

The Gaymer Group Overseas Holdings Limited

Accounts 28 February 1999
together with directors' and auditors' reports

Registered number: 2661279



Directors' report

For the period ended 28 February 1999

The directors present their report on the affairs of the company, together with the accounts and auditors' report, for the period ended 28 February 1999.

Principal activity and business review

The principal activity of the company is to hold investments in subsidiary undertakings.

On 1 December 1998 the entire share capital of the Company's holding company, Matthew Clark plc, was purchased by Canandaigua Inc., a company incorporated in the United States.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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; and
- 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 company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dividend and transfer to reserves

The directors do not recommend the payment of a dividend.

Directors and their interests

The directors who served during the period were as follows:

P Aikens
A T Colquhoun
H C Etheridge

A T Colquhoun held no ordinary shares of the parent company Matthew Clark plc at 28 February 1999 (1998 - 1,142) and also held no options to acquire ordinary shares of Matthew Clark plc at 28 February 1999 (1998 - 51,726).

Director's report (continued)

Directors and their interests (continued)

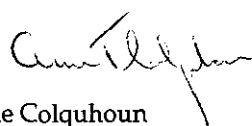
The interest of P Aikens and H C Etheridge in the ordinary shares and in options to acquire ordinary shares of the ultimate parent company Matthew Clark plc, are disclosed in the annual report of that company.

Auditors

A resolution to re-appoint Arthur Andersen as auditors will be proposed at the Annual General Meeting.

Whitchurch Lane
Bristol
BS14 0JZ

By order of the Board,



Anne Colquhoun
Secretary

20 December 1999

Auditors' report

Bristol

To the Shareholders of The Gaymer Group Overseas Holdings Limited:

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 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 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 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 of the state of affairs of the company at 28 February 1999 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

Broad Quay House
Broad Quay
Bristol
BS1 4DJ

20 December 1999

Profit and loss account

For the period ended 28 February 1999

	Note	10 months ended 28 February 1999 £'000	12 months ended 30 April 1998 £'000
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	3	-	(809)
Loss on ordinary activities after taxation		-	(809)
Loss for the financial period	6	-	(809)

The accompanying notes are an integral part of this profit and loss account.

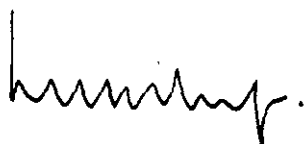
There were no recognised gains and losses other than the loss for the year ended 30 April 1998.

Balance sheet

28 February 1999

	Note	28 February 1999 £'000	30 April 1998 £'000
Current assets			
Debtors: Amounts due from group undertakings		6,591	6,591
Creditors: Amounts falling due within one year	4	<u>(8,802)</u>	<u>(8,802)</u>
Net liabilities		<u>(2,210)</u>	<u>(2,210)</u>
Capital and reserves			
Called-up share capital	5	-	-
Profit and loss account	6	<u>(2,210)</u>	<u>(2,210)</u>
Equity shareholders' funds	6	<u>(2,210)</u>	<u>(2,210)</u>

Signed on behalf of the Board:



H C Etheridge
Director

20 December 1999

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

28 February 1999

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year.

a) Basis of accounting

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

b) Related party transactions

As 100% of the company's voting rights are controlled within the group headed by Matthew Clark plc, incorporated in Great Britain, the company has taken advantage of the exemption contained in Financial Reporting Standard No 8 and has therefore not disclosed transactions or balances with entities which form part of the group, or investees of the group qualifying as related parties.

c) Cash flow statement

The Company has taken advantage of the exemption available in Financial Reporting Standard 1 (Revised) Cash Flow Statements and has not presented a cash flow statement as the accounts of the ultimate parent company are available to the public.

2 Directors' and auditors' remuneration

The audit fee has been met by another Group company.

The directors did not receive any remuneration for services to the company.

3 Taxation

	10 months ended 28 February 1999 £'000	Year ended 30 April 1998 £'000
Corporation tax - adjustment in respect of prior year	-	809

4 Creditors: Amounts falling due within one year

	28 February 1999 £'000	30 April 1998 £'000
Corporation tax	802	802
Amounts owed to group undertaking	8,000	8,000
	<u>8,802</u>	<u>8,802</u>

Notes to accounts (continued)

5 Called up share capital

	28 February 1999 £	30 April 1998 £
<i>Authorised</i>		
100 £1 ordinary shares	<u>100</u>	<u>100</u>
<i>Allotted, called-up and fully paid</i>		
£1 ordinary shares	<u>2</u>	<u>2</u>

6 Reconciliation of movements in shareholders' funds

	1999 £'000	1998 £'000
Loss on ordinary activities after tax	-	(809)
Opening shareholders' funds	<u>(2,210)</u>	<u>(1,401)</u>
Closing shareholders' funds	<u>(2,210)</u>	<u>(2,210)</u>

7 Ultimate parent undertaking

The company is a subsidiary undertaking of The Gaymer Group Limited, which is a subsidiary of Matthew Clark plc, both of which are registered in England and Wales.

The UK group in which the results of the company are consolidated is that headed by Matthew Clark plc. The consolidated financial statements of the group may be obtained from the Company Secretary of Matthew Clark plc at Whitchurch Lane, Bristol, BS14 0JZ.

The largest group in which the results of the company are consolidated is headed by Canandaigua Brands Inc, which is registered in the United States of America and which acquired the former parent company, Matthew Clark plc, with effect from 1 December 1999. The consolidated accounts are available to the public and may be obtained by writing to Investor Relations, Canandaigua Brands Inc, 300 Willowbrook Office Park, Fairport, New York, 14450, USA.