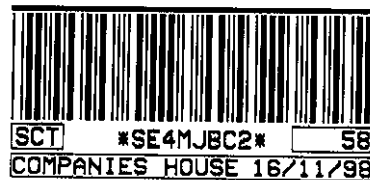


**Arbroath Warehouse Limited**

**Directors' report and financial statements**

31 December 1997

Registered number 23800



*IM*

## **Directors' report and financial statements**

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## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 1997.

### **Principal activity and business review**

The principal activity of the company is maturation of scotch whisky. The results for the company show a loss for the financial year of £2,466 (1996: £nil), which has been transferred to reserves. The directors do not propose that a dividend be paid.

### **Directors and directors' interests**

The directors who held office during the year were as follows:

Clemente Miralles de Imperial Mora-Figueroa  
Jose Mascaraque Lopez  
TG Mains (appointed on 30 November 1997)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

### **Post balance sheet event**

During February 1998 a property owned by the company was sold for a consideration of £10,000.

On behalf of the board



TG Mains  
Director

3 NOVEMBER 1998

## **Statement of 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 and of the profit or loss 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, subject to any material departures disclosed and explained in the financial statements;
- 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. 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.



**KPMG Audit Plc**

24 Blythswood Square  
Glasgow  
G2 4QS  
United Kingdom

**Report of the auditors to the members of Arbroath Warehouse Limited**

We have audited the financial statements on pages 4 to 7.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material 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 31 December 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG Audit Plc*

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor

6 November 1998

**Profit and loss account**  
*for the year ended 31 December 1997*

	<i>Note</i>	1997 £000	1996 £000
Other operating expenses		(2,466)	-
Loss on ordinary activities before tax	2	(2,466)	-
Taxation		-	-
<b>Loss for the financial year</b>		<b>(2,466)</b>	<b>-</b>

In both the current and preceding year, the company made no acquisitions and had no discontinued operations.

No gains or losses have been recognised since the last annual report other than as disclosed above.

**Balance sheet**  
*at 31 December 1997*

	<i>Note</i>	£	1997	£	£	1996	£
<b>Fixed assets</b>							
Tangible assets	3			10,000			12,466
<b>Creditors: amounts falling due within one year</b>	4	(4,622)			(4,622)		
<b>Net current liabilities</b>			(4,622)			(4,622)	
<b>Total assets less current liabilities</b>			5,378			7,844	
<b>Net assets</b>			5,378			7,844	
<b>Capital and reserves</b>							
Called up share capital	5		7,000			7,000	
Profit and loss account	6		(1,622)			844	
<b>Equity shareholders' funds</b>			5,378			7,844	

These financial statements were approved by the board of directors on 3/11/98 and were signed on its behalf by:

  
**TG Mains**  
*Director*

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Accounting convention*

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

### 2 Operating loss

Operating loss is stated after charging:

	1997 £	1996 £
Depreciation	2,466	-
	<u>          </u>	<u>          </u>

### 3 Tangible fixed assets

	Total £	Freehold land and buildings £	Plant and machinery £	Furniture and fittings £
<i>Cost</i>				
At beginning of year and end of year	20,787	17,767	2,482	538
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Depreciation</i>				
At beginning of year	8,321	5,301	2,482	538
Charge for the year	2,466	2,466	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At end of year	10,787	7,767	2,482	538
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Net book value</i>				
At 31 December 1997	10,000	10,000	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 1996	12,466	10,000	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



**Notes (continued)**

**4 Creditors: amounts falling due within one year**

	1997 £	1996 £
Amount due to immediate parent undertaking	4,622	4,622
	<u>          </u>	<u>          </u>

**5 Share capital**

	1997 £	1996 £
Authorised ordinary shares of £1 each	10,000	10,000
	<u>          </u>	<u>          </u>
Allotted, called up and fully paid ordinary shares of £1 each	7,000	7,000
	<u>          </u>	<u>          </u>

**6 Reserves**

	Profit and loss account £
At 1 January 1997	844
Loss for the financial year	(2,466)
	<u>          </u>
	(1,622)
	<u>          </u>

**7 Ultimate holding company**

The company is a wholly owned subsidiary of Macnab Distilleries Limited, registered in England. The ultimate holding company is Allied Domecq plc which is incorporated in England.