

Registered Number
2663676

WINEWORLD LONDON LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST JULY 2014

MONDAY



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Wineworld London Limited

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Wineworld London Limited

Company Information

Directors

Alexander Anderson (Chairman)
Michael Loubser
Simon Wood
Jason Melrose
Georgina Anderson
Samantha Anderson

Secretary

Jason Melrose

Registered Office

1 Bank End
London
SE1 9BU

Company Number

2663676

Bankers

Bank of Scotland
London Chief Office
PO Box 54873
London
SW1Y 5WX

Auditor

Mazars LLP, Statutory Auditor
Chartered Accountants
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Wineworld London Limited

Report of the Directors for the year ended 31 July 2014

The directors present their report and financial statements for the year ended 31 July 2014.

Principal activities

Wineworld London Limited trades as "Vinopolis". Its principal activities are a wine tasting based visitor attraction and corporate event venue. There have not been any significant changes in the company's principal activities in the year under review and the directors are not aware of any likely major changes.

On 6th February 2014 the members resolved to re-register the company as a private company. Subsequently on 6th March 2014 the company was re-registered as a private company under the Companies Act 2006 and became incorporated under the name of Wineworld London Limited.

Financial risk management objectives and policies

The group makes little use of financial instruments other than an operational bank account and also exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit of the group.

Directors

The directors who served the company throughout the year were as follows:

Alexander Anderson*
Michael Loubser*
Simon Wood*
Jason Melrose*
Georgina Anderson* (appointed 20 November 2013)
Samantha Anderson (appointed 21 January 2014)

*Non -executive directors

Going concern

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial

Employees

The board wish to thank all staff for their valuable assistance in supporting Vinopolis throughout the year.

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. In preparing these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Wineworld London Limited
Report of the Directors for the year ended 31 July 2014
(Continued)

Directors' responsibilities (continued)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

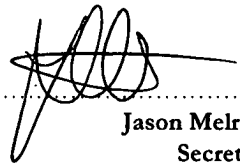
In so far as the directors are aware:

- ▶ there is no relevant audit information of which the Company's auditors are unaware; and
- ▶ the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

Mazars LLP were appointed as auditors during the year. A resolution to re-appoint them will be proposed at the annual general meeting.

By Order of the Board


.....
Jason Melrose
Secretary

1 Bank End
London
SE1 9BU

Date: 28 October 2014

Wineworld London Limited

Strategic Report for the year ended 31 July 2014

Business review and future developments

Two major businesses of Vinopolis are the Wine Odyssey, a pay-to-enter audio-visual tour of the world's wines, history and flavours, aimed principally at adults with tasting areas throughout the vaulted halls in which the tour is set, and corporate hospitality and events. In addition Vinopolis houses various retail facilities, including a Laithwaites wine shop and The Whisky Exchange.

Vinum Restaurant Company Limited is the company responsible for the operation of Cantina Vinopolis, the fine dining restaurant, Wine Wharf, the wine bar, Del Mercato, the Italian restaurant and bakery, Bar Blue, the cocktail bar and Brew Wharf, the microbrewery with its bar and restaurant. Vinopolis owns 60% of the total shareholding of Vinum Restaurant Company Limited.

It is anticipated that the Group's investment in these areas will support its future growth and strategy.

Results and dividends

As shown in the group's profit and loss account on page 6, the group has achieved a consolidated operating profit of £1,072,350 (2013: £599,393) for the year. The consolidated profit before taxation is £1,017,281 (2013: £520,431).

The net cash inflow was £1,638,124 compared to £230,213 in 2013.

The directors do not recommend the payment of a dividend (2013: Nil).

Key performance indicators ("KPI's")

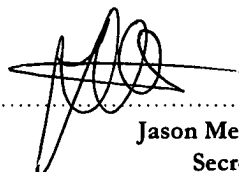
With very high levels of fixed costs associated with such a site the company's main KPI remains that of sales revenue generated by the site. As can be seen on page 12 of the financial statements the tour and other related income has increased by 11.84% from the previous year and the corporate events income has decreased by 18.74% from the previous year. The tour income increase is mainly due to the previous year having the close down period post the Olympic contract when the site was refurbished. The corporate events decrease is mainly due to the previous year having a share of the Olympic income in August 2012. Operating margin, after direct costs and before the operating profit from associates, is 12% in 2014 compared to 6% in 2013 and again has been affected by the close down period when the company still incurred fixed costs whilst there was no income.

Operating risks

The company aims to improve trading over the forthcoming months and to take advantage of any further opportunities arising from development of the site. But there are inherent risks in operating such a business, all of which, whether individually or combined, could cause the trading position of the company to become more difficult. At present the directors consider the following to be the principal risks and uncertainties facing the company:

- ▶ Economic recession, which in the current climate is still regarded as the main risk.
- ▶ Changes to government regulations, including legislation in respect of employee matters, environmental matters, health and safety, and accessibility.
- ▶ Natural disasters, acts of terrorism and consequent impact upon travel.
- ▶ Competition from new and existing visitor attractions and corporate event venues.

By Order of the Board



Jason Melrose
Secretary

1 Bank End
London
SE1 9BU

Date: 28 October 2014

Wineworld London Limited

Report of the Auditor

Independent auditor's report to the members of Wineworld London Limited

We have audited the financial statements of Wineworld London Limited for the year ended 31 July 2014 which comprise the Consolidated Profit and Loss Account, the Group Statement of Total Recognised Gains and Losses, the Statement of Historical Costs, Profits and Losses, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Alstair Wesson (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 7 November 2014

Wineworld London Limited
Consolidated Profit and Loss Account for the year ended 31 July 2014

		2014	2013
	Notes	Total £	Total £
Turnover	2	7,308,018	7,915,878
Cost of sales		(2,969,679)	(3,484,900)
Gross profit		4,338,339	4,430,978
Administrative expenses		(3,495,280)	(3,973,384)
		843,059	457,594
Share of operating profit in associates		229,291	141,799
Operating profit	3	1,072,350	599,393
Interest receivable	4		
Group		10,688	7,451
Associates		-	-
		1,083,038	606,844
Interest payable and similar charges	5		
Group		(65,757)	(86,413)
Associates		-	-
Profit on ordinary activities before taxation		1,017,281	520,431
Taxation	7	(172,578)	(22,182)
Profit on ordinary activities after taxation	18	844,703	498,249

All amounts relate to continuing activities.

The notes on pages 11 to 21 form part of these financial statements.

Wineworld London Limited
Consolidated Statement of Total Recognised Gains and Losses for the year ended
31 July 2014

	2014 £	2013 £
Profit for the year	844,703	498,249
Unrealised surplus/(deficit) on revaluation of long lease land and buildings	168,967	(301,232)
Total recognised gains relating to the year	<u>1,013,670</u>	<u>197,017</u>

Statement of Historical Costs, Profits and Losses for the year ended 31 July 2014

	2014 £	2013 £
Profit on ordinary activities before taxation	1,017,281	520,431
Difference between depreciation on revalued amount and on historical cost basis	168,967	179,411
Historical cost profit before taxation	<u>1,186,248</u>	<u>699,842</u>
Historical cost profit after taxation	<u>1,013,670</u>	<u>677,660</u>

The notes on pages 11 to 21 form part of these financial statements.

Wineworld London Limited
Consolidated Balance Sheet as at 31 July 2014

		2014		2013	
	Note	£	£	£	£
Fixed assets					
Intangible assets	8		242,024		258,159
Tangible assets	9		15,553,699		16,127,317
Investments	10		567,048		868,870
			<u>16,362,771</u>		<u>17,254,346</u>
Current assets					
Stock	11	15,084		36,106	
Debtors	12	689,999		514,361	
Cash at bank and in hand		2,143,505		880,450	
		<u>2,848,588</u>		<u>1,430,917</u>	
Creditors: amounts falling due within one year	13	(4,599,687)		(2,518,294)	
		<u>(4,599,687)</u>		<u>(2,518,294)</u>	
Net current liabilities			(1,751,099)		(1,087,377)
Total assets less current liabilities			<u>14,611,672</u>		<u>16,166,969</u>
Creditors: amounts falling due after more than one year	14		-		(2,400,000)
			<u>-</u>		<u>(2,400,000)</u>
Net assets			<u><u>14,611,672</u></u>		<u><u>13,766,969</u></u>
Capital and reserves					
Called up share capital - equity interests	15		1,687,894		1,687,894
Revaluation reserve	16		7,604,911		7,773,878
Capital redemption reserve	17		3,290,355		3,290,355
Profit and loss account	18		2,028,512		1,014,842
			<u>14,611,672</u>		<u>13,766,969</u>
Shareholders' funds	19		<u><u>14,611,672</u></u>		<u><u>13,766,969</u></u>

Approved by the board on 28 October 2014 and signed on its behalf by:



Alexander Anderson
Director

The notes on pages 11 to 21 form part of these financial statements.

Wineworld London Limited
Company Balance Sheet as at 31 July 2014
Company Number: 2663676

		2014		2013	
	Note	£	£	£	£
Fixed assets					
Tangible assets	9		15,553,699		16,127,317
Investments	10		606,304		606,304
			<u>16,160,003</u>		<u>16,733,621</u>
Current assets					
Stock	11	15,084		36,106	
Debtors	12	689,999		514,361	
Cash at bank and in hand		2,143,503		880,448	
		<u>2,848,586</u>		<u>1,430,915</u>	
Creditors: amounts falling due within one year	13	(4,599,687)		(2,518,294)	
Net current liabilities			<u>(1,751,101)</u>		<u>(1,087,379)</u>
Total assets less current liabilities			14,408,902		15,646,242
Creditors: amounts falling due after more than one year	14		-		(2,400,000)
Net assets			<u>14,408,902</u>		<u>13,246,242</u>
Capital and reserves					
Called up share capital	15		1,687,894		1,687,894
Revaluation reserve	16		7,604,911		7,773,878
Capital redemption reserve	17		3,290,355		3,290,355
Profit and loss account	18		1,825,742		494,115
Shareholders' funds	19		<u>14,408,902</u>		<u>13,246,242</u>

Approved by the board on 28 October 2014 and signed on its behalf by:

..... 

Alexander Anderson
Director

The notes on pages 11 to 21 form part of these financial statements.

Wineworld London Limited
Consolidated Cash Flow Statement for the year ended 31 July 2014

		2014	2013
	Note	£	£
Net cash inflow from operating activities	22	1,638,124	230,213
Returns on investments and servicing of finance			
Interest received		10,688	7,451
Interest paid		(65,757)	(86,413)
Dividend received from associates		480,000	-
		<hr/>	<hr/>
Net cash inflow from returns and on investments and servicing of finance		424,931	(78,962)
Net cash outflow from capital expenditure and financial investments		-	(1,221,646)
		<hr/>	<hr/>
Net cash inflow/(outflow) before financing		2,063,055	(1,070,395)
Financing			
Repayment of bank loans	24	(800,000)	(800,000)
Purchase of own shares	18	-	(646,133)
		<hr/>	<hr/>
Net cash outflow from financing		(800,000)	(1,446,133)
Increase/(decrease) in cash	23	<hr/> <hr/> 1,263,055	<hr/> <hr/> (2,516,528)

The notes on pages 11 to 21 form part of these financial statements.

Wineworld London Limited

Notes to the Financial Statements for the year ended 31 July 2014

1 Accounting policies

Accounting basis and standards

The financial statements have been prepared under the historical cost convention as modified by the revaluation of long lease land and buildings and are in accordance with applicable accounting standards

Group accounts and basis of consolidation

These consolidated financial statements present information about the group. The company has taken advantage of the exemption under section 408 of the Companies Act 2006 from presenting its own profit and loss account. The Company's interests in its associated undertakings are accounted for under the equity method of accounting in accordance with FRS 9. The Company's share of the results are included in the consolidated profit and loss account and its investment is included in the consolidated balance sheet, based on the Company's share of the net assets. The company profit for the year is £804,125 (2013:£394,767)

Goodwill

Goodwill arising on consolidation is the excess of cost over book value of the investment. It is amortised through the profit and loss account over the directors' estimate of its useful economic life which is 20 years, unless impairment has occurred, in which case goodwill is written down to its recoverable amount.

Turnover

Turnover represents the invoiced value of goods sold and services provided net of value added tax, adjusted for deferred income.

Tangible fixed assets and depreciation

During the year ended 31 July 2013 an interim valuation of the company's long lease land and buildings was performed following a full valuation during the year ended 31 July 2010. An amount equal to the excess of the annual depreciation charge on the revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve. All other tangible fixed assets are stated at cost.

The cost of tangible fixed assets is their purchase price, plus any incidental costs of acquisition.

Depreciation on fixed assets is provided at rates estimated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Long leasehold buildings	over the remaining life of the lease
Fit-out	4% to 10% straight line
Fit-out multimedia	15% straight line
Plant and machinery	25% to 33% straight line
Fixtures, fittings and equipment	25% to 33% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition. Net realisable value is based on estimated selling price, less additional costs to completion and disposal.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or subsequently enacted at the balance sheet date.

Foreign currencies

Transactions denominated in foreign currencies are translated into Sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account.

Pension scheme arrangements

The company makes contributions to a defined contribution scheme, the assets of which are held separately from the assets of the company. The pension costs charge represents contributions payable to the scheme.

Leased assets

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Wineworld London Limited
Notes to the Financial Statements for the year ended 31 July 2014
(Continued)

1 Accounting policies (continued)

Investments

Investments in associate companies are capitalised in the balance sheet at the original purchase price. The share of results since acquisition are taken to the profit and loss account and to the carrying value in the balance sheet, in accordance with FRS9.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Turnover

Turnover is attributable to the principal activities of the Group which arose wholly in the United Kingdom.

	2014	2013
	£	£
Tour & other related income	3,202,742	2,863,781
Corporate hospitality	4,105,276	5,052,097
	<u>7,308,018</u>	<u>7,915,878</u>

The segmental information does not include profit before tax or net assets since, in the opinion of the directors, no meaningful segmentation can be made.

3 Operating profit

	2014	2013
	£	£
The operating profit is stated after charging:		
Auditors' remuneration	13,500	15,510
Depreciation - owned tangible fixed assets	556,581	601,038
Depreciation - assets held under finance leases	17,037	17,037
Amortisation of goodwill	16,135	16,135
	<u>603,253</u>	<u>649,720</u>

4 Interest receivable

	2014	2013
	£	£
Bank interest receivable	10,688	7,451
Share of associates interest receivable	-	-
	<u>10,688</u>	<u>7,451</u>

5 Interest payable and similar charges

	2014	2013
	£	£
Bank loan and short term loan interest	65,757	86,413
Share of associates interest payable and similar charges	-	-
	<u>65,757</u>	<u>86,413</u>

Wineworld London Limited
Notes to the Financial Statements for the year ended 31 July 2014
(Continued)

6 Directors and employees

	2014	2013
	£	£
Staff costs (including directors) during the year were as follows:		
Wages and salaries	1,111,731	1,049,940
Social security costs	90,997	92,145
Other pension costs	5,227	8,334
	<u>1,207,955</u>	<u>1,150,419</u>

The average monthly number of persons employed by the group, including directors, during the year was 72 (2013: 58). At the end of the year the number of persons employed by the group was 65 (2013: 68).

Directors emoluments:

	2014	2013
	£	£
Directors' emoluments consist of:		
Fees and emoluments for management services	138,594	130,939
Group contributions to money purchase pension schemes	-	-
	<u>138,594</u>	<u>130,939</u>

7 Taxation

(a) Analysis of charge in year

	2014	2013
	£	£
Current tax:		
UK corporation tax at 21% (2013: 23%)	121,465	-
Share of associates' current tax	50,425	17,830
Total current tax	<u>171,890</u>	<u>17,830</u>
Deferred tax:		
Share of associates' deferred tax	688	4,352
Total deferred tax	<u>688</u>	<u>4,352</u>
Total taxation	<u>172,578</u>	<u>22,182</u>

(b) Factors affecting current tax charge

	£	£
Profit on ordinary activities before tax	<u>1,017,281</u>	<u>520,431</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2013: 23%)	213,629	119,699
Effects of:		
Expenses not deductible for tax purposes	4,246	4,627
Depreciation for the year in excess of capital allowances	89,902	172,938
Relieved against losses brought forward	(137,575)	(270,906)
Change in tax rates	10,295	762
Over provision in prior years on associates profits	(8,607)	(9,290)
Current charge for the year	<u>171,890</u>	<u>17,830</u>

There are no other known factors which may affect future tax charges.

Wineworld London Limited
Notes to the Financial Statements for the year ended 31 July 2014 (Continued)

8 Intangible assets

	Group Goodwill £
Cost or valuation	
At 1 August 2013	328,718
At 31 July 2014	328,718
Depreciation	
At 1 August 2013	70,559
Charge for the year	16,135
At 31 July 2014	86,694
Net Book Value	
At 31 July 2014	242,024
At 1 August 2013	258,159

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years

9 Tangible assets

	Group and Company				
	Long leasehold land and buildings £	Fit-out £	Plant and machinery £	Fixtures fittings and equipment £	Total £
Cost or valuation					
At 1 August 2013	15,150,000	8,732,798	856,972	2,009,573	26,749,343
At 31 July 2014	15,150,000	8,732,798	856,972	2,009,573	26,749,343
Depreciation					
At 1 August 2013	-	8,732,798	856,972	1,032,256	10,622,026
Charge for the year	329,289	-	-	244,329	573,618
At 31 July 2014	329,289	8,732,798	856,972	1,276,585	11,195,644
Net Book Value					
At 31 July 2014	14,820,711	-	-	732,988	15,553,699
At 1 August 2013	15,150,000	-	-	977,317	16,127,317

The long leasehold land and building have been included in the financial statements at a valuation of £15,150,000 based on an external professional valuation as at 31 July 2013 undertaken by Matthews & Goodman LLP on an open market basis for existing use.

If the long lease land and buildings had not been revalued, it would have been included at the following amounts:

	£
Historical cost	13,677,958
Accumulated depreciation based on historical cost	(6,462,139)
	7,215,819

Wineworld London Limited

Notes to the Financial Statements for the year ended 31 July 2014 (Continued)

10 Fixed asset investments

The investments of the Group and Company were as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Subsidiary undertaking	-	-	2	2
Associates	567,048	868,870	606,302	606,302
	<u>567,048</u>	<u>868,870</u>	<u>606,304</u>	<u>606,304</u>
At 31 July 2014	<u>567,048</u>	<u>868,870</u>	<u>606,304</u>	<u>606,304</u>

Principal group investments

The parent company and the group have investments in the following subsidiary undertaking and associate which principally affected the profits or net assets of the group.

Name	County of Incorporation	Class of share	Proportion held	Nature of business
Subsidiary undertaking				
Vinopolis Limited	England	Ordinary	100%	Dormant
Associates				
Vinum Restaurant Company Limited	England	Ordinary "B"	60%	Restaurant & Wine Bars
Brew Wharf Limited	England	Ordinary	60%	Dormant

The company has a 60% shareholding in Vinum Restaurant Company Limited, however, the 40% shareholder has the ability to exercise control. As a result Vinum Restaurant Company Limited continues to be accounted for as an associate as at 31 July 2014. The goodwill amortisation continued at same level as summarised in note 8.

Subsidiary undertaking

	2014	2013
	£	£
Cost		
As at 1 August 2013 and 31 July 2014	<u>2</u>	<u>2</u>

Associate

	Group	Company
	£	£
Cost		
As at 1 August 2013	893,870	606,302
Share of retained profit for the year	(301,822)	-
	<u>592,048</u>	<u>606,302</u>
At 31 July 2014	<u>592,048</u>	<u>606,302</u>
Amounts written off		
As at 1 August 2013 and 31 July 2014	<u>25,000</u>	<u>-</u>
Net Book Value		
At 31 July 2014	<u>567,048</u>	<u>606,302</u>
At 31 July 2013	<u>868,870</u>	<u>606,302</u>

Wineworld London Limited
Notes to the Financial Statements for the year ended 31 July 2014 (Continued)

10 Fixed asset investments (continued)

Associate

The group's share of the net assets of its associates is analysed below:

	2014	2013
	£	£
Fixed assets	891,380	1,005,693
Current assets	309,835	478,704
Current liabilities	(548,891)	(530,939)
Non current liabilities	(85,276)	(84,588)
	<u>567,048</u>	<u>868,870</u>

The group's share of post tax results from its associates is analysed below:

Turnover	4,048,671	3,636,511
Profit before tax	229,291	141,799
Taxation	(51,113)	(22,182)
Profit after taxation	<u>178,178</u>	<u>119,617</u>

11 Stocks

	Group and Company 2014	2013
	£	£
Finished goods and goods for resale	15,084	36,106

12 Debtors

	Group and Company 2014	2013
	£	£
Trade debtors	340,311	180,855
Amounts due from associates	22,637	-
Other debtors	230	-
Prepayments and accrued income	326,821	333,506
	<u>689,999</u>	<u>514,361</u>

13 Creditors: amounts falling due within one year

	Group and Company 2014	2013
	£	£
Bank of Scotland term loan	2,400,000	800,000
Trade creditors	369,575	390,343
Amounts due to associates	-	230,089
Corporation tax	121,465	-
Social security and other taxes	181,062	122,210
Other creditors	425,982	39,353
Accruals and deferred income	1,101,603	936,299
	<u>4,599,687</u>	<u>2,518,294</u>

Wineworld London Limited
Notes to the Financial Statements for the year ended 31 July 2014
(Continued)

14 Creditors: amounts falling due after more than one year

	Group and Company	
	2014	2013
	£	£
Bank of Scotland term loan	-	2,400,000

The Bank of Scotland term loan is secured by means of a fixed and floating charge over the long leasehold land and buildings of the Company. The realisation value of the long leasehold land and buildings charged in favour of Bank of Scotland shall not be less than 150% of the amount of the facility outstanding at any time. The facility is repayable by monthly instalments so that the loan is repaid in full on or before 29 July 2015. The Company pays interest quarterly in arrears at an annual rate which is the sum of (1) the Margin (1.75%), (2) LIBOR rate and (3) Mandatory costs as that fluctuates.

Borrowings are repayable as follows:

	Group and Company	
	2014	2013
	£	£
Bank loans		
Between two and five years	-	2,400,000
On demand or within one year	2,400,000	800,000
	<u>2,400,000</u>	<u>3,200,000</u>

15 Share capital

	Group and Company	
	2014	2013
	£	£
Allotted, called up and fully paid		
36,257,509 (2013: 36,257,509) ordinary shares of 4.4476p each	1,612,589	1,612,589
407,050,228 (2013: 407,050,228) "A" ordinary shares of 0.0185p each	75,305	75,305
	<u>1,687,894</u>	<u>1,687,894</u>

The rights attaching to those shares as they apply to dividends, redemption, capital and voting are as follows:

a) Right to dividend

Ordinary shares:

Any dividends are payable to holders of ordinary and "A" ordinary shares. For the purposes of dividends, ordinary and "A" ordinary shares rank as one class with each other

b) Capital

On a return of assets on liquidation or otherwise (except on a redemption of shares or purchase of a company of its own shares) the assets payable to shareholders shall be used to:

- i) pay the balance to the holders of the ordinary shares and the "A" ordinary shares as if they were all shares of the same class and denominated in the same amount and proportion to the number of such shares held.

c) Voting rights

Holders of ordinary and "A" ordinary shares each have the right to receive notice of, attend and vote at any general meeting. Each holder has one vote on a show of hands, or on a poll one vote for each share held which is credited as fully paid up.

Wineworld London Limited
Notes to the Financial Statements for the year ended 31 July 2014 (Continued)

16 Revaluation reserve

	Group and Company	
	2014	2013
	£	£
At 1 August 2013	7,773,878	8,433,932
Revaluation of fixed assets	-	(480,643)
Transfer to profit and loss account	(168,967)	(179,411)
At 31 July 2014	<u>7,604,911</u>	<u>7,773,878</u>

17 Capital redemption reserve

	Group and Company	
	2014	2013
	£	£
At 1 August 2013	3,290,355	3,286,940
Purchase of own shares	-	3,415
At 31 July 2014	<u>3,290,355</u>	<u>3,290,355</u>

18 Profit and loss account

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
At 1 August 2013	1,014,842	983,315	494,115	566,070
Result for the year	844,703	498,249	1,162,660	394,767
Purchase of own shares	-	(646,133)	-	(646,133)
Transfer from revaluation reserve	168,967	179,411	168,967	179,411
At 31 July 2014	<u>2,028,512</u>	<u>1,014,842</u>	<u>1,825,742</u>	<u>494,115</u>

19 Reconciliation of movements in shareholders' funds

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Opening shareholders' funds	13,766,969	14,395,496	13,246,242	13,978,251
Result for the year	844,703	498,249	1,162,660	394,767
Revaluation of fixed assets	-	(480,643)	-	(480,643)
Purchase of own shares	-	(646,133)	-	(646,133)
Closing shareholders' funds	<u>14,611,672</u>	<u>13,766,969</u>	<u>14,408,902</u>	<u>13,246,242</u>

Wineworld London Limited

Notes to the financial statements for the year ended 31 July 2014 (Continued)

20 Transactions with directors and related party transactions

(a) Thistledown Investments Limited

Thistledown Investments Limited, a leasing company owned by Alexander Anderson - the Non Executive Chairman, has provided finance by way of leases to the company in previous years on commercial terms standard to finance companies.

During the year, the company deposited surplus cash with Thistledown Investments Limited at higher rates of interest than could be earned with Bank of Scotland. There are no deposit balances at the year end.

	2014 £	2013 £
During the year the following transactions took place with Thistledown Investments Limited:		
Consultancy	100,521	106,983
Loan interest and fees	(10,975)	(6,799)
Repayment of loan	(1,500,000)	(750,000)
Issue of new loans	1,500,000	750,000
Total transactions	89,546	100,184
At the year end there were amounts outstanding to Thistledown Investments Limited of:		
Debtors	1,547	-
Creditors: amounts falling due within one year		
Accruals and deferred income	15,134	24,380

All these transactions were undertaken at arms length.

(b) G.R.T. Holdings Limited and G.R.T Farming & Financial Pty Limited.

Michael Loubser, a non executive director, is a director of G.R.T. Holdings Limited and G.R.T Farming & Financial Pty Limited.

	2014 £	2013 £
During the year the following transactions took place with G.R.T. Holdings Limited and G.R.T. Farming & Financial Pty Limited:		
Promotional materials	182,700	197,897
Consultancy	21,527	22,067
Total transactions	204,227	219,964
At the year end there were amounts outstanding to G.R.T. Holdings Limited and G.R.T Farming & Financial Pty Limited of:		
Creditors: amounts falling due within one year		
Accruals and deferred income	219,424	210,747

All these transactions were undertaken at arms length.

Wineworld London Limited

Notes to the financial statements for the year ended 31 July 2014 (Continued)

20 Transactions with directors and related party transactions

(c) Vinum Restaurant Company Limited

During the year the company traded with Vinum Restaurant Company Limited, a company in which Wineworld London plc is a shareholder.

During the year the following transactions were made to/(from):

	2014 £	2013 £
Rent received	669,995	604,647
Catering commission received	360,401	373,397
Utility recharges	187,913	195,740
Purchases	(1,852,033)	(2,847,469)
Total transactions	(633,724)	(1,673,685)

The year end balances include the following amounts:

Debtors		
Amounts due from associates	22,637	-
Creditors		
Amounts due to associates	-	230,089

All these transactions were undertaken at arms length.

21 Pension commitments

The company makes contributions to a defined contribution scheme, the assets of the scheme being held separately from the assets of the Company. The pension cost charge represents contributions payable to the scheme and amounted to £5,227 (2013: £8,334). At the year end pension contributions of £447 (2013: £Nil) were outstanding.

Wineworld London Limited

Notes to the financial statements for the year ended 31 July 2014 (Continued)

22 Reconciliation of operating profit to net cash inflow from operating activities

	2014 £	2013 £
Operating profit	1,072,350	599,393
Share of associate operating profit	(229,291)	(141,799)
Depreciation -		
Owned tangible assets	556,581	765,143
Assets held under finance leases	17,037	17,037
Amortisation of goodwill	16,135	16,135
Decrease/(increase) in stock	21,022	(20,530)
(Increase)/decrease in debtors	(175,638)	145,455
Increase/(decrease) in creditors	359,928	(1,150,621)
Net cash inflow from operating activities	1,638,124	230,213

23 Reconciliation of net cash flow to the movement in net debt

	2014 £	2013 £
Increase/(decrease) in cash in the year	1,263,055	(2,516,528)
Cash outflow from decrease in debt and lease financing	800,000	800,000
Change in net debt resulting from cash flows	2,063,055	(1,716,528)
Net debt at 1 August 2013	(2,319,550)	(603,022)
Net debt at 31 July 2014	(256,495)	(2,319,550)

24 Analysis of changes in net debt

	At 1 August 2013 £	Cash flow £	Non cash movements £	At 31 July 2014 £
Cash at bank	880,450	1,263,055	-	2,143,505
Debt due within one year	(800,000)	-	(1,600,000)	(2,400,000)
Debt due after one year	(2,400,000)	800,000	1,600,000	-
	(2,319,550)	2,063,055	-	(256,495)

25 Ultimate parent company and controlling party

In the opinion of the directors, there is no individual controlling party.