

Grampian Brands Limited

Report and Accounts

28 January 2000

Company Number: SC 171139



Im

Grampian Brands Limited

Registered No. SC 171139

DIRECTORS

D C McGibbon

J D Douglas

SECRETARY

J D Douglas

AUDITORS

Ernst & Young

George House

50 George Square

Glasgow

G2 1RR

BANKERS

The Royal Bank of Scotland plc

140 St Vincent Street

Glasgow G2 5JZ

SOLICITORS

Maclay Murray & Spens

151 St Vincent Street

Glasgow

G2 5NJ

REGISTERED OFFICE

Stag House

Castlebank St

Glasgow

G11 6DY

DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 28 January 2000.

PRINCIPAL ACTIVITY

The company did not trade during the year.

RESULTS AND DIVIDENDS

The results for the year and the state of the Company's affairs are shown in the attached financial statements.

DIRECTORS

The following directors served during the year.

D D Stevenson	(Resigned 15 November 1999)
J J Elliot	(Resigned 15 November 1999)
D C McGibbon	
J D Douglas	(Appointed 15 November 1999)

D C McGibbon is a director of the parent company Grampian Holdings plc and his interests in the share capital of Grampian Holdings plc are detailed in that company's accounts.

Directors' shareholdings in Grampian Holdings plc amount to:

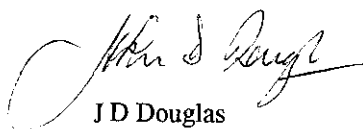
<i>Exercisable</i>	<i>Price</i>	<i>Share Options</i>					
		<i>Ordinary Shares</i>		<i>Executive</i>		<i>Savings related</i>	
		<i>Jan 2000</i>	<i>Jan 1999</i>	<i>Jan 2000</i>	<i>Jan 1999</i>	<i>Jan 2000</i>	<i>Jan 1999</i>
J D Douglas		12,075	*8,550	—	—	—	—
03-12-2001 to 02-12-2008	76.5p	—	—	100,000	*100,000	—	—
01-01-2002 to 30-06-2002	100.0p	—	—	—	—	13,800	*13,800

*At date of appointment

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Board



J D Douglas
Secretary

20 November 2000

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which gives a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that year. 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 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 accounts comply with the Companies Act. 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.

REPORT OF THE AUDITORS TO THE MEMBERS OF GRAMPIAN BRANDS LIMITED

We have audited the accounts on pages 5 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 7. The accounts have been prepared on a break up basis.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

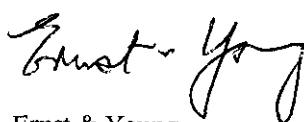
Basis of opinion

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 judgments 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 as at 28 January 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
Glasgow

20 November 2000

Grampian Brands Limited

PROFIT AND LOSS ACCOUNT for the year ended 28 January 2000

		<i>Year ended 28 January 2000</i>	<i>Year ended 29 January 1999</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
TURNOVER	2	-	32,167
Administration expenses		(331)	(152,617)
OPERATING LOSS	3	(331)	(120,450)
Interest payable	6	(126)	(63,008)
LOSS ON ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS AND TAXATION		(457)	(183,458)
Exceptional Items - closure costs		-	(34,379)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(457)	(217,837)
Taxation	7	144	64,442
TRANSFER FROM RESERVES		(313)	(153,395)

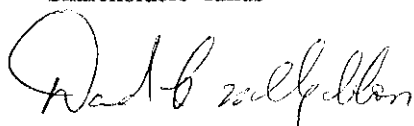
There are no recognised gains or losses other than the loss attributable to shareholders of the company of £313 in the year ended 28 January 2000 and the loss of £153,395 in the period ended 29 January 1999.

Grampian Brands Limited

BALANCE SHEET

at 28 January 2000

		28 January 2000	29 January 1999
	Notes	£	£
CURRENT ASSETS			
Assets for resale		-	13,582
Debtors	12	-	1,896,404
Cash at bank and in hand		2,839	-
		<u>2,839</u>	<u>1,909,986</u>
CREDITORS: amounts falling due within one year	13	(169,240)	(2,075,844)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(166,401)</u>	<u>(165,858)</u>
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	14	-	(230)
		<u>(166,401)</u>	<u>(166,088)</u>
CAPITAL AND RESERVES			
Called up share capital	15	2	2
Profit and loss account	16	(166,403)	(169,090)
Shareholders' funds		<u>(166,401)</u>	<u>(168,088)</u>



D C McGibbon - Director

20 November 2000

Grampian Brands Limited

NOTES TO THE ACCOUNTS

at 28 January 2000

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention and are prepared in accordance with applicable accounting standards. The accounts have been prepared on a break up basis reflecting the closure of the company.

Deferred taxation

Provision is made for deferred tax, using the liability method on all timing differences, to the extent that it is probable that a liability will crystallise in the foreseeable future.

2. TURNOVER

Turnover represents the amounts derived from the provision of services supplies, all of which arises in the UK and is stated net of value added tax.

3. OPERATING LOSS

	<i>Year ended 28 January 2000</i>	<i>Year ended 29 January 1999</i>
	<i>£</i>	<i>£</i>
This is stated after charging:		
Auditors' remuneration	-	500
Depreciation of owned fixed assets	1,079	4,316
Loss on sale of assets	2,769	-

4. STAFF COSTS

	<i>Year ended 28 January 2000</i>	<i>Year ended 29 January 1999</i>
	<i>£</i>	<i>£</i>
Wages and salaries	-	48,781
Social security costs	-	4,131
Pension costs	-	4,636
	-	57,548

The average weekly number of employees (including directors) during the year was made up as follows:

	<i>Year ended 28 January 2000</i>	<i>Year ended 29 January 1999</i>
	<i>No.</i>	<i>No.</i>
Office and management	2	2

Grampian Brands Limited

NOTES TO THE ACCOUNTS at 28 January 2000

5. DIRECTORS EMOLUMENTS

	<i>Year ended 28 January 2000 £</i>	<i>Year ended 29 January 1999 £</i>
Fees	-	100,000

6. INTEREST PAYABLE

	<i>Year ended 28 January 2000 £</i>	<i>Year ended 29 January 1999 £</i>
Bank overdraft	126	122
Group interest	-	62,886
	<u>126</u>	<u>63,008</u>

7. TAXATION

	<i>Year ended 28 January 2000 £</i>	<i>Year ended 29 January 1999 £</i>
Group relief – current period	(86)	67,289
Deferred taxation	230	241
	<u>144</u>	<u>67,530</u>
Prior year adjustments		
Group relief	-	(3,088)
	<u>144</u>	<u>64,442</u>

Grampian Brands Limited

NOTES TO THE ACCOUNTS at 28 January 2000

8. DEBTORS

	28 January 2000	29 January 1999
	£	£
Other debtors and prepayments	-	11,281
Due by fellow subsidiary undertakings	-	1,817,834
Group relief	-	67,289
	<u>-</u>	<u>1,896,404</u>

9. CREDITORS: amounts falling due within one year

	28 January 2000	29 January 1999
	£	£
Bank overdraft	-	25,021
Amount due to holding company	-	759,152
Accruals and other creditors	-	35,718
Amounts owed to other group undertakings	169,154	1,255,193
Group relief	86	-
	<u>169,240</u>	<u>2,075,844</u>

10. PROVISION FOR LIABILITIES AND CHARGES: DEFERRED TAXATION

The potential amounts of deferred taxation which have been fully provided are:

	28 January 2000	29 January 1999
	£	£
Capital allowances in excess of depreciation	-	230

11. SHARE CAPITAL

	28 January 2000	29 January 1999	Allotted, called up and fully paid 28 January 2000	29 January 1999
	No.	No.	£	£
Equity:				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>2</u>	<u>2</u>

Grampian Brands Limited

NOTES TO THE ACCOUNTS

at 28 January 2000

12. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total</i>
	£	£	£
Balance at 30 January 1998	2	(12,695)	(12,693)
Loss for the year	-	(153,395)	(153,395)
Balance at 29 January 1999	2	(166,090)	(166,088)
Loss for the year	-	(313)	(313)
Balance at 28 January 2000	2	(166,403)	(166,401)

13. CONTINGENT LIABILITIES

In conjunction with certain other companies in the Grampian Holdings plc group, the company has granted guarantees to secure the bank loans and overdrafts of the companies in the group banking arrangements with the Bank of Scotland, The Royal Bank of Scotland, Clydesdale Bank and TSB Bank. At 28 January 2000, the bank loans and overdrafts of the companies concerned in respect of each bank amounted to £3,902,757, £14,058,729, £8,000,000 and £4,000,000 respectively. (At 29 January 1999, the bank loans and overdrafts of the companies concerned in respect of each bank amounted to £4,258,800, £13,020,504, £6,000,000 and £3,000,000 respectively).

14. CASH FLOW INFORMATION

In view of the exemptions available under FRS1 (revised), no cash flow statement has been prepared because the company is wholly owned subsidiary of Grampian Holdings plc. Grampian Holdings plc has included a consolidated cash flow statement in its accounts for the year ended 28 January 2000.

15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions in paragraph 3(c) of FRS8 Related Party Disclosures, from disclosing transactions with other group companies.

16. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Grampian Holdings plc, a company registered in England and Wales. Copies of Grampian Holdings plc accounts can be obtained from :

Grampian Holdings plc
Stag House
Castlebank Street
Glasgow
G11 6DY

