

Company Registration No. 1968614 (England and Wales)

THE WORKERS BEER COMPANY LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003



THE WORKERS BEER COMPANY LIMITED

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THE WORKERS BEER COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their report and financial statements for the year ended 31 December 2003.

Principal activities and review of the business

The principal activity of the company continued to be that of the sale of beer and associated beverages, together with the promotion and organisation of concerts and festivals.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

The results for the year are set out on page 4.

Market value of land and buildings

In the opinion of the directors the market value of land and buildings exceeds the current net book value.

Directors

The following directors have held office since 1 January 2003:

RA Budds	
A Burbage	
T Butkeraitis	
JCS David	
G Gleeson	(Resigned 16 May 2003)
A Grimes	
T Mills	
R Muskett	
B Osei-Lawrence	(Resigned 1 July 2003)
E Pryle	
S Pryle	
D Skinner	
S Thomas	
M Vardy	
J Watt	
R Brady	
J Wright	
R Conroy	
J Grimes	

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2003	1 January 2003
RA Budds	1	1
A Burbage	1	1
T Butkeraitis	1	1
JCS David	1	1
A Grimes	15	15
T Mills	8	6
R Muskett	15	15

THE WORKERS BEER COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

E Pryle	1	1
S Pryle	15	15
D Skinner	1	1
S Thomas	1	1
M Vardy	1	1
J Watt	1	1
R Brady	15	15
J Wright	1	1
R Conroy	15	15
J Grimes	1	1

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Mallers be reappointed as auditors of the company will be put to the Annual General Meeting.

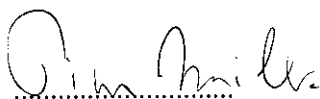
Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



T Mills

Director

29 Nov 2004

THE WORKERS BEER COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE WORKERS BEER COMPANY LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of the company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B 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 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

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

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 15 are properly prepared in accordance with that provision.

Mallers

Mallers

Chartered Certified Accountants
Registered Auditor

S. Nov 2004

5 Richardson Walk, Lexden
Colchester
Essex
CO3 4AJ

THE WORKERS BEER COMPANY LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Gross profit		1,097,049	1,100,534
Administrative expenses		(846,146)	(819,389)
Operating profit	2	250,903	281,145
Other interest receivable and similar income		12,051	15,948
Interest payable and similar charges	3	(8,025)	(10,466)
Profit on ordinary activities before taxation		254,929	286,627
Tax on profit on ordinary activities	4	(49,438)	(55,048)
Profit on ordinary activities after taxation	13	205,491	231,579

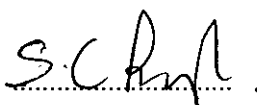
THE WORKERS BEER COMPANY LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2003

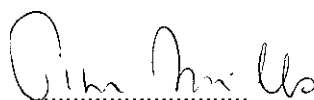
	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	5	593,410		575,288	
Investments	6	50		50	
		<u>593,460</u>		<u>575,338</u>	
Current assets					
Stocks	7	11,731		12,745	
Debtors	8	626,665		405,499	
Cash at bank and in hand		419,416		551,681	
		<u>1,057,812</u>		<u>969,925</u>	
Creditors: amounts falling due within one year	9	<u>(289,542)</u>		<u>(359,752)</u>	
Net current assets		<u>768,270</u>		<u>610,173</u>	
Total assets less current liabilities		<u>1,361,730</u>		<u>1,185,511</u>	
Creditors: amounts falling due after more than one year	10	<u>(63,957)</u>		<u>(93,228)</u>	
		<u>1,297,773</u>		<u>1,092,283</u>	
Capital and reserves					
Called up share capital	12	94		94	
Other reserves	13	3		3	
Profit and loss account	13	1,297,676		1,092,186	
Shareholders' funds - equity interests	14	<u>1,297,773</u>		<u>1,092,283</u>	

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

The financial statements were approved by the Board on 29 Nov 2004



S Pryle
Director



T Mills
Director

THE WORKERS BEER COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

	2003		2002	
	£	£	£	£
Net cash inflow from operating activities		24,121		127,734
Returns on investments and servicing of finance				
Interest received	12,051		15,948	
Interest paid	(8,025)		(10,466)	
Net cash inflow for returns on investments and servicing of finance		4,026		5,482
Taxation		(81,942)		20,665
Capital expenditure				
Payments to acquire tangible assets	(51,479)		(23,057)	
Receipts from sales of tangible assets	-		109,935	
Net cash (outflow)/inflow for capital expenditure		(51,479)		86,878
Net cash (outflow)/inflow before management of liquid resources and financing		(105,274)		240,759
Financing				
Repayment of long term bank loan	(26,991)		(24,549)	
Net cash outflow from financing		(26,991)		(24,549)
(Decrease)/increase in cash in the year		(132,265)		216,210

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

1	Reconciliation of operating profit to net cash inflow from operating activities	2003	2002
		£	£
	Operating profit	250,903	281,145
	Depreciation of tangible assets	33,356	22,515
	Profit on disposal of tangible assets	-	(4,587)
	Decrease in stocks	1,014	1,690
	Increase in debtors	(221,166)	(137,888)
	Decrease in creditors within one year	(39,986)	(35,141)
	Net cash inflow from operating activities	24,121	127,734

2	Analysis of net funds	1 January 2003	Cash flow	Other non-cash changes	31 December 2003
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	551,681	(132,265)	-	419,416
	Debt:				
	Debts falling due within one year	(26,442)	(2,280)	-	(28,722)
	Debts falling due after one year	(93,228)	29,271	-	(63,957)
		(119,670)	26,991	-	(92,679)
	Net funds	432,011	(105,274)	-	326,737

3	Reconciliation of net cash flow to movement in net funds	2003	2002
		£	£
	(Decrease)/increase in cash in the year	(132,265)	216,210
	Cash outflow from decrease in debt	26,991	24,550
	Movement in net funds in the year	(105,274)	240,760
	Opening net funds	432,011	191,251
	Closing net funds	326,737	432,011

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows.

Land and buildings Freehold	2% straight line on buildings
Fixtures, fittings & equipment	25% straight line
Motor vehicles	25% straight line

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

2	Operating profit	2003	2002
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	33,356	22,515
	Auditors' remuneration	9,000	8,000
	and after crediting:		
	Profit on disposal of tangible assets	-	(4,587)
	Profit on foreign exchange transactions	(8,233)	(2,995)
		<u> </u>	<u> </u>
3	Interest payable	2003	2002
		£	£
	On loans repayable after 5 years	8,025	10,466
		<u> </u>	<u> </u>
4	Taxation	2003	2002
		£	£
	Domestic current year tax		
	U.K. corporation tax	49,438	55,048
		<u> </u>	<u> </u>
	Current tax charge	<u>49,438</u>	<u>55,048</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	254,929	286,627
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002: 19.25%)	48,437	55,176
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	324	(165)
	Depreciation add back	6,337	4,334
	Capital allowances	(5,660)	(4,554)
	Chargeable disposals	-	257
		<u> </u>	<u> </u>
		1,001	(128)
		<u> </u>	<u> </u>
	Current tax charge	<u>49,438</u>	<u>55,048</u>

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

5 Tangible fixed assets

	Land and buildings Freehold £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2003	562,370	164,697	6,995	734,062
Additions	-	51,479	-	51,479
	<u>562,370</u>	<u>216,176</u>	<u>6,995</u>	<u>785,541</u>
At 31 December 2003	562,370	216,176	6,995	785,541
Depreciation				
At 1 January 2003	19,053	132,727	6,995	158,775
Charge for the year	4,447	28,909	-	33,356
	<u>23,500</u>	<u>161,636</u>	<u>6,995</u>	<u>192,131</u>
At 31 December 2003	23,500	161,636	6,995	192,131
Net book value				
At 31 December 2003	<u>538,870</u>	<u>54,540</u>	<u>-</u>	<u>593,410</u>
At 31 December 2002	<u>543,317</u>	<u>31,971</u>	<u>-</u>	<u>575,288</u>

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

6 Fixed asset investments

	Shares in participating interests £
Cost	
At 1 January 2003 & at 31 December 2003	<u>50</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Participating interests			
Windfield Promotions Limited	England and Wales	Ordinary	50

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2003 £	Profit for the year 2003 £
Windfield Promotions Limited	<u>(507,222)</u>	<u>(336,753)</u>

The results disclosed above relate to Windfield Promotions Limited's published accounts, a company whose principal trading activity is the production and promotion of music festivals, which were last drawn up to 31 December 2002.

7 Stocks	2003 £	2002 £
Finished goods and goods for resale	<u>11,731</u>	<u>12,745</u>

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

8 Debtors	2003 £	2002 £
Trade debtors	96,581	118,047
Amounts owed by participating interests	80,668	-
Other debtors	61,205	95,484
Prepayments and accrued income	388,211	191,968
	<u>626,665</u>	<u>405,499</u>

Amounts falling due after more than one year and included in the debtors above are:

	2003 £	2002 £
Other debtors	<u>15,000</u>	<u>20,000</u>

9 Creditors: amounts falling due within one year	2003 £	2002 £
Bank loans and overdrafts	28,722	26,442
Trade creditors	63,053	86,376
Amounts owed to participating interests	-	46,657
Corporation tax	49,438	81,942
Other taxes and social security costs	61,258	54,980
Other creditors	3,909	5,844
Accruals and deferred income	83,162	57,511
	<u>289,542</u>	<u>359,752</u>

The bank loan and overdraft are secured by a fixed and floating charge over the assets of the company.

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

10 Creditors: amounts falling due after more than one year	2003 £	2002 £
Bank loans	63,957	93,228
Analysis of loans		
Wholly repayable within five years	92,679	119,670
	92,679	119,670
Included in current liabilities	(28,722)	(26,442)
	63,957	93,228
Loan maturity analysis		
In more than one year but not more than two years	28,722	26,442
In more than two years but not more than five years	63,957	93,228

The bank loan is secured by a legal charge over the company's freehold property and a debenture over the company assets.

11 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £30,312 (2002- £26,424). Contributions totalling £2,915 (2002- £nil) were payable to the fund at the year end and are included in creditors.

	2003 £	2002 £
Contributions payable by the company for the year	30,312	26,424
12 Share capital	2003 £	2002 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
94 Ordinary shares of £1 each	94	94

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

13 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2003	3	1,092,185
Retained profit for the year	-	205,491
	<u>3</u>	<u>1,297,676</u>
Balance at 31 December 2003	<u>3</u>	<u>1,297,676</u>

Other reserves

Capital redemption reserve

Balance at 1 January 2003 & at 31 December 2003

3

14 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year	205,491	231,579
Opening shareholders' funds	1,092,283	860,704
	<u>1,297,773</u>	<u>1,092,283</u>
Closing shareholders' funds	<u>1,297,773</u>	<u>1,092,283</u>

15 Directors' emoluments

	2003 £	2002 £
Emoluments for qualifying services	103,446	77,002
Company pension contributions to money purchase schemes	8,063	7,560
	<u>111,509</u>	<u>84,562</u>

THE WORKERS BEER COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
	32	32
	<u>32</u>	<u>32</u>
Employment costs		
	£	£
Wages and salaries	550,598	525,989
Social security costs	49,625	44,052
Other pension costs	30,312	26,424
	<u>630,535</u>	<u>596,465</u>