

# Beam Global Distribution (UK) Limited

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended

31 December 2010

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COMPANIES HOUSE

# Beam Global Distribution (UK) Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### **DIRECTORS**

P M McKay (appointed 3 June 2010)  
M Bermudez De La Puente Sanchez-Aguilera (appointed 30 October 2010)  
D Gaynor (appointed 3 June 2010, resigned 24 March 2011)  
J Sturdy (appointed 30 October 2010)  
A Baladi (appointed 16 March 2011)

### **SECRETARY**

Lycidas Secretaries Limited

### **REGISTERED OFFICE**

Prewetts Mill  
Worthing Road  
Horsham  
West Sussex  
RH12 1ST

### **INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
141 Bothwell Street  
Glasgow  
G2 7EQ

### **BANKERS**

The Royal Bank of Scotland  
London  
EC2M 4XJ

### **SOLICITORS**

McClure Naismith  
4th Floor  
Equitable House  
47 King William Street  
London  
EC46 9AF

# Beam Global Distribution (UK) Limited

## DIRECTORS' REPORT

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The directors submit their report and audited financial statements of Beam Global Distribution (UK) Limited for the financial year ended 31 December 2010

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was facilities service provider to other UK Beam group entities

### RESULTS AND DIVIDENDS

The profit for the year amounted to £2,801,000 (2009 loss £2,566,000) The directors have not recommended a dividend

### FUTURE DEVELOPMENTS

The company is non-trading and will not undertake any further business, other than to recognise administration expenses and movements in intercompany balances

Effective 1<sup>st</sup> July 2011, Beam Global Distribution (UK) Ltd transferred all assets and liabilities to Beam Inc UK Limited (formerly known as Beam Global UK Ltd) at book value All contracts and communications having been duly executed

### KEY PERFORMANCE INDICATORS (KPIs)

Given the straightforward nature of the business the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

### DIRECTORS

The directors who served the company during the year were as follows

J G Stordy, resigned 30 October 2010  
D P T Gaynor, appointed 3 June 2010, resigned 24 March 2011  
P M McKay, appointed 3 June 2010  
M Bermudez De La Puente Sanchez-Aguilera, appointed 30 October 2010  
A Baladi, appointed 16 March 2011

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

### AUDITORS

PricewaterhouseCoopers LLP has indicated its willingness to continue in office

By order of the Board



M Pino Bermudez De La Puente Sanchez-Aguilera  
Director

1 December 2011

# **Beam Global Distribution (UK) Limited**

## **DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS**

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The directors are responsible for preparing the Directors' 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. They 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.

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEAM GLOBAL DISTRIBUTION (UK) LIMITED**

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We have audited the financial statements of Beam Global Distribution (UK) Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Accounting Policies and the related notes. 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).

## **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3 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 and express an opinion on 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **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 profit 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.

## **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.

Kenneth Wilson (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Glasgow  
1 December 2011

**Beam Global Distribution (UK) Limited**  
**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 December 2010**

		<b>2010</b>	<b>2009</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>TURNOVER</b>	<b>1</b>	<b>–</b>	<b>24,977</b>
Cost of sales		<b>(374)</b>	<b>(23,085)</b>
<b>GROSS (LOSS)/PROFIT</b>		<b>(374)</b>	<b>1,892</b>
Administrative expenses		<b>(1,075)</b>	<b>(5,179)</b>
Exceptional gain/(cost)	<b>5</b>	<b>4,267</b>	<b>(2,701)</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>2</b>	<b>2,818</b>	<b>(5,988)</b>
Interest receivable and similar income	<b>7</b>	<b>7</b>	<b>3,852</b>
Interest payable and similar charges	<b>8</b>	<b>–</b>	<b>(68)</b>
Restructuring costs	<b>6</b>	<b>(24)</b>	<b>(362)</b>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>2,801</b>	<b>(2,566)</b>
Tax on profit/(loss) on ordinary activities	<b>9</b>	<b>–</b>	<b>–</b>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>2,801</b>	<b>(2,566)</b>

The profit/loss for the financial year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

Various prior year balances have been reallocated under different lines for classification purposes to allow comparison with current year balances. There has been no change to the overall figures

**Beam Global Distribution (UK) Limited****BALANCE SHEET****as at 31 December 2010**

	Note	2010 £'000	2009 £'000
<b>FIXED ASSETS</b>			
Intangible assets	10	—	(2)
Tangible assets	11	—	2
		<u>—</u>	<u>—</u>
<b>CURRENT ASSETS</b>			
Debtors	12	7,003	12,374
<b>CREDITORS</b>			
Amounts falling due within one year	14	(1,263)	(4,096)
<b>NET CURRENT ASSETS</b>		<u>5,740</u>	<u>8,278</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,740</u>	<u>8,278</u>
<b>PROVISIONS FOR LIABILITIES</b>	16	(2,512)	(7,851)
		<u>3,228</u>	<u>427</u>
<b>CAPITAL AND RESERVES</b>			
Share capital	19	—	—
Profit and loss account		<u>3,228</u>	<u>427</u>
<b>SHAREHOLDERS' FUNDS</b>	20	<u>3,228</u>	<u>427</u>

The financial statements on pages 5 to 15 were approved by the Board of directors and authorised for issue on 21 November 2011 and are signed on their behalf by



1 December 2011

M Pino Bermudez De La Puente Sanchez-Aguilera  
Director

# Beam Global Distribution (UK) Limited

## ACCOUNTING POLICIES

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### **BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention

As the Directors are aware that Beam Global Distribution (UK) Limited will cease to trade going forward, the accounts have been prepared on a break-up basis instead of a going concern basis. There are no differences in presentation and measurement of balances as a result of this.

### **CASH FLOW STATEMENT**

The company is a wholly owned subsidiary of Beam Inc (formerly known as Fortune Brands Inc) and is included in the consolidated financial statements of Fortune Brands Inc which are publically available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

### **TURNOVER**

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be ascertained with reasonable certainty.

### **GOODWILL**

When the fair value of the consideration for an acquired undertaking exceeds the fair value of its separable net assets the difference is treated as purchased goodwill and is capitalised and amortised through the profit and loss account over its anticipated economic life.

Where the fair value of the separable net assets exceeds the fair value of the consideration for an acquired undertaking the difference is treated as negative goodwill and is capitalised and amortised through the profit and loss accounts in the period in which non-monetary assets acquired are recovered. In the case of fixed assets, the period over which they are sold or otherwise realised. This is in line with requirements of FRS 10.

### **AMORTISATION**

Amortisation 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:

### **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	-	Straight line method over the length of the lease of the property
Plant & Machinery	-	Straight line method over 10 years
Fixtures & Fittings	-	Straight line method over 7 years

### **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.



# Beam Global Distribution (UK) Limited

## ACCOUNTING POLICIES

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### PENSION COSTS

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date

Actuarial gains and losses arising are recognised immediately in the statement of total recognised gains and losses

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits have already vested, the cost is recognised immediately in profit or loss

The amount recognised in the balance sheet represents the present value of the defined benefit obligation, adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the lower of the asset, and any unrecognised past service cost plus the present value of available refunds or reductions in future contributions to the plan

The rate used to discount the benefit obligations is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations

Gains and losses on curtailments/settlements are recognised when the curtailment/settlement occurs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet

### 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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

### FOREIGN CURRENCIES

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit

# Beam Global Distribution (UK) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2010

#### 1 TURNOVER

The turnover and profit/(loss) before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2010 £'000	2009 £'000
United Kingdom	-	24,977

#### 2 OPERATING PROFIT/( LOSS)

Operating loss is stated after charging

	2010 £'000	2009 £'000
Auditors' remuneration		
- as auditor	15	20
Negative goodwill amortisation	2	(36)
Depreciation of owned tangible assets	2	85
Operating lease costs		
- Land & buildings	-	1,010
- Plant and equipment	9	-
- Other	203	21
Net loss on foreign currency translation	-	46

#### 3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year was

	2010 No	2009 No
Number of administrative staff	5	9
Number of management staff	-	3
	<u>5</u>	<u>12</u>

The aggregate payroll costs of the above were

	2010 £'000	2009 £'000
Wages and salaries	90	2,292
Social security costs	41	243
Other pension costs	277	235
	<u>408</u>	<u>2,770</u>

#### 4 DIRECTORS' EMOLUMENTS

The remuneration of the directors is borne by a fellow group company. No significant part of the directors' remuneration is directly attributable to the Company (2009 £Nil) and the directors do not believe it is practicable to allocate a percentage of their remuneration to the Company.

**Beam Global Distribution (UK) Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2010**

**5 EXCEPTIONAL GAIN/(COST)**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Onerous lease commitments movement	<u>4,267</u>	<u>(2,701)</u>
	<b>4,267</b>	<b>(2,701)</b>

**6 COST OF REORGANISATION OR RESTRUCTURING**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Cost of restructuring company	<u>24</u>	<u>362</u>

On the 3rd September 2008, Beam Global Spirits and Wines Inc and The Edrington Group (TEG) announced the commencement of a new international sales and distribution alliance in twenty four markets around the world, effective on the 31st March 2009

The new alliance represents a restructuring of the current four partner international sales and distribution joint venture, Maxxium Ltd

The effect on Beam Global Distribution (UK) Limited was that trading operations were transferred to the new alliance on 31 March 2009

Restructuring costs of £24,000 (2009 £362,000) have been incurred this year of which £nil (2009 £125,000) remains provided for at the year end. The restructuring provision comprises of employees' termination payments and outplacement support fees

**7 INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Interest received	7	38
Other financial income	-	3,814
	<u>7</u>	<u>3,852</u>

**8 INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Interest payable to group undertakings	-	19
Foreign exchange loss	-	49
	<u>-</u>	<u>68</u>

**9 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES**

(a) Analysis of charge in the year

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
UK Corporation tax charge on profit for the year	<u>-</u>	<u>-</u>

# Beam Global Distribution (UK) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2010

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

The tax charge in the profit/(loss) on ordinary activities is lower (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 – 28%)

	2010 £'000	2009 £'000
Profit/(Loss) on ordinary activities before taxation	<u>2,801</u>	<u>(2,566)</u>
Profit on ordinary activities at standard rate of tax	784	(718)
Capital allowances for the period in excess of depreciation	-	(44)
Utilisation of tax losses	(138)	-
Short term timing differences	(35)	(211)
Group losses (claimed)/surrendered without payment	<u>(611)</u>	<u>973</u>
Total current tax	<u>-</u>	<u>-</u>

#### (c) Factors affecting future tax charge

During the year, there was a change in the UK main corporation tax rate from 28% to 27%. The change was substantively enacted on 20 July 2010 and was effective from 1 April 2011.

Further reductions to the UK corporation tax rate were announced in the March 2011 budget, including a further reduction to the UK main corporation tax rate of 26% which became effective on 1 April 2011. Further changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 23% by 1 April 2014. These changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements. Had these changes been substantively enacted at the balance sheet date they would not have had a material impact on the financial statements.

## 10 INTANGIBLE FIXED ASSETS

	Goodwill £'000
Cost	
At 1 January 2010 and 31 December 2010	<u>(3,289)</u>
Amortisation	
At 1 January 2010	<u>3,289</u>
At 31 December 2010	<u>3,289</u>
Net book value	
At 31 December 2010	<u>-</u>
At 31 December 2009	<u>(2)</u>

# Beam Global Distribution (UK) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2010

#### 11 TANGIBLE FIXED ASSETS

	Leasehold Property £'000	Plant & Machinery £'000	Fixtures & Fittings £'000	Total £'000
Cost				
At 1 January 2010 and 31 December 2010	<u>2,271</u>	<u>155</u>	<u>32</u>	<u>2,458</u>
Depreciation				
At 1 January 2010	2,269	155	32	2,456
Charge for the year	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>
At 31 December 2010	<u>2,271</u>	<u>155</u>	<u>32</u>	<u>2,458</u>
Net book value				
At 31 December 2010	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2009	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>

#### 12 DEBTORS

	2010 £'000	2009 £'000
Trade debtors	-	100
Amounts owed by group undertakings	6,385	11,539
Other debtors	184	-
Prepayments and accrued income	361	386
Taxation	73	349
	<u>7,003</u>	<u>12,374</u>

All debtors are repayable within one year of the balance sheet date

Intercompany balances are recoverable on demand and interest charged at base rate

#### 13 DEFERRED TAXATION

The deferred tax asset of £139,000 (2009 £174,000) has not been recognised in these accounts as it is considered that there will not be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. The assets comprise

	2010 £'000	2009 £'000
Provisions	-	35
Losses	139	139
Fixed assets	<u>-</u>	<u>-</u>
	<u>139</u>	<u>174</u>

# Beam Global Distribution (UK) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2010

#### 14 CREDITORS: Amounts falling due within one year

	2010	2009
	£'000	£'000
Trade creditors	4	6
Amounts owed to group undertakings	–	2,772
Other creditors	356	–
Accruals and deferred income	903	1,059
Taxation and social security	–	259
	<u>1,263</u>	<u>4,096</u>

Amounts owed by group undertakings are repayable on demand with interest charged at 2.5% above LIBOR

#### 15 PENSION COMMITMENTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account. The company also participates in a defined benefit pension scheme for UK employees, the Beam UK Pension Plan (the Plan), along with three other operating companies within the UK group. This fund is closed to new entrants. The assets of the Plan are held in a separate trustee administered fund which are subject to regular actuarial valuations every three years. A formal valuation of the Plan was undertaken as at 5 April 2010.

The Plan had a shortfall relative to its statutory funding objective of £0.70 million at the valuation date. This means that the assets of £19.91 million covered 97% of the Plan's technical provisions. Special contributions have been paid to the Plan to aim to remove the shortfall. These included contributions of £0.565 million per annum for the period 5 April 2010 to 31 March 2011 along with a lump sum contribution of £0.133 million paid in March 2011. For the purposes of FRS17, the contributions paid by the company are accounted for as if the scheme were a defined contribution scheme, as the company is unable to identify its share of the underlying assets and liabilities of the scheme.

Pension contributions paid by the company are as follows

	2010	2009
	£'000	£'000
Defined benefit scheme	99	199
Defined contribution scheme	178	36
	<u>277</u>	<u>235</u>

Unpaid contributions at the end of the period are as follow

	2010	2009
	£'000	£'000
Defined benefit scheme	–	–
Defined contribution scheme	–	–
	<u>–</u>	<u>–</u>

# Beam Global Distribution (UK) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2010

#### 16 PROVISIONS

	<b>Restructuring Provision £'000</b>	<b>Onerous Lease Provision £'000</b>	<b>Total £'000</b>
At the beginning of the year	125	7,726	7,851
Provided	-	-	-
Utilised	(125)	(1,474)	(1,599)
Released	-	(3,740)	(3,740)
At the end of the year	-	2,512	2,512

The restructuring provision comprises of employees' termination payments and outplacement support fees. This provision was fully utilised during the current year.

During the year, leases held by the company on a number of properties were assigned to other companies within the Group for no consideration. The onerous lease provisions held in respect of these properties have been released.

#### 17 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below:

	<b>Land &amp; Buildings 2010 £'000</b>	<b>Land &amp; Buildings 2009 £'000</b>
Operating leases which expire		
Within 1 year	695	-
Within 2 to 5 years	1,564	2,875
After more than 5 years	-	2,400
	<u>2,259</u>	<u>5,275</u>

#### 18 RELATED PARTY TRANSACTIONS

The company has taken the exemption provided by paragraph 3 of FRS8 and, accordingly, has not disclosed any transactions with group undertakings.

#### 19 SHARE CAPITAL

	<b>2010 £'000</b>	<b>2009 £'000</b>
Allotted, called up and fully paid		
2 Ordinary shares of £1	-	-

#### 20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<b>2010 £'000</b>	<b>2009 £'000</b>
Profit/(loss) for the financial year	2,801	(2,566)
Opening shareholders' funds	427	2,993
Closing shareholders' funds	<u>3,228</u>	<u>427</u>

# Beam Global Distribution (UK) Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 December 2010

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#### 21 ULTIMATE PARENT COMPANY

The immediate parent company and controlling party is Beam Global UK Limited

The ultimate controlling party is Beam Inc (formerly known as Fortune Brands Inc ) which is incorporated in Delaware, USA. Copies of the ultimate parent company's consolidated financial statements are available from Fortune Brands Inc, 520 Lake Cook Road, Deerfield, IL 60015, USA

#### 22 SUBSEQUENT EVENTS

##### Leicester warehouse Lease

On 25th February 2011 Beam Global Distribution (UK) Ltd and Lamont Property Acquisition (Jersey) III Ltd signed an Agreement for Surrender of the land in the north-west side of Cambridge road in Whetstone. The price for the surrender and the sale of the lease was stipulated in 2 350 000 GBP plus VAT. The surrender of the lease has been duly registered in the Land Registry.

##### Sale of Assets and Liabilities

Effective 1<sup>st</sup> July 2011, Beam Global Distribution (UK) Ltd transferred all assets and liabilities to Beam Global UK Ltd. All contracts and communications having been duly executed.