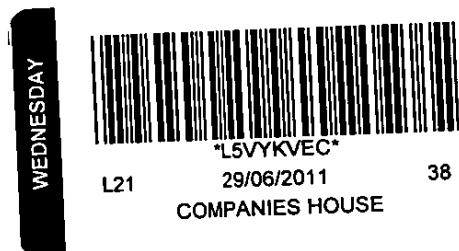




Grant Thornton

Financial statements Bibendum Wine Limited

For the Year Ended 31 March 2011



Company No. 2218928

Officers and professional advisers

Company registration number	2218928
Registered office	113 Regents Park Road London NW1 8UR
Directors	M P Saunders R S Cochrane J S P Kowszun
Bankers	The Royal Bank of Scotland Buckingham Branch 2 Market Hill Buckingham MK18 1JS
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

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Report of the directors

The directors present their annual report on the affairs of the Group, together with the accounts and auditor's report for the year ended 31 March 2011

Principal activities and business review

The principal activities of the Group are the importation and distribution of wine and spirits and the worldwide sale of the branded wines of The Argento Wine Company Limited

The Group seeks to maximise the benefit our customers gain from the world of wine by being the most innovative, insightful and ultimately reliable wine company. We aim for excellence in

- Our wines
- Our service levels
- The consumer and market insight we provide
- Our "Added Value" approach to business

The Board intends to deliver this mission, whilst continuing to strengthen the balance sheet through excellence in working capital management, through focusing on three strategic drivers

- Continuously improving productivity throughout the business
- Adding value to our customers
- Enhancing capability through investment in people, development and training

The key performance indicators used to manage the business, each of which is objectively measured and has performance targets set against it are as follows

- Growth in sales and gross profit against pre-set targets
- Consistently tight control over overheads, without impacting service levels
- Aggressive management of each element of working capital
- Customer satisfaction with our products, people and services
- Employee satisfaction

Group turnover during the year increased by 22% to £176.9m (2010 £144.5m) with gross profit increasing by 15% to £24.0m (2010 £20.8m) over the same period. This improvement in gross profit has been generated despite a reduction in the gross margin (as a percentage of sales) to 13.6% (2010 14.4%). This overall reduction in gross margin is driven by mix rather than underlying margin erosion, with strong growth in Off-trade, Catering and Spirits which all have lower margins. We are continuing to see the benefits of our focus over the last three years on controlling costs through improving efficiency and control, balanced by investment in both people and systems where necessary. This focus has resulted in operating profit for the year to increasing by 33% to £3.2m (2010 £2.4m). This increase in efficiency was seen in selling and distribution costs falling as a percentage of sales by a full percentage point and the administration costs ratio remaining static.

The business has seen its interest charge increase marginally to £0.35m (2010 £0.32m) which is the result of consistently low interest rates, stable banking arrangements and an unchanged year end net debt position of £10m (2010 £10m), which has been achieved despite the increase in levels of trade through improved working capital management. Profit before tax has therefore increased by 33% to £2.8m (2010 £2.1m). Profit after taxation and minority interest was £2.0m (2010 £1.3m).

Report of the directors

Results and dividends

The profit for the year after taxation amounted to £2,029,000 (2010 £1,272,000). No dividend was paid during the year.

Financial risk management objectives and policies

The group uses various financial instruments including loans, cash, equity instruments and various items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The main risks arising from the group's financial instruments are foreign exchange risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies remain unchanged from previous years.

Foreign exchange risk

The group's major transactional exposures are to New Zealand dollar, Australian dollar and Euro outflows from the UK.

The group's exposure to transactional (or non structural) foreign exchange risks i.e. those arising from transactions that are not denominated in sterling is managed where possible by matching revenues with costs in the same currencies.

The group usually hedges its foreign exchange exposure, mainly in respect of the New Zealand dollar, Australian dollar and the Euro. This hedging takes the form of financial contracts to purchase set amounts of currency at a range of prices. The quantum of current contracts in place is disclosed in note 32.

This policy will be monitored actively and may be revised should the values of non-sterling denominated transactions change substantially within the UK operations. Formal Board approval would be required for any such change.

Interest rate risk

The group's current borrowings include a bank overdraft which attracts interest at a rate related to The Royal Bank of Scotland base rate and a seven year bank loan attracting interest at a similar rate. The Group's interest rate exposure is therefore related to the bank's base rate. Over the last few years, the group has taken the decision to accept the risk of increased interest charges resulting from increased interest rates. However, in the current economic environment, the Board reviews this policy regularly and is ready to implement a hedging programme when it deems it economically prudent to do so.

Credit risk

The group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed on a periodic basis.

Directors

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

P I Espenhahn (resigned 26 April 2011)
M P Saunders
R S Cochrane
B J Collins (resigned 26 April 2011)
S C Farr (resigned 26 April 2011)
J S P Kowszun
W O Lebus (resigned 26 April 2011)
J J Young (resigned 26 November 2010)

Fixed assets

At 31 March 2010, the Directors engaged Vail Williams to complete a full valuation of the group's freehold property. The valuation indicated that the open market value of the property was £2,900,000. No valuation has been completed during the financial year ended 31 March 2011.

Directors' responsibilities

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 the group and of the profit or loss of the group for that year. 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 UK 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 group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

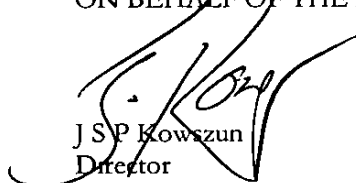
Donations

During the year the Group provided £3,000 (2010: £4,000) to its Charity Committee, made up of employees, who carried out various fundraising activities throughout the year for our nominated charity, the Multiple Sclerosis Society

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Companies Act 2006

ON BEHALF OF THE BOARD



J S P Kowszun
Director
28 June 2011



Independent auditor's report to the members of Bibendum Wine Limited

We have audited the group and parent company financial statements ("the financial statements") of Bibendum Wine Limited for the year ended 31 March 2011. 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 auditor's 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 pages 5 to 6, 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by 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 group's and parent company's affairs as at 31 March 2011 and of the group's 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 report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Bibendum Wine 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



MARK HENSHAW (Senior Statutory Auditor)

For and on behalf of
GRANT THORNTON UK LLP
STATUTORY AUDITOR
CHARTERED ACCOUNTANTS

LONDON
28 June 2011

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable accounting standards

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all significant group undertakings, made up to 31 March 2011, all of which are accounted for using the equity method

Joint ventures in which the group has a long term interest and shares control under a contractual agreement with other parties are accounted for using the equity method

As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of Section 408 of the Companies Act 2006

Related parties transactions

The company is a wholly owned subsidiary of Bibendum Wine Holdings Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with wholly owned members of the Bibendum group

Turnover

The turnover shown in the profit and loss account comprises the value of sales (excluding VAT) of goods and services in the normal course of business and is recognised as follows

Trade sales

Revenue is recognised in respect of trade sales once the sales have been made and the goods have been despatched

Agency sales

Where the group acts as an agent, only commissions receivable for services rendered are recognised as revenue. Revenue is recognised once sales have been made and the goods despatched. Any third party costs incurred on behalf of the principal that are rechargeable under contractual arrangements are not included in revenue

En primeur sales

Revenue from en primeur sales is recognised upon delivery of the goods to the customer

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 20 years. Provisions are made for any impairment in value.

The company has taken advantage of the transitional provision of FRS 10 "Goodwill and intangible assets". Goodwill relating to acquisitions in years prior to the year ended 31 March 1999 was written off directly to the profit and loss reserves. Such goodwill has been eliminated as a matter of accounting policy and will be charged in the profit and loss account on subsequent disposal of the business to which it relates.

Brands

Acquired brands are recognised when they are controlled through contractual or other legal rights and the fair value can be reliably measured.

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:

Goodwill	-	Over 20 years
Brands	-	Over 20 years

Fixed assets

Land and buildings are shown at valuation, as set out in the notes to the financial statements. Other fixed assets are shown 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:

Fixtures & Fittings	-	15% per annum
Motor Vehicles	-	15% per annum
Equipment	-	33% per annum

No depreciation is provided on the freehold land and buildings. The proportion of the land and buildings attributable to the buildings is immaterial and consequently depreciation would not, in the opinion of the directors, be material and therefore no provision has been made.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock is recognised on a FIFO basis.

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

Pension costs

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.

Deferred taxation

Deferred taxation is provided for on a full provision basis on all timing differences, which have arisen but not been reversed at the balance sheet date.

Deferred tax assets are only recognised to the extent that they are recoverable, that is on the basis of all available evidence, that it is more likely than not that there will be sufficient suitable taxable profits from which future reversal of the underlying timing differences can be deducted.

Deferred tax assets are not discounted.

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 average rate of exchange for the year. Exchange differences are taken into account in arriving at the operating profit.

The financial statements of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The exchange differences arising from the retranslation of the opening net investment in subsidiaries are taken directly to reserves. All other exchange differences are dealt with through the profit and loss account.

Share-based payments

The group issues equity-settled share-based payments to certain employees (including directors). Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the group's estimate of the shares that will eventually vest.

Fair value is measured using the Black Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Profit and loss account

	Note	2011 £000	2010 £000
Group turnover (including share of joint venture)	1	177,145	144,849
Less share of joint venture turnover		(284)	(311)
Group Turnover		<u>176,861</u>	<u>144,538</u>
Cost of sales		(152,812)	(123,704)
Gross profit		<u>24,049</u>	<u>20,834</u>
Other operating charges	2	(20,893)	(18,475)
Operating profit	4	<u>3,156</u>	<u>2,359</u>
Share of joint venture operating profit		4	22
Total operating profit: group and share of joint ventures		<u>3,160</u>	<u>2,381</u>
Income from fixed asset investments	7	-	35
Interest receivable		34	3
Interest payable and similar charges	8	(355)	(323)
Profit on ordinary activities before taxation		<u>2,839</u>	<u>2,096</u>
Tax on profit on ordinary activities	9	(899)	(685)
Profit on ordinary activities after taxation		<u>1,940</u>	<u>1,411</u>
Minority interests		89	(139)
Profit attributable to members of the parent company		<u>2,029</u>	<u>1,272</u>
Profit for the financial year	28	<u>2,029</u>	<u>1,272</u>
Earnings per share (pence)			
Basic	11	<u>100.9</u>	<u>63.3</u>
Diluted	11	<u>100.9</u>	<u>63.3</u>

All of the activities of the group are classed as continuing

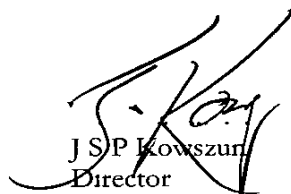
The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own profit and loss account

The accompanying accounting policies and notes form part of these financial statements.

Group balance sheet

	Note	2011 £000	2010 £000
Fixed assets			
Intangible assets	12	2,202	2,351
Tangible assets	13	3,414	3,493
Investments	14	90	86
		<u>5,706</u>	<u>5,930</u>
Current assets			
Stocks	15	14,495	10,240
Debtors	16	46,060	35,095
Cash at bank and in hand		2,961	2,837
		<u>63,516</u>	<u>48,172</u>
Creditors: amounts falling due within one year	18	<u>(55,455)</u>	<u>(42,122)</u>
Net current assets		<u>8,061</u>	<u>6,050</u>
Total assets less current liabilities		<u>13,767</u>	<u>11,980</u>
Creditors: amounts falling due after more than one year	19	<u>(46)</u>	<u>(214)</u>
		<u><u>13,721</u></u>	<u><u>11,766</u></u>
Capital and reserves			
Called-up equity share capital	23	2,010	2,010
Share premium account	24	1,192	1,192
Revaluation reserve	25	1,730	1,730
Capital contribution reserve	26	49	35
Share options reserve	27	23	23
Profit and loss account	28	8,183	6,154
		<u>13,187</u>	<u>11,144</u>
Shareholders' funds	29	<u>13,187</u>	<u>11,144</u>
Minority interests		<u>534</u>	<u>622</u>
		<u><u>13,721</u></u>	<u><u>11,766</u></u>

These financial statements were approved by the directors and authorised for issue on 28 June 2011, and are signed on their behalf by


 J S P Kowaszur
 Director

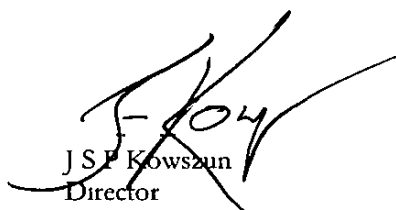
Company Registration Number 2218928

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2011 £000	2010 £000
Fixed assets			
Tangible assets	13	3,413	3,492
Investments	14	4,164	4,164
		<u>7,577</u>	<u>7,656</u>
Current assets			
Stocks	15	14,218	10,061
Debtors	16	42,846	32,299
Cash at bank		2,474	582
		<u>59,538</u>	<u>42,942</u>
Creditors: amounts falling due within one year	18	<u>(54,582)</u>	<u>(40,156)</u>
Net current assets		<u>4,956</u>	<u>2,786</u>
Total assets less current liabilities		<u>12,533</u>	<u>10,442</u>
Creditors: amounts falling due after more than one year	19	<u>(46)</u>	<u>(214)</u>
		<u>12,487</u>	<u>10,228</u>
Capital and reserves			
Called-up equity share capital	23	2,010	2,010
Share premium account	24	1,192	1,192
Revaluation reserve	25	830	830
Capital contribution reserve	26	49	35
Share options reserve	27	23	23
Profit and loss account	28	8,383	6,138
Shareholders' funds		<u>12,487</u>	<u>10,228</u>

These financial statements were approved by the directors and authorised for issue on 28 June 2011, and are signed on their behalf by


 J S P Kowszun
 Director

Company Registration Number 2218928

The accompanying accounting policies and notes form part of these financial statements.

Group cash flow statement

	Note	2011 £000	2010 £000
Net cash inflow from operating activities	30	1,876	2,444
Returns on investments and servicing of finance	30	(321)	(285)
Taxation	30	(838)	869
Capital expenditure and financial investment	30	(542)	(492)
Cash inflow before financing		<u>175</u>	<u>2,536</u>
Financing	30	(167)	(166)
Increase in cash	30	<u>8</u>	<u>2,370</u>

The accompanying accounting policies and notes form part of these financial statements.

Other primary statements

Statement of total recognised gains and losses

	2011	2010
	£000	£000
Profit for the financial year excluding share of profit of joint venture	2,025	1,253
Share of joint venture profit for the year	4	19
Profit attributable to shareholders of the parent company	<u>2,029</u>	<u>1,272</u>
Unrealised profit on revaluation of certain fixed assets	-	200
Total recognised gains and losses for the year	<u><u>2,029</u></u>	<u><u>1,472</u></u>

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the group
An analysis of turnover is given below

	2011 £000	2010 £000
United Kingdom	164,110	133,143
Europe	9,359	8,831
Rest of world	3,392	2,564
	<u>176,861</u>	<u>144,538</u>

2 Other operating charges

	2011 £000	2010 £000
Distribution costs	12,314	11,727
Administrative expenses	8,579	6,748
	<u>20,893</u>	<u>18,475</u>

3 Other operating income

The share of operating profit relating to the joint venture is £4,000 (2010 £22,000)

4 Operating profit

Operating profit is stated after charging/(crediting)

	2011 £000	2010 £000
Equity-settled share-based payments	14	14
Amortisation of intangible assets	149	148
Depreciation of owned fixed assets	621	631
Operating lease rentals - plant and machinery	110	141
Operating lease rentals - other	48	48
Auditor's remuneration - audit of the financial statements	31	31
Auditor's remuneration - other fees	64	29
	<u> </u>	<u> </u>

4 Operating profit (continued)

	2011 £000	2010 £000
Auditor's remuneration - audit of the financial statements	<u>31</u>	<u>31</u>
Auditor's remuneration - other fees		
- Local statutory audit of subsidiary	10	10
- Taxation services	50	15
- Local statutory audit of joint venture	<u>4</u>	<u>4</u>
	<u>64</u>	<u>29</u>

5 Particulars of employees

The average number of staff employed by the group during the financial year amounted to

	2011 No	2010 No
Number of distribution staff	158	151
Number of administrative staff	<u>58</u>	<u>59</u>
	<u>216</u>	<u>210</u>

The aggregate payroll costs of the above were

	2011 £000	2010 £000
Wages and salaries	9,915	8,240
Social security costs	1,148	957
Other pension costs	<u>277</u>	<u>253</u>
	<u>11,340</u>	<u>9,450</u>

6 Directors

Remuneration in respect of directors was as follows

	2011 £000	2010 £000
Remuneration receivable	1,529	1,147
Value of company pension contributions to money purchase schemes	<u>99</u>	<u>75</u>
	<u>1,628</u>	<u>1,222</u>

6 Directors(continued)

Remuneration of highest paid director

2011	2010
£000	£000

Total remuneration (excluding pension contributions)

397	315
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Value of company pension contributions to money purchase schemes

23	5
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<u>420</u>	<u>320</u>
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The number of directors who accrued benefits under company pension schemes was as follows

2011	2010
No	No

Money purchase schemes

<u>5</u>	<u>3</u>
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The highest paid director did not receive any share options in Bibendum Wine Limited during the year
No directors exercised share options in the year

7 Income from other fixed asset investments

2011	2010
£000	£000

Dividend received from joint venture

<u>-</u>	<u>35</u>
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8 Interest payable and similar charges

2011	2010
£000	£000

Interest payable on bank borrowing

<u>355</u>	<u>323</u>
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9 Taxation on ordinary activities

(a) Analysis of charge in the year

	2010 £000	2009 £000
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2010 - 28%)	1,003	626
(Over)/under provision in prior year	(85)	65
	<u>918</u>	<u>691</u>
Share of joint venture taxation charge	1	3
Total current tax	<u>919</u>	<u>694</u>
Deferred tax		
Origination and reversal of timing differences	(20)	(9)
Tax on profit on ordinary activities	<u>899</u>	<u>685</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2010 - 28%)

	2011 £000	2010 £000
Profit on ordinary activities before taxation	<u>2,839</u>	<u>2,096</u>
Profit on ordinary activities multiplied by rate of tax of 28%	795	587
Expenses not deductible for tax purposes	106	66
Capital allowances for period in excess of depreciation	20	8
Adjustments to tax charge in respect of previous periods	(2)	65
Other timing differences	-	(32)
Total current tax (note 9(a))	<u>919</u>	<u>694</u>

(c) Factors that may affect future tax charges

At 31 March 2011, a deferred tax asset of £75,000 (2010 £55,000) has been recognised in respect of an excess of depreciation over capital allowances. The directors believe the benefits of this asset will crystallise in the future.

10 Profit attributable to members of the parent company

The profit dealt with in the financial statements of the parent company was £2,245,000 (2010 £1,019,000) (see note 28)

11 Earnings per share

The basic earnings per ordinary share is calculated by dividing profit for the year by the weighted average number of equity shares outstanding during the year

The diluted earnings per ordinary share is calculated by dividing profit for the year by the weighted average number of equity shares outstanding during the year (after adjusting both figures for the effect of dilutive potential ordinary shares)

The calculation of basic and diluted earnings per ordinary share is based upon the following data

Earnings

	2011	2010
	£	£
Earnings for the purposes of basic earnings per share	<u>2,029,000</u>	<u>1,272,000</u>
Earnings for the purposes of diluted earnings per share	<u>2,029,000</u>	<u>1,272,000</u>

Number of shares

	2011	2010
	No	No
Basic weighted average number of shares	<u>2,009,938</u>	<u>2,009,938</u>
Weighted average number of shares for the purposes of diluted earnings per share	<u>2,009,938</u>	<u>2,009,938</u>

12 Intangible fixed assets

Group	Goodwill £000	Brands £000	Total £000
Cost			
At 1 April 2010	872	2,103	2,975
Additions	-	-	-
At 31 March 2011	<u>872</u>	<u>2,103</u>	<u>2,975</u>
Amortisation			
At 1 April 2010	129	495	624
Charge for the year	43	106	149
At 31 March 2011	<u>172</u>	<u>601</u>	<u>773</u>
Net book value			
At 31 March 2011	<u>700</u>	<u>1,502</u>	<u>2,202</u>
At 31 March 2010	<u>743</u>	<u>1,608</u>	<u>2,351</u>

13 Tangible fixed assets

Group	Freehold Property £000	Property Improve- ments £000	Fixtures & Fittings £000	Motor Vehicles £000	Equipment £000	Total £000
Cost or valuation						
At 1 Apr 2010	2,430	1,569	281	10	1,199	5,489
Additions	-	3	105	-	444	552
Disposals	-	-	(22)	-	-	(22)
At 31 Mar 2011	<u>2,430</u>	<u>1,572</u>	<u>364</u>	<u>10</u>	<u>1,643</u>	<u>6,019</u>
Depreciation						
At 1 Apr 2010	-	1,102	184	8	702	1,996
Charge for the year	-	209	75	2	334	621
On disposals	-	-	(11)	-	-	(11)
At 31 Mar 2011	<u>-</u>	<u>1,311</u>	<u>248</u>	<u>10</u>	<u>1,036</u>	<u>2,605</u>
Net book value						
At 31 Mar 2011	<u>2,430</u>	<u>261</u>	<u>116</u>	<u>-</u>	<u>607</u>	<u>3,414</u>
At 31 Mar 2010	<u>2,430</u>	<u>467</u>	<u>97</u>	<u>2</u>	<u>497</u>	<u>3,493</u>

13 Tangible fixed assets (continued)

The cost to the group and company of the freehold property as at 31 March 2011 was £700,000 (2010 £700,000)

At 31 March 2010, the Directors engaged an external firm of property consultants, Vail Williams, to complete a full existing use, market valuation of the Group's freehold property. The valuation indicated that the open market value of the property (including property improvements) was £2,900,000

Company	Freehold Property £000	Property Improve- ments £000	Fixtures & Fittings £000	Equipment £000	Total £000
Cost or valuation					
At 1 April 2010	2,430	1,569	281	1,194	5,474
Additions	-	3	105	444	552
Disposals	-	-	(22)	-	(22)
At 31 March 2011	<u>2,430</u>	<u>1,572</u>	<u>364</u>	<u>1,638</u>	<u>6,004</u>
Depreciation					
At 1 April 2010	-	1,102	184	696	1,982
Charge for the year	-	209	73	338	620
On disposals	-	-	(11)	-	(11)
At 31 March 2011	<u>-</u>	<u>1,311</u>	<u>246</u>	<u>1,034</u>	<u>2,591</u>
Net book value					
At 31 March 2011	<u>2,430</u>	<u>261</u>	<u>118</u>	<u>604</u>	<u>3,413</u>
At 31 March 2010	<u>2,430</u>	<u>467</u>	<u>97</u>	<u>498</u>	<u>3,492</u>

14 Investments

Group	Investment in joint venture £000
Cost	
At 1 April 2010	86
Additions	4
At 31 March 2011	<u>90</u>
Net book value	
At 31 March 2011	<u>90</u>
At 31 March 2010	<u>86</u>

14 Investments(continued)

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertakings				
All held by the company				
Mixbury Trading Company Limited	England	Ordinary shares	100%	Non trading
The Yorkshire Fine Wine Company Limited	England	Ordinary shares	100%	Dormant
H Youdell and Company Limited	England	Ordinary shares	100%	Dormant
European Wine Partnership LLP	England	Ordinary shares	70%	Non trading
The Argento Wine Company Limited*	England	Ordinary shares	67%	Wine distributor
The Argento Wine Company Argentina S A **	Argentina	Ordinary shares	67%	Wine distributor

* 33% is held by Mixbury Trading Company Limited

** Held by The Argento Wine Company Limited

On liquidation of The Argento Wine Company Limited, Bibendum Wine Limited receive the first £3 million of net assets, with each shareholder receiving their proportion of the remaining net assets

Share of assets of joint ventures

	2011 £000	2010 £000
Share of net assets of joint venture	<u>54</u>	<u>48</u>

The Group's investments in joint ventures represents a 50% shareholding in SAAM Wine Company Limited, a company incorporated in England and Wales. The joint venture company commenced trading on 1 April 2008 and its principal activity is the importation and distribution of South African wine. The financial statements for the year ended 31 March 2011 report a retained profit of £5,736 (2010 £37,142) and net assets of £107,625 (2010 £101,889)

Company	Group companies £000
Cost	
At 1 April 2010 and 31 March 2011	<u>4,862</u>
Amounts written off	
At 1 April 2010 and 31 March 2011	<u>698</u>
Net book value	
At 31 March 2011 and 31 March 2010	<u>4,164</u>

15 Stocks

	The group		The company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Goods held for resale	<u>14,495</u>	<u>10,240</u>	<u>14,218</u>	<u>10,061</u>

16 Debtors

	The group		The company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Trade debtors	34,568	28,299	31,985	25,532
Amounts owed by group undertakings	3,607	3,605	4,143	3,905
VAT recoverable	-	14	-	-
Other debtors	1,456	593	370	304
Deferred taxation (Note 17)	75	55	73	53
Prepayments and accrued income	6,354	2,529	6,275	2,505
	<u>46,060</u>	<u>35,095</u>	<u>42,846</u>	<u>32,299</u>

Included within other debtors is a balance of £153,000 (2010 £153,000) due from the Employee Benefit Trust in more than one year

17 Deferred taxation

The movement in the deferred taxation asset during the year was

	The group		The company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Asset brought forward	55	46	53	46
Increase in asset	20	9	20	7
Asset carried forward	<u>75</u>	<u>55</u>	<u>73</u>	<u>53</u>

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of

Group	2011		2010	
	Provided	Unprovided	Provided	Unprovided
	£000	£000	£000	£000
Excess of depreciation over taxation allowances	<u>75</u>	<u>55</u>	<u>55</u>	<u>46</u>

17 Deferred taxation(continued)

The company's asset for deferred taxation consists of the tax effect of timing differences in respect of

Company	2011		2010	
	Provided £000	Unprovided £000	Provided £000	Unprovided £000
Excess of depreciation over taxation allowances	<u>73</u>	<u>-</u>	<u>53</u>	<u>-</u>

18 Creditors: amounts falling due within one year

	The group		The company	
	2011 £000	2010 £000	2011 £000	2010 £000
Bank loans and overdrafts	13,015	12,897	13,015	12,897
Trade creditors	25,055	18,511	23,607	16,798
Amounts owed to group undertakings	9	9	1,264	750
Corporation tax	720	643	807	488
Other taxation and social security	3,924	3,065	3,924	3,141
Other creditors	4	76	4	-
Accruals and deferred income	12,728	6,921	11,961	6,082
	<u>55,455</u>	<u>42,122</u>	<u>54,582</u>	<u>40,156</u>

The bank loan and overdraft are secured by a fixed and floating charge over all the current and future assets of Bibendum Wine Limited, as well as over the freehold land and buildings of the group. Interest is charged at a rate related to The Royal Bank of Scotland base rate.

19 Creditors: amounts falling due after more than one year

	The group		The company	
	2011 £000	2010 £000	2011 £000	2010 £000
Bank loans	<u>46</u>	<u>214</u>	<u>46</u>	<u>214</u>

The remainder of the bank loan brought forward at 1 April 2010 is repayable over 2 years and attracts an interest rate related to The Royal Bank of Scotland base rate.

20 Share-based payments

Equity-settled share-based payments

The parent company has a share option scheme for certain employees (including directors) Options are exercisable at a price which is not less than the market price of the parent company's shares at the date of grant

The inputs into the Black Scholes model used to value the options granted are as follows

	May 2007	September 2008
Weighted average share price	£5.50	£5.50
Weighted average exercise price	£6.52	£21.10
Expected volatility	39%	28%
Expected life	10 years	8 years
Risk free rate	4.53%	4.47%
Expected dividend yield	6%	0%
	<u> </u>	<u> </u>

21 Commitments under operating leases

At 31 March 2011 the group had annual commitments under non-cancellable operating leases as set out below

The group and company	2011		2010	
	Land and buildings	Other items	Land and buildings	Other items
	£000	£000	£000	£000
Operating leases which expire				
Within 1 year	-	60	-	132
Within 2 to 5 years	48	48	48	9
	<u>48</u>	<u>108</u>	<u>48</u>	<u>141</u>

22 Related party transactions

An amount of £153,000 (2010 £153,000) in respect of shares sold by the Bibendum Wine Employee Share Option Plan is due from the Employee Benefit Trust. Of this amount, £71,750 (2010 £71,750) is due from a director to the Employee Benefit Trust.

The parent company has taken advantage of the exemption in FRS 8 concerning related party transactions with its wholly owned subsidiaries.

During the year, the company purchased wine totalling £4,083,468 (2010 £1,836,012) and provided services totalling £1,335,730 (2010 £430,852) from/to The Argento Wine Company Limited, a 66.6% subsidiary of the company. Goods are bought and sold on the basis of the price list in force with non related parties. At 31 March 2011, the outstanding balance due to The Argento Wine Company Limited was £718,209 (2010 £440,277). No amounts were written off in the year.

During the year, the company purchased wine totalling £511,713 (2010 £473,932) from SAAM Wine Company Limited, a joint venture vehicle of which the company holds a 50% interest. Goods are bought and sold on the basis of the price list in force with non related parties. During the year, the Company sold marketing and other services to SAAM Wine Company Limited to the value of £39,143 (2010 £50,328). At 31 March 2011, the outstanding balance due to SAAM Wine Company Limited was £23,010 (2010 £65,543). No amounts were written off in the year.

23 Share capital

Authorised share capital

	2011	2010
	£000	£000
2,439 Ordinary shares of £1 each	<u>2,439</u>	<u>2,439</u>

Allotted and called up

	2011		2010	
	No	£000	No	£000
2,010 Ordinary shares of £1 each	<u>2,009,938</u>	<u>2,010</u>	<u>2,009,938</u>	<u>2,010</u>

24 Share premium account

There was no movement on the share premium account during the financial year.

25 Revaluation reserve

	The group		The company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Balance brought forward	1,730	1,530	830	630
Revaluation of fixed assets	-	200	-	200
Balance carried forward	<u>1,730</u>	<u>1,730</u>	<u>830</u>	<u>830</u>

26 Capital contribution reserve

	The group		The company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Balance brought forward	35	21	35	21
Other movements	14	14	14	14
Balance carried forward	<u>49</u>	<u>35</u>	<u>49</u>	<u>35</u>

The company's holding company operates an employee share option scheme under which a number of the company's employees have been issued with share options. The fair value determined at the grant date is expensed to the company's profit and loss account on a straight line basis over the vesting period. The charge for the current year was £14,000 (2010 £14,000) and has been transferred to the capital contribution reserve in the financial statements of the company.

27 Share options reserve

	The group		The company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Balance brought forward	23	23	23	23
Balance carried forward	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>

28 Profit and loss account

	The group		The company	
	2011	2010	2011	2010
	£000	£000	£000	£000
Balance brought forward	6,154	4,882	6,138	5,119
Profit for the financial year	2,029	1,272	2,245	1,019
Balance carried forward	<u>8,183</u>	<u>6,154</u>	<u>8,383</u>	<u>6,138</u>

29 Reconciliation of movements in shareholders' funds

	The Group		The Company	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Profit for the financial year	2,029	1,272	2,245	1,019
Other net recognised gains and losses	-	200	-	200
Capital contribution movement in the year	14	14	14	14
Net addition to shareholders' funds	<u>2,043</u>	<u>1,486</u>	<u>2,259</u>	<u>1,235</u>
Opening shareholders' funds	11,144	9,658	10,228	8,995
Closing shareholders' funds	<u>13,187</u>	<u>11,144</u>	<u>12,487</u>	<u>10,228</u>

30 Notes to the cash flow statement

Reconciliation of operating profit to net cash inflow from operating activities

	2011 £'000	2010 £'000
Operating profit	3,156	2,359
Amortisation	149	148
Depreciation	621	631
Increase in stocks	(4,255)	(490)
Increase in debtors	(10,945)	(271)
Increase in creditors	13,136	53
Equity-settled share-based payments	14	14
Net cash inflow from operating activities	<u>1,876</u>	<u>2,444</u>

Returns on investments and servicing of finance

	2011 £'000	2010 £'000
Income from other fixed asset investments	-	35
Interest received	34	3
Interest paid	(355)	(323)
Net cash outflow from returns on investments and servicing of finance	<u>(321)</u>	<u>(285)</u>

Taxation

	2011 £'000	2010 £'000
Taxation	<u>(838)</u>	<u>869</u>

30 Notes to the cash flow statement (continued)

Capital expenditure

	2011 £'000	2010 £'000
Payments to acquire tangible fixed assets	(552)	(492)
Receipts from sale of tangible fixed assets	10	-
Net cash outflow from capital expenditure	<u>(542)</u>	<u>(492)</u>

Financing

	2011 £'000	2010 £'000
Repayment of bank loans	<u>(167)</u>	<u>(166)</u>

Reconciliation of net cash flow to movement in net debt

	2011 £'000	2010 £'000
Increase in cash in the period	8	2,370
Net cash outflow from bank loans	<u>167</u>	<u>166</u>
Change in net debt	175	2,536
Net debt at 1 April	<u>(10,273)</u>	<u>(12,809)</u>
Net debt at 31 March	<u>(10,098)</u>	<u>(10,273)</u>

30 Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At 1 Apr 2010 £000	Cash flows £000	At 31 Mar 2011 £000
Net cash			
Cash in hand and at bank	2,837	124	2,961
Overdrafts	(12,720)	(116)	(12,836)
	<u>(9,883)</u>	<u>8</u>	<u>(9,875)</u>
Debt			
Debt due within 1 year	(177)	-	(177)
Debt due after 1 year	(213)	167	(46)
	<u>(390)</u>	<u>167</u>	<u>(223)</u>
Net debt	<u>(10,273)</u>	<u>175</u>	<u>(10,098)</u>

31 Ultimate parent company

The immediate and ultimate parent company is Bibendum Wine Holdings Limited, a company registered in England and Wales

32 Financial commitments

At 31 March 2011, the company had entered into forward foreign exchange purchase contracts with a value amounting to £16,202,429 (2010 £26,102,465)