

WESTANLEY TRADING & INVESTMENT COMPANY LIMITED

**REPORT AND ACCOUNTS**  
FOR THE YEAR ENDED 31 DECEMBER 1995

Registered no. 90337



**Westanley Trading & Investment Company Limited****Report of the directors  
for the year ended 31 December 1995**

The directors present their report and the audited financial statements for the year ended 31 December 1995.

**Principal activities**

The Company has an investment in a subsidiary operating in the tobacco industry.

**Review of business and future developments**

Both the level of business and the year end financial position were satisfactory, and the directors expect it to be sustained in the foreseeable future.

**Dividends**

The directors do not recommend the payment of a dividend. The profit for the financial year of £219,649 will be transferred to reserves.

**Directors**

B D Bramley	(Chairman)
P N Adams	
N Davis	
K S Dunt	
A C Johnston	
R H Pilbeam	
J Rembiszewski	
D S Watterton	(Resigned 29 December 1995)

In accordance with the Articles of Association of the Company, Messrs P.N. Adams, K.S. Dunt and N. Davis will retire in rotation and offer themselves for re-election at the next Annual General Meeting.

**Directors' interests in the shares of the Company**

The interests of those persons, who were directors at 31 December 1995, in the share capital and share option schemes of B.A.T Industries p.l.c. and its subsidiaries are disclosed in the Directors' Report of British-American Tobacco Company Limited, of which this company is a wholly owned subsidiary. Details of the share option schemes are included in the Report and Accounts of B.A.T Industries p.l.c.

## Westanley Trading & Investment Company Limited

### Report of the directors for the year ended 31 December 1995

#### Directors' responsibilities

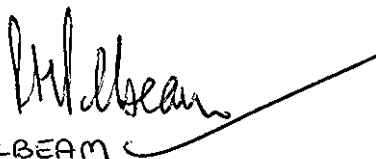
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

- select appropriate accounting policies and then apply them consistently, subject to any material departures being disclosed and explained;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless they consider that to be inappropriate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the 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 and other irregularities.

By order of the board

Director:



R.H. PILBEAM

Dated:

**29 MAR 1996**

**Auditors' Report to the Shareholders of Westanley Trading & Investment Company Limited**

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3 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 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 information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the affairs of the Company as at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Price Waterhouse  
Chartered Accountants  
and Registered Auditors  
Southwark Towers  
32 London Bridge Street  
London SE1 9SY.

*29 March 1996*

## Westanley Trading &amp; Investment Company Limited

**Profit and loss account**  
**for the year ended 31 December 1995**

	<u>Notes</u>	<u>1995</u> <u>£000</u>	<u>1994</u> <u>£000</u>
Administration expenses	2	2	2
Operating charges	3	1,147	-
Operating income	4	-	131
<b>Operating (loss)/profit - continuing operations</b>		<b>(1,149)</b>	<b>129</b>
Income from shares in a group undertaking		1,272	43,322
<b>Profit on ordinary activities before taxation</b>		<b>123</b>	<b>43,451</b>
Tax on profit on ordinary activities	5	(97)	3,569
<b>Profit on ordinary activities after taxation</b>		<b>220</b>	<b>39,882</b>
Dividend proposed		-	42,000
<b>Retained profit/(loss) for the year</b>		<b>220</b>	<b>(2,118)</b>
<b>Statement of retained profits</b>			
Retained profits at 1 January		13,375	15,493
Retained profit/(loss) for the year		220	(2,118)
<b>Retained profits at 31 December</b>		<b>13,595</b>	<b>13,375</b>

There are no recognised gains and losses other than the profit for the financial year.


The notes on pages 7 to 10 form part of these financial statements.

## Westanley Trading &amp; Investment Company Limited

## Balance Sheet - 31 December 1995

	<u>Notes</u>	<u>1995</u> <u>£000</u>	<u>1995</u> <u>£000</u>	<u>1994</u> <u>£000</u>	<u>1994</u> <u>£000</u>
<b>Fixed assets</b>					
Investments	6		1		1
<b>Current assets</b>					
Debtors	7	154,036		195,816	
<b>Creditors: amounts falling due within one year</b>	8	-		42,000	
		-----		-----	
<b>Net current assets</b>			154,036		153,816
			-----		-----
<b>Total assets less current liabilities</b>			154,037		153,817
			=====		=====
<b>Capital and reserves</b>					
Called up share capital	9		1		1
Other reserves	10		140,441		140,441
Profit and loss account			13,595		13,375
			-----		-----
<b>Total shareholders' funds</b>	11		154,037		153,817
			=====		=====
<b>Equity interests</b>			154,037		153,817
			-----		-----
<b>Total shareholders' funds</b>	11		154,037		153,817
			=====		=====

The financial statements on pages 5 to 10 were approved by the Directors on 29th March 1996 and are signed on their behalf by:

Director:   
R. H. PILBEAM

The notes on pages 7 to 10 form part of these financial statements.

## **Westanley Trading & Investment Company Limited**

### **Notes to the financial statements for the year ended 31 December 1995**

#### **1 Accounting policies**

A summary of the principal accounting policies, all of which have been applied consistently throughout the current year and the preceding year, is set out below. A cash flow statement is not submitted, as the Company, being a wholly owned subsidiary undertaking of a parent undertaking established under UK law, includes cash flow information in the financial statements of the parent undertaking.

##### **1.1 Basis of accounting**

The financial statements are prepared in accordance with the Accounting Standards applicable in the United Kingdom and under the historical cost convention.

##### **1.2 Group financial statements**

Group financial statements are not submitted as the Company is a wholly owned subsidiary of a company incorporated in Great Britain.

##### **1.3 Translation of assets and liabilities**

Assets and liabilities are translated at rates of exchange ruling at the end of the financial year. Transactions expressed in currencies other than sterling are translated into sterling at actual rates. Exchange differences on remittances are reflected in trading profit.

##### **1.4 Investments valuation**

Investments are shown at cost less provisions consistent with the concept of prudence.

##### **1.5 Accounting for income**

Income is accounted for on a receivable basis. Where delays are anticipated in the receipt of monies from overseas companies, provision is made in accordance with the concept of prudence.

##### **1.6 Taxation**

No account is taken of taxation which may be payable on the realisation of investments, or in the event of the distribution of profits retained by the subsidiary undertaking.

##### **1.7 Deferred taxation**

Deferred taxation is provided for on timing differences using the liability method to the extent that it is probable that the liability will crystallise. Timing differences arise on items of income and expenditure which are recognised for tax purposes in different periods from those in which they are recognised in the profit and loss account.

# Westanley Trading & Investment Company Limited

## Notes to the financial statements for the year ended 31 December 1995

### 2 Administration expenses

None of the directors received any remuneration in respect of their services to the Company during the year (1994 - Nil).

There were no employees, and no staff costs during the year (1994 - Nil).

Audit fees are paid by the parent undertaking.

### 3 Operating charges

Charges include losses on exchange amounting to £1,146,811 (1994 - Nil).

### 4 Operating income

Operating income represents gains on exchange, and no gains were made during the year (1994 - gain £131,276).

5 Taxation	<u>1995</u> <u>£000</u>	<u>1994</u> <u>£000</u>
United Kingdom corporation tax at 33.00% (1994: 33.00%)	(1,391)	8,814
Less: Double taxation relief	(1,391)	8,814
	-----	-----
	-	-
Overseas taxation	(97)	3,569
	-----	-----
	(97)	3,569
	=====	=====

### 6 Investments

#### Investments in subsidiaries

% Nominal  
Value Held  
Directly  
Ordinary Shares of A \$1 each

#### 6.1 Unlisted - Australia

B.A.T Australia Pty. Limited, - Company through which interests in Australia are held.  
(Incorporated in Australia)

100

#### 6.2 Shareholding at cost

B.A.T Australia Pty. Limited

<u>1995</u> <u>£000</u>	<u>1994</u> <u>£000</u>
1	1
=====	=====

6.3 The directors are of the opinion that the investments have an aggregate value of not less than the amount at which they are stated in the balance sheet.



## Westanley Trading &amp; Investment Company Limited

Notes to the financial statements  
for the year ended 31 December 1995

<b>7 Debtors</b>	<b><u>1995</u></b>	<b><u>1994</u></b>
	<b><u>£000</u></b>	<b><u>£000</u></b>
Amounts falling due within one year		
Amounts owed by parent undertaking	154,036	169,422
Dividend receivable from subsidiary undertaking	-	26,394
	<u>154,036</u>	<u>195,816</u>
	<u><u>154,036</u></u>	<u><u>195,816</u></u>
 <b>8 Creditors: amounts falling due within one year</b>	 <b><u>1995</u></b>	 <b><u>1994</u></b>
	<b><u>£000</u></b>	<b><u>£000</u></b>
Dividend proposed	-	42,000
	<u>-</u>	<u>42,000</u>
	<u><u>-</u></u>	<u><u>42,000</u></u>
 <b>9 Share capital</b>	 <b>Ordinary Shares of £1 each</b>	
	<b><u>1995</u></b>	<b><u>1994</u></b>
Authorised - value	<u>£1,000</u>	<u>£1,000</u>
number	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid value	<u>£1,000</u>	<u>£1,000</u>
number	<u>1,000</u>	<u>1,000</u>
	<u><u>1,000</u></u>	<u><u>1,000</u></u>
 <b>10 Other reserves</b>	 <b><u>1995</u></b>	 <b><u>1994</u></b>
	<b><u>£000</u></b>	<b><u>£000</u></b>
Capital reserves	<u>140,441</u>	<u>140,441</u>
Profit arising on capital reduction by BAT Australia (1990).		
 <b>11 Reconciliation of movements in shareholders' funds</b>	 <b><u>1995</u></b>	 <b><u>1994</u></b>
	<b><u>£000</u></b>	<b><u>£000</u></b>
Opening shareholders' funds	153,817	155,935
Profit attributable to shareholders for the year	220	39,882
Dividend proposed	-	(42,000)
	<u>154,037</u>	<u>153,817</u>
Closing shareholders' funds	<u><u>154,037</u></u>	<u><u>153,817</u></u>

**Notes to the financial statements  
for the year ended 31 December 1995**

**12 Parent undertaking**

The Company's parent undertaking is British-American Tobacco Company Limited and its ultimate parent undertaking is B.A.T Industries p.l.c., both being incorporated in the United Kingdom and registered in England and Wales. These are respectively the smallest and largest groups for which group accounts are prepared and of which this Company is a member.

**13 Copies of the report and accounts**

Copies of the report and accounts of B.A.T Industries p.l.c. may be obtained from:

The Company Secretary  
Windsor House  
50, Victoria Street  
London SW1H 0NL

Copies of the report and accounts of British-American Tobacco Company Limited may be obtained from:

The Company Secretary  
Millbank  
Knowle Green  
Staines TW18 1DY