

Abbreviated Accounts For The Year Ended 31 December 2004

for

Speyside Distillers Company Limited



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Speyside Distillers Company Limited

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For The Year Ended 31 December 2004

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Speyside Distillers Company Limited
Company Information
For The Year Ended 31 December 2004

DIRECTORS:

R Andersen
I Jerman
G R Taylor
Sir J Aykroyd
S F Hendry

SECRETARY:

Sir J Aykroyd

REGISTERED OFFICE:

Duchess Road
Rutherglen
GLASGOW
G73 1AU

REGISTERED NUMBER:

199495 (Scotland)

AUDITORS:

ROBB FERGUSON
Chartered Accountants
Registered Auditors
5 Oswald Street
Glasgow
G1 4QR

Speyside Distillers Company Limited

Report of the Directors **For The Year Ended 31 December 2004**

The directors present their report with the accounts of the company for the year ended 31 December 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of distillers and purveyors of whisky, bonded warehouse keepers and bottlers and blenders of spirits. The principal activities of the company's trading subsidiaries are as shown in the notes to the financial statements.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

The results for the year and financial position of the company's subsidiaries are shown in the notes to the financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2004.

FIXED ASSETS

Movements in fixed assets are set out in the notes to the financial statements.

DIRECTORS

The directors during the year under review were:

R Andersen
I Jerman
G R Taylor
Sir J Aykroyd
S F Hendry

The beneficial interests of the directors holding office on 31 December 2004 in the issued share capital of the company were as follows:

	31.12.04	1.1.04
Ordinary £0.01 shares		
R Andersen	392	392
I Jerman	93	93
G R Taylor	89	89
Sir J Aykroyd	115	115
S F Hendry	-	-

The directors wish to acknowledge the contribution to the business of Ian Jerman who sadly died in 2005.

SUBSIDIARY UNDERTAKINGS

The company is exempt from preparing group accounts. This is due to the fact that it is a medium group as defined by section 248 of the 1985 Companies Act.

The financial statements present information about Speyside Distillers Company Limited as an individual company and not as a group.

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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Speyside Distillers Company Limited

Report of the Directors
For The Year Ended 31 December 2004

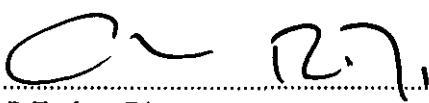
STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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 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

The auditors, ROBB FERGUSON, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
G R Taylor - Director

Date: 26/07/06 .

Report of the Independent Auditors to
Speyside Distillers Company Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages five to twenty four, together with the financial statements of Speyside Distillers Company Limited for the year ended 31 December 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion


In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Other information

On 27 July 2006 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 31 December 2004 prepared under Section 226 of the Companies Act 1985, and our report included the following paragraph:

"Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 of the financial statements re the company's accounting policies. In view of the significance of this matter we consider that it should be brought to your attention but our opinion is not qualified in this respect."



ROBB FERGUSON
Chartered Accountants
Registered Auditors
5 Oswald Street
Glasgow
G1 4QR

Date: 27 July 2006

Speyside Distillers Company Limited

Abbreviated Profit and Loss Account
For The Year Ended 31 December 2004

		<u>2004</u>	<u>2003</u>
	Notes	£	£
GROSS PROFIT		1,203,854	925,469
Administrative expenses		<u>1,028,472</u>	<u>1,067,435</u>
OPERATING PROFIT/(LOSS)	3	175,382	(141,966)
Interest payable and similar charges	4	<u>238,904</u>	<u>203,508</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(63,522)	(345,474)
Tax on loss on ordinary activities	5	<u>(13,500)</u>	<u>(28,500)</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(50,022)	(316,974)
Retained profit brought forward		<u>94,651</u>	<u>411,625</u>
RETAINED PROFIT CARRIED FORWARD		<u>£44,629</u>	<u>£94,651</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

Speyside Distillers Company Limited

Statement of Total Recognised Gains and Losses
For The Year Ended 31 December 2004

	<u>2004</u>	<u>2003</u>
	£	£
LOSS FOR THE FINANCIAL YEAR	(50,022)	(316,974)
Freehold property revaluation	<u>129,718</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>£79,696</u>	<u>£(316,974)</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

Speyside Distillers Company Limited

Abbreviated Balance Sheet
31 December 2004

		<u>2004</u>		<u>2003</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		1,720,704		1,377,733
Investments	7		<u>43,100</u>		<u>46,500</u>
			1,763,804		1,424,233
CURRENT ASSETS:					
Stocks	8	3,809,450		4,092,034	
Debtors	9	1,584,470		1,734,751	
Investments	10	27,615		27,615	
Cash in hand		<u>2,034</u>		<u>913</u>	
		5,423,569		5,855,313	
CREDITORS: Amounts falling due within one year	11	<u>4,794,983</u>		<u>5,079,623</u>	
NET CURRENT ASSETS:			<u>628,586</u>		<u>775,690</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,392,390		2,199,923
CREDITORS: Amounts falling due after more than one year	12		(219,041)		(92,770)
PROVISIONS FOR LIABILITIES AND CHARGES:	16		<u>-</u>		<u>(13,500)</u>
			<u>£2,173,349</u>		<u>£2,093,653</u>

The notes form part of these abbreviated accounts

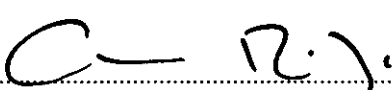
Speyside Distillers Company Limited

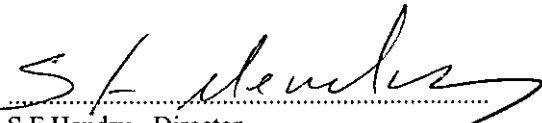
Abbreviated Balance Sheet
31 December 2004

		<u>2004</u>		<u>2003</u>	
	Notes	£	£	£	£
CAPITAL AND RESERVES:					
Called up share capital	17		9		9
Share premium	18		671,243		671,243
Revaluation reserve	19		129,718		-
Other reserves	20		1,327,750		1,327,750
Profit and loss account			<u>44,629</u>		<u>94,651</u>
SHAREHOLDERS' FUNDS:	23		<u>£2,173,349</u>		<u>£2,093,653</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:


.....
G R Taylor - Director


.....
S F Hendry - Director

Approved by the Board on 26/7/06

Speyside Distillers Company Limited

Cash Flow Statement
For The Year Ended 31 December 2004

		<u>2004</u>		<u>2003</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		252,640		66,556
Returns on investments and servicing of finance	2		(238,904)		(203,508)
Capital expenditure and financial investment	2		<u>(98,898)</u>		<u>(62,419)</u>
			(85,162)		(199,371)
Financing	2		<u>(170,876)</u>		<u>289,310</u>
(Decrease)/Increase in cash in the period			<u>£(256,038)</u>		<u>£89,939</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period		(256,038)		89,939	
Cash outflow from decrease in debt and lease financing		<u>75,738</u>		<u>42,138</u>	
Change in net debt resulting from cash flows			(180,300)		132,077
New finance leases			<u>(193,920)</u>		-
Movement in net debt in the period			(374,220)		132,077
Net debt at 1 January			<u>(3,002,450)</u>		<u>(3,134,527)</u>
Net debt at 31 December			<u>£(3,376,670)</u>		<u>£(3,002,450)</u>

The notes form part of these abbreviated accounts

Speyside Distillers Company Limited

Notes to the Cash Flow Statement
For The Year Ended 31 December 2004

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2004	2003
	£	£
Operating profit/(loss)	175,382	(141,966)
Depreciation charges	130,235	144,907
Loss on sale of fixed assets	2,730	1,005
Deferred grants	(4,700)	-
Decrease in stocks	282,584	758,776
Decrease/(Increase) in debtors	150,281	(610,162)
Decrease in creditors	<u>(483,872)</u>	<u>(86,004)</u>
Net cash inflow from operating activities	<u>252,640</u>	<u>66,556</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2004	2003
	£	£
Returns on investments and servicing of finance		
Interest paid	(228,740)	(198,777)
Interest element of hire purchase payments	<u>(10,164)</u>	<u>(4,731)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(238,904)</u>	<u>(203,508)</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(159,598)	(72,814)
Cash receipts - government grants	50,000	-
Sale of tangible fixed assets	7,300	6,995
Cash receipts - investmt sales	<u>3,400</u>	<u>3,400</u>
Net cash outflow for capital expenditure	<u>(98,898)</u>	<u>(62,419)</u>
Financing		
HP capital repayments	(75,738)	(42,134)
Amount introduced by directors	-	331,444
Amount withdrawn by directors	<u>(95,138)</u>	<u>-</u>
Net cash (outflow)/inflow from financing	<u>(170,876)</u>	<u>289,310</u>

The notes form part of these abbreviated accounts

Speyside Distillers Company Limited

Notes to the Cash Flow Statement
For The Year Ended 31 December 2004

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.04 £	Cash flow £	Other non-cash changes £	At 31.12.04 £
Net cash:				
Cash at bank and in hand	913	1,121		2,034
Bank overdraft	<u>(2,979,586)</u>	<u>(257,159)</u>		<u>(3,236,745)</u>
	<u>(2,978,673)</u>	<u>(256,038)</u>		<u>(3,234,711)</u>
 Liquid resources:				
Current asset investments	<u>27,615</u>	<u>-</u>	<u>-</u>	<u>27,615</u>
	<u>27,615</u>	<u>-</u>	<u>-</u>	<u>27,615</u>
 Debt:				
Hire purchase	<u>(51,392)</u>	<u>75,738</u>	<u>(193,920)</u>	<u>(169,574)</u>
	<u>(51,392)</u>	<u>75,738</u>	<u>(193,920)</u>	<u>(169,574)</u>
 Total	<u>(3,002,450)</u>	<u>(180,300)</u>	<u>(193,920)</u>	<u>(3,376,670)</u>

Analysed in Balance Sheet

Cash at bank and in hand	913	2,034
Current asset investments	27,615	27,615
Bank overdraft	(2,979,586)	(3,236,745)
Hire purchase within one year	(38,822)	(73,532)
after one year	<u>(12,570)</u>	<u>(96,042)</u>
	<u>(3,002,450)</u>	<u>(3,376,670)</u>

The notes form part of these abbreviated accounts

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts For The Year Ended 31 December 2004

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

In accordance with their responsibilities as directors, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements.

The company meets its day to day working capital requirements through an overdraft facility and loans from directors. Since the year end the company has restructured its banking arrangements in to a five year term loan of £2,025,000 and overdraft facility of £1,280,000. The overdraft is repayable on demand and renewable on an annual basis, the next renewal date being 29 November 2006. On the basis of the cashflow information made available and discussions with the company's bankers, the directors consider that the company will continue to operate within the current facilities. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that might result from a withdrawal of the facilities by the company's bankers or directors.

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Short leasehold property	- over the period of lease
Plant and machinery	- 25% on reducing balance and 5% on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

1. ACCOUNTING POLICIES - continued

Investments

Fixed asset investments are stated at cost unless, in the opinion of the directors, there has been a permanent diminution in value, in which case an appropriate adjustment is made. Listed current asset investments are stated at the lower of cost or market value where the difference is material, and current asset investment investments are stated at the lower of cost and estimated net realisable value.

Government grants

Government grants on capital expenditure are credited to a deferral account and are released to revenue in accordance with the terms on which capital expenditure is depreciated.

2. STAFF COSTS

	2004	2003
	£	£
Wages and salaries	1,433,430	1,516,114
Social security costs	124,888	121,297
Other pension costs	<u>26,376</u>	<u>26,918</u>
	<u>1,584,694</u>	<u>1,664,329</u>

The average monthly number of employees during the year was as follows:

	2004	2003
Administrative staff	19	21
Distillery staff	4	4
Bonding staff	<u>73</u>	<u>79</u>
	<u>96</u>	<u>104</u>

3. OPERATING PROFIT/(LOSS)

The operating profit (2003 - operating loss) is stated after charging:

	2004	2003
	£	£
Depreciation - owned assets	96,428	126,222
Depreciation - assets on hire purchase contracts	33,807	18,685
Loss on disposal of fixed assets	2,730	1,005
Auditors' remuneration	10,000	10,000
Operating lease - Distillery	9,500	9,500
Operating lease - Equipment	<u>5,237</u>	<u>32,515</u>
	<u>155,863</u>	<u>163,045</u>
Directors' emoluments	16,778	16,493
Directors' pension contributions to money purchase schemes	<u>16,778</u>	<u>16,493</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	-----------------	-----------------

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Bank interest	227,228	180,345
Other interest	1,512	18,432
Hire purchase	<u>10,164</u>	<u>4,731</u>
	<u><u>238,904</u></u>	<u><u>203,508</u></u>

5. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2004	2003
	£	£
Deferred taxation	<u>(13,500)</u>	<u>(28,500)</u>
Tax on loss on ordinary activities	<u><u>(13,500)</u></u>	<u><u>(28,500)</u></u>

6. TANGIBLE FIXED ASSETS

	<u>Freehold property</u>	<u>Short leasehold property</u>	<u>Plant and machinery</u>
	£	£	£
COST OR VALUATION:			
At 1 January 2004	936,066	40,342	594,508
Additions	-	-	352,417
Surplus on revaluation	<u>63,934</u>	-	-
At 31 December 2004	<u><u>1,000,000</u></u>	<u><u>40,342</u></u>	<u><u>946,925</u></u>
DEPRECIATION:			
At 1 January 2004	65,784	13,428	206,638
Charge for year	-	4,476	104,823
Revaluation adjustment	<u>(65,784)</u>	-	-
At 31 December 2004	<u>-</u>	<u><u>17,904</u></u>	<u><u>311,461</u></u>
NET BOOK VALUE:			
At 31 December 2004	<u><u>1,000,000</u></u>	<u><u>22,438</u></u>	<u><u>635,464</u></u>
At 31 December 2003	<u><u>870,282</u></u>	<u><u>26,914</u></u>	<u><u>387,870</u></u>

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

6. **TANGIBLE FIXED ASSETS - continued**

	<u>Fixtures and fittings</u>	<u>Motor vehicles</u>	<u>Totals</u>
	<u>£</u>	<u>£</u>	<u>£</u>
COST OR VALUATION:			
At 1 January 2004	87,519	65,032	1,723,467
Additions	1,101	-	353,518
Disposals	-	(17,831)	(17,831)
Surplus on revaluation	-	-	63,934
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2004	<u>88,620</u>	<u>47,201</u>	<u>2,123,088</u>
DEPRECIATION:			
At 1 January 2004	44,223	15,661	345,734
Charge for year	11,100	9,836	130,235
Eliminated on disposals	-	(7,801)	(7,801)
Revaluation adjustment	-	-	(65,784)
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2004	<u>55,323</u>	<u>17,696</u>	<u>402,384</u>
NET BOOK VALUE:			
At 31 December 2004	<u>33,297</u>	<u>29,505</u>	<u>1,720,704</u>
At 31 December 2003	<u>43,296</u>	<u>49,371</u>	<u>1,377,733</u>

Cost or valuation at 31 December 2004 is represented by:

	<u>Freehold property</u>	<u>Short leasehold property</u>	<u>Plant and machinery</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Valuation in 2004	1,000,000	-	-
Cost	-	40,342	946,925
	<u>1,000,000</u>	<u>40,342</u>	<u>946,925</u>

	<u>Fixtures and fittings</u>	<u>Motor vehicles</u>	<u>Totals</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Valuation in 2004	-	-	1,000,000
Cost	88,620	47,201	1,123,088
	<u>88,620</u>	<u>47,201</u>	<u>2,123,088</u>

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

6. TANGIBLE FIXED ASSETS - continued

If freehold property had not been revalued it would have been included at the following historical cost:

	2004	2003
	£	£
Cost	<u>936,066</u>	<u>936,066</u>
Aggregate depreciation	<u>91,454</u>	<u>65,784</u>
Value of land in freehold land and buildings	<u>90,900</u>	<u>90,900</u>

Freehold property was valued on an open market basis on 31 December 2004 by the Directors..

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<u>Plant and machinery</u>	<u>Motor vehicles</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 January 2004	53,480	81,415	134,895
Additions	287,784	-	287,784
Transferred to ownership	<u>-</u>	<u>(67,920)</u>	<u>(67,920)</u>
At 31 December 2004	<u>341,264</u>	<u>13,495</u>	<u>354,759</u>
DEPRECIATION:			
At 1 January 2004	5,348	42,663	48,011
Charge for year	31,277	2,530	33,807
Transferred to ownership	<u>-</u>	<u>(36,759)</u>	<u>(36,759)</u>
At 31 December 2004	<u>36,625</u>	<u>8,434</u>	<u>45,059</u>
NET BOOK VALUE:			
At 31 December 2004	<u>304,639</u>	<u>5,061</u>	<u>309,700</u>
At 31 December 2003	<u>48,132</u>	<u>38,752</u>	<u>86,884</u>

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

7. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 January 2004	86,500
Disposals	<u>(3,400)</u>
At 31 December 2004	<u>83,100</u>
PROVISIONS:	
At 1 January 2004	
and 31 December 2004	<u>40,000</u>
NET BOOK VALUE:	
At 31 December 2004	<u>43,100</u>
At 31 December 2003	<u>46,500</u>
	2004
	£
Unlisted investments	<u>43,100</u>
	2003
	£
	<u>46,500</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Speyside Distillery Company Limited

Nature of business: Non trading company

	%
Class of shares:	holding
Ordinary	100.00

The aggregate capital and reserves of the Speyside Distillery Company Limited at the year end was nil (2003 - nil).

Speyside Bonding Company Ltd

Nature of business: Non trading company

	%
Class of shares:	holding
Ordinary	100.00

The aggregate capital and reserves of the Speyside Bonding Company Limited at the year end was nil (2003 - nil).

Included in the costs of unlisted investments is the sum of £40,000 in respect of the cost of the investment in the Speyside Bonding Company Limited. This has been provided for in full in previous years due to the nil balance sheet position of the company at the year end.

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

7. FIXED ASSET INVESTMENTS - continued

Forbes Ross & Company Ltd

Nature of business: Holding company & whisky trademark owner

	%
Class of shares:	holding
Ordinary	100.00

	2004	2003
	£	£
Aggregate capital and reserves	2,933	3,104
Loss for the year	<u>(171)</u>	<u>(171)</u>

Included in the costs of unlisted investments is the sum of £5,000 in respect of the cost of the investment in Forbes Ross & Company Limited.

The company also holds other non group, unlisted investments at a cost of £ 38,100 (2003 - £41,500), which the directors consider to fairly represent current market value.

8. STOCKS

	2004	2003
	£	£
Stock - whisky fillings	2,719,727	3,080,028
Cased goods	252,042	191,091
Materials	<u>837,681</u>	<u>820,915</u>
	<u>3,809,450</u>	<u>4,092,034</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
V.A.T.	67,368	73,026
Trade debtors	1,097,813	1,337,857
Prepayments & accrued income	<u>419,289</u>	<u>323,868</u>
	<u>1,584,470</u>	<u>1,734,751</u>

10. CURRENT ASSET INVESTMENTS

	2004	2003
	£	£
Listed investments	12,815	12,815
Unlisted investments	<u>14,800</u>	<u>14,800</u>
	<u>27,615</u>	<u>27,615</u>

Market value of listed investments at 31 December 2004 - £6,615 (2003 - £6,615).

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2004	2003
	£	£
Bank loans and overdrafts (see note 13)	3,236,745	2,979,586
Hire purchase contracts (see note 14)	73,532	38,822
Trade creditors	570,581	834,012
Directors current accounts	386,306	481,444
Amounts owed to group companies	2,909	2,909
Other creditors	28,697	58,030
Social security & other taxes	101,786	126,710
Accrued expenses	389,727	555,911
Deferred government grants	4,700	2,199
	<u>4,794,983</u>	<u>5,079,623</u>

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2004	2003
	£	£
Deferred government grants	122,999	80,200
Hire purchase contracts (see note 14)	<u>96,042</u>	<u>12,570</u>
	<u>219,041</u>	<u>92,770</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2004	2003
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>3,236,745</u>	<u>2,979,586</u>

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2004	2003
	£	£
Gross obligations repayable:		
Within one year	83,308	40,979
Between one and five years	<u>101,194</u>	<u>12,822</u>
	<u>184,502</u>	<u>53,801</u>
Finance charges repayable:		
Within one year	9,776	2,157
Between one and five years	<u>5,152</u>	<u>252</u>
	<u>14,928</u>	<u>2,409</u>
Net obligations repayable:		
Within one year	73,532	38,822
Between one and five years	<u>96,042</u>	<u>12,570</u>
	<u>169,574</u>	<u>51,392</u>

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	2004	2003	2004	2003
	£	£	£	£
Expiring:				
Within one year	-	-	-	14,300
In more than five years	<u>9,500</u>	<u>9,500</u>	<u>-</u>	<u>-</u>
	<u>9,500</u>	<u>9,500</u>	<u>-</u>	<u>14,300</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	2004	2003
	£	£
Bank overdrafts	<u>3,236,745</u>	<u>2,979,586</u>

The bank overdraft is secured by a standard security over No 14 Bond, Duchess Road, Rutherglen and a letter of pledge over the whisky stock as well as a bond and floating charge over the whole of the assets of the company.

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

16. PROVISIONS FOR LIABILITIES AND CHARGES

	2004 £	2003 £
Deferred tax	<u>-</u>	<u>13,500</u>

	Deferred tax £
Balance at 1 January 2004	13,500
Movement in year	<u>(13,500)</u>
Balance at 31 December 2004	<u>-</u>

Deferred tax provision	2004 £	2003 £
Accelerated capital allowances	<u>-</u>	<u>13,500</u>
	<u>-</u>	<u>13,500</u>

17. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2004 £	2003 £
1,000	Ordinary	£0.01	<u>10</u>	<u>10</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2004 £	2003 £
889	Ordinary	£0.01	<u>9</u>	<u>9</u>

18. SHARE PREMIUM

	2004 £	2003 £
Brought forward	<u>671,243</u>	<u>671,243</u>

19. REVALUATION RESERVE

	2004 £	2003 £
Freehold property revaluation	<u>129,718</u>	<u>-</u>

20. OTHER RESERVES

	2004 £	2003 £
Capital reserve arising on transfer of subsidiary company net assets	<u>1,327,750</u>	<u>1,327,750</u>

Speyside Distillers Company Limited

Notes to the Abbreviated Accounts
For The Year Ended 31 December 2004

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for nominated employees and directors. The pension charge represents contributions payable by the company to the scheme in the year and amounted to £26,376 (2003 - £26,918). There was no outstanding contributions at the year end.

22. CAPITAL COMMITMENTS

	2004	2003
	£	£
Contracted but not provided for in the financial statements	<u>5,244</u>	<u>146,785</u>

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Loss for the financial year	(50,022)	(316,974)
Other recognised gains and losses relating to the year (net)	<u>129,718</u>	<u>-</u>
Net addition/(reduction) to shareholders' funds	79,696	(316,974)
Opening shareholders' funds	<u>2,093,653</u>	<u>2,410,627</u>
Closing shareholders' funds	<u>2,173,349</u>	<u>2,093,653</u>
 Equity interests	 <u>2,173,349</u>	 <u>2,093,653</u>