BEDMINSTER (No.2 COMPANY) LIMITED

Directors' Report and Accounts

Year to 31 August 2003

Registered number : 4361321



A11
COMPANIES HOUSE
0624
16/01/04

CONTENTS

Page	
1	Report of the Directors
3	Statement of Directors' Responsibilities
4	Independent Auditors' Report to the Members of Bedminster (No 2 Company) Ltd
5	Accounting Policies
6	Profit and Loss Account
7	Balance Sheet
8	Reconciliation of Movements in Shareholders' Funds
9	Notes to the Accounts

Report of the Directors

YEAR TO 31 AUGUST 2003

The financial statements for the year are set out on pages 5 to 11.

REVIEW OF THE FINANCIAL PERIOD

The result after taxation for the year ended 31 August 2003 was US $ nil. The directors do not propose a final dividend.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of an investment holding company.

DIRECTORS

The following served as directors during the year:

G C Hetherington	resigned 22 May 2003
P J Lyster	
L A Quaranto	resigned 22 May 2003
C B Brown	appointed 22 May 2003
T Mains	appointed 22 May 2003

C B Brown resigned as Company Secretary 22 May 2003, S Hughes appointed.

	At 31 August 2003 Ordinary Shares	At 31 August 2002/ date of appointment Ordinary Shares
P J Lyster	**32,982**	30,633
C B Brown	**732**	588
T Mains	-	-
Total of directors' beneficial interests	**33,714**	31,221

During the year options in respect of ordinary shares in Allied Domecq PLC were granted to P J Lyster (25,000), C B Brown (27,000)and T Mains (7,500). None of the other directors serving at the end of the year exercised any options in respect of ordinary shares in Allied Domecq PLC during the year. These figures include options under Allied Domecq PLC's savings-related share option schemes.

In addition to the shares above the following directors are entitled to receive shares under the deferred bonus plan of Allied Domecq PLC. P J Lyster is entitled to receive 9,511 shares on 1 September 2004 and 17,505 shares on 1 September 2005. Details of the plan are disclosed within the accounts of Allied Domecq PLC.

Report of the Directors

YEAR TO 31 AUGUST 2003

GOING CONCERN

After making enquiries, the directors, at the time of approving the financial statements, have determined that there is reasonable expectation that the company has adequate resources to continue operating for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the financial statements.

AUDITORS

The auditors, KPMG Audit Plc, were appointed during the year. In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as the auditor to the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



S H Hughes
SECRETARY
22 December 2003

Statement of 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 for that year. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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 have general responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the Auditors

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BEDMINSTER (NO.2 COMPANY) LIMITED

We have audited the financial statements on pages 5 to 11.

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 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 member 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 directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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.

Basis of audit 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2003 and of its result for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
Chartered accountants
Registered auditor
London
22 December 2003

Accounting Policies

YEAR TO 31 AUGUST 2003

BASIS OF ACCOUNTING

The accounts are prepared under the historical cost convention, and comply with applicable UK Accounting Standards. Last year the company adopted Financial Reporting Standard 19, Deferred Tax. This had no impact on the financial statements.

The company is exempt from the requirement of Financial Reporting Standard 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Allied Domecq PLC, and its cash flows are included within the consolidated cash flow statement of the group.

The company is exempt under paragraph 3(c) of Financial Reporting Standard 8, Related Party Transactions, from disclosing transactions with entities that are part of the group.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at year end rates, any gains or losses are taken to the profit and loss account.

FIXED ASSET INVESTMENTS

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

Profit and Loss Account

YEAR TO 31 AUGUST 2003

	Note	**Year to 31 August 2003 US $'000**	7 month period to 31 August 2002 US $'000
Interest Receivable and similar income	4	-	61
Profit on ordinary activities before taxation		-	61
Taxation on profit on ordinary activities	5	-	(18)
Profit on ordinary activities after taxation		-	43
Dividends		-	-
Retained profit	9	-	43

There are no recognised gains or losses other than the result for the year.

There is no difference between the result on ordinary activities for the year as disclosed in the profit and loss account and the results stated on an unmodified historical cost basis.

Balance Sheet

AS AT 31 AUGUST 2003

	Note	2003 US $'000	2002 US $'000
Fixed Assets			
Investments	6	**72,186**	72,186
Total fixed assets		**72,186**	72,186
Current Assets			
Debtors		**-**	-
Creditors (due within one year)	7	**(18)**	(18)
Net current liabilities		**(18)**	(18)
Net assets		**72,168**	72,168
Capital and reserves			
Called up share capital	8	**1**	1
Share premium account	9	**72,124**	72,124
Profit and loss account	9	**43**	43
Shareholders' funds		**72,168**	72,168

Approved by the board on 22 December 2003 and signed on its behalf by:

P J Lyster
DIRECTOR

Reconciliation of Movements in Shareholders' Funds

YEAR TO 31 AUGUST 2003

	Year to 31 August 2003 US $'000	7 month period to 31 August 2002 US $'000
Shareholders' funds at the beginning of the year	**72,168**	-
Share capital issued	-	72,125
Profit for the financial year	-	43
Shareholders' funds at the end of the year	**72,168**	72,168

Notes to the Accounts

YEAR TO 31 AUGUST 2003

1 OPERATING ACTIVITY

The auditors' remuneration for their services in the year is borne by another group company

2 STAFF COSTS

The company had no employees during the year (2002: nil).

3 DIRECTORS' REMUNERATION

The directors received no remuneration in respect of their services to the company during the year (2002: nil).

The interest of directors in the ordinary share capital of Allied Domecq PLC and in options in respect of ordinary shares in Allied Domecq PLC are given on page 1.

4 Interest Receivable & Similar Income	**Year to 31 August 2003 US $'000**	7 month period to 31 August 2002 US $'000
Interest receivable from group companies	-	61
	-	61

5 TAXATION	**Year to 31 August 2003 US $'000**	7 month period to 31 August 2002 US $'000
The charge for taxation on the result for the year comprises:		
United Kingdom taxation		
Corporation tax at 30% (2002: 30%)	-	18
	-	18

There is no difference between the current tax charge at the UK corporation tax rate of 30% (2002: 30%) and the current tax on profit on ordinary activities.

Notes to the Accounts

YEAR TO 31 AUGUST 2003

6 INVESTMENTS	2003 US $'000	2002 US $'000
At the beginning of the year	**72,186**	-
Additions	**-**	72,186
At the end of the year	**72,186**	72,186

SHARES IN SUBSIDIARY UNDERTAKINGS

The principal subsidiaries at 31 August 2003 were:

	Country of incorporation or registration	Description of shares held	Proportion of nominal value of issued shares held
Bristol (Luxembourg) Sarl	Luxembourg	Ordinary $30	100%

7 CREDITORS	2003 US $'000	2002 US $'000
Amounts falling due within one year		
Amounts owed to group undertakings	**18**	-
Taxation	**-**	18
	18	18

	Authorised		Allotted, called up and fully paid	
8 SHARE CAPITAL	2003 £	2002 £	2003 US $	2002 US $
1,000 Ordinary shares of £1 each	**1,000**	1,000	**1,429**	1,429
	1,000	1,000	**1,429**	1,429

Notes to the Accounts

YEAR TO 31 AUGUST 2003

9 CAPITAL AND RESERVES	Share Capital US $'000	Share Premium US $'000	Profit and loss account US $'000	Total US $'000
At the beginning & end of the year	1	72,124	43	72,168

10 ULTIMATE PARENT COMPANY

The largest group in which the results of the company are consolidated is that headed by Allied Domecq PLC, a company incorporated in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from:

The Company Secretary
Allied Domecq PLC
The Pavilions
Bridgwater Road
Bedminster Down
BRISTOL
BS13 8AR

No other group accounts include the results of the company.