

Company's Registered Number: 6155211

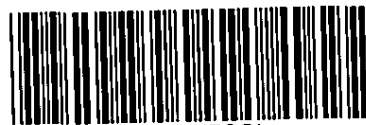
BIBENDUM WINE HOLDINGS LIMITED

REPORT AND ACCOUNTS

For the year ended

31 MARCH 2009

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BIBENDUM WINE HOLDINGS LIMITED

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BIBENDUM WINE HOLDINGS LIMITED

COMPANY INFORMATION

REGISTERED NUMBER

6155211

DIRECTORS

P I Espenhahn (Non-executive Chairman)
M P Saunders (Managing Director)

S C Farr
R Gabb
H M C Morley
A M Vinton
A G Wahab
J J Young

SECRETARY

J J Young

REGISTERED OFFICE

113 Regents Park Road
London NW1 8UR

BANKERS

The Royal Bank of Scotland plc
Buckingham Branch
2 Market Hill
Buckingham MK18 1JS

AUDITORS

Nexia Smith & Williamson
Chartered Accountants
Registered Auditors
25 Moorgate
London EC2R 6AY

BIBENDUM WINE HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the Group, together with the accounts and auditors' report for the period ended 31 March 2009.

Principal activities and business review

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

The principal activity of Bibendum Wine Holdings Limited is that of a holding company of Bibendum Wine Limited and The Argento Wine Company Limited. It acquired the entire share capital of Bibendum Wine Limited on 4 June 2007.

These consolidated accounts represent the Group activities for the year ended 31 March 2009 and the comparatives cover the period from incorporation on 13 March 2007 to 31 March 2008, although the company was dormant until 4 June 2007 when it acquired the entire share capital of Bibendum Wine Limited.

As explained in Note 1 to the Financial Statements, the profit and loss account for the year ended 31 March 2008 and the balance sheet as at that date have been restated. This is due to a change in the accounting policy relating to en primeur sales, and the correction of errors in the accounting for other trading items, principally in the area of purchase ordering and stocks. These changes were identified as part of a detailed operational and financial systems review across the group and the Board has implemented the necessary steps to ensure that this is a non-recurring issue.

Group turnover for the year amounted to £137.2m (2008 Restated: £106.9m). The operating profit for the year was £0.7m (2008 Restated: £1.3m) whilst there was a loss after taxation of £0.4m (2008 Restated: £0.1m loss), after an amortisation charge of £0.5m (2008: £0.5m) relating to goodwill.

Financial risk management

Foreign exchange risk

The Group's major transactional exposures are to Australian dollar and Euro outflows out of 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 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 current contracts in place are disclosed in note 26.

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.

BIBENDUM WINE HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

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 7 year bank loan also attracting interest at a similar rate. The Group's interest rate exposure is therefore related to the bank's base rate. The Group has historically taken the decision to accept the risk of increased interest charges resulting from increased interest rates and the Board reviews this policy periodically.

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.

Fixed assets

At 31 March 2007 the directors engaged Atisreal to complete an interim valuation of the Group's freehold property. The valuation indicated that the open market value of the property was £3,215,000.

Directors

The directors who served during the period are shown below:

P I Espenhahn
M P Saunders
S C Farr
R Gabb
H M C Morley
A M Vinton
G A Wahab
J J Young

Charitable donations

During the year the Group provided £4,000 to its Charity Committee, made up of employees, who carried out fundraising activities which generated a total of £7,470 for charity (2008: £1,858).

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 2. Having made enquiries of fellow directors and of the Group's auditors each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Group's auditors are aware of that information

BIBENDUM WINE HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

Auditors

Nexia Smith & Williamson have indicated their willingness to continue as auditors of the Company.

Approved by the board of directors and signed on behalf of the board

A handwritten signature in black ink, appearing to read 'J J Young', written over a horizontal line.

J J Young
SECRETARY
16 July 2009

BIBENDUM WINE HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that period. In preparing those accounts, 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 departure disclosed and explained in the accounts;
- Prepare the accounts 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 group and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

Nexia Smith & Williamson

Independent auditors' report to the shareholders of Bibendum Wine Holdings Limited

We have audited Group and parent company accounts ('the accounts') of Bibendum Wine Holdings Limited (Companies House registered number 6155211) for the year ended 31 March 2009 which comprise the Consolidated Profit and Loss Account, the Consolidated and Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 32. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Group's and parent company's affairs as at 31 March 2009 and of the Group's loss for the period then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.

Nexia Smith & Williamson

Nexia Smith & Williamson
Chartered Accountants
Registered Auditors

25 Moorgate
London
EC2R 6AY

16.7.2009

BIBENDUM WINE HOLDINGS LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended 31 MARCH 2009**

	Notes	Year ended 31 March 2009 £'000	Period ended 31 March 2008 Restated £'000
Turnover		138,152	106,934
Less: share of joint venture turnover		(937)	-
Turnover - Group	2	137,215	106,934
Cost of sales		(118,368)	(91,652)
Gross profit		18,847	15,282
Selling and distribution costs		(10,937)	(8,466)
Administrative expenses		(7,330)	(5,553)
Operating profit	3,4	580	1,263
Share of joint venture operating profit		86	-
Operating profit including joint venture		666	1,263
Interest receivable and similar income	5	10	14
Interest payable and similar charges	6	(737)	(814)
(Loss)/profit on ordinary activities before taxation		(61)	463
Tax on profit on ordinary activities	8	(236)	(377)
Loss on ordinary activities after taxation		(297)	86
Minority interest	23	(142)	(154)
Loss for the year		(439)	(68)
Earnings per share	29	(26.0)p	(4.9)p
Fully-diluted earnings per share	29	(21.9)p	(4.3)p

All of the Group's operations are classed as continuing.

BIBENDUM WINE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 March 2009

	2009	2008
	£'000	Restated
		£'000
Loss for the financial year	(439)	(68)
Prior year adjustments	(1,307)	-
Total recognised gains and losses recognised since last financial statements	(1,746)	(68)

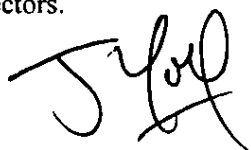
BIBENDUM WINE HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET as at 31 MARCH 2009

	Notes	2009 £'000	2008 Restated £'000
Fixed assets			
Intangible assets - goodwill	10	11,380	11,904
Intangible assets - brands	11	1,713	1,778
Tangible assets	12	3,433	3,481
Investments	13	67	-
		<hr/>	<hr/>
		16,593	17,163
Current assets			
Stock	14	9,750	10,601
Debtors	15	32,120	40,606
Cash at Bank		2,604	573
		<hr/>	<hr/>
		44,474	51,780
Creditors: amounts falling due within one year	16	(43,935)	(50,973)
		<hr/>	<hr/>
Net current (liabilities)/assets		539	807
		<hr/>	<hr/>
Total assets less current liabilities		17,132	17,970
Creditors: falling due after more than one year	17	-	(557)
		<hr/>	<hr/>
Net assets		17,132	17,413
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	18	1,688	1,688
Share premium account	19	16,121	16,121
Share based payment	20	28	14
Own shares in EBT		(7)	(7)
Profit and loss account	21	(1,181)	(742)
		<hr/>	<hr/>
Shareholders' funds	22	16,649	17,072
Minority interest	23	483	341
		<hr/>	<hr/>
		17,132	17,413
		<hr/>	<hr/>

The accounts were approved by the Board of Directors on 16 July 2009 and were signed on behalf of the Board of Directors.

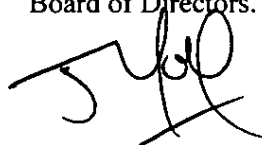
J J Young
Director



BIBENDUM WINE HOLDINGS LIMITED**COMPANY BALANCE SHEET as at 31 MARCH 2009**

	Note	2009 £'000	2008 £'000
Fixed assets			
Investment	13	21,477	21,463
Current assets			
Cash at Bank		7	7
Creditors: amounts falling due within one year	16	(3,611)	(3,580)
Net assets		<u>17,873</u>	<u>17,890</u>
Capital and reserves			
Called up share capital	18	1,688	1,688
Share premium account	19	16,121	16,121
Share based payment	20	28	14
Own shares in EBT		(7)	(7)
Profit and loss account	21	43	74
Shareholders' funds	22	<u>17,873</u>	<u>17,890</u>

The accounts were approved by the Board of Directors on 16 July 2009 and were signed on behalf of the Board of Directors.



J J Young
Director

BIBENDUM WINE HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 MARCH 2009

	Notes	Year ended 31 March 2009 £'000	Period ended 31 March 2008 Restated £'000
Net cash inflow from operating activities	25	1,853	2,888
Returns on investments and servicing of finance			
Interest received		10	14
Interest paid		(737)	(814)
Minority dividend paid		-	(133)
Net cash (outflow) for returns on investments and servicing of finance		(727)	(933)
Taxation			
Net tax paid		(759)	(670)
Capital Expenditure			
Payments to acquire tangible fixed assets		(473)	(354)
Payments to acquire intangible fixed assets		(41)	-
Acquisitions			
Overdrafts acquired on acquisition of investments		-	(4,264)
Payments to acquire investments		-	(5,390)
Net cash (outflow) from acquisitions		-	(9,654)
Equity dividend paid		-	(674)
Cash (outflows) before financing		(147)	(9,397)
Financing			
Repayment of bank loan		(143)	(35)
Proceeds of new share capital issued		-	1,741
Net cash (outflow)/inflow from financing activities		(143)	1,706
Decrease in cash	27	(290)	(7,691)

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the revaluation of land and buildings and in accordance with applicable accounting standards.

Prior year adjustments

The restatements of the profit and loss account for the year ended 31 March 2008 and of the balance sheet as at that date are due to changes in the accounting policy in respect of en primeur sales, corrections to the accounting treatment of related stock items and reconciliation of errors in the accounting for other trading items. The overall effect of the prior year adjustments is to decrease opening shareholders' funds by £1,307,000 as shown at note 22.

En primeur accounting policy

Revenue in respect of en primeur sales is recognised upon delivery of the goods to the customer as this represents the fulfilment of the Group's contractual obligations and crystallises a right to consideration. En primeur revenue is invoiced on customer order and such revenues are deferred until delivery of the goods to the customer. The payments made to suppliers for the goods to be delivered are included in prepayments until such time as the revenues are recognised so as to match costs against related revenues, which management consider properly reflects the commercial terms of sale and allows for correct matching of costs against income.

This differs from the policy in place in respect of the year ended 31 March 2008, whereby revenue in respect of en primeur sales was recognised when invoiced and the amount fell due for payment by the customer. The cost of the goods to be delivered was included in cost of sales and creditors, with payments on account from customers being recorded as a reduction in the related creditor.

The impact of this change in accounting policy is to defer the recognition of revenues and profits for a period of approximately two years from the point of order.

The effect of this change on the current year's results is to increase turnover by £2,320,179 and gross profit by £320,534, with related decreases in deferred income and prepayments of £2,320,179 and £1,999,644 respectively.

The effect of this change on the results for the period ended 31 March 2008 is to decrease turnover by £1,186,101 and gross profit by £113,681, with related increases in deferred income and prepayments of £4,741,619 and £4,006,151 respectively.

Goodwill

The effect of the above change in accounting policy on the pre-acquisition reserves is to decrease profit and loss reserves by £514,368, net of corporation tax adjustments, and to increase acquired goodwill by the same amount for the period ended 31 March 2008.

Impact of review of financial systems and controls

During the financial year under review a significant amount of management time has been invested in assessing the operating and financial systems in operation across the Group. The result of this review has seen an increase in the levels of control exercised over a number of key financial reporting functions, including the accounting entries made in respect of purchase ordering and stocks, and management consider that the Group now operates sufficient control over these areas.

The review revealed errors, the correction of which decreased the pre-tax profits for the period ended 31 March 2008 by £1,753,000.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

1 Accounting policies (continued)

Prior year adjustments (continued)

Corporation tax

The corporation tax effect of the above prior year adjustments is to increase profits for the period ended 31 March 2008 by £560,000.

Basis of consolidation

The Group accounts consolidate the accounts of the company and all its subsidiaries made up to 31 March 2009.

Where subsidiaries are acquired or sold during the year the group profit and loss account includes the results for the part of the year for which they were subsidiaries. The company has taken advantage of s.230 of the Companies Act 1985 and consequently the profit and loss account of the parent company is not presented as part of these accounts.

Intangible fixed assets

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 economic useful life, which is 20 years. Provision is made for any impairment in value.

The company has taken advantage of the transitional provision of FRS10 "Goodwill and intangible assets". Goodwill relating to acquisitions in years prior to the year ended 31 March 1999 was written off directly to profit and loss reserves. 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 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:

Brands	-	over 20 years
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Tangible fixed assets

Land and buildings are shown at valuation as set out in note 12. Other fixed assets are shown at cost.

Depreciation is provided to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Property improvements	-	15% per annum
Office furniture and equipment	-	15% per annum
Computer equipment	-	33% per annum

No depreciation is provided on the freehold land and buildings. It is the group's policy to maintain its property in such condition that its value is not impaired by the passage of time. Such maintenance is charged to the profit and loss account. As a consequence, depreciation would not, in the opinion of the directors, be material and no provision has therefore been made.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

1 Accounting policies (continued)

Employee Benefit Trust

The company's accounts include the Bibendum Employee Benefit Trust. The directors consider that the company has control of the shares held by the trust and bears their benefits and risks. Amounts transferred which are awaiting investment in the company's shares are included in debtors. Administration expenses are charged to the profit and loss account as they accrue.

Stocks

Stocks are stated at the lower of cost and net realisable value, recognised on an average cost basis.

Deferred tax

Deferred tax is provided for on a full provision basis on all timing differences, which have arisen but not reversed at the balance sheet date. No timing differences are recognised in respect of gains on sale of assets where those assets have been rolled over into replacement assets.

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

Any assets and liabilities recognised have not been discounted.

Foreign currency

Transactions denominated in foreign currencies are translated at the actual exchange rate on the date of the transaction or, where appropriate, at the rate of exchange of related forward foreign exchange contracts. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the year end or, where appropriate, at the rate of exchange of a related forward foreign exchange contract. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as a foreign exchange gain or loss in the profit and loss account.

Turnover

Group turnover 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.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

1 Accounting policies (continued)

Pension costs

The Group operates a defined contribution scheme for certain employees and its liability is limited to the company's element of monthly contributions. Contributions are charged to the profit and loss account as they become payable.

Leases

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

Share based payments

Share options granted are measured at their fair value at the date of grant using a Black Scholes model. The fair value determined at the grant date is expensed on a straight line basis over the vesting period, based upon the Group's estimate of participants eligible to receive shares at the point of vesting.

2 Turnover

	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
United Kingdom	129,335	101,339
Rest of the World	7,880	5,595
	<hr/> 137,215	<hr/> 106,934

3 Auditors' remuneration

	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
Auditors' remuneration for audit of the group and company	4	5
Other services:		
Auditing the accounts of subsidiaries	54	53
Auditing the accounts of joint ventures	4	-
Other services relating to accountancy assistance	7	5
Other services relating to taxation	17	23
	<hr/>	<hr/>

BIBENDUM WINE HOLDINGS LIMITED**NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)**

4	Operating profit	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
	Operating profit is stated after charging:		
	Depreciation	521	374
	Amortisation	630	582
	Operating leases – other assets	183	267
5	Interest receivable and similar income	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
	Bank interest receivable	10	14
6	Interest payable and similar charges	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
	Interest on bank loans and overdraft	737	814

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

7 Information regarding directors and employees	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
Employee costs during the period amounted to:		
Wages and salaries	8,260	6,001
Social security costs	911	661
Pension costs	223	178
	<hr/> 9,394	<hr/> 6,840

	Year ended 31 March 2009	Period ended 31 March 2008
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The average number of persons employed by the group was as follows:

	No.	No.
Selling and distribution	151	138
Administration	51	44
	<hr/> 202	<hr/> 182

Directors' remuneration

Directors' remuneration was paid as follows:

	£'000	£'000
Aggregate emoluments (excluding pension contributions)	592	475
Company pension contributions to money purchase schemes	47	34
	<hr/>	<hr/>

	£'000	£'000
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The remuneration of the highest paid director was as follows:

Aggregate emoluments (excluding pension contributions)	221	174
Company pension contributions to money purchase schemes	20	13
	<hr/>	<hr/>

The highest paid received 70,000 share options in the period. No directors exercised share options in the period.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

8 Tax on profit on ordinary activities	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
<i>(a) Analysis of charge in the period</i>		
<i>Current tax</i>		
UK corporation tax on profits for the year	216	405
Share of joint venture tax	20	-
	<hr/>	<hr/>
<i>Total current tax</i>	236	
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	(28)
	<hr/>	<hr/>
Tax on profit on ordinary activities	236	377
	<hr/>	<hr/>
<i>(b) Factors affecting the tax charge for the period</i>		
(Loss)/profit on ordinary activities before tax	(61)	463
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008: 30%)	(17)	139
<i>Effects of:</i>		
Depreciation in excess of capital allowances	69	2
Expenses not deductible for tax purposes	168	103
Other short-term timing differences	(4)	161
Share of joint venture tax	20	-
	<hr/>	<hr/>
Total current tax	236	405
	<hr/>	<hr/>

At 31 March 2009 a deferred tax asset of £68,000 (2008: £68,000 has been recognised in respect of depreciation in excess of capital allowances. The directors believe the benefits of this asset will crystallise in the future.

9 Dividend	Year ended 31 March 2009 £'000	Period ended 31 March 2008 £'000
Dividend paid 40p per share	-	674
	<hr/>	<hr/>

BIBENDUM WINE HOLDINGS LIMITED**NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)**

10 Intangible fixed assets - goodwill	Goodwill £'000
Group	
Cost	
At 1 April 2008 and 31 March 2009	12,399
	<hr/>
Amortisation	
At 1 April 2008	495
Charge for the year	524
	<hr/>
At 31 March 2009	1,019
	<hr/>
Net book value	
31 March 2009	11,380
	<hr/>
31 March 2008	11,904
	<hr/>
11 Intangible fixed assets – brands	Brands £'000
Group	
Cost	
1 April 2008	1,882
Acquisitions	41
	<hr/>
31 March 2009	1,923
	<hr/>
Amortisation	
At 1 April 2008	104
Charge for the year	106
	<hr/>
At 31 March 2009	210
	<hr/>
Net book value	
31 March 2009	1,713
	<hr/>
31 March 2008	1,778
	<hr/>

BIBENDUM WINE HOLDINGS LIMITED**NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)****12 Tangible fixed assets**

Group	Total £'000	Freehold land and buildings £'000	Property improve- ments £'000	Office furniture and equipment £'000	Motor Vehicles £'000	Computer equipment £'000
Cost or valuation						
At 1 April 2008	5,698	2,230	1,463	389	10	1,606
Additions	473	-	75	133	-	265
<hr/>						
At 31 March 2009	6,171	2,230	1,538	522	10	1,871
<hr/>						
Depreciation						
At 1 April 2008	2,217	-	681	298	3	1,235
Charge for the period	521	-	206	72	3	240
<hr/>						
At 31 March 2009	2,738	-	887	370	6	1,475
<hr/>						
Net book value						
At 31 March 2009	3,433	2,230	651	152	4	396
<hr/>						
At 31 March 2008	3,481	2,230	782	91	7	371
<hr/>						

The cost of the freehold land and buildings to the group as at 31 March 2009 was £700,000 (2008: £700,000).

At 31 March 2007 the directors engaged Atisreal to complete an interim valuation of the Group's freehold property. The valuation indicated that the open market value of the property was £3,215,000.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

13	Fixed asset investments – joint ventures	£'000
	Group	
	Cost or valuation	
	1 April 2008	-
	Group share of retained profits for year	67
	Net book value	<hr/>
	At 31 March 2009	67
		<hr/>

The Group's investment in joint ventures represents a 50% shareholdings in SAAM Wine Company Limited, a company incorporated in England & 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 2009 report a retained profit of £133,747 and net assets of £134,747.

Fixed asset investments - Shares held in subsidiaries

	Company
	2009
	£'000
Cost and net book value	
At 1 April 2008	21,463
Additions	14
	<hr/>
	21,477
	<hr/>

The company's subsidiaries are as follows:

	Country of incorporation	Holding	Nature of business
Bibendum Wine Limited	England	100%	Wine Distributor
Mixbury Trading Company Limited**	England	100%	Non-trading
The Yorkshire Fine Wine Company Limited**	England	100%	Dormant
H Youdell and Company Limited**	England	100%	Dormant
Bibendum Europe LLP	England	70%	Wine Distributor
The Argento Wine Company Limited*	England	66⅔%	Wine Distributor
The Argento Wine Company Argentina S.A.***	Argentina	66⅔%	Wine Distributor

* 33⅓% is held by Mixbury Trading Company Limited and 33⅓% is held by Bibendum Wine Limited

** 100% is held by Bibendum Wine Limited

*** 100% is held by The Argento Wine Company Limited

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

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

14	Stock	Group			
		2009 £'000	2008 £'000		
	Goods held for resale	9,750	10,601		
<hr/>					
15	Debtors	Group	Company	Group	Company
		2009 £'000	2009 £'000	2008 £'000	2008 £'000
	Trade debtors	26,039	-	32,301	-
	Other debtors	1,625	-	240	-
	Corporation tax repayable	888	-	333	-
	Deferred tax (see note 8)	68	-	68	-
	Amounts due from the Employee Benefit Trust (due in over one year)	153	-	153	-
	Prepayments and accrued income	3,347	-	7,511	-
		<hr/>	<hr/>	<hr/>	<hr/>
		32,120	-	40,606	-
		<hr/>	<hr/>	<hr/>	<hr/>
16	Creditors: amounts falling due within one year	Group	Company	Group	Company
		2009 £'000	2009 £'000	2008 £'000	2008 £'000
	Current portion of bank loan (see note 17)	557	-	143	-
	Bank overdraft	14,849	-	12,528	-
	Trade creditors	17,507	-	25,246	-
	Amounts owed to subsidiary undertakings	-	3,580	-	3,580
	Other creditors including taxation and social security	2,371	-	3,119	-
	Accruals and deferred income	8,651	31	9,937	-
		<hr/>	<hr/>	<hr/>	<hr/>
		43,935	3,611	50,973	3,580
		<hr/>	<hr/>	<hr/>	<hr/>

The bank loans 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.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

17 Creditors: amounts falling due after more than one year	Group	
	2009 £'000	2008 £'000
Bank loans due after more than one year	-	557
The bank loans are repayable as follows: due in less than one year (note 16)	557	143
due between one and two years	-	143
due between two and five years	-	315
due in more than five years	-	99
	-	557

The loan brought forward at 1 April 2008 is repayable over 6 years and incurs an interest rate related to the Royal Bank of Scotland base rate. As a result of a breach in the interest cover financial covenant attached to this loan, as at 31 March 2009 the whole of the outstanding balance has been classified as due within one year in the financial statements.

Subsequent to the year end the bank has provided a waiver in respect of this covenant and early settlement of the outstanding balance has not been requested. The terms of the loan remain unchanged and the total amount of £177,000 is due for repayment within one year and the remaining balance of £380,000 is due for repayment after more than one year from 31 March 2009.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

18 Share capital	2009	2008
	£'000	£'000
Authorised		
2,450,000 ordinary shares of £1 each	2,450	2,450
	<hr/>	<hr/>
Allotted, called up and fully paid	£'000	£'000
1,688,014 ordinary shares of £1 each	1,688	1,688
	<hr/>	<hr/>

Options on shares have been issued under the Executive Share Option Scheme. The number of shares under option are as follows:

Date first exercisable	Date on which the exercise period ends	Exercise Price per ordinary share	Number of ordinary shares
14 July 2009	14 July 2016	£5.50	40,000
13 December 2009	13 December 2016	£7.00	85,000
3 September 2008	3 September 2028	£21.10	153,352

19 Share premium account	Group	Company
	2009	2009
	£'000	£'000
At 1 April 2008 & 31 March 2009	16,121	16,121
	<hr/>	<hr/>
20 Share option reserve	Group	Company
	£'000	£'000
At 1 April 2008	14	14
Charge for year	14	14
	<hr/>	<hr/>
At 31 March 2009	28	28
	<hr/>	<hr/>

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

21 Profit and loss account	Group £'000	Company £'000
At 13 March 2007, as previously reported	-	-
Profit for financial year, as previously reported	1,239	748
Prior year adjustment	(1,307)	-
Dividend paid	(674)	(674)
	<hr/>	<hr/>
At 1 April 2008, restated	(742)	74
Loss for financial year	(439)	(31)
	<hr/>	<hr/>
At 31 March 2009	(1,181)	43
	<hr/>	<hr/>

Cumulative goodwill written off to group reserves amounts to £371,000 (2008: £371,000).

22 Reconciliation of movements in shareholders' funds	Group £'000	Company £'000
Loss for financial year	(439)	(31)
Share based payments movement in the period	14	14
	<hr/>	<hr/>
Net deduction from shareholders' funds	(425)	(17)
Opening shareholders' funds, as previously reported	18,388	17,897
Own shares in EBT	(7)	(7)
Prior year adjustment	(1,307)	-
	<hr/>	<hr/>
Closing shareholders' funds	16,649	17,873
	<hr/>	<hr/>

Further details of the prior year adjustments are disclosed at note 1 to the financial statements.

23 Minority Interest	Group 2009 £'000
At 1 April 2008	341
Share of profit for the period	142
	<hr/>
At 31 March 2009	483
	<hr/>

BIBENDUM WINE HOLDINGS LIMITED**NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)****24 Financial commitments**

At 31 March 2009, the group had entered into forward foreign exchange purchase contracts with a value amounting to £19,638,325 (2008: £4,065,000).

25 Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2009 £'000	2008 £'000
Operating profit	580	1,263
Depreciation charge	521	374
Amortisation charge	630	582
Share options charge (see note 4)	14	14
Decrease/(Increase) in stock	851	(2,992)
Decrease/(Increase) in debtors	9,029	(6,216)
(Decrease)/Increase in creditors	(9,772)	9,793
	<hr/>	<hr/>
Net cash inflow from operating activities	1,853	2,888
	<hr/>	<hr/>
26 Reconciliation of net cash flow to movement in net debt	2009 £'000	2008 £'000
Decrease in cash in the period	(290)	(7,691)
Cash outflow from loans	143	35
	<hr/>	<hr/>
Change in net debt	(147)	(7,656)
Net debt at 1 April / on acquisition	(12,655)	(4,999)
	<hr/>	<hr/>
Net debt at 31 March	(12,802)	(12,655)
	<hr/>	<hr/>

BIBENDUM WINE HOLDINGS LIMITED**NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)****27 Analysis of changes in net debt during the period**

	At 1 April 2008 £'000	Cash flows £'000	Other changes £'000	At 31 March 2009 £'000
Cash	573	2,031	-	2,604
Bank overdraft	(12,528)	(2,321)	-	(14,849)
	<u>(11,955)</u>	<u>(290)</u>	<u>-</u>	<u>(12,245)</u>
Debt due within one year	(143)	(414)	-	(557)
Debt due after one year	(557)	557	-	-
	<u>(700)</u>	<u>143</u>	<u>-</u>	<u>(557)</u>
	<u>(12,655)</u>	<u>(147)</u>	<u>-</u>	<u>(12,802)</u>

28 Operating leases

The Group holds motor vehicles and office equipment on non-cancellable operating leases. The annual net commitments under these leases are as follows:

	2008 £'000	2008 £'000
Leases expiring:		
Within one year	121	216
Between two and five years	-	72
	<u>121</u>	<u>288</u>

29 Earnings per share

The basic earnings per share is based upon losses of £439,000 (2008: £68,000 loss) and the weighted average number of shares ranking for dividend during the year of 1,688,014 (2008: 1,398,482).

The fully diluted weighted average number of shares of 2,003,719 (2008: 1,587,024) has been calculated by taking the weighted average number of shares ranking for dividend and adjusted for potential equity shares.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

30 Share based payments – equity based share option scheme

The Group has a share option scheme for certain employees. Options are exercisable at a price which is not less than the market price of the Company's shares at the date of grant.

Details of the share options outstanding during the period which fall under the provisions of FRS 20 are as follows:

	Number of share options	Weighted average exercise price
At 31 March 2008	125,000	£6.52
Granted during the year	153,352	£21.10
At 31 March 2009	<u>278,352</u>	

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

	May 2007	Sept 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%

The exercise price of the share options granted in May 2007 and outstanding at 31 March 2009 ranged from £5.50 to £7.00, with a weighted average contractual life of 102 months. The aggregate estimated fair value of the options at 31 March 2009 was £128,000.

The exercise price of the share options granted in September 2008 and outstanding at 31 March 2009 was £21.10, with a weighted average contractual life of 96 months. The aggregate estimated fair value of the options as at 31 March 2009 was £10,000.

BIBENDUM WINE HOLDINGS LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 2009 (continued)

31 Related party transactions

An amount of £153,000 (2008: £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 is due from a Director to the Employee Benefit Trust.

The parent company has taken the advantage of the exemption in FRS 8 concerning related party transactions with its 100% owned subsidiaries.

During the year Bibendum Wine Limited purchased wine totalling £2,660,450 (2008: £3,364,182) and provided services totalling £12,053 (2008: £483,604) from/to The Argento Wine Company Limited, a 66% subsidiary of the Group. Goods are bought and sold on the basis of the price list in force with non-related parties.

At 31 March 2009 the outstanding balance payable from Bibendum Wine Limited to The Argento Wine Company Limited was £532,890 (2008: £1,284,760). No amounts were written off in the year.

During the year Bibendum Wine Limited purchased wine totalling £1,867,435 (2008: nil) from SAAM Wine Company Limited, a joint venture vehicle of which the Group holds a 50% interest. Goods are bought and sold on the basis of the price list in force with non-related parties.

At 31 March 2009 the outstanding balance payable from Bibendum Wine Limited to SAAM Wine Company Limited was £1,451,016 (2008: nil). No amounts were written off in the year.

32 Ultimate controlling party

There is no ultimate controlling party.