

UNITED DISTILLERS FRANCE LIMITED  
REGISTERED NUMBER: 132 792

DIRECTORS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1995



REGISTERED OFFICE

39 Portman Square  
London  
W1H 0EE

# UNITED DISTILLERS FRANCE LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1995

### Directors

C de Jouvencel	(Resigned 19 December 1995)
J M Bremner	
J D Morris	
M C Keiller	
G W King	(Appointed 1 January 1996)

### Secretary

B K Bredin	(Appointed 16 February 1996)
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The Directors present their report and the audited financial statements of the Company for the year ended 31 December 1995.

### PRINCIPAL ACTIVITY

The Company did not trade during the year.

### RESULTS AND TRANSFER TO RESERVES

The profit attributable to shareholders amounted to FFr Nil.

### TANGIBLE FIXED ASSETS

The Company has no tangible fixed assets.

### DIVIDENDS

The Directors do not propose a dividend.

# UNITED DISTILLERS FRANCE LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1995 (CONTINUED)

### DIRECTORS' INTERESTS

No Director had an interest in shares or debentures of the Company, any subsidiary undertaking or any subsidiary of the parent undertaking with the exception of non-beneficial interests in certain related companies as nominee and beneficial interests in the ordinary shares of the ultimate parent undertaking, Guinness PLC, as set out below:

	<u>At 31 December 1995</u>		<u>At 1 January 1995</u>	
	<u>Ordinary shares</u>	<u>Options over ordinary shares</u>	<u>Ordinary shares</u>	<u>Options over ordinary shares</u>
C de Jouvencel	2,955	46,431	2,955	46,431
J M Bremner	9,786	30,679	9,942	26,940
M C Keiller	6,481	95,475	7,294	79,737
J D Morris	845	-	266	-

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>	
	<u>Number</u>	<u>Price</u>	<u>Number</u>	<u>Price</u>
J M Bremner	3,739	£4.575	-	-
M C Keiller	15,738	£4.575	-	-
J D Morris	-	-	-	-

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.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 to prepare 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.

## UNITED DISTILLERS FRANCE LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1995 (CONTINUED)

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)

The Directors consider that in preparing the financial statements on pages 4-7, 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 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.

#### DIRECTORS' & OFFICERS' LIABILITY INSURANCE

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

#### AUDITORS

The Company is dormant within the meaning of S250 of the Companies Act 1985. It is proposed that a resolution to dispense with the appointment of auditors will be presented to the members in due course. Price Waterhouse have expressed their willingness to remain in office until such time.

By Order of the Board



.....  
**Bernadette K. Bredin**  
Secretary

*Price Waterhouse*



**AUDITORS' REPORT TO THE MEMBERS OF  
UNITED DISTILLERS FRANCE LIMITED**

We have audited the financial statements on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

**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 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 affairs of the Company as at 31 December 1995 and of its result 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

9 October 1996

UNITED DISTILLERS FRANCE LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 1995

	<u>1995</u> <u>FFr'000</u>	<u>1994</u> <u>FFr'000</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	-	-
Taxation on profit on ordinary activities	-	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED EARNINGS</b>	<u>-</u>	<u>-</u>

A statement of the movements on reserves is provided in Note 7 to the financial statements.

The notes on pages 6 to 7 form part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR  
ENDED 31 DECEMBER 1995

The Company had no recognised gains or losses during the year other than those reflected in the profit and loss account.

NOTE OF HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED 31  
DECEMBER 1995

The reported profits for the year have been presented on a historical cost basis.

UNITED DISTILLERS FRANCE LIMITED

BALANCE SHEET - 31 DECEMBER 1995

	<u>1995</u> FFr'000	<u>1994</u> FFr'000
<b>FIXED ASSETS</b>		
Investments (Note 5)	<u>121,872</u>	<u>121,872</u>
<b>NET ASSETS</b>	<u>121,872</u>	<u>121,872</u>
<b>SHAREHOLDERS' FUNDS</b>		
Called up Share Capital (Note 6)	121,594	121,594
Other Reserves	212	212
Profit and Loss Account (Note 7)	<u>66</u>	<u>66</u>
	<u>121,872</u>	<u>121,872</u>

The notes on pages 6 to 7 form part of these financial statements.

APPROVED BY THE BOARD ON  
19 July 1996

  
.....  
G W King  
Director

UNITED DISTILLERS FRANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1995

1. ACCOUNTING POLICIES

(1) Basics of Accounting

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

(2) Foreign Currencies

Monetary assets and liabilities in foreign currencies have been translated using the rates of exchange ruling at the balance sheet date or, where forward exchange contracts have been entered into, the rates of exchange forming the basis of the contracts. Exchange differences arising from currency conversions in the normal course of trading are dealt with in the profit and loss account.

(3) Leases

Annual rentals on all operating leases are charged to the profit and loss account. The Company has no finance leases.

(4) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost represents the invoiced cost of goods purchased for resale, customs duties where applicable and transport costs to the receiving warehouse.

2. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

Tax losses carried forward at 31 December 1995 and available for offset against any future taxable profits total FFr 12,409,000.

3. STAFF COSTS AND EMPLOYEES

The Company has no employees, and did not incur any staff costs.

4. DIRECTORS' EMOLUMENTS

All Directors discharged their duties wholly outside the United Kingdom and received no emoluments. Details of share options granted to Directors may be found in the Directors' Report.

5. INVESTMENTS

	<u>1995</u> <u>FFr'000</u>	<u>1994</u> <u>FFr'000</u>
Investment in UD France SA (100%)	<u>121,872</u>	<u>121,872</u>



UNITED DISTILLERS FRANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1995 (CONTINUED)

6. CALLED UP SHARE CAPITAL

	<u>1995</u> <u>FFr'000</u>	<u>1994</u> <u>FFr'000</u>
Authorised, called up and fully paid: 11,020,000 ordinary shares of £1 each	<u>121,594</u>	<u>121,594</u>

7. PROFIT AND LOSS ACCOUNT

	FFr'000
At 1 January 1995	66
Profit for the year	-
At 31 December 1995	<u>66</u>

8. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The Company's immediate parent undertaking is United Distillers plc. The ultimate parent undertaking is Guinness PLC. UD Plc is registered in Scotland and Guinness PLC is registered in England.

The ultimate parent undertaking is the parent undertaking of the smallest and largest group of which the Company is a member for which group accounts are prepared.

Copies of the group accounts referred to above can be obtained from the Company's registered office, the address of which can be found in the Directors' Report.