286</u>
<b>CAPITAL AND RESERVES</b>					
Called-up share capital	12		119,300		119,300
Profit and loss account			(6,285)		(19,014)
<b>SHAREHOLDERS' FUNDS (including non-equity interests)</b>	13		<u>113,015</u>		<u>100,286</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 26th June 2003 and are signed on their behalf by:



J B WHEELER



E R COWIE

The notes on pages 8 to 14 form part of these financial statements.



# **LIME STREET WINE BARS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30TH SEPTEMBER 2002**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

#### **Turnover**

Turnover represents sales of food and drink exclusive of value added tax.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold property	4 % straight line
Plant and equipment	20 % straight line
Fixtures and fittings	10 % straight line

#### **Stocks**

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

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# LIME STREET WINE BARS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 1. ACCOUNTING POLICIES *(continued)*

#### 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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. OPERATING PROFIT

Operating profit is stated after charging:

	2002	2001 <i>(restated)</i>
	£	£
Directors' emoluments	—	2,250
Depreciation	21,460	20,417
Auditors' remuneration	2,000	2,000
Operating lease costs:		
Land and buildings	40,000	21,760

### 3. INTEREST RECEIVABLE

	2002	2001 <i>(restated)</i>
	£	£
Bank interest receivable	197	534

# LIME STREET WINE BARS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 4. TAX ON PROFIT ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2002	2001 (restated)
	£	£
Current tax:		
UK Corporation tax based on the results for the year	—	53
Total current tax	—	53
Deferred tax:		
Increase in deferred tax provision (note 9)		
Capital allowances	4,473	3,024
Tax on profit on ordinary activities	<u>4,473</u>	<u>3,077</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2001 - 20%).

	2002	2001 (restated)
	£	£
Profit on ordinary activities before taxation	<u>17,202</u>	<u>33,031</u>
Profit on ordinary activities by rate of tax	3,268	6,606
Depreciation in excess of capital allowances	1,319	376
Utilisation of tax losses	(4,587)	(6,875)
Adjustment for tax rates and other differences	—	(54)
Total current tax (note 4(a))	<u>—</u>	<u>53</u>

### 5. PRIOR YEAR ADJUSTMENT

The prior year adjustment of £3,024 relates to the implementation of FRS 19 - deferred tax and represents the effect of timing differences for accelerated capital allowances over depreciation provided on fixed assets.

# LIME STREET WINE BARS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 6. TANGIBLE FIXED ASSETS

	Land and buildings £	Other plant & machinery etc. £	Total £
<b>COST</b>			
At 1st October 2001	157,147	122,755	279,902
Additions	—	6,199	6,199
<b>At 30th September 2002</b>	<u>157,147</u>	<u>128,954</u>	<u>286,101</u>
<b>DEPRECIATION</b>			
At 1st October 2001	31,430	66,221	97,651
Charge for the year	6,286	15,174	21,460
<b>At 30th September 2002</b>	<u>37,716</u>	<u>81,395</u>	<u>119,111</u>
<b>NET BOOK VALUE</b>			
<b>At 30th September 2002</b>	<u>119,431</u>	<u>47,559</u>	<u>166,990</u>
At 30th September 2001	<u>125,717</u>	<u>56,534</u>	<u>182,251</u>

### 7. DEBTORS

	2002 £	2001 (restated) £
Trade debtors	—	1,180
Other debtors	11,368	11,445
	<u>11,368</u>	<u>12,625</u>

### 8. CREDITORS: Amounts falling due within one year

	2002 £	2001 (restated) £
Bank loans and overdrafts	—	19,664
Trade creditors	12,085	19,621
Amounts owed to group undertakings	49,452	—
Corporation tax	—	53
Other taxation and social security	9,937	11,803
Other creditors	23,759	78,449
	<u>95,233</u>	<u>129,590</u>

**LIME STREET WINE BARS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH SEPTEMBER 2002**

**9. DEFERRED TAXATION**

	<b>2002</b>	2001 <i>(restated)</i>
	£	£
The movement in the deferred taxation provision during the year was:		
Provision brought forward	3,024	—
Profit and loss account movement arising during the year	4,473	3,024
Provision carried forward	<u>7,497</u>	<u>3,024</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	<b>2002</b>	2001 <i>(restated)</i>
	£	£
Excess of taxation allowances over depreciation on fixed assets	7,497	3,024
	<u>7,497</u>	<u>3,024</u>

**10. COMMITMENTS UNDER OPERATING LEASES**

At 30th September 2002 the company had annual commitments under non-cancellable operating leases as set out below.

	<b>Land &amp; Buildings</b>	
	<b>2002</b>	2001 <i>(restated)</i>
	£	£
Operating leases which expire:		
After more than 5 years	<u>37,500</u>	<u>40,000</u>

# LIME STREET WINE BARS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 11. RELATED PARTY TRANSACTIONS

One of the company's principal equity shareholders is Lay & Wheeler Group Limited. Until 30th April 2002 the two companies were associated for accounts purposes but with effect from 1st May 2002 the company became a subsidiary undertaking. J B Wheeler is a director and shareholder in both companies.

Lay & Wheeler Group Limited provides the majority of the company's requirements for wines, spirits, beers and minerals and also provides accounting and administrative services. The total of the transactions included in these accounts carried out under normal commercial terms were :-

Purchases	£111,108
Management fees	£ 17,500

The balance due to Lay & Wheeler Group at 30th September 2002 on trading was £5,960

Lay & Wheeler Group Limited has guaranteed the company's commitments under its operating lease until such time as the company has achieved profits before tax for three consecutive years at a sum at least three times the annual rent payable at the time.

### 12. SHARE CAPITAL

#### Authorised share capital:

	2002	2001 (restated)
	£	£
251,000 Ordinary shares of £1 each	251,000	1,000
250,000 Preference shares of £1 each	—	250,000
	<u>251,000</u>	<u>251,000</u>

#### Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
Ordinary shares of £1 each	119,300	119,300	1,000	1,000
Preference shares of £1 each	—	—	118,300	118,300
	<u>119,300</u>	<u>119,300</u>	<u>119,300</u>	<u>119,300</u>

The company's preference shares were converted to ordinary shares on 30th April 2002.

# LIME STREET WINE BARS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2002

### 13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

#### EQUITY SHAREHOLDERS' FUNDS

	2002		2001 (restated)	
	£	£	£	£
Profit for the financial year		12,729		29,954
Opening shareholders' equity funds/(deficit)	103,310		(47,968)	
Prior year adjustment (see note 5)	<u>(3,024)</u>		<u>—</u>	
		100,286		(47,968)
Closing shareholders' equity funds/(deficit)		<u>113,015</u>		<u>(18,014)</u>

#### NON-EQUITY SHAREHOLDERS' FUNDS

Opening and closing shareholders' non-equity funds	—	118,300
<b>TOTAL SHAREHOLDERS' FUNDS</b>	<u>113,015</u>	<u>100,286</u>

### 14. ULTIMATE PARENT COMPANY

On 1st May 2002 the company became a subsidiary undertaking of Lay & Wheeler Group Limited, a company registered in England and Wales. The consolidated accounts of Lay & Wheeler Group Limited are those of both the largest and smallest group of which the company is a member and for which group accounts are prepared.