RidgeView Estate Winery Limited

3085921

Consolidated Financial Statements

For the period ended December 31 2002

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RidgeView Estate Winery Limited

Directors, officers and professional advisors

For the year ended December 31 2002

Directors

Christine Roberts

Michael Roberts

Secretary and registered office

Michael Roberts
Upper Furzefield, Fragbarrow Lane
Ditchling Common
Hassocks
Sussex BN6 8TP

Accountants

Grant Thornton
The Explorer Building
Fleming Way
Manor Royal
Crawley RH10 9GT

Bankers

National Westminster
1 Muster Green
Haywards Heath
Sussex RH16 4ZS

Solicitors

Raingold's Solicitors
107-111 Fleet Street
London EC4A 2AB

RidgeView Estate Winery Limited

Director's report

For the year ended December 31 2002

Principal Activities

RidgeView Estate Winery Limited is developing and managing a new wine estate concentrating on the production and sale of highest quality sparkling wine made and grown by methods traditional to Champagne. The company also provides oenological and viticultural supplies and general consulting services

Incorporation

The company, whose registered number is 3085921, was incorporated on July 31, 1995.

Share capital

In the year to December 31 2002 there were no changes to the share capital.

Directors and their interests

The directors throughout the period were:	Holding at 31/12/2002	Holding at 31/12/2001
Christine Roberts	615001	615001
Michael Roberts	600001	600001

Results and dividends

The profit for the year was £7,790

This being the development phase of the business, no dividend is recommended

Review of the business

Sales and customer base grew well up to expectations and the result was a profit for the year. We continued to build our trade selling network as well as expanding significantly the private customers. The results were in line with our long term forecasts and objectives and the results therefore were as expected.

Future developments

In 2003 we will continue to recruit trade accounts and build up the numbers of private customers. We continue to invest in building stocks of finished and maturing wine.

Statement of director' responsibilites for the financial statements

Company law requires the directors to prepare financial statements for each period which give a true and fair view of the state of affairs of the company and of the profit and 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, for safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud and other irregularities

Small company exemption

This report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies

By Order of the Board

M G Roberts
Secretary

RidgeView Estate Winery Limited

Accounting policies

For the year ended December 31 2002

Accounting convention

The financial statements have been prepared under the historical cost convention

The principal accounting policies of the company are set out below and have remained unchanged from the previous period

Turnover

Turnover is the total amount receivable by the company for work done and product sold in the ordinary course of business, including commissions and agency fees, less any trade discounts given, including excise duty and excluding VAT.

Stocks

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

Fixed assets

The following rates of depreciation are applied to each individual asset until the lowest residual value has been reach, when depreciation is stopped or reduced to 2%

Buildings and roadways	2% reducing balance
Vineyard plant	25% reducing balance
Winery plant	10% reducing balance
Office and laboratory equipment	20% reducing balance
Motor vehicles	25% reducing balance

Deferred Tax

Deferred tax will be provided under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Under provided deferred tax is disclosed as a contingent liability.

Foreign currencies

Exchange gains or losses arising from transactions in foreign currencies are accounted for through the profit and loss account.

Leased assets

Where assets are leased through agreements that give risk and reward approximating to ownership (finance leases), they are to be treated as if they had been purchased outright on credit. They are initially recorded as a fixed asset and a liability at a sum equal to the fair value of the asset. Leasing payments on such assets are regarded as consisting of a capital element reducing the liability and an interest charge. All other leases are operating leases and the total payments to be made under such a lease are charged to profit and loss account on a straight line basis over the duration of the lease.

RidgeView Estate Winery Limited

Profit and loss account

For the year ended December 31 2002

	Note	2002 £	2001 £
Turnover	1	163,263	132,415
Duty on sales		22,105	25,016
Direct materials and services		55,999	48,992
Staff cost	2	55,765	47,655
Depreciation		11,215	21,603
Profit / loss on disposal of fixed assets		0	0
Other operating charges		25,772	38,790
Costs transferred (to) from stock and work in process		(21,935)	(62,809)
Operating profit		14,342	13,168
Interest receivable		0	0
Interest payable	3	(6,552)	(6,219)
Profit on ordinary activities before taxation	1	7,790	6,949
Tax on loss on ordinary activities	4	0	0
Retained profit for the period	9	7,790	6,949
Retained loss brought forward		(712,010)	(718,959)
Retained loss carried forward		(704,220)	(712,010)

There were no recognised gains or losses other than the loss for the period

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

RidgeView Estate Winery Limited

Balance sheet

As at December 31 2002

	Note	2002 £	2001 £
Fixed assets			
Tangible	5	431,794	441,877
		431,794	441,877
Current assets			
Stock and work in process	6	244,542	226,236
Debtors	7	13,567	5,035
Cash at bank and in hand		311	196
		258,419	231,467
Creditors: Amounts falling due within one year	8	28,335	37,526
Bank Overdraft		29,731	25,526
Net current assets		200,353	168,414
Total assets less current liabilities		632,147	610,291
Creditors: Amounts falling due after one year	9	86,365	72,299
Net Assets		545,782	537,992
Capital and reserves			
Called up share capital	10	1,250,002	1,250,002
Profit and loss account		(704,220)	(712,010)
Shareholders' funds	11	545,782	537,992

For the period ended December 31, 2002, the company was exempt from audit of its financial statements under subsection (1) of section 249A of the Companies Act 1985. No notice has been deposited by members under subsection (2) of section 249B calling for an audit in relation to these financial statements.
The financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

We acknowledge our responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.

The financial statements are draft and subject to approval by the board of directors on October 20th 2003

Christine P. Roberts ..... Director
Christine Roberts

..... Director
Michael Roberts

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

1 Turnover and loss on ordinary activities before taxation

The turnover and loss on ordinary activities arose wholly in the United Kingdom and are attributable to the company's principal activity as defined in the Report of Directors

2 Staff costs

	2002	2001
	£	£
Wages and salaries	48,222	39,852
Social sercurity	3,042	2,276
Sub contract and casual labour	4,500	5,527
	55,765	47,655
Average number employees during period	5.57	4.97
	£	£
Remuneration in repect of directors was:	1,394	2,872

3 Interest payable

	£	£
On bank loans and overdrafts repayable in 5 years	6,552	6,219
	6,552	6,219

4 Taxation

There is no tax charge for the period. The company has unrelieved tax losses of approximately £700,000 which are availiable to be set against future profits from the same trade

5 Fixed assets

	Buildings and roadways	Vineyard plant	Winery plant	Office Laboratory fittings and equipment	Motor vehicles	Total £
Cost brought forward	396,724	54,729	194,948	9,268	10,147	665,816
Adjust prior year						
Additions	0	0	0	0	0	0
Disposal	0	0	0	1,132	0	1,132
Cost at December 31, 2002	396,724	54,729	194,948	10,400	10,147	666,948
Depreciation brought forward	75,102	43,569	92,087	5,291	7,890	223,939
Adjust prior year						0
Charge for the period	6,432	783	2,413	1,022	564	11,215
Depreciation carried forward	81,534	44,352	94,500	6,313	8,454	235,154
Net book amount at Decmber 31, 2002	315,190	10,377	100,448	4,086	1,693	431,794

6 Stock and work in process

	2002	2001
Finished stock	25,560	13,596
Value of work in process	225,176	215,206
En premeur payments in advance	(12,128)	(8,500)
Stock of materials	5,933	5,933
	244,542	226,236

7 Debtors

	£	£
Trade debtors	12,648	3,490
Other debtors	495	177
VAT reclaimable	0	0
Prepayments and accrued income	424	1,368
	13,567	5,035

8 Creditors falling due within one year

	£	£
Trade creditors	7,917	20,146
Current Account Ridgeview Winery Contracts Ltd	1,404	
Social security and other taxes	3,226	1,370
VAT Payable	0	0
Bank Loan	14,539	14,760
Other creditors and accruals	1,250	1,250
	28,335	37,526

9 Creditors falling due in more the one one year

	£	£
Bank loan from Nat West at variable rate repayable over 5 years:A298		
Amounts due after one year before end of year two	15,435	15,671
Amounts due after two years before five years	30,756	24,057
Directors' current account	40,173	32,571
	86,365	72,299

9 Share capital

	Authorised		Allotted, called up and fully paid	
	Number	£	Number	£
The shares were issued as follows:				
Ordinary shares of £1 each at December 31, 2001	1500000	1,500,000	1250002	1,250,002
There were no issues during the year				
Ordinary shares of £1 each at December 31, 2002	1500000	1,500,000	1250002	1,250,002

10 Reconciliation of movements in shareholders funds

	2002	2001
Shareholders funds at December 31, 2001	537,992	531,043
Loss for the period	7,790	6,949
Shareholders funds at December 31, 2002	545,782	537,992

11 Capital commitments	At December 31,2002 the company had commited to the purchase of 75% of Ridgeview Winery Contracts Limited at a cost of £3. There were no commitements at December 2001.
12 Contingent liabilities	The company had no contingent liabilities at December 31, 2002