Coors Brewers Limited

(formerly called Bass Brewers Limited)

Financial Statements for the year ended 29 December 2001
together with directors' report and report of the auditors

Registered number: 26018

Directors' report (continued)

The directors submit their report on the affairs of the Company, together with the financial statements and report of the auditors, for the year ended 29 December 2001. The comparative period is for the 18 weeks ended 30 December 2000.

Principal activities and business review

The principal activities of the Company consist of malting, brewing, bottling and the supply of beer, wines and spirits and soft drinks to the tied and free trade.

On 1 September 2001 Patricia Hewitt, Secretary of State for Trade and Industry, announced that Interbrew be required to dispose of either the whole of the Bass Brewers business or of the business and assets known as "Carling Brewers". Interbrew decided to follow the "Carling Brewers" option which, in summary, allows Interbrew to retain Bass Brewers' Scottish and Irish businesses and ownership of all Tennent's brands and Bass Ale brands globally whilst divesting the business in England and Wales primarily by way of the disposal of Bass Holdings Limited.

In order to achieve this outcome, a group reorganisation has taken place during the year, the main changes being:

- hive down of Scottish assets at net book value into a newly created subsidiary, Tennents Caledonian Breweries Limited (TCB) and
- sale of the investment in TCB, ultimately to an Interbrew retained company.

The directors expect the general level of trading activity to continue to increase as a result of the company's constant development of new products and increased premiumisation within the product portfolio. Bass Brewers is characterised by its strength as a mature business reflected in the Company's substantial operating cash flow.

Results and dividends

The profit for the period before taxation but after operating exceptional items amounted to £355,813,000 (18 weeks ended 30 December 2000: loss £113,587,000). Taxation for the period was a charge of £29,116,815 (18 weeks ended 30 December 2000: credit of £32,759,000).

Subsequent Events

On 24 December 2001, Interbrew announced that it had reached agreement with Adolph Coors Company for the sale of "Carling Brewers" for £1.2 billion. Completion of the sale of "Carling Brewers" was subject to the approval from the UK competition authorities, as provided for in the decision of the Secretary of State for Trade and Industry announced on 18 September 2001. This approval was granted on 30 January 2002 with completion of the sale taking place on 2 February 2002. This company is now a wholly owned subsidiary of Adolph Coors Company, incorporated in the USA.

Change of Name

On 11 March 2002, Bass Brewers Limited changed its name to Coors Brewers Limited.

Dividends

The retained profit of £326,697,000 has been transferred to reserves.

The directors do not recommend the payment of a final dividend (18 weeks ended 30 December 2000: £nil).

Directors and their interests

The following are the names of the directors who, at any time during the period, were directors of the Company:

J G Napier (Resigned 15 May 2001)
J S G Fowden (Appointed 15 May 2001, Resigned 2 February 2002)
P Thomas
P S Swinburn
M D Thomas
J S Holberry
C R Edger
M R Hunter
E Hinchliffe (Resigned 30 March 2001)
J van Biesbroeck (Appointed 11 April 2001, Resigned 2 February 2002)
P Cooke (Appointed 11 April 2001, Resigned 2 February 2002)
P Winand (Appointed 16 November 2000, Resigned 22 March 2001)
C Verougstraete (Appointed 16 November 2000, Resigned 2 February 2002)
P M R Kendall (Appointed 2 February 2002)
M Swan (Appointed 2 February 2002)
R M Reese (Appointed 2 February 2002)
T V Wolf (Appointed 2 February 2002)

Interbrew Belgium SA has maintained insurance for Directors and Officers of the Company against liabilities in relation to the Company.

There were no contracts of significance in relation to the Company's business in which directors of the Company or any connected person had a material interest at the end of the period or at any time during the period.

None of the directors had any interest in the shares of the Company throughout the year.

There are no directors' interests in Interbrew SA requiring disclosure under the Companies Act 1985 by applying The Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985.

Fixed assets

Details of the Company's fixed assets are given in notes 9 and 10. The breweries and the maltings are considered to be specialised properties where a market value is not available. The directors consider there to be no substantial difference between market value and book value for other land and buildings.

Supplier Payment Policy

Although the Company does not follow any formal code or standard on payment practice, the Company agrees payment terms with all of its main suppliers and abides by these terms subject to satisfactory performance by the supplier. Amounts owed to other suppliers are settled on or before the end of the month following receipt of a valid invoice. At 29 December 2001, trade creditors represented approximately 30 days purchases from suppliers.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that all employees be given equal opportunities in respect of training, career development and promotion.

Employee consultation

The Company places considerable value on the involvement of its employees and has continued its practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Company.

In addition to widely established arrangements involving briefing group consultancy committees and the publication of Company newspapers, there has been an increasing use of video programmes as part of the general process of employee consultation.

It is Company policy that there shall be no discrimination in respect of sex, colour, religion, race, nationality or ethnic origin and that equal opportunity shall be given to all employees.

Auditors

Our auditors, KPMG Audit Plc will not seek re-appointment. In accordance with Section 384 of the Companies Act 1985, a resolution for the appointment of PwC as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

137 High Street
Burton upon Trent
Staffordshire
DE14 1JZ

17 April 2002

By order of the Board

P Thomas
Director

Directors' responsibilities
in relation to financial statements

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility 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

For the year ended 29 December 2001

Independent Auditors' report to the members of Coors Brewers Limited

We have audited the financial statements on pages 6 to 23.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 4, 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 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 29 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
Birmingham

17 April 2002

Profit and Loss Account

For the year ended 29 December 2001

	Notes	Year ended 29 December 2001 £000	18 weeks ended 30 December 2000 £000
Turnover			
Continuing operation:	1	1,684,375	639,040
Costs and overheads, less other income	2	(1,568,259)	(751,393)
Operating profit/(loss)			
Continuing operations before exceptional items		116,116	39,746
Exceptional operating items on continuing operations	3	-	(152,099)
Operating profit/(loss)		116,116	(112,353)
Profit/(loss) on sale of fixed assets	5	239,214	(46)
Profit/(loss) on ordinary activities before interest		355,330	(112,399)
Other interest receivable and similar income		3,436	1,829
Interest payable and similar charges	6	(2,953)	(3,017)
Profit/(loss) on ordinary activities before taxation		355,813	(113,587)
Tax (charge)/credit on profit/(loss) on ordinary activities	7	(29,116)	32,759
Profit/(loss) on ordinary activities after taxation		326,697	(80,828)
Dividends	8	-	-
Retained profit/(loss) for the period		326,697	(80,828)

The Scottish business was transferred into a newly created subsidiary, Tennents Caledonian Breweries Limited, on 28 October 2001.

Notes on pages 9 to 23 form an integral part of these accounts.

Balance Sheet

As at 29 December 2001

	Notes	29 December 2001 £000	30 December 2000 £000
Fixed assets			
Tangible assets	9	242,076	318,802
Investments	10	148,314	151,441
		390,390	470,243
Current assets			
Stocks	11	87,457	81,933
Debtors	12	619,715	481,190
Cash at bank and in hand		38,230	53,676
		745,402	616,799
Creditors: Amounts falling due within one year	13	(325,150)	(361,093)
Net current assets		420,252	255,706
Total assets less current liabilities		810,642	725,949
Creditors: Amounts falling due after more than one year	14	(3,714)	(243,714)
Provisions for liabilities and charges	15	(19,099)	(21,103)
Net Assets		787,829	461,132
Capital and reserves			
Equity share capital	16	1,722	1,722
Share premium account		598,278	598,278
Revaluation reserve		602	621
Profit and loss account		187,227	(139,489)
Equity Shareholders' Funds		787,829	461,132

Signed on behalf of the Board

P Thomas
Director

17 April 2002

Notes on pages 9 to 23 form an integral part of these accounts.

Statement of Total Recognised Gains and Losses

For the year ended 29 December 2001

	Year ended 29 December 2001 £000	18 weeks ended 30 December 2000 £000
Profit/(loss) on ordinary activities after taxation	326,697	(80,828)
Total recognised gain/ (loss) relating to the financial period	326,697	(80,828)
Prior period adjustment – implementation of FRS 19	-	(55,959)
Total gains/(losses) recognised	326,697	(136,787)

Historical Cost Profits and Losses

For the year ended 29 December 2001

	Year ended 29 December 2001 £000	18 weeks ended 30 December 2000 £000
Reported profit/(loss) on ordinary activities before taxation	355,813	(113,587)
Difference between a historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	19	6
Historical cost profit/(loss) on ordinary activities before taxation	355,832	(113,581)
Historical cost profit/(loss) on ordinary activities after taxation and dividends	326,697	(80,822)

Reconciliation of Shareholders' Funds and Movement on Reserves

For the year ended 29 December 2001

	Share capital £000	Share Premium account £000	Revaluation reserve £000	Profit and loss account £000	Total Shareholders' funds £000
At 30 December 2000	1,722	598,278	621	(139,489)	461,132
Profit for the period	-	-	-	326,697	326,697
Dividend	-	-	-	-	-
Revaluation surplus	-	-	(19)	19	-
At 29 December 2001	1,722	598,278	602	187,227	787,829

Notes to financial statements

A summary of the principal accounting policies, all of which have been applied consistently throughout the period and the preceding period, is set out below.

a) *Basis of accounting*

The accounts are prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets. They have been drawn up to comply with applicable accounting standards.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

b) *Government grants*

Grants receivable relating to depreciable assets are credited to a deferred income account and released to revenue over the estimated useful lives of the relevant assets.

c) *Investments*

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

d) *Leases*

Assets held under finance leases are capitalised in the balance sheet within tangible fixed assets and are depreciated at the appropriate rates. The capital element of future lease payments is included in borrowings. The interest element of the lease obligations is charged to the profit and loss account.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

e) *Research and development*

Expenditure on research and development is charged to the profit and loss account as incurred.

f) *Stocks*

Stocks are stated at the lower of cost, including an appropriate element of production overhead cost, and net realisable value.

g) *Tangible fixed assets and depreciation*

(i) Freehold and leasehold properties are stated at cost or valuation, less depreciation where relevant. All other fixed assets are stated at cost.

(ii) On adoption of FRS 15, the Company has followed the transitional arrangements to retain the book value of properties which were revalued in the year ended 30 September 1999 and not to adopt a policy of further revaluations. Previous valuation surpluses realised on sale are transferred from the revaluation reserve to the profit and loss account reserve. Where a permanent diminution in value of an individual property is identified, the deficit is eliminated against any revaluation reserve in respect of that property with any excess being charged to the profit and loss account.

(iii) Freehold land is not depreciated

(iv) Freehold properties are depreciated over 20 years, with the exception of breweries and maltings which are depreciated over 25 years, from the later of the date of acquisition and latest valuation.

(v) Long leasehold properties are amortised over 50 years. Short leasehold properties are amortised over the term of the lease.

(vi) Cost of plant, machinery, fixtures, fittings, tools and equipment (owned or leased) is spread, by equal instalments, over the estimated useful lives of the relevant assets, namely:

Plant and machinery	4 - 15 years
Equipment in retail outlets	2 - 7 years
Information technology equipment	3 - 5 years
Vehicles	3 - 5 years

(vii) Interest payable in respect of certain major projects is capitalised to the extent that it relates to the period prior to the project becoming operational.

(viii) Any impairment arising on an income generating unit, other than one which represents a consumption of economic benefits, is eliminated against any revaluation reserve of that income generating unit with any excess being charged to the profit and loss account.

(ix) All depreciation is charged on a straight line basis from date of acquisition.

h) Taxation

Deferred taxation is provided in accordance with the requirements of FRS 19. Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation. Deferred tax is recognised in the profit and loss account for the period, except to the extent that it is attributable to a gain or loss that is or has been recognised in the statement of total recognised gains and losses. Deferred tax assets and liabilities are not discounted and therefore do not reflect the time value of money.

i) Turnover

Turnover represents sales (excluding VAT and similar taxes, trade discounts and intra-group transactions) of goods and services, net of discounts, provided in the normal course of business.

j) Pension Costs

The company operates a defined benefit pension plan covering the majority of permanent full time UK employees. The assets of the plans are held in separate trustee administered funds. Further information is given in note 4(c).

The disclosures required under the transitional arrangements of FRS 17, "Retirement Benefits" are given in note 4d.

k) Intangible fixed assets

Intangible fixed assets are capitalised, classified as assets on the balance sheet and amortised on a straight line basis over their useful economic lives. They are reviewed for impairment at the end of the first financial period following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recovered. No amortisation is charged in the year of acquisition and a full year's amortisation is charged in year of disposal.

l) Trade loans

Trade loans are stated at cost less any provision for diminution in value.

Notes to financial statements (continued)

m) *Cash flow statement*

Financial Reporting Standard Number 1 "Cash Flow Statements ("FRS 1") exempts undertakings from the requirement to produce such a statement where they are wholly owned subsidiaries of undertakings which prepare a consolidated cash flow statement in accordance with FRS 1. Interbrew SA, the company's ultimate parent undertaking at 29 December 2001, prepares such a statement and the company has therefore taken advantage of the exemption.

n) *Related Party Disclosure*

The Company has taken advantage of the exemption in FRS 8 as a wholly owned subsidiary not to disclose details of related party transactions otherwise required by the standard. The consolidated financial statements in which the subsidiary is included are publicly available.

Notes to financial statements (continued)

1 Segment analysis

Turnover and profit before tax is all attributable to the provision of Branded Drinks through its brewing, bottling and malting, and supply business.

All of the company's business is performed in the United Kingdom.

2 Costs and overheads, less other income

	Year ended 29 December 2001 £000	18 weeks ended 30 December 2000 £000
Raw materials and consumables	517,470	208,566
Excise duty on own products	607,097	223,535
Staff costs (note 4a)	119,510	47,013
Depreciation, amortisation and impairment of fixed assets		
- owned	65,901	156,275
- held under finance leases and hire purchase contracts	-	607
Maintenance and repairs	20,116	5,823
Advertising costs	26,111	5,648
Other external charges	210,616	72,519
Government grants released	(92)	(32)
Change in stocks of finished goods and work in progress	1,530	13,115
Income from fixed asset investments	-	(509)
Exceptional amounts written off current assets (see note 3)	-	18,833
	1,568,259	751,393

			29 December 2001 £000	30 December 2000 £000
The following amounts are included above:				
Operating lease rentals	-	property	614	2,240
Auditors' remuneration	-	audit work	138	165
	-	non-audit work	451	87
Research and development expenditure			893	388

Notes to financial statements (continued)

3 Exceptional operating items on continuing operations

		29 December 2001 £000	30 December 2000 £000
Impairment of tangible and intangible fixed assets	a	-	114,085
Amount provided against fixed asset investments	b	-	17,166
Amount written off current assets	c	-	18,833
Other		-	2,015
		-	152,099

Exceptional amounts in the previous period arose both as a result of an impairment review of fixed assets and from adopting estimation techniques employed by Interbrew. These are detailed below:

a) Of the £114,085,000, £82,616,000 related to an impairment charge based upon a review of the recoverability of capitalised material, labour, overhead and consumable costs in the dispense equipment estate and £17,349,000 related to an impairment of casks and kegs and locator boards.

b) The £17,166,000 related to additional provisions against trade loans as a result of adopting Interbrew provisioning estimation techniques.

c) Of the £18,833,000, £8,984,000 related to amounts written off inventory and £6,434,000 related to an increase in bad debt provisions. These adjustments were as a result of adopting Interbrew provisioning estimation techniques.

4 Staff

a) Costs

	29 December 2001 £000	30 December 2000 £000
Employee costs during the period amounted to:		
Wages and salaries	103,372	40,721
Employee profit share scheme	4,527	1,399
Social security costs	10,864	3,925
Pensions	747	968
	119,510	47,013

Notes to financial statements (continued)

b) Average number of employees

The average number of persons employed by the Company during the period including part time employees was as follows:

	29 December 2001 Number	30 December 2000 Number
Production	1,659	1,700
Sales	1,388	1,422
Administration	387	471
	3,434	3,593

c) Pension Costs for the period ending 29 December 2001 (SSAP24)

The Bass Brewers Pension Plan (the "Plan") commenced 1 December 2000. The Plan operates a funded defined benefit scheme providing benefits based on final pensionable earnings. The company also operates unfunded and funded unapproved top-up plans to provide pension and death benefits for earnings in excess of the Earnings Cap.

Contributions to the Plan are charged to the profit and loss account so as to spread the cost of benefits over employees' working lives.

An interim valuation of the Plan was carried out as at 1 May 2001 by an independent, professionally qualified actuary using the Projected Unit method. The first formal valuation of the Plan will be carried out with an effective date no later than 31 December 2001. The principal actuarial assumptions adopted for the initial valuation were based on prevailing financial conditions at the valuation date as follows:

Rate of investment return pre-retirement	7.07%
Rate of investment return post-retirement	5.57%
Rate of increase in salaries	3.87%
Rate of increase in pensions in payment	2.37%
Inflation assumption	2.37%
Assets	100% of market value

The results of this valuation showed the estimated market value of the assets to be £975m representing 110% of the benefits that had accrued to members after allowing for expected future increases in earnings. Until the results of the first formal valuation are known the company has agreed to pay contributions at the following rates:-

(a) in respect of Section I-III members @ 19.2% of Pensionable Earnings, and

(b) in respect of Section IV members @ 4.0% of Pensionable Earnings.

During the year, a bulk transfer was received from the Bass Pension Plan and the Bass Executive Pension Plan on a share-of-fund basis in accordance with the sale agreement by which Interbrew UK Holdings Limited acquired the entire share capital of Bass Holdings Limited.

The regular pension cost of providing these benefits was £9,998,000 (18 weeks ended 30 December 2000: £5,174,000) with a variation cost of £9,251,000 (18 weeks ended 30 December 2000: £4,206,000) giving a net pension cost of £747,000 (18 weeks ended 30 December 2000: £968,000). In addition, the company paid additional contributions of £273,000 (18 weeks ended 30 December 2000: £101,415) to finance additional benefits. Pension costs for previous periods were based on different financial assumptions compared with those used for the current period. The company has no other significant post-retirement benefit obligations.

With effect from 28 October 2001, Tennent Caledonian Brewers (TCB) was acquired by Interbrew UK Holdings. Pension costs associated with TCB have therefore only been included in respect of the period up to 28 October 2001.

The pension prepayment at 29 December 2001 was £14,216,000 (2000: £4,206,000)

Notes to financial statements (continued)

d) FRS 17 Additional Disclosures

An actuarial valuation of the Bass Brewers Pension Plan was carried out as at 1 October 2001, and updated to 29 December 2001 by a qualified actuary, using a set of assumptions consistent with those required under FRS 17.

The major actuarial assumptions used by the actuary were:

	29 December 2001
Rate of increase in salaries	3.95%
Rate of increase in pensions in payment	2.45%
Discount rate	6.19%
Inflation assumption	2.45%

The Company's share of the net pension asset/(liability) which would be recognised in the Company's balance sheet as at 29 December 2001 if FRS 17 had been adopted in full would be as follows:

	Expected rate of return	**29 December 2001 £m**
Equities	7.5%	616.9
Bonds	5.5%	269.2
Total market value of assets	6.89%	886.1
Present value of liabilities		839.4
Surplus in the scheme		46.7

Had FRS 17 been adopted in full the balance sheet asset would be £32.7m after applying deferred tax at 30%.

e) Directors' remuneration:

Remuneration was paid to the directors of the company as follows:

	29 December 2001 £000	30 December 2000 £000
Fees as directors	1,445	526
Other emoluments	100	19
Bonuses	948	253
	2,493	798

The directors' remuneration shown above included:

Remuneration of highest paid director:	29 December 2001 £000	30 December 2000 £000
Total emoluments	424	234
Accrued pension at year end	2	148

All of the directors are accruing retirement benefits under defined benefit schemes.

Notes to financial statements (continued)

5 Profit/(loss) on sale of fixed assets

	29 December 2001 £000	30 December 2000 £000
Investment in shares in subsidiary undertakings	239,515	-
Other fixed assets	(301)	(46)
	239,214	(46)

The profit on sale of shares in subsidiary undertakings arose on the sale of Tennent Caledonian Breweries Limited to Coors Holdings Limited (formerly Bass Holdings Limited), the Company's immediate parent undertaking.

6 Interest payable and similar charges

	29 December 2001 £000	30 December 2000 £000
Interest on inter-company loans	2,953	3,017

7 Tax on profit/(loss) on ordinary activities

(a) Analysis of charge/(credit) in period	29 December 2001 £000	30 December 2000 £000
Current tax:		
UK corporation tax on profits of the period	34,299	7,871
Adjustments in respect of previous periods	(5,278)	-
Total current tax	29,021	7,871
Deferred tax:		
Origination and reversal of timing differences	95	(40,630)
Tax on profit/(loss) on ordinary activities	29,116	(32,759)
Tax charge/(credit) included above attributable to operating exceptional items	-	(45,034)

Notes to financial statements (continued)

(b) **Factors affecting tax charge for period**

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	29 December 2001 £000	30 December 2000 £000
Profit/(loss) on ordinary activities before tax	355,813	(113,587)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30%	106,744	(34,076)
Effect of:		
Expenses not deductible for tax purposes	2,024	1,317
Depreciation for period in excess of capital allowances	2,093	34,904
Movement in provisions not taxable in period	(4,708)	5,726
Non taxable profit on sale of investments in shares in subsidiary undertakings	(71,854)	-
Adjustments to tax charge in respect of previous periods	(5,278)	-
Current tax charge for period	29,021	7,871

8 Dividends paid and proposed

There were no dividends paid or proposed in either the current or preceding period.

Notes to financial statements (continued)

9 Tangible fixed assets

	Land and buildings £000	Plant and machinery £000	Fixtures, fittings, tools and equipment £000	Total £000
Cost or valuation				
At 30 December 2000	98,779	460,807	366,299	925,885
Additions	295	13,457	34,833	48,585
Disposals	-	(1,304)	(6,060)	(7,364)
Hive down of assets to subsidiary undertaking	(16,473)	(113,728)	(36,283)	(166,484)
As at 29 December 2001	82,601	359,232	358,789	800,622
Depreciation				
At 30 December 2000	17,574	309,078	280,431	607,083
Provided in the period	2,898	25,527	37,476	65,901
Hive down of assets to subsidiary undertaking	(3,833)	(78,589)	(27,929)	(110,351)
Disposals	-	(504)	(3,583)	(4,087)
At 29 December 2001	16,639	255,512	286,395	558,546
Net book value				
At 30 December 2000	81,205	151,729	85,868	318,802
At 29 December 2001	65,962	103,720	72,394	242,076
At 29 December 2001 the cost of depreciable assets included in the above was:	75,535	359,316	360,224	795,075
The net book value of assets held under finance leases included in the total above was:				
At 30 December 2000	-	-	3,599	3,599
At 29 December 2001	-	-	-	-

Analysis of land and buildings

	Cost £000	Depreciation £000	Net Book Value £000
At 29 December 2001:			
Freehold	79,279	(15,353)	63,926
Leasehold under 50 years	3,322	(1,286)	2,036
Total land and buildings	82,601	(16,639)	65,962

Notes to financial statements (continued)

Analysis of cost or valuation

	29 December 2001 £000	30 December 2000 £000
Cost	718,021	827,106
Valuation	82,601	98,779
	800,622	925,885

Historical cost of land and buildings

	Cost £000	Depreciation £000	Net Book Value £'000
At 29 December 2001	90,676	30,798	59,878
At 30 December 2000:	109,064	37,327	71,737

10 Fixed asset investments

	Shares in Subsidiary Undertakings £000	Shares in Joint Venture £000	Trade and other Loans £000	Other £000	Total £000
Cost:					
At 30 December 2000	3,714	495	179,905	-	184,114
Additions/Advances	101,447	40,200	23,572	3,500	168,719
Disposals/Repayments	(101,447)	-	(45,603)	-	(147,050)
Write offs	-	-	(2,839)	-	(2,839)
Hive down of assets to subsidiary undertaking	-	-	(28,100)	-	(28,100)
At 29 December 2001	3,714	40,695	126,935	3,500	174,844
Provision for diminution in value:					
At 30 December 2000	-	-	32,673	-	32,673
Provided for the period	-	-	541	-	541
Utilisation of provision	-	-	(2,839)	-	(2,839)
Hive down of assets to subsidiary undertaking	-	-	(3,845)	-	(3,845)
At 29 December 2001			26,530	-	26,530
Net book value:					
At 30 December 2000	3,714	495	147,232	-	151,441
At 29 December 2001	3,714	40,695	100,405	3,500	148,314

Amounts included in "other" investments relate to an investment in a pub chain. The investment gives the Company pouring and other rights at the pub chain's organised events that are considered likely to generate future cash inflows. Accordingly, the directors consider the book value of the investments to be appropriate and that an impairment charge based on a review of the share price alone, is not required.

Notes to financial statements (continued)

Details of the investments in which the company holds more than 20% of the nominal value of any class of share capital are as follows: -

Name of Company	Country of Registration	Holding	Proportion of Voting Rights	Nature of Business
Subsidiary undertakings				
Bass and Tennent Sales Limited	England	Ordinary	100%	Dormant
International Beer Importers Limited	and	Ordinary	100%	Dormant
Premium Beer Company Limited	Wales	Ordinary	100%	Dormant
Thomas Caffrey Brewing Company Limited	Northern Ireland	Ordinary	100%	Dormant
Joint Ventures				
Grolsch UK Limited	England and Wales	Ordinary	49%	Supply of Beer
Tradeteam Limited	England and Wales	Ordinary	49.9%	Distribution of Beer

On 21 December 2001, the Company purchased the investment in Tradeteam Limited from its immediate parent, Bass Holdings Limited, at net book value.

11 Stocks

	29 December 2001 £000	30 December 2000 £000
Raw materials	20,493	20,816
Consumable stores	32,910	25,533
Work-in-progress	6,042	7,296
Finished goods	28,012	28,288
	87,457	81,933

The replacement cost of stocks approximates to the value above.

12 Debtors

	29 December 2001 £000	30 December 2000 £000
Amounts falling due within one year:		
Trade debtors	280,144	277,216
Amounts owed by group undertakings	294,912	175,515
Amounts owed by joint venture	-	4,165
Other debtors	13,515	3,716
Prepayments and accrued income	31,144	20,578
	619,715	481,190

Notes to financial statements (continued)

13 Creditors: Amounts falling due within one year

	29 December 2001 £000	30 December 2000 £000
Trade creditors	54,988	52,664
Amounts owed to group undertakings	4,311	68,677
Amounts owed to joint venture	-	1,503
Other creditors		
- UK corporation tax payable	8,339	12,166
- other taxation and social security	113,109	108,761
Accruals and deferred income	144,403	117,322
	325,150	361,093

14 Creditors: Amounts falling due after more than one year

	29 December 2001 £000	30 December 2000 £000
Holding Company Loans	-	240,000
Amounts owed to group undertakings	3,714	3,714
	3,714	243,714

15 Provisions for liabilities and charges

Provisions for liabilities and charges comprise:

	Deferred Taxation £000	Reorganisation Provision £000	Vacant Leasehold Property £000	Total £000
At 30 December 2000	15,329	2,900	2,874	21,103
Profit and Loss Account	96	(89)	614	621
Utilised	-	(2,114)	(511)	(2,625)
At 29 December 2001	15,425	697	2,977	19,099

Analysis of Deferred Taxation Provision

	29 December 2001 £000	30 December 2000 £000
Accelerated Capital Allowances	16,206	22,484
Other timing differences	(781)	(7,155)
Undiscounted provision for deferred taxation	15,425	15,329

Notes to financial statements (continued)

16 Called-up share capital

Authorised, allotted, called-up and fully-paid	29 December 2001 £000	30 December 2000 £000
1,721,600 deferred shares of £1 each	1,722	1,722
100 US$ ordinary shares of 1 US cent each	-	-
	1,722	1,722

The 1 cent shares were issued as a fully paid up bonus issue to Bass Holdings Limited, the owner then and now of all of the deferred £1 shares. The 100 shares of 1 US cent were surrendered on the same day of issue in return for a warrant entitling the bearer to 100 fully paid-up ordinary shares of 1 US cent. Bass Holdings Limited continues to hold the warrant. The bearer of the share warrant is entitled to the same rights and privileges as a holder of the specified shares.

For so long as the 1 US Cent shares remain in issue the holders of the Deferred Shares shall not be entitled to any participation in the profits or assets of the company until the holders of every other class of shares in the capital of the company shall have received on a return of asset or liquidation or otherwise £100 million in respect of each share held. The company has the power and authority to purchase all or any of the Deferred Shares for an aggregate consideration of £1 which shall be applied for the benefit of the Company.

17 Contingent liabilities and financial commitments

The Company has provided a guarantee and indemnity in favour of ABN AMRO in respect of certain borrowings and associated obligations of Interbrew UK Holdings Limited and its subsidiaries under a Facility Agreement made between Interbrew S.A., ABN AMRO Bank N.V. and others. The Company has also pledged the shares it owns in each of its subsidiaries to ABN AMRO as security. The guaranteed amount outstanding as at 29 December 2001 is £772,500,000, this being the amount made available principally to finance the Bass acquisition.

In addition, the Company has provided a guarantee/indemnity in respect of obligations under a working capital facility of up to £100,000,000. The guaranteed amount outstanding as at 29 December 2001 is £Nil.

The Company has annual commitments under operating leases, which expire as follows:

	29 December 2001 £000	30 December 2000 £000
Properties:		
Within 1 year	18	-
Between 1 and 5 years	200	293
After 5 years	2,834	2,851
	3,052	3,144

(c) Capital commitments at the end of the period for which no provision has been made are as follows:

	29 December 2001 £000	30 December 2000 £000
Contracted	2,356	2,519

Notes to financial statements (continued)

18 Ultimate parent undertaking and controlling party

The Company is a subsidiary undertaking of Coors Holdings Limited (formerly Bass Holdings Limited) its immediate controlling party which is incorporated in the United Kingdom and registered in England and Wales.

At 31 December 2001, the ultimate parent undertaking and ultimate controlling party is Interbrew SA, a company incorporated and registered in Belgium.

The results of the Company are included within the group financial statements of Interbrew SA but are not included within any other group financial statements.

Copies of Interbrew SA group financial statements may be obtained from the registered office of Interbrew S.A. at B-1000, Grand Place 1, Brussels, Belgium.