

# Kay's Atlas Brewery P.L.C.

A Subsidiary of  
**Frederic Robinson Limited**  
(The Ultimate Holding Company)  
Incorporated in England

50374

Directors:  
PETER B. ROBINSON LL.B, CHAIRMAN  
DENNIS W. ROBINSON  
DAVID J. ROBINSON, B.Sc.



**DIRECTORS' REPORT**  
to be presented to the shareholders at  
the one hundredth Annual General Meeting to be held  
on Monday, 13 February 1995, at 12 noon.

The Directors submit their Report and Audited Financial Statements for the year ended 31 December 1994

## Principal Activities

The Company is principally engaged in the ownership of public houses and hotels

## Results

|  | £     | £             |
|--|-------|---------------|
| The profit for the year attributable to members is:- |       | 90,848        |
| Preference dividend                                  | 2,772 |               |
| Ordinary dividend - interim 5% paid                  | 6,250 |               |
| Ordinary dividend - second interim 5% proposed       | 6,250 | 15,272        |
| Leaving a proposed transfer to reserve of            |       | <u>75,576</u> |

No change in the pattern of trading is envisaged in the future.

## Directors

The directors named above held office throughout the year. Throughout the financial year and at the date of this report each director held 100 Ordinary Shares each as nominees of the parent company. The directors' interests in the shares of the parent company are shown in the financial statements of that company.

Mr. Peter B. Robinson retires by rotation and, being eligible, offers himself for re-election.

## Directors' responsibilities for the financial statements

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 of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Fixed Assets - Freehold and Leasehold Properties

The principal item of capital expenditure during the year was the purchase of a freehold property amounting to £196,949. In the opinion of the Directors the market value of the Company's properties at the end of the year was in excess of the book amounts but in view of the uncertainty of the property market they are unable to quantify the amount of the excess.

## Auditors

Grant Thornton offer themselves for re-appointment as Auditors of the Company in accordance with Section 385(2) of the Companies Act 1985.

Dated this 11 day of January 1995

By Order of the Board,  
P.B. ROBINSON, X  
Secretary.

# *Kay's Atlas Brewery P.L.C.*

PROFIT AND LOSS ACCOUNT Year ended 31 December 1994

|   |      | 1994                 | 1993                 |
|---|------|----------------------|----------------------|
|   | Note | £                    | £                    |
| Turnover                                      | 2    | 70,000               | 70,000               |
| Costs   | 3    | <u>(3,790)</u>       | <u>(2,346)</u>       |
| Operating Profit                              |      | 66,210               | 67,654               |
| Investment Income                             | 4    | <u>258</u>           | <u>258</u>           |
|   |      | 66,468               | 67,912               |
| Exceptional Items                             | 5    | <u>42,473</u>        | <u>28,295</u>        |
| Profit on ordinary activities before taxation |      | 108,941              | 96,207               |
| Tax on profit on ordinary activities          | 6    | <u>(18,093)</u>      | <u>(17,677)</u>      |
| Profit on ordinary activities after taxation  |      | 90,848               | 78,530               |
| Dividends                                     | 7    | <u>(15,272)</u>      | <u>(15,272)</u>      |
| Profit retained                               | 13   | <u><u>75,576</u></u> | <u><u>63,258</u></u> |

There were no recognised gains or losses other than the profit for the financial year.

Profit on a historical cost basis does not differ from the profit for the financial year.

The accounting policies and notes on pages 4 and 5 form part of these financial statements

# Kay's Atlas Brewery P.L.C.

BALANCE SHEET at 31 December 1994

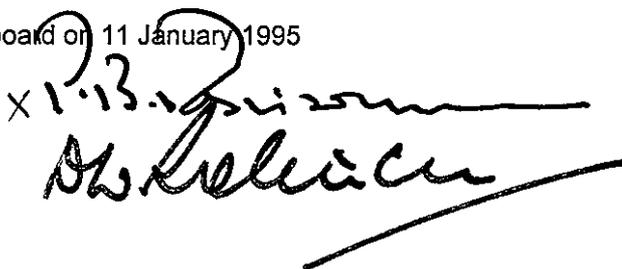
|  |      | 1994       |                     | 1993     |           |
|--|------|------------|---------------------|----------|-----------|
|  | Note | £          | £                   | £        | £         |
| <b>FIXED ASSETS</b>                                  |      |            |                     |          |           |
| Tangible assets                                      | 9    |            | 764,085             |          | 674,475   |
| Investments  | 10   |            | 1,935               |          | 1,935     |
|  |      |            | 766,020             |          | 676,410   |
| <b>CURRENT ASSETS</b>                                |      |            |                     |          |           |
| Debtors  | 11   | 400,127    |                     | 413,876  |           |
| Cash at Bank   |      | 1,785      |                     | 239      |           |
|  |      | 401,912    |                     | 414,115  |           |
| Less:  |      |            |                     |          |           |
| CREDITORS - amounts falling due within one year      | 12   | (25,769)   |                     | (23,938) |           |
| <b>NET CURRENT ASSETS</b>                            |      |            | 376,143             |          | 390,177   |
| <b>TOTAL ASSETS</b>                                  |      |            | 1,142,163           |          | 1,066,587 |
| <b>LESS CURRENT LIABILITIES</b>                      |      |            | 1,142,163           |          | 1,066,587 |
| <b>CAPITAL AND RESERVES</b>                          |      |            |                     |          |           |
|  |      | Authorised | Issued & fully paid |          |           |
|  |      | £          | £                   |          |           |
| 12,500 3.5% Cumulative Preference Shares of £10 each |      | 125,000    | 79,190              |          |           |
| 12,500 Ordinary Shares of £10 each                   |      | 125,000    | 125,000             |          |           |
|  |      | 250,000    | 204,190             |          | 204,190   |
| Profit and Loss account                              | 13   |            | 937,973             |          | 862,397   |
| Shareholders' funds                                  | 14   |            | 1,142,163           |          | 1,066,587 |
| Equity shareholders' funds                           |      |            | 1,062,973           |          | 987,397   |
| Non-equity shareholders' funds                       |      |            | 79,190              |          | 79,190    |
|  |      |            | 1,142,163           |          | 1,066,587 |

The financial statements were approved by the board on 11 January 1995

P.B. ROBINSON

Directors

D.W. ROBINSON



The accounting policies and notes on pages 4 and 5 form part of these financial statements

# Kay's Atlas Brewery P.L.C.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES - Depreciation

No provision is made for depreciation in respect of freehold properties. It is the practice of Frederic Robinson Limited to maintain adequately the company properties, thereby ensuring that no physical deterioration occurs. As a consequence any element of depreciation would in the opinion of the directors be immaterial. Long leasehold properties with under 125 years to run are depreciated over the period of the lease in equal instalments and the hotel furniture over its useful life.

#### Capital Gains Tax

No provision has been made in these financial statements for taxation on chargeable gains arising from the disposal of property as it is anticipated the liability for taxation will be postponed by the application of the rollover provisions of the Finance Acts.

#### Basis of Accounts

The financial statements have been prepared under the historic cost accounting rules and in accordance with applicable accounting standards.

|   | 1994<br>£     | 1993<br>£     |
|---|---------------|---------------|
| <b>2. TURNOVER</b>  |               |               |
| Turnover represents commission received from F. Robinson Ltd.   | <u>70,000</u> | <u>70,000</u> |
| <b>3. COSTS</b>   |               |               |
| Auditors' remuneration  | 1,375         | 1,375         |
| Directors' emoluments (Note 8)  | 0             | 828           |
| Depreciation (Note 9)   | 1             | 0             |
| Other charges   | <u>2,414</u>  | <u>143</u>    |
|   | <u>3,790</u>  | <u>2,346</u>  |
| <b>4. INVESTMENT INCOME</b>   |               |               |
| Income from debentures in fellow subsidiary   | <u>258</u>    | <u>258</u>    |
| <b>5. EXCEPTIONAL ITEMS</b>   |               |               |
| Compensation interest received  | 11            | 2,795         |
| Profit on sale of Fixed Assets  | <u>42,462</u> | <u>25,500</u> |
|   | <u>42,473</u> | <u>28,295</u> |
| <b>6. TAX ON PROFIT ON ORDINARY ACTIVITIES</b>  |               |               |
| The taxation charge is based on the profit for the year and is made up as follows:                                      |               |               |
| U.K. Corporation tax @ 25% (1993 - 25%)   | 17,273        | 17,677        |
| Adjustment for earlier years  | <u>820</u>    | <u>0</u>      |
| <b>TAXATION STATUS</b>  | <u>18,093</u> | <u>17,677</u> |
| In the opinion of the Directors the Company is a close company under the provision of Section 414 of the I.C.T.A. 1988. |               |               |
| <b>7. DIVIDENDS</b>   |               |               |
| Preference Shares of 3.5%   | 2,772         | 2,772         |
| Ordinary Shares   |               |               |
| Interim dividend of 5% paid   | 6,250         | 6,250         |
| Second interim dividend of 5% proposed  | <u>6,250</u>  | <u>6,250</u>  |
|   | <u>15,272</u> | <u>15,272</u> |
| <b>8. STAFF</b>   |               |               |
| No staff are directly employed by the company.  |               |               |
| Directors' emoluments are no longer paid by the company   |               |               |
| Fees  | 0             | 750           |
| National Insurance Contributions.   | <u>0</u>      | <u>78</u>     |
|   | <u>0</u>      | <u>828</u>    |

# *Kay's Atlas Brewery P.L.C.*

## 9. TANGIBLE ASSETS

|   | Properties     |                |                | Hotel      |
|---|----------------|----------------|----------------|------------|
|   | Total          | Freehold       | Long Leasehold | Furniture  |
| Cost  | £              | £              | £              | £          |
| At 1 January 1994                                 | 674,737        | 659,484        | 14,987         | 266        |
| Additions   | 112,149        | 112,149        | 0              | 0          |
| Sales   | (22,538)       | (22,538)       | 0              | 0          |
| <b>At 31 December 1994</b>                        | <b>764,348</b> | <b>749,095</b> | <b>14,987</b>  | <b>266</b> |
| Depreciation                                      |                |                |                |            |
| At 1 January 1994                                 | 262            | 0              | 0              | 262        |
| Provided in the year                              | 1              | 0              | 0              | 1          |
| Sales   | 0              | 0              | 0              | 0          |
| <b>At 31 December 1994</b>                        | <b>263</b>     | <b>0</b>       | <b>0</b>       | <b>263</b> |
| <b>Net book amount at 31 December 1994</b>        | <b>764,085</b> | <b>749,095</b> | <b>14,987</b>  | <b>3</b>   |
| <b>Net book amount at 31 December 1993</b>        | <b>674,475</b> | <b>659,484</b> | <b>14,987</b>  | <b>4</b>   |
| <b>Depreciable amount at 31 December 1994</b>     | <b>3</b>       | <b>0</b>       | <b>0</b>       | <b>3</b>   |
| <b>Non-depreciable amount at 31 December 1994</b> | <b>764,082</b> | <b>749,095</b> | <b>14,987</b>  | <b>0</b>   |

## 10. INVESTMENTS

This represents an investment in a fellow subsidiary, Bell & Co. Plc.  
4% perpetual first mortgage debenture stock at cost less amounts written off

Directors' and market valuation

## 11. DEBTORS

Amount owed by parent company

## 12. CREDITORS - amounts falling due within one year

Trade creditors

Taxation - advance corporation tax payable

Proposed second interim ordinary dividend

Corporation tax

## 13. PROFIT AND LOSS ACCOUNT

Balance as at 1 January 1994

Profit for the year

Balance as at 31 December 1994

## 14. MOVEMENT IN SHAREHOLDERS' FUNDS

Profit for the financial year

Dividends

Shareholders' funds at 1 January 1994

Shareholders' funds at 31 December 1994

|  | 1994      | 1993      |
|--|-----------|-----------|
|  | £         | £         |
|  | 1,935     | 1,935     |
|  | 1,935     | 1,935     |
|  | 400,127   | 413,876   |
|  | 400,127   | 413,876   |
|  | 2,593     | 1,113     |
|  | 346       | 403       |
|  | 6,250     | 6,250     |
|  | 16,580    | 16,172    |
|  | 25,769    | 23,938    |
|  | 862,397   | 799,139   |
|  | 75,576    | 63,258    |
|  | 937,973   | 862,397   |
|  | 90,848    | 78,530    |
|  | 15,272    | 15,272    |
|  | 75,576    | 63,258    |
|  | 1,066,587 | 1,003,329 |
|  | 1,142,163 | 1,066,587 |

## 15. PARENT COMPANY

The ultimate holding company of this Company is Frederic Robinson Ltd. which is incorporated in England.

# *Kay's Atlas Brewery P.L.C.*

## Cash Flow Statement

Year Ended 31 December 1994

|  | 1994<br>£       | 1993<br>£        |
|--|-----------------|------------------|
| <b>Net cash inflow/(outflow) from operating activities</b> |                 |                  |
| Operating profit   | 66,210          | 67,654           |
| Depreciation   | 1               | 0                |
| Increase/(Decrease) in debtors                             | 13,749          | 133,973          |
| Increase in creditors                                      | 1,480           | 124              |
|  | <u>81,440</u>   | <u>201,751</u>   |
| <b>Returns on Investments and Servicing of Finance</b>     |                 |                  |
| Interest received  | 11              | 2,096            |
| Dividends received   | 258             | 258              |
| Dividends paid   | (15,272)        | (15,272)         |
|  | <u>(15,003)</u> | <u>(12,918)</u>  |
| <b>Taxation</b>  |                 |                  |
| UK Corporation tax paid                                    | <u>(17,742)</u> | <u>(17,409)</u>  |
| <b>Net Cash (Outflow)/Inflow from Investing Activities</b> |                 |                  |
| Purchase/Sale of tangible fixed assets                     | <u>(47,149)</u> | <u>(171,449)</u> |
| <b>(Decrease)/Increase in bank balance during the year</b> | <u>1,546</u>    | <u>(25)</u>      |

**REPORT OF THE AUDITORS TO THE MEMBERS OF**

**KAY'S ATLAS BREWERY P.L.C.**

We have audited the Financial Statements on pages 2 to 6 which have been prepared under the accounting policies set out on page 4.

**Respective responsibilities of directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

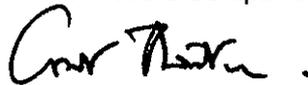
**Basis of opinion**

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 financial statements. It also includes an assessment of the significant estimates and judgments 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 at 31 December 1994 and of its profit and cash flow for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON  
Registered Auditors  
Chartered Accountants

Heron House,  
Albert Square,  
Manchester M2 5HD.

12 January 1995

***Kay's Atlas Brewery P.L.C.***  
Unicorn Brewery, Stockport

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**REPORT AND  
FINANCIAL STATEMENTS  
For the year ended 31 December 1994**

NOTICE is hereby given that the ninety-ninth annual general meeting of Kay's Atlas Brewery P.L.C. will be held at the registered office of the Company, Unicorn Brewery, Stockport, on Monday, 13 February 1995 at 12 o'clock noon for the following purposes, viz:-

1. To receive the Directors' Report and Financial Statements for the year ended 31 December 1994
2. To declare a dividend on the ordinary shares of the Company and to fix the date of payment.
3. To re-elect a director.
4. To re-appoint the auditors and authorise the directors to fix their remuneration.
5. To transact any other business that may be legally transacted at an annual general meeting.

**Dated this 20 day of January 1995**

By order of the Board,

**P.B. ROBINSON,**  
Secretary.

Every member entitled to attend and vote at the above meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. the proxy need not also be a member.

Proxies must be lodged at the Company's registered office 48 hours before the time fixed for holding the annual general meeting.