

**UNITED GLASS HOLDINGS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 1995**



# **UNITED GLASS HOLDINGS LIMITED**

## **REPORT OF THE DIRECTORS**

### **DIRECTORS**

N M Coyle (resigned 16 February 1996)  
R J Gilchrist  
G W King  
M D Peters (appointed 16 February 1996)

### **SECRETARY**

A P McCarthy

### **REGISTERED OFFICE**

39 Portman Square  
London  
W1H 0EE

The Directors submit their report and the audited financial statements of the Company for the year ended 31 December 1995.

### **RESULTS**

The loss for the year amounted to £125,000 (1994 loss of £28,000) which has been transferred from reserves (1994 - transfer from reserves £1,061,000).

### **DIVIDENDS**

No interim ordinary dividend was paid during the year (1994 - £1,033,000). The Directors do not recommend the payment of a final dividend (1994 - nil).

### **REVIEW OF THE BUSINESS**

The Company is an investment holding company.

### **DIRECTORS**

The Directors of the Company who held office during the year are shown above.

### **DIRECTORS' INTERESTS**

No Director has a beneficial interest in the shares or debentures of the Company, any subsidiary undertaking or any subsidiary of the ultimate parent undertaking. The Directors' interests in the Ordinary shares of the Company's ultimate parent undertaking, Guinness PLC, were as follows:

# UNITED GLASS HOLDINGS LIMITED

## REPORT OF THE DIRECTORS

### DIRECTORS' INTERESTS (continued)

	<u>At 31 December 1995</u>		<u>At 1 January 1995 or date of appointment</u>	
	Options over		Options over	
	Ordinary	Ordinary	Ordinary	Ordinary
	shares	shares	shares	shares
N M Coyle	1,755	3,532	1,222	3,532
R J Gilchrist	9,021	24,391	6,995	19,623
G W King	7,232	61,443	8,101	47,016

During the year, the following movements in options over the Ordinary shares of Guinness PLC took place:

	<u>Options granted during 1995 or since date of appointment</u>		<u>Options exercised during 1995 or since date of appointment</u>	
	Number	Price £	Number	Price £
N M Coyle	-	-	-	-
R J Gilchrist	5,294	4.575	-	-
	860 *	4.010	1,386 *	2.705
G W King	14,427	4.575	-	-

\* These options were granted/exercised under the terms of the Savings Related Share Option Scheme, the remaining options were granted/exercised under the terms of the Executive Share Option Scheme.

The options outstanding at 31 December 1995 have been granted under Group employee share participation schemes (including the Executive Share Option Scheme and the Savings Related Share Option Scheme) and are exercisable at varying dates between 1996 and 2005 at varying prices between 127p and 548.5p.

No contract or arrangement entered into by the Company in which any Director is interested has existed during the year.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss of the Company for the financial year.

The Directors consider that in preparing the financial statements on pages 5 to 9, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and that all accounting standards which they consider to be applicable have been followed. The Directors are also responsible for preparing financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors 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.

# **UNITED GLASS HOLDINGS LIMITED**

## **REPORT OF THE DIRECTORS**

### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The ultimate parent company, Guinness PLC, purchases liability insurance covering the Directors and officers of the Company and its subsidiaries.

### **AUDITORS**

An Elective Resolution was previously passed in accordance with Section 386 of the Companies Act 1985 to dispense with the annual re-appointment of auditors. Price Waterhouse will continue in office until this election is revoked.

By Order of the Board

  
A P McCarthy

Secretary

24 June 1996

# **UNITED GLASS HOLDINGS LIMITED**

## **AUDITORS' REPORT TO THE MEMBERS OF UNITED GLASS HOLDINGS LIMITED**

We have audited the financial statements on pages 5 to 9 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 2 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 these 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 state of the Company's affairs as at 31 December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Price Waterhouse  
Chartered Accountants  
and Registered Auditors**

**Southwark Towers  
32 London Bridge Street  
London SE1 9SY**

**24 June 1996**

**UNITED GLASS HOLDINGS LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1995**

	Notes	Continuing Operations 1995 £'000	Continuing Operations 1994 £'000
Operating costs	3	(159)	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(159)</u>	<u>-</u>
Taxation	4	34	(28)
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>(125)</u>	<u>(28)</u>
Dividend on Ordinary shares		-	(1,033)
<b>RETAINED LOSS FOR THE YEAR</b>	9	<u><u>(125)</u></u>	<u><u>(1,061)</u></u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There were no recognised gains or losses other than those reflected in the above profit and loss account.

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

There were no material differences between the reported result for 1995 and 1994 and the result for those years on an historical cost basis.

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1995 £'000	1994 £'000
<i>For the year ended 31 December 1995</i>		
Loss for the year attributable to shareholders	(125)	(28)
Dividends	-	(1,033)
Net decrease in shareholders' funds	<u>(125)</u>	<u>(1,061)</u>
Shareholders' funds at start of year	15,251	16,312
<b>Shareholders' funds at end of year</b>	<u><u>15,126</u></u>	<u><u>15,251</u></u>

The notes on pages 7 to 9 form part of these accounts.

**UNITED GLASS HOLDINGS LIMITED**

**BALANCE SHEET AS AT 31 DECEMBER 1995**

	Notes	1995 £'000	1994 £'000
<b>FIXED ASSETS</b>			
Investments	5	-	158
<b>CURRENT ASSETS</b>			
Debtors: amounts recoverable within one year	6	16,352	16,318
<b>CREDITORS</b> (amounts payable within one year)	7	(1,226)	(1,225)
<b>NET CURRENT ASSETS</b>		<u>15,126</u>	<u>15,093</u>
<b>TOTAL NET ASSETS</b>		<u><u>15,126</u></u>	<u><u>15,251</u></u>
<b>CAPITAL RESERVES</b>			
Called up share capital	8	11,239	11,239
Share premium account	9	4,040	4,040
Profit and loss account	9	(153)	(28)
		<u><u>15,126</u></u>	<u><u>15,251</u></u>

The notes on pages 7 to 9 form part of these accounts.

  
G W King  
Director

Approved by the Board on 24 June 1996

# UNITED GLASS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of Accounting

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

#### 1.2 Investments

The investment in subsidiary undertakings is shown at historic cost, less provision for permanent diminution in value.

### 2. DIRECTORS AND EMPLOYEES

None of the Directors received any emoluments in respect of their services to the Company (1994 -£nil). There are no employees of the Company.

### 3. OPERATING COSTS

	1995 £'000	1994 £'000
Provision for diminution in value of investments	158	-
Write off of investments	-	339
Write off of inter company creditor	-	(339)
Other	1	-
	<u>159</u>	<u>-</u>

### 4. TAXATION

	1995 £'000	1994 £'000
Over/(under) provision in respect of previous years	<u>34</u>	<u>(28)</u>

### 5. INVESTMENTS

	1995 £'000	1994 £'000
Shares in subsidiary undertaking		
Cost at 1 January	158	497
Less write off of investments	-	(339)
Provision for diminution in value	<u>(158)</u>	<u>-</u>
Book value at 31 December 1995	<u>-</u>	<u>158</u>

The Company's investments are unlisted and shown at historical cost less provision for diminution in value.

In the opinion of the Directors, the value of the investment in the subsidiary undertaking does not exceed the amount at which it is stated in the financial statements.



# UNITED GLASS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 5. INVESTMENTS (continued)

The subsidiary undertaking at 31 December 1995 was as follows:

Subsidiary Undertaking	Activity	Country of Incorporation	Percentage Held
Kork 'N' Seal Limited	Property Holding	England	100%

### 6. DEBTORS

	1995 £'000	1994 £'000
Amount recoverable within one year:		
Due from ultimate parent undertakings	16,350	16,316
Other	2	2
	<u>16,352</u>	<u>16,318</u>

### 7. CREDITORS (amounts payable within one year)

	1995 £'000	1994 £'000
Amounts owed to fellow subsidiary undertakings	1,068	1,067
Amounts owed to subsidiary undertaking	158	158
	<u>1,226</u>	<u>1,225</u>

### 8. SHARE CAPITAL

	1995 £'000	1994 £'000
Authorised:		
22,830,000 'A' Ordinary shares of 25p each	5,708	5,708
22,830,000 'B' Ordinary shares of 25p each	5,707	5,707
	<u>11,415</u>	<u>11,415</u>
Issued and fully paid:		
22,478,232 'A' Ordinary shares of 25p each	5,620	5,620
22,478,232 'B' Ordinary shares of 25p each	5,619	5,619
	<u>11,239</u>	<u>11,239</u>

# UNITED GLASS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 9. RESERVES

	Share premium account £'000	Profit and loss account £'000	Total £'000
At 1 January 1995	4,040	(28)	4,012
Retained profit for the year	-	(125)	(125)
At 31 December 1995	<u>4,040</u>	<u>(153)</u>	<u>3,887</u>

### 10. PARENT UNDERTAKING

The immediate parent undertaking is United Distillers p.l.c. registered in Scotland and the ultimate parent undertaking is Guinness PLC registered in England.

The Company is exempt from the obligation to prepare and deliver group accounts. Financial information is presented about the Company as an individual undertaking and not about its group.

The ultimate parent undertaking is the only company in the Group preparing consolidated accounts and copies can be obtained from The Company Secretary, 39 Portman Square, London W1H 0EE.