

**BRITVIC CORONA LIMITED****REPORT OF THE DIRECTORS**

The Directors have pleasure in submitting the accounts of the company for the 52 weeks ended 24 September 1988.

**Trading Results**

Turnover for the period was £346,111,269.

The profit for the period before taxation amounted to £10,414,124.

After charging taxation of £2,563,267 the profit for the period was £7,850,857.

**Appropriation**

The Directors make the following recommendations:-

|   |           |
|---|-----------|
|   | £         |
| Dividends to ordinary shareholders<br>Final to be paid on 30 September 1989 | 3,060,000 |
|   | <hr/>     |
| Surplus transferred to Reserves   | 4,790,857 |
|   | <hr/>     |

**Principal Activities and Review of Business Developments**

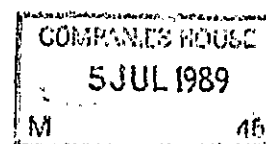
The group manufactures and sells soft drinks. There have been no significant changes in the principal activities during the year.

**Directors**

The following are the names of the persons who, at any time during the financial year, were directors of the company:-

K Richards - Chairman  
J W Angles - Managing Director  
B A Boone  
D L Corkhill (resigned 8.4.88)  
S J Davies  
R S Eccles (resigned 27.6.88)

P W Gibbs  
J E Lewis  
G E V Martin  
A Smith  
M A Utteridge



Directors' Interests

Set out below are the particulars of the interests, according to the register kept by the company, of directors of the company and their families during the year to 24 September 1988 in the share capital of Bass PLC at the commencement, or date of becoming a director if later, and close of the financial year. In accordance with the requirements of the Companies Act 1985, non-beneficial trustee holdings, other than holdings as a bare trustee, have been included.

The directors' interest in shares issued to trustees under the terms of the Bass Employee Profit Share Ownership Scheme are included.

BASS PLC ORDINARY SHARES

|                 | <u>At 24 September 1988</u> |                  | <u>At 26 September 1987</u> |                  |
|-----------------|-----------------------------|------------------|-----------------------------|------------------|
|                 | Direct                      | Scheme<br>Shares | Direct                      | Scheme<br>Shares |
| B. A. Boone     | 913                         | 1,080            | 713                         | 1,014            |
| J. J. Davies    | -                           | 303              | -                           | -                |
| J. E. Lewis     | -                           | 342              | -                           | -                |
| G. E. V. Martin | 556                         | 284              | 350                         | -                |
| A. Smith        | 774                         | 1,109            | 610                         | 990              |

All the above interests are beneficial.

No director had any interest in the debentures or unsecured loan stock of Bass PLC or in the capital of any of its subsidiaries.

The register of directors' holdings kept by the company does not contain particulars of the holding of any director who is also a director of Britvic Corona Holdings Limited, the immediate holding company.

Contracts and Arrangements

No contracts of significance in relation to the Company's business in which directors of the Company or any connected person had a material interest subsisted at the end of the financial year or at any time during the year. No arrangements to which the Company was a party subsisted at the end of the financial year or at any time during that year whose objects enabled the directors or connected persons to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate other than the Bass Employee Profit Share Ownership Scheme which provides arrangements by which executive directors may receive shares in Bass PLC on the same terms as other employees.

Fixed Assets

Details of changes in fixed assets are shown in notes 7 to 8 in the accounts.

# BRITVIC CORONA LIMITED

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## Employees

The company continues to be fully committed to its policy of communication, consultation and involvement, and to monitoring its effectiveness. In addition to widely established arrangements involving briefing groups, consultancy committees and the publication of company newspapers, there has been an increasing use of video programmes as part of the general process of employee communication.

All eligible employees are able to participate in the Bass Employee Profit Share Ownership Scheme and the Bass Employee Saving Share Option Scheme.

It is the company policy that there shall be no discrimination in respect of sex, colour, religion, race, nationality or ethnic origin and that equal opportunities shall be given to all employees.

The company continues to assist disabled employees by making every effort to provide appropriate employment and by offering opportunities for training, career development and promotion. In recruitment procedures disabled applicants are given full and fair consideration for suitable vacancies.

## Research and Development

The responsibility for research and development rests with the operating functions of the company. There is particular emphasis placed on new packaging and product development to ensure that the company can meet the demands of a competitive and changing market.

## Auditors

A resolution for the reappointment of Ernst & Whinney as auditors will be proposed at the annual general meeting.

By Order of the Board

Britvic House  
Chelmsford

M A W Salter  
Secretary

16 November 1988



Ernst & Whinney  
Chartered Accountants

REPORT OF THE AUDITORS TO THE MEMBERS OF BRITVIC CORONA LIMITED

We have audited the accounts set out on pages 5 to 19 in accordance with approved auditing standards. The accounts have been prepared under the historical cost convention as explained in accounting policy (a).

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group at 24 September 1988 and of the profit and source and application of funds of the group for the year then ended and comply with the Companies Act 1985.

*Ernst & Whinney*

Ernst & Whinney

LEICESTER

16 November 1988

# BRITVIC CORONA LIMITED

## ACCOUNTING POLICIES

### FOR THE 52 WEEKS ENDED 24 SEPTEMBER 1983

The accounting policies are consistent with those adopted previously.

a) Basis of accounting

The accounts have been prepared under the historical cost convention except that certain fixed assets are included at valuation.

b) Deferred taxation

- i) Provision is made for deferred taxation, using the liability method, on short term timing differences and all other material timing differences which are not expected to continue in the future.
- ii) It is not practical to calculate the provision for taxation of chargeable gains which might arise in the event of properties being sold at their revalued amounts.

c) Fixed assets and depreciation

i) Intangible assets

Goodwill includes purchased goodwill and costs of reorganisation necessary in ascribing fair values to the separable net assets relating to the soft drinks business acquired from Beecham Group PLC. The goodwill is being written off over its useful economic life, estimated at 20 years.

ii) Tangible assets

- a) Expenditure on additions and improvements to fixed assets is capitalised for major projects on the basis of measured work completed and for all other expenditure as incurred.
- b) Surpluses arising from time to time from professional revaluations of properties are taken direct to revaluation reserve. Valuation surpluses realised on sale are transferred from revaluation reserve to profit and loss account.
- c) Freehold land is not depreciated. Freehold properties are written off over 50 years.
- d) Leasehold properties are written off either over 50 years or the term of the lease whichever is the shorter.
- e) Cost of plant, equipment and vehicles is spread, by equal annual instalments, over the estimated useful lives of the relevant assets, namely:-

|                       | Years |
|-----------------------|-------|
| Plant and equipment   | 10    |
| Fixtures and Fittings | 8     |
| Forklift Trucks       | 6     |
| Vehicles              | 5-10  |

# BRITVIC CORONA LIMITED

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## ACCOUNTING POLICIES

### iii) Fixed asset investments

Fixed asset investments are stated at cost less any provision for diminution in value.

### d) Government grants

Grants receivable are taken to a deferred income account and credited to profit for the financial year over the estimated useful lives of the relevant assets.

### e) Repairs and maintenance

Expenditure on repairs and maintenance is charged to profit as incurred.

### f) Research and development

Expenditure on research and development is charged to profit as incurred.

### g) Retirement and death benefits

Contributions to group pension schemes are charged to profit as incurred. They are based on consistent percentages of members pensionable pay as recommended by actuaries.

### h) Stocks

Stock in trade is stated at the lower of cost and net realisable value; cost includes appropriate production overheads. Consumable stores are valued at cost.

Returnable bottles and cases are stated at deposit value.

### i) Turnover

Turnover is exclusive of VAT and comprises sales and other trading income of the company after deducting trade discounts.

# BRITVIC CORONA LIMITED

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## GROUP PROFIT & LOSS ACCOUNT

FOR THE 52 WEEKS ENDED 24 SEPTEMBER 1988

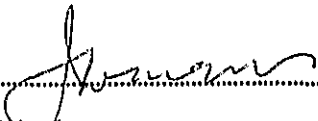
|   | Note | 1988      | 1987      |
|---|------|-----------|-----------|
|   |      | £000      | £000      |
| Turnover  | 1    | 346,111   | 274,845   |
| Costs and Overheads   | 2/3  | (320,413) | (253,216) |
| Trading Profit  |      | 25,698    | 21,629    |
| Cost of Borrowing   | 4    | (10,457)  | (5,581)   |
| Profit on Ordinary Activities before<br>Amortisation of Goodwill and Taxation |      | 15,241    | 16,048    |
| Amortisation of Goodwill  | 7    | (4,827)   | (3,354)   |
| Profit on Ordinary Activities   |      | 10,414    | 12,694    |
| Tax on Profit on Ordinary<br>Activities                                       | 5    | (2,563)   | (4,124)   |
| Profit on Ordinary Activities<br>After Taxation for the Accounting Period     |      | 7,851     | 8,570     |
| Ordinary Dividends  | 6    | (3,060)   | (3,600)   |
| Retained Profit   | 15   | 4,791     | 4,970     |


## BRITVIC CORONA LIMITED

GROUP BALANCE SHEET24 SEPTEMBER 1988

|   | Note | 1988      | 1987      |
|---|------|-----------|-----------|
|   |      | £000      | £000      |
| Fixed Assets  |      |           |           |
| Intangible assets                                       | 7    | 86,085    | 86,104    |
| Tangible assets   | 8    | 112,934   | 99,842    |
| Investments   | 9    | -         | -         |
|   |      | <hr/>     | <hr/>     |
|   |      | 199,019   | 185,946   |
|   |      | <hr/>     | <hr/>     |
| Current Assets  |      |           |           |
| Stocks  | 10   | 55,985    | 49,318    |
| Debtors   | 11   | 80,335    | 74,338    |
| Cash at bank and in hand                                |      | 14,230    | 5,043     |
|   |      | <hr/>     | <hr/>     |
|   |      | 150,550   | 128,699   |
|   |      | <hr/>     | <hr/>     |
| Creditors: amounts falling due within one year          | 12   | (122,477) | (211,973) |
|   |      | <hr/>     | <hr/>     |
| Net current (liabilities)/assets                        |      | 28,073    | (83,274)  |
|   |      | <hr/>     | <hr/>     |
| Total assets less current liabilities                   |      | 227,092   | 102,672   |
|   |      | <hr/>     | <hr/>     |
| Creditors: amounts falling due after more than one year | 13   | (195,476) | (95,906)  |
| Accruals and deferred income - government grants        |      | (193)     | (269)     |
|   |      | <hr/>     | <hr/>     |
|   |      | 31,423    | 6,497     |
|   |      | <hr/>     | <hr/>     |
| Capital and reserves                                    |      |           |           |
| Called up share capital                                 | 14   | 22,600    | 2,600     |
| Share premium account                                   | 15   | 450       | 450       |
| Revaluation reserve                                     | 15   | 1,609     | 1,527     |
| Profit and loss account                                 | 15   | 6,764     | 1,920     |
|   |      | <hr/>     | <hr/>     |
|   |      | 31,423    | 6,497     |
|   |      | <hr/>     | <hr/>     |

The directors approved the accounts set out on pages 5 to 19 on 16 November 1988

  
 .....  
 J W Angles

  
 .....  
 S J Davies



# BRITVIC CORONA LIMITED

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## COMPANY BALANCE SHEET

24 SEPTEMBER 1988

|   | Note | 1988      | 1987      |
|---|------|-----------|-----------|
|   |      | £000      | £000      |
| Fixed Assets  |      |           |           |
| Intangible assets                                       | 7    | 86,085    | 86,104    |
| Tangible assets   | 8    | 112,934   | 99,842    |
| Investments   | 9    | 8         | -         |
|   |      | <hr/>     | <hr/>     |
|   |      | 199,027   | 185,946   |
| Current Assets  |      |           |           |
| Stocks  | 10   | 55,985    | 49,318    |
| Debtors   | 11   | 80,317    | 74,270    |
| Cash at bank and in hand                                |      | 14,170    | 5,023     |
|   |      | <hr/>     | <hr/>     |
|   |      | 150,472   | 128,611   |
| Creditors: amounts falling due within one year          | 12   | (122,471) | (211,890) |
|   |      | <hr/>     | <hr/>     |
| Net current (liabilities)/assets                        |      | 28,001    | (83,279)  |
|   |      | <hr/>     | <hr/>     |
| Total assets less current liabilities                   |      | 227,028   | 102,667   |
| Creditors: amounts falling due after more than one year | 13   | (195,476) | (95,906)  |
| Accruals and deferred income - government grants        |      | (193)     | (269)     |
|   |      | <hr/>     | <hr/>     |
|   |      | 31,359    | 6,492     |
|   |      | <hr/>     | <hr/>     |
| Capital and reserves                                    |      |           |           |
| Called up share capital                                 | 14   | 22,600    | 2,600     |
| Share premium account                                   | 15   | 450       | 450       |
| Revaluation reserve                                     | 15   | 1,609     | 1,527     |
| Profit and loss account                                 | 15   | 6,700     | 1,915     |
|   |      | <hr/>     | <hr/>     |
|   |      | 31,359    | 6,492     |
|   |      | <hr/>     | <hr/>     |

The directors approved the accounts set out on pages 5 to 19 on 16 November 1988.

.....  
J W Angles

.....  
S J Davies

# BRITVIC CORONA LIMITED

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## GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE 52 WEEKS ENDED 24 SEPTEMBER 1988

|   | 1988    | 1987      |
|---|---------|-----------|
|   | £000    | £000      |
| <b>FUNDS GENERATED</b>                                |         |           |
| Profit on ordinary activities before taxation         | 10,414  | 12,694    |
| Items not involving movement of funds                 |         |           |
| Depreciation  | 10,394  | 8,372     |
| Amortisation of Goodwill                              | 4,827   | 3,354     |
| Government grants written back                        | (34)    | (126)     |
| Profit on sale of fixed assets                        | (3,398) | (187)     |
|   | <hr/>   | <hr/>     |
|   | 22,203  | 24,107    |
| Proceeds of sale of fixed assets                      | 10,353  | 3,696     |
| Proceeds of loan stock issue to parent company        | -       | 43,500    |
| Proceeds of share capital issue to parent company     | 20,000  | -         |
|   | <hr/>   | <hr/>     |
|   | 52,556  | 71,303    |
|   | <hr/>   | <hr/>     |
| <b>FUNDS APPLIED</b>                                  |         |           |
| Increase/(decrease) in working capital                |         |           |
| Stocks  | 6,667   | 5,192     |
| Debtors   | 6,314   | 14,603    |
| Creditors   | 7,790   | (30,957)  |
| Inter-Company indebtedness                            | (423)   | (99,806)  |
|   | <hr/>   | <hr/>     |
|   | 20,348  | (110,968) |
| Dividends paid  | 3,600   | -         |
| Taxation  | -       | 2,522     |
| Acquisition of Beecham Soft Drinks net assets         | -       | 114,504   |
| Transfer of net assets of Britvic Limited             | -       | 3,203     |
|   | <hr/>   | <hr/>     |
|   | 23,948  | 9,261     |
| Fixed assets (less government grants)                 | 31,312  | 19,131    |
| Reorganisation Costs incurred and charged to Goodwill | 6,982   | 50,541    |
|   | <hr/>   | <hr/>     |
| Total funds applied                                   | 62,242  | 78,933    |
|   | <hr/>   | <hr/>     |
| Net decrease in cash and bank balances                | (9,686) | (7,630)   |
|   | <hr/>   | <hr/>     |

# BRITVIC CORONA LIMITED

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## NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

### 1. TURNOVER

Turnover is stated after deducting trade discounts and is analysed by geographical location as follows:-

|                          | 1988    | 1987    |
|--------------------------|---------|---------|
|                          | £000    | £000    |
| United Kingdom           | 346,111 | 273,927 |
| Other European countries | -       | 667     |
| Rest of the world        | -       | 251     |
|                          | <hr/>   | <hr/>   |
|                          | 346,111 | 274,845 |
|                          | <hr/>   | <hr/>   |

### 2. COSTS AND OVERHEADS LESS OTHER INCOME

|  |         |         |
|--|---------|---------|
| Change in stocks of finished goods         | (2,155) | (4,521) |
| Other operating income                     | (3,434) | (188)   |
| Raw materials, consumables and Excise Duty | 189,368 | 170,137 |
| Other external charges                     | 72,922  | 29,204  |
| Staff costs (note 3)                       | 53,316  | 49,273  |
| Depreciation on tangible fixed assets      | 10,394  | 8,372   |
| Government grants written back             | (34)    | (126)   |
| Other operating charges                    | 36      | 1,065   |
|  | <hr/>   | <hr/>   |
|  | 320,413 | 253,216 |
|  | <hr/>   | <hr/>   |

The following amounts are included above:

|                                    |         |       |
|------------------------------------|---------|-------|
| Hire of plant and machinery        | 3,508   | 996   |
| Auditors' remuneration             | 108     | 92    |
| Profit on disposal of fixed assets | (3,398) | (187) |

### 3. STAFF COSTS AND STATISTICS

#### a) Staff Costs

|                       |        |        |
|-----------------------|--------|--------|
| Wages and salaries    | 44,395 | 42,000 |
| Social security costs | 4,212  | 3,079  |
| Other pension costs   | 4,709  | 4,194  |
|                       | <hr/>  | <hr/>  |
|                       | 53,316 | 49,273 |
|                       | <hr/>  | <hr/>  |

## BRITVIC CORONA LIMITED

NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

## 3. STAFF COSTS AND STATISTICS (Continued)

|                                       | 1988<br>NUMBER | 1987<br>NUMBER |
|---------------------------------------|----------------|----------------|
| b) Average number of persons employed |                |                |
| Central administration                | 333            | 346            |
| Distribution                          | 1,683          | 1,754          |
| Production                            | 1,185          | 1,227          |
| Sales and marketing                   | 1,188          | 1,225          |
|                                       | <hr/>          | <hr/>          |
|                                       | 4,389          | 4,552          |
|                                       | <hr/>          | <hr/>          |

## c) Emoluments of directors and higher paid employees of the company.

Directors' emoluments totalled £422,265 (1987 - £441,383). The Chairman received no remuneration in 1988 or in 1987. The emoluments excluding pension contributions, of the highest paid director were £67,714 (1987 - £59,918).

The table below shows the number of other Directors of the Company and higher paid employees earning over £30,000 per annum whose emoluments excluding pension contributions during the year were within the bands stated.

|                   | Directors |      | Higher Paid Employees |      |
|-------------------|-----------|------|-----------------------|------|
|                   | 1988      | 1987 | 1988                  | 1987 |
| Up to £5,000      | -         | -    | -                     | -    |
| £5,001 - £10,000  | -         | -    | -                     | -    |
| £10,001 - £15,000 | -         | -    | -                     | -    |
| £15,001 - £20,000 | -         | -    | -                     | -    |
| £20,001 - £25,000 | -         | 3    | -                     | -    |
| £25,001 - £30,000 | -         | 2    | -                     | -    |
| £30,001 - £35,000 | -         | 1    | 6                     | 5    |
| £35,001 - £40,000 | -         | 3    | 3                     | 2    |
| £40,001 - £45,000 | 5         | 1    | -                     | -    |
| £45,001 - £50,000 | -         | -    | -                     | -    |
| £50,001 - £55,000 | 2         | -    | -                     | -    |

Compensation for loss of office paid to two Directors amounted to £105,106.

## 4. COST OF BORROWING (NET)

|  | 1988   | 1987  |
|--|--------|-------|
|  | £000   | £000  |
| Interest payable to group companies            | 7,359  | 5,115 |
| Other interest payable                         | 3,181  | 597   |
| Less: Interest receivable from group companies | -      | -     |
| Other interest receivable                      | (83)   | (131) |
|  | <hr/>  | <hr/> |
|  | 10,457 | 5,581 |
|  | <hr/>  | <hr/> |

No interest is capitalised by the group.

## BRITVIC CORONA LIMITED

NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

## 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

|                     | 1988<br>£000      | 1987<br>£000      |
|---------------------|-------------------|-------------------|
| Charge for the year | 2,563             | 5,254             |
| - current year      | -                 | (1,130)           |
| - prior year        |                   |                   |
|                     | <hr/> 2,563 <hr/> | <hr/> 4,124 <hr/> |

UK corporation tax has been calculated on taxable profits at 35% (1987 - 35%).

The tax charge relates only to ordinary activities and, therefore, excludes tax relief due on the reorganisation costs charged to goodwill.

The charge for taxation for the year has been reduced by approximately £1,808,000 (1987, reduced by £1,450,000) being timing differences on capital allowances and depreciation.

The potential amounts of deferred taxation for timing differences, none of which are provided for, are as follows:-

|   | 1988<br>£000       | 1987<br>£000       |
|---|--------------------|--------------------|
| Excess of capital allowances over depreciation for: |                    |                    |
| Plant and equipment                                 | 9,938              | 8,048              |
| Containers  | 334                | 521                |
| Industrial buildings                                | 3,063              | 2,931              |
|   | <hr/> 13,335 <hr/> | <hr/> 11,500 <hr/> |

## 6. DIVIDEND

|  | 1988<br>£000 | 1987<br>£000 |
|--|--------------|--------------|
| Proposed first and final dividend of 13.54p per share (1987 - 138.46p) | 3,060        | 3,600        |

## 7. INTANGIBLE FIXED ASSETS

|   | 1988<br>£000        | 1987<br>£000        |
|---|---------------------|---------------------|
| Goodwill at 26 September 1987                   | 89,458              | -                   |
| Associated reorganisation costs during the year | 4,808               | 89,458              |
|   | <hr/> 94,266 <hr/>  | <hr/> 89,458 <hr/>  |
| Goodwill at end of the year                     |                     |                     |
| Amortisation at 26 September 1987               | (3,354)             | -                   |
| Amortisation provided during the year           | (4,827)             | (3,354)             |
|   | <hr/> (8,181) <hr/> | <hr/> (3,354) <hr/> |
| Amortisation at end of the year                 |                     |                     |
| Net book amount at end of the year              | 86,085              | 86,104              |

## BRITVIC CORONA LIMITED

NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

## 8. TANGIBLE FIXED ASSETS

|                                      | Freehold<br>Land and<br>Buildings | Leasehold<br>Land and<br>Buildings | Plant and<br>Machinery | Fixtures<br>Fittings<br>Tools and<br>Equipment | Total    |
|--------------------------------------|-----------------------------------|------------------------------------|------------------------|--|----------|
|                                      | £000                              | £000                               | £000                   | £000   | £000     |
| a) Movement during year              |                                   |                                    |                        |  |          |
| Cost                                 |                                   |                                    |                        |  |          |
| At 26 September 1987                 | 33,426                            | 9,894                              | 49,294                 | 40,474   | 133,088  |
| Transfers between<br>classifications | 11                                | 13                                 | 365                    | 222  | 611      |
| Additions during the year            | 1,868                             | 942                                | 15,442                 | 13,000   | 31,252   |
| Transfers to group<br>companies      | -                                 | -                                  | (29)                   | -  | (29)     |
| Disposals                            | (4,006)                           | (281)                              | (9,752)                | (1,567)  | (15,606) |
|                                      | <hr/>                             | <hr/>                              | <hr/>                  | <hr/>  | <hr/>    |
| At 24 September 1988                 | 31,299                            | 10,568                             | 55,320                 | 52,129   | 149,316  |
|                                      | <hr/>                             | <hr/>                              | <hr/>                  | <hr/>  | <hr/>    |
| b) Depreciation and amortisation     |                                   |                                    |                        |  |          |
| At 26 September 1987                 | 379                               | 200                                | 19,022                 | 13,645   | 33,246   |
| Transfers between<br>classifications | (6)                               | 13                                 | 438                    | 166  | 611      |
| Transfers to group<br>companies      | -                                 | -                                  | (37)                   | -  | (37)     |
| Charge for year                      | 511                               | 212                                | 5,573                  | 4,461  | 10,757   |
| Relating to disposals                | (95)                              | (15)                               | (6,927)                | (1,158)  | (8,195)  |
|                                      | <hr/>                             | <hr/>                              | <hr/>                  | <hr/>  | <hr/>    |
| At 24 September 1988                 | 789                               | 410                                | 18,069                 | 17,114   | 36,382   |
|                                      | <hr/>                             | <hr/>                              | <hr/>                  | <hr/>  | <hr/>    |
| Net book amounts:                    |                                   |                                    |                        |  |          |
| At 24 September 1988                 | 30,510                            | 10,158                             | 37,251                 | 35,015   | 112,934  |
|                                      | <hr/>                             | <hr/>                              | <hr/>                  | <hr/>  | <hr/>    |
| At 26 September 1987                 | 33,047                            | 9,694                              | 30,272                 | 26,829   | 99,842   |
|                                      | <hr/>                             | <hr/>                              | <hr/>                  | <hr/>  | <hr/>    |

## BRITVIC CORONA LIMITED

NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

## 8. TANGIBLE FIXED ASSETS (Cont)

## c) At 24 September 1988

|                              | Cost or<br>Valuation | Depreciation | Total   |
|------------------------------|----------------------|--------------|---------|
|                              | £000                 | £000         | £000    |
| Freehold                     | 31,299               | 789          | 30,510  |
| Leasehold over 100 years     | 269                  | 9            | 260     |
| Leasehold 50 to 100 years    | 9,132                | 330          | 8,802   |
| Leasehold under 50 years     | 1,167                | 71           | 1,096   |
|                              | <hr/>                | <hr/>        | <hr/>   |
| Total properties             | 41,867               | 1,199        | 40,668  |
| Plant and machinery          | 55,320               | 18,069       | 37,251  |
| Vehicles and other equipment | 52,129               | 17,114       | 35,015  |
|                              | <hr/>                | <hr/>        | <hr/>   |
|                              | 149,316              | 36,382       | 112,934 |
|                              | <hr/>                | <hr/>        | <hr/>   |

- d) The value of land included in freehold land and buildings at 24 September 1988 amounted to £6,607,000 (1987 - £7,406,000).

## 9. FIXED ASSET INVESTMENT

|                               | 1988  | 1987  |
|-------------------------------|-------|-------|
|                               | £000  | £000  |
| Shares at directors valuation | 992   | 234   |
| Acquisition during the year   | -     | 758   |
| Loans from subsidiaries       | (984) | (992) |
|                               | <hr/> | <hr/> |
|                               | 8     | -     |
|                               | <hr/> | <hr/> |

The company has two wholly owned subsidiaries, Hooper Struve and Company Limited, which is incorporated in Great Britain and which did not trade during the year, and DQ Limited incorporated in the Isle of Man which traded during the year, the results of which have been consolidated within the group's results.

## BRITVIC CORONA LIMITED

NOTES ON ACCOUNTS - 24 SEPTEMBER 1988

## 10. STOCKS

|                              | 1988   | 1987   |
|------------------------------|--------|--------|
|                              | £000   | £000   |
| Stocks comprise:             |        |        |
| Raw materials                | 18,661 | 15,009 |
| Finished goods               | 28,046 | 25,891 |
|                              | —      | —      |
|                              | 46,707 | 40,900 |
| Consumable stores            | 1,898  | 2,159  |
| Returnable bottles and cases | 7,380  | 6,259  |
|                              | —      | —      |
|                              | 55,985 | 49,318 |
|                              | —      | —      |

The replacement cost of stocks approximates to the value at which they are stated in the accounts.

## 11. DEBTORS

|  | Group  |        | Company |        |
|--|--------|--------|---------|--------|
|  | 1988   | 1987   | 1988    | 1987   |
|  | £000   | £000   | £000    | £000   |
| Trade debtors                                    | 69,585 | 64,771 | 69,585  | 64,771 |
| Amounts due from group companies:                |        |        |         |        |
| Ultimate holding company and fellow subsidiaries | 2,158  | 2,475  | 2,158   | 2,407  |
| Other debtors                                    | 3,015  | 2,948  | 2,997   | 2,948  |
| Prepayments                                      | 5,276  | 3,843  | 5,276   | 3,843  |
| Corporation tax recoverable                      | 301    | 301    | 301     | 301    |
|  | —      | —      | —       | —      |
|  | 80,335 | 74,338 | 80,317  | 74,270 |
|  | —      | —      | —       | —      |



## BRITVIC CORONA LIMITED

NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

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

|  | Group   |         | Company |         |
|--|---------|---------|---------|---------|
|  | 1988    | 1987    | 1988    | 1987    |
|  | £000    | £000    | £000    | £000    |
| Trade creditors                                    | 51,002  | 41,014  | 51,002  | 41,014  |
| Amounts due to group companies                     |         |         |         |         |
| Ultimate holding company and fellow subsidiaries - |         |         |         |         |
| current accounts                                   | 1,654   | 101,884 | 1,654   | 101,884 |
| Other taxation and social security                 | 5,525   | 2,874   | 5,525   | 2,870   |
| Bank overdraft                                     | 30,000  | 11,127  | 30,000  | 11,127  |
| Other creditors                                    | 3,794   | 13,903  | 3,794   | 13,829  |
| Accrued charges                                    | 26,751  | 36,774  | 26,745  | 36,774  |
| Proposed dividend                                  | 3,060   | 3,600   | 3,060   | 3,600   |
| Obligations under finance lease                    | 691     | 792     | 691     | 792     |
|  | <hr/>   | <hr/>   | <hr/>   | <hr/>   |
|  | 122,477 | 211,973 | 122,471 | 211,890 |
|  | <hr/>   | <hr/>   | <hr/>   | <hr/>   |

## 13. CREDITORS: amounts falling due after more than one year

|  | 1988    | 1987   |
|--|---------|--------|
|  | £000    | £000   |
| Amount due to ultimate holding company and fellow subsidiaries | 195,473 | 95,137 |
| Obligations under finance leases                               | 3       | 769    |
|  | <hr/>   | <hr/>  |
|  | 195,476 | 95,906 |
|  | <hr/>   | <hr/>  |

## 14. CALLED-UP SHARE CAPITAL

|                            | Authorised |       | Allotted and Fully paid |       |
|----------------------------|------------|-------|-------------------------|-------|
|                            | 1988       | 1987  | 1988                    | 1987  |
|                            | £000       | £000  | £000                    | £000  |
| Ordinary shares of £1 each | 22,600     | 2,600 | 22,600                  | 2,600 |
|                            | <hr/>      | <hr/> | <hr/>                   | <hr/> |

During the year the company increased its authorised share capital by 20,000,000 ordinary £1 shares which were issued for cash.

## BRITVIC CORONA LIMITED

NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

## 15. RESERVES

|   | <u>Undistributable Reserves</u> |                         |                          |
|---|---------------------------------|-------------------------|--------------------------|
|   | Share<br>Premium                | Revaluation<br>Reserves | Profit &<br>Loss Account |
|   | £000                            | £000                    | £000                     |
| GROUP   |                                 |                         |                          |
| At 26 September 1987                          | 450                             | 1,527                   | 1,920                    |
| Adjustment re subsidiary                      | -                               | -                       | 66                       |
| Revaluation deficit written<br>back on sales  | -                               | 69                      | -                        |
| Revaluation element in<br>depreciation charge | -                               | 13                      | (13)                     |
| Retained earnings for the year                | -                               | -                       | 4,791                    |
|   | <hr/>                           | <hr/>                   | <hr/>                    |
| At 24 September 1988                          | 450                             | 1,609                   | 6,764                    |
|   | <hr/>                           | <hr/>                   | <hr/>                    |
| COMPANY                                       |                                 |                         |                          |
| At 26 September 1987                          | 450                             | 1,527                   | 1,915                    |
| Revaluation deficit written<br>back on sales  | -                               | 69                      | -                        |
| Revaluation element in<br>depreciation charge | -                               | 13                      | (13)                     |
| Retained earnings for the year                | -                               | -                       | 4,798                    |
|   | <hr/>                           | <hr/>                   | <hr/>                    |
| At 24 September 1988                          | 450                             | 1,609                   | 6,700                    |
|   | <hr/>                           | <hr/>                   | <hr/>                    |

## 16. FINANCIAL COMMITMENTS

|  | 1988   | 1987   |
|--|--------|--------|
|  | £000   | £000   |
| a) The aggregate amount of capital expenditure not dealt<br>with in the company accounts is: |        |        |
| In respect of contracts placed   | 2,929  | 19,362 |
|  | <hr/>  | <hr/>  |
| Authorised by the directors but not contracted for   | 46,486 | 22,921 |
|  | <hr/>  | <hr/>  |

# BRITVIC CORONA LIMITED

## NOTES ON THE ACCOUNTS - 24 SEPTEMBER 1988

### 16. FINANCIAL COMMITMENTS (Continued)

- b) The capital amounts due under finance lease obligations are as follows:

|                          | Plant and Machinery |       |
|--------------------------|---------------------|-------|
|                          | 1988                | 1987  |
|                          | £000                | £000  |
| Leases expiring -        |                     |       |
| Within one year          | 691                 | 792   |
| Within two to five years | 3                   | 769   |
|                          | <hr/>               | <hr/> |
|                          | 694                 | 1,561 |
|                          | <hr/>               | <hr/> |

- c) In addition to the above, the company had commitments to purchase raw materials in the normal course of trading.

### 17. COMMITMENTS TO PENSION FUND

Retirement and death benefits are provided for eligible group employees principally by the Bass Employees' Security Plan and the Bass Executive Pension Plan. Members of these Plans are contracted out of the State Earnings Related Scheme. The Plans are externally funded defined benefit schemes based upon final pay levels. Actuarial valuations are being completed as at 31 March 1988. Notwithstanding that the formal valuation report is not yet available, the Actuaries have confirmed that members' accrued benefits based on service completed to that date and on rates of pensionable pay then current were fully covered by the assets of the Plans. The Actuaries have also confirmed that in their opinion a continuation of the present contribution rates is likely to enable a similar confirmation to be made as at 31 March 1989 when the position will next be reviewed.

### 18. ULTIMATE HOLDING COMPANY

The ultimate holding company of Britvic Corona Limited is Bass plc, incorporated in Great Britain and registered in England.