

BIBENDUM WINE LIMITED

*Signed*

REPORT AND ACCOUNTS

for the year ended

31 MARCH, 1994

2218928



**BIBENDUM WINE LIMITED**

**COMPANY DIRECTORY**

**INCORPORATION NUMBER** 2218928

**DIRECTORS**  
B.J. Collins  
T.N. Heywood-Lonsdale  
S.C. Farr  
A.J. Arkwright  
P.H.R. Gwyn  
M.P. Saunders  
V.A. Cazalet  
J.S. Pethick  
W.O. Lebus

**REGISTERED OFFICE** 113 Regents Park Road  
London  
NW1 8UR

**BANKERS** National Westminster Bank plc  
Buckingham Branch  
2 Market Hill  
Buckingham  
MK18 1JS

**SOLICITORS** Macfarlanes  
10 Norwich Street  
London  
EC4A 1BD

**AUDITORS** Smith & Williamson  
Chartered Accountants  
1 Riding House Street  
London  
W1A 3AS

**BIBENDUM WINE LIMITED**

**REPORT AND ACCOUNTS for the year ended 31 MARCH, 1994**

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# BIBENDUM WINE LIMITED

## DIRECTORS' REPORT for the year ended 31 MARCH, 1994

The directors present their annual report on the affairs of the group, together with the accounts and auditors' report for the year ended 31 March, 1994.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the group are those of wine importers and distributors.

The operating results for the year show a marked improvement over the prior year, particularly taking into account significant non-recurring items.

Turnover has increased by 15% from £7,917,984 to £9,111,109 in difficult trading conditions. The operating loss for the year was £8,609 after charging exceptional costs amounting to £119,555 in respect of the restructuring of the business, including a restructuring of the Yorkshire Fine Wines operation in the north of England. In comparison, the operating loss in the year to 31 March 1993 was £186,500 after charging exceptional costs of £35,964.

Following the significant restructuring undertaken during the year, the directors anticipate a return to profitability in the current financial year.

The directors do not recommend the payment of a dividend. The retained loss for the year of £143,162 (1993 loss £292,281) will be financed from shareholders' funds.

On 26 May 1993 the company issued 10% convertible unsecured loan stock by way of a one for four rights issue in order to raise working capital. The issue was fully subscribed and raised gross proceeds of £292,538.

### POST BALANCE SHEET EVENT

On 12th April 1994, a resolution was passed to redeem 105,840 cumulative redeemable 2% £1 preference shares at par by way of a permissible capital payment in accordance with the provisions of the Companies Act 1985. The preference shareholders waived their rights to cumulative unpaid dividends. The preference shareholders have agreed to grant an unsecured loan in lieu of the cash proceeds from the redemption. A commercial rate of interest will be payable on the loan.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the shares of the company, are shown below:-

	Options (See Note 13)	Ordinary Shares of £1 each 31 March 1994	31 March 1993
B.J. Collins	30,000	311,000	311,000
T.N. Heywood-Lonsdale	30,000	150,000	150,000
S.C. Farr	30,000	120,000	120,000
A.J. Arkwright	-	75,000	75,000
P.H.R. Gwyn	-	60,000	60,000
M.P. Saunders	20,000	42,500	42,500
V.A. Cazalet	-	20,000	20,000
J.S. Pethick	-	60,000	60,000
W.O. Lebus	16,000	40,000	40,000
H.J. Watchorn (resigned 21 October 1993)			

As at 31 March, 1994 Mr. B.J. Collins also had a beneficial interest in 78,400 2% preference shares and Mr. T.N. Heywood-Lonsdale had a non-beneficial interest as trustee in 1,800 ordinary shares.

**BIBENDUM WINE LIMITED**

**DIRECTORS' REPORT for the year ended 31 MARCH, 1994 (Continued)**

**FIXED ASSETS**

Information relating to changes in tangible fixed assets is given in note 7 to the accounts.

In consultation with independent chartered surveyors, the directors consider that the freehold land and buildings, which are included in the accounts at the book value of £900,000, had a market value of approximately £900,000 at 31 March, 1994.

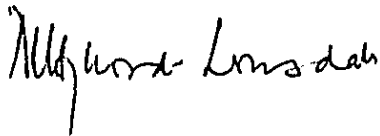
**CLOSE COMPANY STATUS**

The company is a close company within the provisions of the Income & Corporation Taxes Act 1988.

**AUDITORS**

The directors will place a resolution before the Annual General Meeting to re-appoint Smith & Williamson, Chartered Accountants, as auditors for the ensuing year.

**APPROVED BY THE BOARD OF DIRECTORS**  
and signed on behalf of the Board



T N Heywood-Lonsdale  
SECRETARY

113 Regents Park Road,  
London, NW1 8UR

**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 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 departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

# Smith & Williamson

Chartered Accountants

## REPORT OF THE AUDITORS TO THE MEMBERS OF BIBENDUM WINE LIMITED

We have audited the accounts on pages 6 to 19 which have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and on the basis of the accounting policies set out on pages 9 and 10.

### Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

### Basis of opinion

We have conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It is also 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 group'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 of the state of the affairs of the group and the company at 31 March, 1994 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

SMITH & WILLIAMSON  
Chartered Accountants  
Registered Auditor

No 1 Riding House Street  
London W1A 3AS

11.15 by 1994

**BIBENDUM WINE LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT for the year ended 31 MARCH, 1994**

	Notes	1994 £	1993 £
TURNOVER	1	9,111,109	7,917,984
Cost of sales		(7,110,857)	(6,248,510)
<b>GROSS PROFIT</b>		<b>2,000,252</b>	<b>1,669,474</b>
Administrative expenses		(680,609)	(643,010)
Exceptional administrative expenses	2	(119,555)	(35,964)
Selling and distribution costs		(1,244,531)	(1,199,994)
Other operating income		35,834	22,994
<b>OPERATING LOSS</b>	2	<b>(8,609)</b>	<b>( 186,500)</b>
Other interest receivable and similar income	3	63	338
Interest payable and similar charges	4	(134,616)	( 106,119)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(143,162)</b>	<b>( 292,281)</b>
Tax on loss on ordinary activities	6	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>	14	<b>£ (143,162)</b>	<b>£( 292,281)</b>

All the group's operations are classed as continuing and there are no recognised gains or losses other than the loss for the year.

The accompanying notes are an integral part of these accounts.



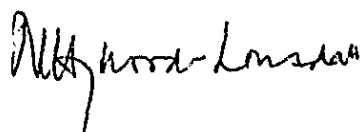
**BIBENDUM WINE LIMITED**

**BALANCE SHEETS as at 31 MARCH, 1994**

		Group		Company	
	Notes	31 March 1994	31 March 1993	31 March 1994	31 March 1993
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7	1,041,007	1,074,407	141,007	174,407
Investment	8	-	-	900,004	900,004
		<u>1,041,007</u>	<u>1,074,407</u>	<u>1,041,011</u>	<u>1,074,411</u>
<b>CURRENT ASSETS</b>					
Stock	9	992,953	929,980	992,953	929,980
Debtors	10	1,738,585	1,329,135	1,738,585	1,329,135
		<u>2,731,538</u>	<u>2,259,115</u>	<u>2,731,538</u>	<u>2,259,115</u>
CREDITORS: Amounts falling due within one year	11	(2,646,110)	(2,270,748)	(2,646,114)	(2,270,752)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>85,428</u>	<u>(11,633)</u>	<u>85,424</u>	<u>(11,637)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,126,435</u>	<u>1,062,774</u>	<u>1,126,435</u>	<u>1,062,774</u>
CREDITORS: Amounts falling due after more than one year	12	(578,250)	(371,427)	(578,250)	(371,427)
<b>NET ASSETS</b>		<u>£ 548,185</u>	<u>£ 691,347</u>	<u>£ 548,185</u>	<u>£ 691,347</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13	1,275,990	1,275,990	1,275,990	1,275,990
Revaluation reserve		200,000	200,000	-	-
Profit and loss account	14	(927,805)	(784,643)	(727,805)	(584,643)
<b>SHAREHOLDERS' FUNDS</b>	15	<u>£ 548,185</u>	<u>£ 691,347</u>	<u>£ 548,185</u>	<u>£ 691,347</u>

These accounts were approved by the Board of Directors on 11/5/94

and signed on behalf of the Board of Directors.



T.N. Heywood-Lonsdale

**BIBENDUM WINE LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 March 1994**

	Notes	1994	1993
		£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	18	16,235	50,526
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:</b>			
Interest received		63	338
Interest paid		(134,616)	( 106,119)
Net cash outflow from returns from investments and servicing of finance		(134,553)	( 105,781)
<b>INVESTING ACTIVITIES:</b>			
Acquisition of the business of The Yorkshire Fine Wines Company Limited		-	( 447,964)
Payments to acquire tangible fixed assets		(43,451)	( 110,071)
Receipts from sales of tangible fixed assets		1,300	24,765
Net cash outflow from investing activities		(42,151)	( 533,270)
Net cash outflow before financing		(160,469)	( 588,525)
<b>FINANCING:</b>			
Issue of unsecured loan stock		292,538	-
Repayment of bank loan		(85,719)	( 85,719)
Repayment of unsecured loan		(95,000)	-
Net cash inflow/(outflow) from financing		111,819	( 85,719)
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	19	(48,650)	( 674,244)

# **BIBENDUM WINE LIMITED**

## **NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994**

### **1 Accounting policies**

The accounts have been prepared in accordance with applicable accounting standards.

The principal accounting policies of the company and group, which remain unchanged from the previous year, are as follows:

#### **Basis of accounting**

The accounts are prepared under the historical cost convention, modified to include the revaluation of land and buildings.

#### **Basis of consolidation**

The group accounts consolidate the accounts of Bibendum Wine Limited and all its subsidiaries made up to 31 March, 1994. Goodwill arising on consolidation (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is written off against reserves on acquisition.

No profit and loss account is presented for Bibendum Wine Limited, as provided by S.230 of the Companies Act 1985. All the consolidated profit for the financial year attributable to the shareholders of Bibendum Wine Limited has been dealt with in the accounts of the parent company.

#### **Tangible fixed assets**

Land and buildings are shown at valuation as set out in note 7, 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:-

Office furniture and equipment	15% per annum
Motor vehicles	25% per annum
Computer equipment	25% 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.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

**BIBENDUM WINE LIMITED****NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)****1 Accounting policies (Continued)****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.

<b>2 Operating loss</b>	<b>1994</b>	<b>1993</b>
	<b>£</b>	<b>£</b>
Operating loss is stated after crediting:		
Rent receivable	36	2,600
and after charging:		
Depreciation	66,826	49,873
Hire of equipment	4,609	4,435
Auditors' remuneration	11,250	13,540
Exceptional item (see below)	119,555	35,964

The exceptional item comprises the restructuring costs of £119,555, which included a restructuring of the Yorkshire Fine Wines business in the north of England. The exceptional item in 1993 arose from legal and professional costs incurred on the acquisition of the business of The Yorkshire Fine Wines Company Limited.

<b>3 Other interest receivable and similar income</b>	<b>£</b>	<b>£</b>
Bank interest receivable	63	338

**BIBENDUM WINE LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**

4	<b>Interest payable and similar charges</b>	<b>1994</b>	<b>1993</b>
		£	£
	On convertible unsecured loan stock 2003	23,865	-
	On bank loan repayable 1993-1998	33,241	52,616
	On bank overdraft	76,202	44,359
	On unsecured loans	1,308	8,723
	On hire purchase contracts	-	421
		<hr/>	<hr/>
		£ 134,616	£ 106,119
		<hr/>	<hr/>

5 **Information regarding directors and employees**

Employee costs during the year amounted to:

	<b>1994</b>	<b>1993</b>
	£	£
Wages and salaries	918,843	904,642
Social Security costs	84,564	84,920
Pension costs	26,377	21,718
	<hr/>	<hr/>
	£1,029,784	£1,011,280
	<hr/>	<hr/>

The average weekly number of persons employed by the group was as follows:

	<b>1994</b>	<b>1993</b>
Selling and distribution	32	34
Administration	10	11
	<hr/>	<hr/>
	42	45
	<hr/>	<hr/>

**BIBENDUM WINE LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**

**5 Information regarding directors and employees (Continued)**

**Directors' remuneration**

Directors' remuneration was paid in respect of executive directors as follows:

	1994	1993
Directors' remuneration (including pension contributions)	261,587	289,621
	<u>          </u>	<u>          </u>

The directors' remuneration shown above, excluding pension contributions, includes:

Chairman and highest paid director	£ 60,999	£ 65,971
	<u>          </u>	<u>          </u>

Other directors received emoluments in the following ranges:

	No.	No.
£25,001 - £30,000	1	-
£30,001 - £35,000	1	-
£35,001 - £40,000	1	3
£45,001 - £50,000	1	1
£50,001 - £55,000	1	-
£55,001 - £60,000	-	1
	<u>          </u>	<u>          </u>

The remaining directors were non-executive directors who received no emoluments during the year.

**6 Tax on loss on ordinary activities**

No current tax charge has arisen. The company has tax losses amounting to approximately £450,000 (1993: £360,000) available for offset against future trading profits.

**BIBENDUM WINE LIMITED**
**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**
**7 TANGIBLE FIXED ASSETS**

GROUP	Total	Freehold Land and Buildings	Office Furniture & Equipment	Motor Vehicles	Computer Equipment
	£	£	£	£	£
<b>COST OR VALUATION</b>					
At 1 April, 1993	1,199,867	900,000	136,904	21,238	141,725
Additions	43,451	-	12,615	-	30,836
Disposals	(24,599)	-	-	(1,594)	(23,005)
At 31 March, 1994	1,218,719	900,000	149,519	19,644	149,556
<b>DEPRECIATION</b>					
At 1 April, 1993	125,460	-	54,680	14,949	55,831
Charge	66,826	-	18,477	10,842	37,507
Disposals	(14,574)	-	-	(7,064)	(7,510)
At 31 March, 1994	177,712	-	73,157	18,727	85,828
<b>NET BOOK VALUE</b>					
At 31 March, 1994	£1,041,007	£ 900,000	£ 76,362	£ 917	£ 63,728
At 31 March, 1993	£1,074,407	£ 900,000	£ 82,224	£ 6,289	£ 85,894

On 1 July 1993, Gerald Eve, independent chartered surveyors, valued the freehold land and buildings, which are included in the accounts at the book value of £900,000, at a market value of £800,000. After consultation with independent chartered surveyors, the directors consider the freehold land and buildings to have a market value of approximately £900,000 as at 31 March 1994. The cost to the group as at 31 March, 1994 was £700,000.

**BIBENDUM WINE LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**

**7 Tangible fixed assets (Continued)**

**COMPANY**

	<b>Total</b>	<b>Office Equipment</b>	<b>Motor Vehicles</b>	<b>Computer Equipment</b>
	£	£	£	£
<b>COST</b>				
At 1 April, 1993	299,867	136,904	21,238	141,725
Additions	43,451	12,615	-	30,836
Disposals	(24,599)	-	(1,594)	(23,005)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March, 1994	318,719	149,519	19,644	149,556
	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>				
At 1 April, 1993	125,460	54,680	14,949	55,831
Charge	66,826	18,477	10,842	37,507
Disposals	(14,574)	-	(7,064)	(7,510)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March, 1994	177,712	73,157	18,727	85,828
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>				
At 31 March, 1994	£ 141,007	£ 76,362	£ 917	£ 63,728
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March, 1993	£ 174,407	£ 82,224	£ 6,289	£ 85,894
	<hr/>	<hr/>	<hr/>	<hr/>



**BIBENDUM WINE LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**

**8 Investment held as fixed assets**

	1994	1993
	£	£
Shares in subsidiaries (see note below)	707,675	707,675
Loan to Mixbury Trading Company Limited	363,792	363,792
Provision (see note below)	(171,463)	( 171,463)
	<hr/>	<hr/>
	£ 900,004	£ 900,004
	<hr/>	<hr/>
Analysis of shares in subsidiaries:		
	£	£
Mixbury Trading Company Limited (dormant)	707,671	707,671
The Yorkshire Fine Wines Company Limited (dormant)	2	2
H. Youdell and Company Limited (dormant)	2	2
	<hr/>	<hr/>
	£ 707,675	£ 707,675
	<hr/>	<hr/>

All subsidiaries are incorporated in England and are wholly owned by Bibendum Wine Limited.

The provision is in respect of a permanent diminution in the value of Mixbury Trading Company Limited as a result of the diminution in the value of its freehold property.

**9 Stock**

**Group and Company**

	1994	1993
Goods held for resale	£ 992,953	£ 929,980
	<hr/>	<hr/>
<b>10 Debtors</b>	£	£
Trade debtors	1,635,463	1,250,498
Other debtors	53,870	21,293
Prepayments and accrued income	49,252	57,344
	<hr/>	<hr/>
	£ 1,738,585	£ 1,329,135
	<hr/>	<hr/>

**BIBENDUM WINE LIMITED**
**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**
**11 Creditors: Amounts falling due within one year**

	Group		Company	
	1994	1993	1994	1993
	£	£	£	£
Current portion of bank loan and overdraft	755,326	706,675	755,326	706,675
Other loan	-	95,000	-	95,000
Trade creditors	1,640,114	1,360,198	1,640,114	1,360,198
Other creditors including taxation and social security	143,550	54,744	143,554	54,748
Accruals and deferred income	107,120	54,131	107,120	54,131
	<u>£ 2,646,110</u>	<u>£2,270,748</u>	<u>£2,646,114</u>	<u>£2,270,752</u>

**12 Creditors: Amounts falling due after one year**

	Group and Company	
	1994	1993
	£	£
Bank loan		
- due between two and five years	285,712	342,857
- due after five years	-	28,570
	<u>285,712</u>	<u>371,427</u>
Convertible unsecured loan stock 2003	292,538	-
	<u>£ 578,250</u>	<u>£ 371,427</u>

The bank loan is repayable in equal monthly instalments from 1994 to 1998. Interest is charged on the loan at 2 1/8% over the prevailing rate of the National Westminster Bank plc. The loan and overdraft (in notes 11 and 12) are secured by way of a fixed and floating charge over the assets of the group.

On 26 May 1993 the company issued 10% convertible unsecured loan stock 2003 by way of a one for four rights issue, in order to raise working capital. The issue was fully subscribed and raised gross proceeds of £292,538. The loan stock is redeemable on 25 May 2003 and the amount payable on redemption is £292,538. The stock is convertible into 292,538 ordinary £1 shares which will rank equal in all respects to the existing ordinary share capital. Conversion is at the option of the holder at any date prior to redemption date.

**13 Called up share capital**

	1994	1993
	£	£
Authorised:		
Ordinary shares of £1 each	1,500,000	1,500,000
Cumulative redeemable 2% £1 preference shares	110,000	110,000
	<u>£1,610,000</u>	<u>£1,610,000</u>

**BIBENDUM WINE LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**

**13 Called up share capital (cont.)**

Allotted and fully paid:	1994	1993
	£	£
Ordinary shares of £1 each	1,170,150	1,170,150
105,840 cumulative redeemable 2% £1 preference shares	105,840	105,840
	<u>£1,275,990</u>	<u>£1,275,990</u>

Options on shares have been issued under the Executive Share Option Scheme as follows:

Date of Issue	Number of Shares	Price	Earliest Date	Latest date
14.11.1989	110,000	£1	14.11.1993	14.11.1999
22.05.1990	16,000	£1	22.05.1993	22.05.2000

The share option scheme is open to directors and employees.

**14 Profit and loss account**

	Group	Company
	£	£
At 1 April, 1993	(784,643)	(584,643)
Loss for the financial year	(143,162)	(143,162)
	<u>(927,805)</u>	<u>(727,805)</u>

Cumulative goodwill written off to group reserves amounts to £371,463 (1993: £371,463).

**15 Reconciliation of movement in shareholders' funds**

	Group and Company	
	1994	1993
	£	£
At 1 April 1993	691,347	983,628
Loss for the year	(143,162)	(292,281)
	<u>£ 548,185</u>	<u>£ 691,347</u>

**BIBENDUM WINE LIMITED**

**NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)**

**15 Guarantees and other financial commitments**

At the balance sheet date, the company had entered into forward foreign exchange contracts with a value amounting to £1,687,000 (1993: £1,110,000).

	Group and Company	
	1994	1993
Contracted for, but not provided in the accounts	£ 12,000	£ 10,800
Authorised, but not yet contracted for	£ 36,000	£ 40,000

**17 Pension costs**

A defined contribution pension scheme was set up on 1 April, 1989. Bibendum Wine Limited will have no liability arising as a result of this scheme, except their element of monthly contributions. The charge for pension costs during the year was £26,377.

**18 Reconciliation of operating loss to net cash inflow from operating activities**

	1994	1993
Operating loss	£ (8,609)	£ (186,500)
Acquisition costs of the business of The Yorkshire Fine Wines Company Limited	-	35,964
Stock acquired from The Yorkshire Fine Wines Company Limited	-	412,000
Depreciation charges	66,826	49,873
Loss on sale of tangible fixed assets	8,730	12,774
(Increase) in stock	(62,973)	( 254,497)
(Increase) in debtors	(320,457)	( 656,960)
Increase in creditors	332,718	637,872
	<u>£ 16,235</u>	<u>£ 50,526</u>

**BIBENDUM WINE LIMITED****NOTES TO THE ACCOUNTS for the year ended 31 MARCH, 1994 (Continued)****19 Analysis of balances and changes in cash and cash equivalents in the year**

	1993	Change in year	1994
	£	£	£
Bank overdraft	(620,960)	(48,650)	(669,610)

**20 Post balance sheet event**

A resolution to redeem the company's 2% £1 preference shares was passed on 12 April 1994. This will be achieved by way of a permissible capital payment in accordance with the provisions set out in the Companies Act 1985. The shareholders have waived their rights to cumulative unpaid dividends, which at 31 March 1994 amounted to £12,701 (1993:£10,584). The preference shareholders have agreed to grant an unsecured loan in lieu of the cash proceeds from the redemption. A commercial rate of interest will be payable on the loan.