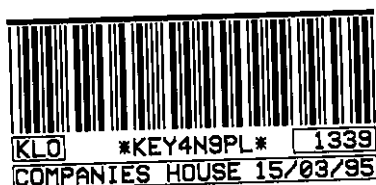


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Registered Number 52412



Directors and Officers

Directors

R. W. D. Hanson, T.D. (*Chairman & Managing Director*)
P. T. Helps, B.Sc.
J. D. Harrison, F.C.A.
N. J. Forman Hardy, D.L.
T. E. Bonham

Secretary and Registered Office

J. D. Harrison, F.C.A.
Kimberley Brewery, Nottingham NG16 2NS

Auditors

Robt. A. Page & Co.,
Chartered Accountants and Registered Auditor
16 Pelham Road, Nottingham NG5 1AR

**Bankers and Trustees for the
Debenture Stockholders**

Lloyds Bank Plc

Registrars

Barclays Registrars
Bourne House
34 Beckenham Road
Beckenham
Kent BR3 4TU

Subsidiary Company (wholly owned)

Hansons Limited (non-trading)

Chairman's Statement

I am sure that shareholders will share my pleasure at being able to report a significant increase in our profit on ordinary activities before tax from £7,039,000 last year to £7,724,000 for the period ending on 30th September, 1994—a rise of just under 10%. Operating profit increased by a very satisfactory 10.7% and there was a small increase in the surplus on the disposal of fixed assets, off-set only slightly by a drop in interest receivable as rates again fell during the period. Shareholders will also note that the board's instructions to Chesterton International p.l.c. to carry out a revaluation of all the company's properties, as announced at the time of the interim results in June, 1994, have resulted in a significant surplus of £30,879,000. This amount has been credited to the revaluation reserve, which has further demonstrated the strength of our balance sheet; the bases of the valuation have been included in Note 11 to the Financial Statements. At the period end, the company's licensed estate consisted of 255 public houses, of which 84 were managed and 171 were tenanted, one off-licence and two clubs; all were freehold properties with the exception of two public houses which are held on long leases.

These results have enabled the board to propose a final dividend of 6.0p per ordinary share compared with 5.5p last year. With the inclusion of the 3.4p interim dividend already paid (3.0p last year), the total dividend for the period will be 9.4p per ordinary share compared with 8.5p last year. The board has also been very pleased to increase the allocation to the employees' share scheme by approximately 10% to £156,000 in recognition of the continued support by the company's employees throughout the period.

Trading performance in the second half of the year was helped by the better summer weather but the year's improvement has again been largely driven by the substantial capital investment at new or modernised public houses. The Corn Mill at Chilwell, a new public house between Nottingham and Derby, was opened in November, 1993; it has extensive bar areas and a restaurant with some 140 covers and has traded at a very satisfactory level. In addition, the Magna Charta at Lowdham and the Tree Tops at Mapperley, both near Nottingham, re-opened in March and July respectively after extensive re-fits and have traded well with the new restaurants complementing the improved bar facilities most successfully. Also, major alterations and improvements were completed at the Cocked Hat, Aspley, the Commercial Inn, Beeston, the Devonshire Arms, Fairfield, the Man in Space, Eastwood and the Nurseryman, Beeston. The upgrading of several other public houses is currently in hand or will start during the current financial period but our greatest need is to find good new sites, the competition for which remains very strong. A number are currently under consideration and we would hope to be able to exchange contracts for at least one in time to start building during the current financial year. Also, we have at last obtained planning consent to make some much-needed improvements to the famous "Ye Olde Trip to Jerusalem", England's oldest inn and which we purchased no less than five years ago.

There are still a surprising number of public house packages for sale, some houses being included for the second or third time,

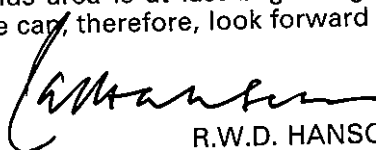
Chairman's Statement (continued)

but almost without exception they have fallen below our minimum criteria. It, therefore, remains our policy not to buy marginal tenancies which we believe will cause problems in the future even if there could be some short term gains.

The various projects completed in the brewery in recent years have meant that there has been no need for major investment during the period although that position is likely to change this year. Depending on the outcome of a feasibility study, we will probably decide to replace our ageing steam boilers rather than carry out expensive repairs. Currently we are installing plant for handling bulk nitrogen which is a much cheaper alternative to carbon dioxide for process use as well as improving quality and being more environmentally friendly. Cost control, along with quality, has been the main focus of attention and we have seen useful benefits from some rationalisation last year within our production and distribution areas. Increased competition at the lower end of the supply scale has also brought welcome reductions in gas and electricity charges although, regrettably, there has been little response to market pressures in respect of water supplies.

Last year, I referred to the Chancellor's decision in November, 1993 not to increase the U.K.'s excessively high excise duty on beer as being a very small step in the right direction to reduce cross-channel smuggling. He was sympathetic to the problem then as, indeed, he was when he visited the brewery in January, 1994. It was, therefore, an immense disappointment that after referring in his original budget speech on 29th November, 1994 to the increase in cross-border shopping in alcohol and in smuggling and saying that "No Chancellor can remain unmoved in the face of this . . .", he should then choose to increase the duty on beer by 1p per pint just nine days later. The increase in duty was above the rate of inflation and has further widened the difference between French and U.K. duty levels. It can only damage the U.K. industry, including jobs therein, and it is totally wrong that the very unfair competition which results has actually been made worse—and, of course, much of it is illegal. I very much hope that any shareholders who read this statement will make their views clear to any M.P. or M.E.P. whom they meet.

It is never easy, at such an early stage, to give an indication of our likely progress in the current financial period but the autumn started positively with a modest increase in overall beer sales compared with 1993 and with similar increases in cider, wines and spirits; also, income from amusement machines has continued the growth first noted about eighteen months ago. It does appear that the East Midlands area is at last beginning to come out of recession and that we can, therefore, look forward to 1995 with cautious optimism.



R.W.D. HANSON
Chairman

Report of the Directors

The directors have pleasure in submitting the financial statements for the 52 weeks ended 30th September 1994, which were approved on 9th December 1994, and may be found between pages 8 and 19. The comparative figures for 1993 also cover a 52 week period.

Results and Dividends

After the allocation to the employees' share scheme of £156,000 (£142,000 in 1993), the operating profit increased by 10.7% from £6,323,000 to £6,997,000 but net investment income decreased from £638,000 to £625,000. The profit before tax was £7,724,000 compared with £7,039,000. After providing for corporation tax at the rate of 33%, the profit after tax was £5,241,000 compared with £4,741,000.

Interim dividends were paid on 8th August 1994, on the ordinary and deferred ordinary shares of 3.4 pence per share and 3.225 pence per share respectively.

The directors recommend a final dividend of 6.0 pence per share on both the ordinary and deferred ordinary shares which, if approved, will be paid on 6th March 1995.

The remaining £2,884,000 (£2,609,000 in 1993) has been transferred to reserves.

Review of the Business and Future Developments

Information under this heading is included in the Chairman's statement on pages 2 and 3.

Activities

The principal activities of the company consist of the brewing of beer, the wholesaling and retailing of beer, wines and spirits and soft drinks, the retailing of food and the ownership and management of public houses.

Fixed Assets

The company's freehold and leasehold properties were revalued as at 30th September 1994, the details of which are set out in note 11 to the financial statements.

There have been no significant changes in the fixed assets during the financial period except in the ordinary course of the business.

A statement of movements in fixed assets during the period is included within the notes to the financial statements.

Donations and Subscriptions

During the period the company contributed £4,000 for charitable purposes and £1,250 to the East Midlands Industrial Council.

Employee Involvement

The company recognises the importance of good communications and relations with its employees. Heads of department meet frequently with the directors to exchange views and information on all the company's activities; in addition, the directors hold regular departmental briefing meetings for all employees at Kimberley.

The employees' share scheme helps to promote the involvement of employees with the company's performance. Financial Statements are published biannually and copies are made available for anyone who does not automatically receive them as a member of the share scheme.

Report of the Directors (continued)

Employment of Disabled Persons

Disabled persons are considered for employment and training according to their aptitudes and abilities providing suitable vacancies exist.

In the event of an employee becoming disabled every effort is made to ensure the continuation of his or her employment with the company. In appropriate cases re-training or a transfer may be arranged.

For training, career development and promotion, disabled persons are, where possible, treated the same as other employees.

Directors

The directors are named on page 1 of the annual report.

The director retiring in rotation order is Mr. T. E. Bonham who, being eligible, offers himself for re-election. Mr. Bonham's service agreement extends for a period of two years.

The directors' interests in the shares of the Company are set out in note 19 to the financial statements.

Corporate Governance

The Board of Directors has considered the Code of Best Practice issued by the Committee on the Financial Aspects of Corporate Governance.

The Board, which meets regularly, consists of four full-time executive directors and one independent non-executive director; the latter is also the recognised senior member. There is an agreed procedure for Directors to take independent professional advice.

A formal schedule of matters is specifically reserved for the decision of the Board; these include the approval of overall company strategy and major capital expenditure, investments, acquisitions, disposals and major alterations and improvements.

The Committee recognised that smaller listed companies may initially have difficulty in complying with some aspects of the Code. Your Board doubt the need for as many as three non-executive directors, with the extra costs involved. There is, therefore, no separate Remuneration Committee but for many years it has been the Board's practice to base the remuneration of directors on the recommendations of a wholly independent firm of management consultants, who report annually to the Chairman and the non-executive director. For the same reason, there is no separate Audit Committee; the responsibility for reviewing accounting procedures and controls and for the publication of the company's financial statements is the joint responsibility of all directors. The external auditor attends the Board meeting when the annual financial statements are considered and approved and, at a later date, attends a meeting with the directors and senior management, when the financial statements and any matters arising from the audit are discussed in detail.

There are no directors' service agreements having an unexpired term of over three years.

Auditors

The auditors, Robt. A. Page & Co., have signified their willingness to continue in office. A resolution proposing their re-appointment will be put to the annual general meeting.

Contracts

None of the directors has, or had during the period, an interest in any contract with the company, other than in connection with service agreements.

Report of the Directors (continued)

Arrangements

No arrangement to which the company was a party subsisted at the end of the financial period or at any time during that period whose objects enabled the directors to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any body corporate, other than as participants in the employees' share scheme.

Close Company


The Board is of the opinion that the company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

Capital Gains Tax

Official Stock Exchange prices:

		6th April 1965	31st March 1982
5p	Ordinary shares	£0.11563	£0.726
£1	3.5% net First preference shares	£0.7125	£0.325
£1	4.2% net Second preference shares	£0.8625	£0.345
£100	4% First mortgage debenture stock	£57.50	£26.25

Kimberley Brewery
Nottingham
9th December 1994


By Order of the Board
R. W. D. HANSON
P. T. HELPS
Directors

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the company's affairs and of its 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 in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to assume 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Report of the Auditors to the Shareholders of Hardys & Hansons p.l.c.

We have audited the financial statements on pages 8 to 19 which have been prepared under the accounting policies set out on page 12.

Respective responsibilities of directors and auditors

As described on page 6 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial 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 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 the 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 30th September 1994 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



ROBT. A. PAGE & CO.
*Chartered Accountants
and Registered Auditor*

Nottingham
9th December 1994

Profit and Loss Account

for the 52 weeks ended 30th September 1994

		1994		1993	
	Notes	£000	£000	£000	£000
Turnover	2		32,705		31,733
Change in stocks of finished goods and work-in-progress			(41)		(209)
			<u>32,664</u>		<u>31,524</u>
Raw materials, consumables and duty			12,770		13,188
			<u>19,894</u>		<u>18,336</u>
Staff costs	3	6,139		5,770	
Depreciation		1,134		1,006	
Other operating costs		5,624		5,237	
			<u>12,897</u>		<u>12,013</u>
Operating profit			6,997		6,323
Disposal of fixed assets	4		102		78
			<u>7,099</u>		<u>6,401</u>
Income from fixed asset investments		121		119	
Other interest receivable		516		531	
			<u>637</u>		<u>650</u>
			7,736		7,051
Interest payable	5		12		12
			<u>7,724</u>		<u>7,039</u>
Profit on ordinary activities before taxation	6		7,724		7,039
Tax on profit on ordinary activities	8		2,483		2,298
			<u>5,241</u>		<u>4,741</u>
Profit on ordinary activities after taxation			5,241		4,741
Preference dividends	9		16		16
			<u>5,225</u>		<u>4,725</u>
Profit for the financial period			5,225		4,725
Ordinary dividends	9		2,341		2,116
			<u>2,884</u>		<u>2,609</u>
Retained profit for the period			2,884		2,609
Retained profit brought forward			103		102
			<u>2,987</u>		<u>2,711</u>
Proposed transfers—General reserve		2,780		2,530	
Capital reserve		107		105	
Revaluation reserve		(5)		(27)	
			<u>2,882</u>		<u>2,608</u>
Retained profit carried forward			105		103
Earnings per share	10				
Ordinary shares of 5p each			20.935p		18.935p
Deferred ordinary shares of 5p each			20.760p		18.760p

Statement of Total Recognised Gains and Losses

for the 52 weeks ended 30th September 1994

	1994 £000	1993 £000
Profit for the financial period	5,225	4,725
Unrealised surplus on revaluation of properties	<u>30,879</u>	<u>—</u>
Total gains and losses recognised for the period	<u>36,104</u>	<u>4,725</u>

Reconciliation of Movements in Shareholders' Funds

for the 52 weeks ended 30th September 1994

	1994 £000	1993 £000
Profit for the financial period	5,225	4,725
Ordinary dividends	<u>(2,341)</u>	<u>(2,116)</u>
	2,884	2,609
Unrealised surplus on revaluation of properties	<u>30,879</u>	<u>—</u>
Net additions to shareholders' funds	33,763	2,609
Shareholders' funds at 1st October 1993	<u>43,073</u>	<u>40,464</u>
Shareholders' funds at 30th September 1994	<u>76,836</u>	<u>43,073</u>

Note of Historical Cost Profits

for the 52 weeks ended 30th September 1994

	1994 £000	1993 £000
Profit on ordinary activities before taxation	7,724	7,039
Realisation of property revaluation gains of prior years	5	27
Difference between the historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<u>13</u>	<u>13</u>
Historical cost profit on ordinary activities before taxation	<u>7,742</u>	<u>7,079</u>
Historical cost profit for the year retained after taxation and dividends	<u>2,902</u>	<u>2,649</u>

Balance Sheet

30th September 1994

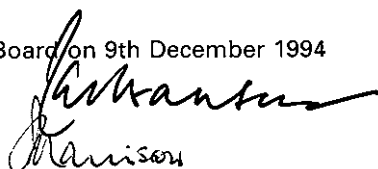
	Notes	1994		1993	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	11		68,411		36,270
Investments	12		1,955		1,731
Shares in Hansons Ltd less amounts due	13		—		—
			<u>70,366</u>		<u>38,001</u>
Current assets					
Stocks	14	885		934	
Debtors	15	1,969		1,993	
Cash at bank and in hand		11,810		9,401	
		<u>14,664</u>		<u>12,328</u>	
Creditors					
Amounts falling due within one year	16	7,271		6,421	
			<u>7,393</u>		<u>5,907</u>
Net current assets					
			<u>77,759</u>		<u>43,908</u>
Total assets less current liabilities					
Creditors					
Amounts falling due after more than one year	17	200		200	
Provisions for liabilities and charges	18	723		635	
			<u>923</u>		<u>835</u>
Net assets			<u>76,836</u>		<u>43,073</u>
Capital and reserves					
Called-up share capital including non-equity capital	19		1,675		1,675
Revaluation reserve	20		41,757		11,052
Other reserves	21		33,299		30,243
Profit and loss account			105		103
			<u>76,836</u>		<u>43,073</u>
Shareholders' funds					
			<u>76,836</u>		<u>43,073</u>

Approved by the Board on 9th December 1994

R. W. D. HANSON

J. D. HARRISON

Directors



Cash Flow Statement

for the 52 weeks ended 30th September 1994

	Notes	£000	1994 £000	1993 £000
Net cash inflow from operating activities	24		8,807	7,642
Return on investments and servicing of finance				
Income from fixed asset investments		121	119	
Interest receivable		516	531	
Interest payable		(12)	(12)	
Dividends paid		(2,228)	(2,032)	
Net cash (outflow) from return on investments and servicing of finance			(1,603)	(1,394)
Taxation				
Corporation tax paid (including advance corporation tax)			(2,277)	(2,227)
Investing activities				
Payments to acquire investments		(32)	(11)	
Receipts from sales of investments		29	5	
Payments to acquire fixed assets		(2,484)	(2,620)	
Receipts from sales of fixed assets		180	176	
(Increase)/decrease in loans to customers and others		(211)	33	
Net cash (outflow) from investing activities			(2,518)	(2,417)
Increase in cash and cash equivalents	25		2,409	1,604

Notes to the Financial Statements

1 Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards. The principal accounting policies adopted are described below.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified by the revaluation of properties and land, and follow the form prescribed by the Companies Act 1985.

The financial statements have been prepared in accordance with Financial Reporting Standard 4 (FRS 4), Capital Instruments. Comparative figures have been restated to comply with FRS 4, showing the loan capital within creditors falling due after more than one year. Also, the analysis of Equity and Non-equity capital is set out in note 19 to the financial statements.

Valuations

Surpluses arising from the professional valuation of properties are taken direct to the revaluation reserve. Valuation surpluses realised on sale are transferred to the capital reserve. Any deficit arising from the professional valuation of properties is taken direct to the revaluation reserve to the extent that such deficit is regarded as temporary. Where a permanent diminution in value of an individual property is identified, the deficit is firstly eliminated against any revaluation reserve in respect of that property with any excess being charged to the profit and loss account.

Sales of properties and investments

Profits and losses on the sale of properties and investments are transferred to capital reserve.

Depreciation

Freehold brewery premises, plant, motors, containers and fixtures are depreciated at varying rates to write off the cost of the assets over their estimated useful lives in equal annual instalments.

The rates used are:

Freehold brewery premises	2%	Computer equipment	14%
Plant—fixed	5%	Motor vehicles	20%
other	10%	Free trade fixtures, bottles	25%
Casks, cases, fixtures	10%		

No depreciation has been provided on the licensed and unlicensed freehold properties as it is the company's policy to maintain such properties in a continual state of sound repair, the cost being written off to profit and loss account as incurred. The directors believe that, as a result of this policy, the lives of the properties are substantial and their depreciation is not significant enough to warrant a provision for depreciation being made against the profits. No depreciation is provided on leaseholds with an unexpired term exceeding 100 years. The cost of other leasehold properties is amortised on a straight line basis over the period of the lease.

Goodwill

Purchased goodwill is written off against reserves in the year of acquisition.

Maintenance and improvement of properties

Additions to and major refurbishment of premises are capitalised; minor capital projects are charged against profits.

Stocks

Stocks are valued as follows:

- (a) Raw materials and bought-in goods at cost plus overheads.
- (b) Work-in-progress and finished stocks at the cost of materials, duty (where applicable) and labour and overheads.

Deferred taxation

Deferred taxation is provided at 33% using the liability method on those timing differences which are expected to reverse in the future.

No provision has been made for gains "rolled over" on the sale and replacement of licensed properties.

No provision has been made for the potential liability to tax on capital gains which might arise from any possible future disposals of premises at the valuation in the balance sheet, since the directors are of the opinion that the likelihood of any material liability arising in this respect is remote.

Pensions

The company operates contributory defined benefit pension schemes available to all full-time employees over the age of 20 years. The schemes are funded at rates determined by professionally qualified actuaries every three years. These contributions are invested separately from the company's assets. Contributions are charged against profits so as to spread the cost of providing the expected benefits over the members' anticipated service lives with the company.

Notes to the Financial Statements (continued)

2 Turnover

Turnover represents net sales to outside customers, rents receivable and commission, excluding value added tax. There were no exports during the period. Turnover is attributable to one activity.

3 Staff numbers and costs

	1994	1993
The average number of persons employed by the company (including directors) during the period was as follows:		
Management, administration and sales	59	60
Production and distribution	80	85
Managed houses	978	937
	<u>1,117</u>	<u>1,082</u>

The above totals include 865 (829) mostly part-time staff employed at managed houses, who were approximately equivalent to 311 (268) full-timers.

	£000	£000
The aggregate payroll costs of the employees were as follows:		
Wages and salaries	5,596	5,260
Social security costs	352	324
Pension schemes	191	186
	<u>6,139</u>	<u>5,770</u>

4 Disposal of fixed assets

Surplus on sale of properties	92	77
Profit on sale of investments	10	1
	<u>102</u>	<u>78</u>

5 Interest payable

On deposits repayable within five years	4	4
On debenture stock	8	8
	<u>12</u>	<u>12</u>

6 Profit on ordinary activities before taxation

Profit before taxation is attributable to one activity and is stated after crediting or charging the following:

Income from listed investments	83	80
Directors' remuneration		
Fees	8	8
Managerial services	250	234
Pension premiums	28	26
Past director's pension	8	7
Employees' share scheme allocation	14	14
	<u>308</u>	<u>289</u>
Maintenance and improvement of properties	1,410	1,400
Fees payable to the auditors: as auditors	29	27
for other services	35	34
	<u>1,782</u>	<u>1,750</u>

Notes to the Financial Statements (continued)

7 Directors

The emoluments of the directors (excluding pensions and pension premiums but including the allocation from the employees' share scheme) fall within the following categories:

	1994	1993
£5,001 to £10,000	1	1
£55,001 to £60,000	—	3
£60,001 to £65,000	3	—
£70,001 to £75,000	—	1
£75,001 to £80,000	1	—

Included in the above: Chairman and highest paid director £78,328 (£73,538)

8 Taxation

	£000	£000
Corporation tax based on the profits at the rate of 33% (33%)	2,506	2,231
Tax on franked investment income	17	19
Taxation adjustment earlier years	(2)	(1)
Deferred taxation	(38)	49
	<u>2,483</u>	<u>2,298</u>

9 Dividends

Dividends paid or provided:	pence per share			
First preference shares	3.5	3.5	8	8
Second preference shares	4.2	4.2	8	8
Ordinary shares interim	3.4	3.0	680	600
Ordinary shares proposed final	6.0	5.5	1,200	1,100
Deferred ordinary shares interim	3.225	2.825	161	141
Deferred ordinary shares proposed final	6.0	5.5	300	275
			<u>2,357</u>	<u>2,132</u>

10 Earnings per share

Earnings per share are calculated on 20 million ordinary shares and 5 million deferred ordinary shares, using the profit for the period after taxation, less preference dividends, amounting to £5,225,000 (1993 £4,725,000). The profits resolved to be distributed as ordinary dividends in any year are applied first in the payment of 0.175 pence per share to the ordinary shareholders and the balance rateably among the holders of the ordinary and deferred ordinary shares.

Notes to the Financial Statements (continued)

11 Tangible fixed assets	Properties		Plant, machinery and motor vehicles	Containers and fixtures	Total £000
	Freehold £000	Long leasehold £000	£000	£000	
Cost or valuation					
1st October 1993	30,331	352	4,687	8,620	43,990
Additions	1,006	—	181	1,297	2,484
Disposals	(22)	—	(115)	(57)	(194)
Revaluation surplus	30,427	63	—	—	30,490
30th September 1994	61,742	415	4,753	9,860	76,770
At cost	—	—	4,753	9,860	14,613
At valuation 1994	61,742	415	—	—	62,157
	61,742	415	4,753	9,860	76,770
Depreciation					
1st October 1993	328	30	2,947	4,415	7,720
Charge for the period	28	3	289	808	1,128
Disposals	—	—	(79)	(21)	(100)
Revaluation surplus	(356)	(33)	—	—	(389)
30th September 1994	—	—	3,157	5,202	8,359
Net book value					
30th September 1994	61,742	415	1,596	4,658	68,411
1st October 1993	30,003	322	1,740	4,205	36,270
The comparable amounts determined under historical cost accounting are:					
Cost	20,315	312	4,753	9,860	35,240
Depreciation	194	33	3,157	5,202	8,586
Net book value					
30th September 1994	20,121	279	1,596	4,658	26,654
1st October 1993	19,147	281	1,740	4,205	25,373

Chesterton International Property Consultants Plc (Chesterton) valued the entire freehold and leasehold properties of the company as at 30th September 1994. The bases of the valuation were: for the public houses, open market value for existing use; for the brewery, depreciated replacement cost; and for residential development sites, open market value; in accordance with the Statements of Asset Valuations and Guidance Notes of the Royal Institution of Chartered Surveyors. The valuation disclosed a surplus of £30,879,000 which has been credited to the revaluation reserve. These details have been approved by Chesterton for inclusion in the company's financial statements.

12 Investments	Loans to customers and others		Total £000
	Listed £000	£000	
Cost 1st October 1993	731	1,000	1,731
Additions	32	675	707
Disposals and repayments	(19)	(464)	(483)
Cost 30th September 1994	744	1,211	1,955

At 30th September 1994 the market value of listed investments, which are all dealt with on a recognised stock exchange, was £2,245,000 (£2,255,000).

13 Shares in Hansons Limited	1994 £000	1993 £000
Ordinary shares	175	175
Less amounts due	175	175
	—	—

Hansons Limited is a wholly owned non-trading subsidiary.

Notes to the Financial Statements (continued)

	1994 £000	1993 £000
14 Stocks		
Raw materials	66	72
Consumable stores	85	87
Beer in process	46	49
Finished products	688	726
	<u>885</u>	<u>934</u>
15 Debtors		
Trade debtors	1,374	1,433
Other debtors	257	263
Prepayments and accrued income	338	297
	<u>1,969</u>	<u>1,993</u>
16 Creditors: amounts falling due within one year		
Trade creditors	1,681	1,456
Taxation	2,430	2,209
Other taxes and social security costs	505	332
Other creditors	916	835
Accruals	231	210
Ordinary shares proposed final dividend	1,200	1,100
Deferred ordinary shares proposed final dividend	300	275
Preference dividend to date	8	4
	<u>7,271</u>	<u>6,421</u>
17 Creditors: amounts falling due after more than one year		
4% Irredeemable first mortgage debenture stock secured on certain properties and a general charge on the undertaking	<u>200</u>	<u>200</u>
18 Provisions for liabilities and charges		
Pensions—Balance 1st October 1993	278	185
Charge for the period	<u>103</u>	<u>93</u>
Balance 30th September 1994	381	278
Deferred taxation	<u>342</u>	<u>357</u>
	<u>723</u>	<u>635</u>
Deferred taxation		
Provided at 33% in respect of:		
Accelerated capital allowances	806	776
Short-term timing differences	<u>(87)</u>	<u>(19)</u>
	719	757
Less advance corporation tax recoverable on dividends proposed, for relief on taxation payable 2nd July 1996	<u>377</u>	<u>400</u>
	<u>342</u>	<u>357</u>
Movement in provision		
Balance 1st October 1993	757	708
(Release)/charge for the period	<u>(38)</u>	<u>49</u>
Balance 30th September 1994	<u>719</u>	<u>757</u>
If full provision had been made at 33% the amount would have been:		
Accelerated capital allowances	1,345	1,236
Short-term timing differences	<u>(87)</u>	<u>(19)</u>
Tax on gains subject to roll-over relief	468	450
	<u>1,726</u>	<u>1,667</u>

Notes to the Financial Statements (continued)

19 Share capital	1994 and 1993 Authorised £000	1994 Allotted, called-up and fully paid £000	1993 Allotted, called-up and fully paid £000
Non-equity Capital			
3.5% net First cumulative preference shares of £1 each	225	225	225
4.2% net Second cumulative preference shares of £1 each	250	200	200
Equity Capital			
Ordinary shares of 5p each	1,000	1,000	1,000
Deferred ordinary shares of 5p each	250	250	250
	<u>1,725</u>	<u>1,675</u>	<u>1,675</u>

The 3.5% net first cumulative preference shareholders are entitled to a fixed cumulative preferential dividend at that rate and, subject thereto, the 4.2% net second cumulative preference shareholders are entitled to a fixed preferential dividend at that rate. These shares have, respectively, a first and second entitlement to amounts receivable on a winding-up, not exceeding the amounts paid up on these shares plus any arrears of dividends. Voting rights attach to these shares if dividends are in arrear by more than one month and six months respectively and in certain other circumstances.

After payment of the two cumulative preference dividends above, the profits resolved to be distributed as ordinary dividends in any financial period are applied first in the payment of a non-cumulative 0.175 pence per share to the ordinary shareholders and the balance rateably among the holders of the ordinary and deferred ordinary shares.

Each ordinary share carries one vote and each deferred ordinary share carries four votes.

Directors' interests	30th September 1994		1st October 1993	
	Beneficial	Non-beneficial	Beneficial	Non-beneficial
R. W. D. Hanson				
Second preference	2,923	—	2,923	—
5p Ordinary	174,480	36,390	172,969	36,390
Hardy Hanson Holdings Limited	4,175	—	4,175	—
P. T. Helps				
First preference	240	—	240	—
Second preference	403	—	403	—
5p Ordinary	57,739	1,179,315	56,576	1,179,315
Hardy Hanson Holdings Limited	6,833	24,153	6,833	24,153
J. D. Harrison				
First preference	100	—	100	—
Second preference	600	—	600	—
5p Ordinary	14,709	—	13,546	—
Debenture stock	£500	—	£500	—
N. J. Forman Hardy				
5p Ordinary	1,359,520	—	1,359,520	—
Hardy Hanson Holdings Limited	65,513	42,375	65,513	42,375
T. E. Bonham				
First preference	100	—	100	—
5p Ordinary	2,324	—	1,161	—

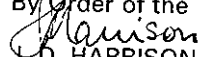
Hardys & Hansons p.l.c.

Notice of Meeting

Notice is hereby given that the ninety-seventh annual general meeting of the company will be held at the Registered Office, Kimberley Brewery, Nottingham, on Tuesday, the 14th day of February 1995 at 11.30 a.m., for the following purposes:

- 1 To receive and consider the financial statements for the 52 weeks ended 30th September 1994 and the reports of the directors and auditors
- 2 To confirm the payment of the dividends on the first cumulative preference shares and on the second cumulative preference shares and the interim dividends on the ordinary and deferred ordinary shares
- 3 To approve the payment of final dividends on the ordinary and deferred ordinary shares
- 4 To re-elect one director
- 5 To appoint Robt. A. Page & Co. as auditors
- 6 To fix the remuneration of the auditors

By Order of the Board


J. D. HARRISON
Secretary

Kimberley Brewery, Nottingham
19th January 1995

Notes: Only members holding ordinary shares or deferred ordinary shares are entitled to attend the above meeting, but every member so entitled may appoint a proxy (who need not be a member of the company) to attend and, upon a poll, vote instead of him. A form of proxy is enclosed, which should, if required, be returned to the company's registered office not less than forty eight hours before the time of the meeting. The completion and the return of the form of proxy will not preclude a member from attending and voting if he should later decide to do so.

In accordance with the requirements of the Stock Exchange, there will be available at the registered office of the company during normal business hours until the conclusion of the meeting, the following:

- (i) The register of directors' shareholdings
- (ii) Copies of the directors' service agreements with the company.

Financial Calendar

	1995
Annual General Meeting	14th February
Payment of final dividend for 1993/94	6th March
Interim Accounts for 1994/95:	
Preliminary announcement of results and amount of interim dividend	End June
Interim Report to Shareholders and Debentureholders	End June/early July
Payment of interim dividend for 1994/95	Early August
Full year preliminary announcement of results and proposed final dividend for 1994/95	Mid December