

# **BRITVIC HOLDINGS LIMITED**

Financial Statements 2 October 1999

together with directors' report and report of the auditors

**Registered Number: 2063776**



# BRITVIC HOLDINGS LIMITED

## Directors' Report

For the 53 weeks ended 2 October 1999.

The directors present their annual report on the affairs of the Group, together with the financial statements and the report of the auditors, for the 53 weeks ended 2 October 1999.

## Principal activities and business review

The principal activities of the Group continue to be the manufacture and sale of soft drinks.

Turnover for the year was £426,857,000.

The profit for the year before taxation amounted to £6,416,000.

After charging taxation of £3,262,000 the profit for the year was £3,154,000.

The business has had a challenging year affected by the growing level of competition in the marketplace but the Directors remain confident in the strength of the core brands and consider that there is substantial scope for further development of the Group's products.

## Events since the balance sheet date

In the opinion of the board there have been no important events affecting the Company or any of its subsidiary undertakings which have occurred since the end of the financial year. However, Britvic Soft Drinks Limited announced a rationalisation of its retail distribution estate in October 1999 and full details are included in that company's accounts.

## Research and development

Research and development work undertaken by the Group continues to focus on product quality, operational efficiencies and new initiatives. Responsibility rests with the operating functions of the Company with particular emphasis placed on new packaging and product development to ensure that the Company can meet the demands of a competitive and changing market.

## Results and dividends

Results, dividends (paid and proposed) and recommended transfers to reserves are as follows:

	£'000
Group profit for the year after taxation.	3,154
Dividends	
- Final Dividend payable to "B" shareholders 29 September 2000	(2,104)
- Final Dividend payable to "P" shareholders 29 September 2000	(234)
	<hr/>
Transfer to profit and loss reserves	816
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# BRITVIC HOLDINGS LIMITED

## Directors and their interests

The following served as directors of the Company during the year:

R C North	-	Chairman
S J Davies		
E J Denning		
S Gilliland		
C Heath	-	Appointed 30 September 1999
D J Houghton (Ms)	-	Appointed 30 September 1999
J W Mailloux		
A S Perelman		
P Thomas		
R G M Barclay	-	Resigned 30 September 1999
M P H Hammond	-	Resigned 6 September 1999

The directors and their families had the following interests in the ordinary shares of Bass PLC at 2 October 1999 and 26 September 1998.

Name of directors	Fully paid ordinary shares in Bass PLC (Number of Shares)	
	1999	1998
S J Davies	48,810	16,763
E J Denning	3,002	1,683
C Heath	448	*448
D J Houghton (Ms)	2,220	*2,220
P Thomas	2,522	4,288
	57,002	25,402

\* As at the date of appointment.

## Notes

The above shareholdings, which are all beneficial, include ordinary shares held on behalf of the director by trustees under the Bass Employee Profit Share Scheme and, in the case of Mr S J Davies, shares held under the Bass Long Term Incentive Plan.

The interests of Mr R C North, who is also a director of Bass PLC, are reported in that Company's accounts.

There were no changes to the directors' interests shown above from 2 October 1999 to 25 November 1999.

None of the directors has a beneficial interest in the shares, debentures, or loan stocks issued by Bass PLC or any of its subsidiaries.

# BRITVIC HOLDINGS LIMITED

## Directors' options in ordinary shares in Bass PLC

Name	2 Oct 1999	Granted during year	Exercised	Expired	26 Sept 1998	Weighted Average Option Price	Option Price	Market Price (*)
<b>S J Davies</b>								
		6,600					798p	
		1,379					734p	
			5,000				568p	939.5p
			12,800				605p	939.5p
			12,200				585p	939.5p
			3,900				520p	939.5p
			2,700				505p	939.5p
A	19,900					812p		
B	16,743					837p		
	<b>36,643</b>	<b>7,979</b>	<b>36,600</b>	-	<b>65,264</b>	<b>823p</b>	-	-
<b>E J Denning</b>								
		4,700					798p	
A	43,400					739p		
B	19,100					915p		
	<b>62,500</b>	<b>4,700</b>	-	-	<b>57,800</b>	<b>793p</b>	-	-
<b>D J Houghton (Ms)</b>								
A	5,400					851.5p		
B	5,300					1014.5p		
	<b>10,700</b>	-	-	-	<b>** 10,700</b>	<b>932p</b>	-	-
<b>P Thomas</b>								
		5,300					798p	
		448					734p	
A	19,800					793p		
B	21,148					947p		
	<b>40,948</b>	<b>5,748</b>	-	-	<b>35,200</b>	<b>873p</b>	-	-

(\*) Middle market price on the date of exercise of the option

\*\* As at date of appointment.

Options are held under the Bass Executive Share Option Schemes and the Bass Employee Savings Share Schemes.

Shares under option at the end of the year are designed as:-

A - Where the options are exercisable (Their exercise prices are all below the market price for the Company's Shares at 2 October 1999)

B - Where the options are not exercisable.

The market price on 2 October 1999 was 741p per share

Options above granted during the year under the Bass Executive Share Option Scheme are exercisable between 2002 and 2009 and under the Bass Employee Savings Share Scheme between 2001 and 2004.

## BRITVIC HOLDINGS LIMITED

### Contracts and arrangements

There were no contracts of significance in relation to the Company's business in which directors of the Company or any connected persons had a material interest at the end of the financial year or at any time during the year. There were no arrangements in place at the end of the financial year or at any time during the year to which the Company was a party whose objects enable 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 Group's share schemes which provide arrangements by which executive directors may receive shares in Bass PLC. Details of these schemes are contained in the Bass PLC accounts.

### Fixed assets

Information relating to changes in fixed assets is given in notes 9 and 10 to the accounts. In the opinion of the directors there is no material difference between the book and the current value of interests in land and buildings.

### Supplier payment policy

The Company agrees payment terms with all of its main suppliers and abides by these terms subject to satisfactory performance by the supplier. Amounts owed to other suppliers are settled on or before the end of the month following receipt of a valid invoice. At 2 October 1999, trade creditors outstanding represented approximately 27 days purchases from suppliers comprising trade creditors.

### Charitable and political contributions

The group contributed £63,496 to charities and £nil for political purposes.

### Year 2000

The Company is working to ensure that its business operations and interests are as immune as they can reasonably be made with regard to the impact of the Year 2000 date change. Each Bass Group company (including Britvic Holdings) is represented on a working party that is addressing the problem internally and also the risk of failure in key third parties. Full details of this programme are included in the Bass PLC Annual Report 1998. The incremental cost to the Company is expected to be £0.6m in total with no capital expenditure.

### Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that all employees be given equal opportunities in respect of training, career development and promotion.

### Employee consultation

The Group places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Group.

The group has widely established arrangements involving briefing group consultancy committees and the publication of Company newspapers as part of the general process of employee consultation.

All our eligible employees are able to participate in the Bass Employee Share Ownership Scheme and the Bass Employee Savings Share Scheme.

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

### Close company status

The close company provisions of the Income and Corporate Taxes Act 1988 do not apply to the Company.

### Auditors

The directors will place a resolution before the Annual General Meeting to reappoint Ernst & Young as auditors for the ensuing year.

### Liability insurance for Company officers.

As permitted by the Companies Act 1985, the Company has maintained insurance cover for the directors against liabilities in relation to the Company.

By order of the board



**D BUCKBY**  
**Secretary**

Britvic House  
Chelmsford

25 November 1999

# **BRITVIC HOLDINGS LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES** in relation to financial statements

The following statement, which should be read in conjunction with the Report of the Auditors set out on page 7 is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

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 and the Group as at the end of the financial year and of the profit or loss for the financial year.

Following discussions with the auditors, the directors consider that in preparing the financial statements on pages 8 to 27 inclusive, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis as the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

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 Group and to prevent and detect fraud and other irregularities.

**BRITVIC HOLDINGS LIMITED****REPORT OF THE AUDITORS**  
to the members of Britvic Holdings Limited

We have audited the financial statements set out on pages 8 to 27 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and on the basis of the accounting policies set out on pages 8 and 9.

**Respective Responsibilities of Directors and Auditors**

As described on page 6 the Company's directors are responsible for the preparation of the 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 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 and the Group at 2 October 1999 and of the Group's profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



ERNST & YOUNG  
Registered Auditor

Nottingham 1 December 1999

# BRITVIC HOLDINGS LIMITED

## ACCOUNTING POLICIES

### FOR THE 53 WEEKS ENDED 2 OCTOBER 1999

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

a) Basis of accounting

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain tangible fixed assets. They have been drawn up to comply with applicable accounting standards.

b) Foreign currencies

Transactions in foreign currencies are recorded at the exchange rates ruling on the dates of the transactions, adjusted for the effects of any hedging arrangements. Assets and liabilities denominated in foreign currencies are translated into sterling at the relevant rates of exchange ruling at the balance sheet date.

The results of overseas operations are translated into sterling at weighted average rates of exchange for the period. Exchange differences arising from the retranslation of opening net assets (including goodwill) denominated in foreign currencies are taken direct to reserves, net of exchange differences arising from the retranslation of foreign currency borrowings used to hedge those net assets. All other exchange differences are taken to the profit and loss account.

c) Intangible fixed assets

Goodwill includes purchased goodwill and adjustments necessary in ascribing fair values to the separable net assets relating to the soft drinks businesses acquired. The goodwill is being written off over its useful economic life, estimated at 20 years.

No value is attributed to trademarks, concessions, patents and similar rights and assets, including management contracts.

Costs incurred on trademarks, concessions, patents and similar rights, whether purchased or created by the Company, are expensed in the profit and loss account in the period in which they are incurred.

d) Investments

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

e) Leases

Assets held under finance leases are capitalised in the balance sheet and included within tangible fixed assets and are depreciated at the appropriate rates. The capital element of future lease payments is included in borrowings. The interest element of the lease obligations is charged to the profit and loss account.

The cost of operating leases is charged to the profit and loss account as incurred.

f) Pensions

The Group principally operates two pension plans covering the majority of permanent full time UK employees, both of which are of the defined benefit type. The assets of the plans are held in separate trustee administered funds. The cost of providing these pension benefits, both regular pension cost and variations in regular pension cost, is charged to the profit and loss account over the average expected service lives of current employees. Differences between the amount charged in the profit and loss account and the payment made to the plans are treated as either provisions or prepayments in the balance sheet.

g) Research and development

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



## BRITVIC HOLDINGS LIMITED

### h) Stocks

Stocks are stated at the lower of cost, including an appropriate element of production overhead cost, and net realisable value.

### i) Tangible fixed assets and depreciation

- (i) Freehold and leasehold properties are stated at cost or valuation, less depreciation where relevant. All other fixed assets are stated at cost.
- (ii) Surpluses arising from the professional valuations of properties are taken direct to the revaluation reserve. Valuation surpluses realised on sale are transferred from the revaluation reserve to the profit and loss account reserve. Any deficit arising from the professional valuation of properties which results in an impairment is taken direct to the revaluation reserve and eliminated against the revaluation reserve in respect of that property with any excess being charged to the profit and loss account.
- (iii) Freehold land is not depreciated.
- (iv) Freehold properties are written off over 50 years.
- (v) Leasehold properties are written off over 50 years or over the unexpired term of the lease when less than 50 years.
- (vi) Cost of plant, machinery, fixtures, fittings, tools and equipment (owned or leased) is spread, by equal instalments, over the estimated useful lives of the relevant assets, namely:
 

Plant and machinery	4 - 20 years
Equipment in retail outlets	3 - 10 years
Information technology equipment	3 - 5 years
Vehicles	3 - 10 years
- (vii) Interest payable in respect of certain major projects is capitalised to the extent that it relates to the period prior to the project becoming operational.

### j) Taxation

- (i) Advance corporation tax on dividends paid or proposed which is expected to be recovered in the future is incorporated in the deferred taxation balance.
- (ii) Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the foreseeable future. Where this policy gives rise to a balance which will be offset against future tax liabilities, this balance is carried forward as a debtor. No liability is considered to arise for deferred taxation in respect of UK industrial buildings allowances as the properties are expected to be used in the business for periods longer than that for which the allowances could be reclaimed on disposal. Similarly, no liability is considered to exist for taxation deferred by UK roll-over relief due to the level of continuing capital investment.

### k) Turnover

Turnover represents sales (excluding VAT and similar taxes, trade discounts and intra-group transactions) of goods and services, net of discounts, provided in the normal course of business.

# BRITVIC HOLDINGS LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

FOR THE 53 WEEKS ENDED 2 OCTOBER 1999

	Notes	1999 £000	1998 £000
<b>Turnover</b>	1	426,857	422,260
Costs and overheads, less other income	2/3	(417,093)	(412,374)
<b>Operating Profit</b>		9,764	9,886
Profit/(loss) on disposal of fixed assets:			
Exceptional closure costs	4	-	(1,399)
Profit on sale of property	4	-	1,295
<b>Profit on ordinary activities before interest</b>		9,764	9,782
Other interest receivable and similar income	5	42	35
Interest payable and similar charges	5	(3,390)	(2,371)
<b>Profit on ordinary activities before taxation</b>		6,416	7,446
Tax on profit on ordinary activities	6	(3,262)	(3,347)
<b>Profit on ordinary activities after taxation</b>		3,154	4,099
<b>Dividends</b>	8	(2,338)	(2,601)
<b>Retained profit for the year</b>	18	816	1,498

# BRITVIC HOLDINGS LIMITED

## STATEMENT OF TOTAL RECOGNISED GROUP GAINS AND LOSSES

FOR THE 53 WEEKS ENDED 2 OCTOBER 1999

	1999 £000	1998 £000
Profit for the financial year	3,154	4,099
Revaluation deficit	(484)	-
<b>Total recognised gains relating to the year</b>	<b>2,670</b>	<b>4,099</b>

## HISTORICAL COST PROFITS AND LOSSES

FOR THE 53 WEEKS ENDED 2 OCTOBER 1999

	Notes	1999 £000	1998 £000
Profit on ordinary activities before taxation		6,416	7,446
Realisation of property revaluation (losses) / gains of previous periods	18	(91)	418
Difference between historical cost depreciation charge and actual depreciation charge	18	(95)	(103)
<b>Historical cost profit on ordinary activities before taxation</b>		<b>6,230</b>	<b>7,761</b>
<b>Historical cost profit retained after taxation and dividends</b>		<b>630</b>	<b>1,813</b>

## RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

FOR THE 53 WEEKS ENDED 2 OCTOBER 1999

	Notes	1999 £000	1998 £000
Profit attributable to ordinary shareholders		3,154	4,099
Ordinary dividends	8	(2,338)	(2,601)
		816	1,498
Other recognised (losses)		(484)	-
<b>Net addition to shareholders' funds</b>		<b>332</b>	<b>1,498</b>
Opening shareholders' funds		206,974	205,476
<b>Closing shareholders' funds</b>		<b>207,306</b>	<b>206,974</b>

## BRITVIC HOLDINGS LIMITED

GROUP BALANCE SHEETAT 2 OCTOBER 1999

	Note	1999 £000	1998 £000
<b>Fixed Assets</b>			
Intangible assets	9	28,180	32,041
Tangible assets	10	<u>226,461</u>	<u>223,227</u>
		254,641	255,268
<b>Current Assets</b>			
Stocks	12	28,886	34,140
Debtors	13	104,135	110,240
Cash at bank and in hand		63	261
		<u>133,084</u>	<u>144,641</u>
<b>Creditors</b>			
Amounts falling due within one year	14	<u>(152,086)</u>	<u>(164,602)</u>
<b>Net Current Liabilities</b>		<u>(19,002)</u>	<u>(19,961)</u>
<b>Total Assets Less Current Liabilities</b>		235,639	235,307
<b>Creditors</b>			
Amounts falling due after more than one year	15	<u>(28,333)</u>	<u>(28,333)</u>
		<u>207,306</u>	<u>206,974</u>
<b>Capital and Reserves</b>			
Called up share capital	17	79,306	79,306
Share premium account	18	8,199	8,199
Revaluation reserve	18	937	621
Capital Reserve	18	57,454	57,454
Profit and loss account	18	61,410	61,394
<b>Shareholders Funds</b>		<u>207,306</u>	<u>206,974</u>

Debtors include amounts recoverable after one year of £3,329,000 (1998 - £4,261,000) (see note 13)

The directors approved the financial statements on 25 November 1999

R C North

S J Davies

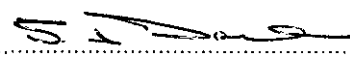
**BRITVIC HOLDINGS LIMITED****COMPANY BALANCE SHEET****AT 2 OCTOBER 1999**

	Note	1999 £000	1998 £000
<b>Fixed Assets</b>			
Investments	11	173,292	173,292
<b>Current Assets</b>			
Debtors	13	2,338	2,747
<b>Creditors</b>			
Amounts falling due within one year	14	(2,338)	(2,747)
<b>Net Current Assets</b>		-	-
<b>Total Assets Less Current Liabilities</b>		173,292	173,292
<b>Creditors</b>			
Amounts falling due after more than one year	15	(28,333)	(28,333)
		144,959	144,959
<b>Capital and Reserves</b>			
Called up share capital	17	79,306	79,306
Capital reserve	18	57,454	57,454
Share premium	18	8,199	8,199
<b>Shareholders' Funds</b>		144,959	144,959

The directors approved the financial statements on 25 November 1999.



R C North



S J Davies

## BRITVIC HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENTFOR THE 53 WEEKS ENDED 2 OCTOBER 1999

	Notes	1999 £000	1998 £000
Net cash inflow from operating activities	19(a)	45,722	42,279
<b>Returns on investment and servicing of finance</b>			
Interest paid		(3,460)	(2,264)
Interest received		42	35
<b>Net cash outflow from returns on investments and servicing of finance</b>		(3,418)	(2,229)
<b>Taxation</b>			
UK corporation tax paid		(3,851)	(7,603)
<b>Tax paid</b>		(3,851)	(7,603)
<b>Capital expenditure</b>			
Purchase of tangible fixed assets		(38,256)	(38,905)
Sale of fixed assets		5,389	1,724
<b>Net cash outflow for capital expenditure</b>		(32,867)	(37,181)
<b>Equity dividends paid</b>		(2,601)	(5,843)
<b>Net cash inflow before financing</b>		2,985	(10,577)
<b>Financing</b>			
Debt due beyond a year: repayment of unsecured loan		-	(18,000)
<b>Net cash outflow from financing</b>	19(b)	-	(18,000)
<b>Increase / (Decrease) in cash</b>	19(b)	2,985	(28,577)
<b>Reconciliation of net cashflow to movement in net debt</b>			
Increase / (Decrease) in cash in the period		2,985	(28,577)
Cash out flow from decrease in debt		-	18,000
<b>Change in net debt resulting from cash flows</b>	19(b)	2,985	(10,577)
<b>Movement in net debt in the period</b>			
Net debt at beginning of year	19(b)	(78,600)	(68,023)
Net debt at end of year		(75,615)	(78,600)

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 19991. **TURNOVER**

Turnover is attributable to one activity.

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

	1999 £000	1998 £000
United Kingdom		
- External	418,418	414,516
- Fellow subsidiary	8,439	7,744
	<hr/> 426,857	<hr/> 422,260

The turnover is all sourced from the United Kingdom

2. **COSTS AND OVERHEADS LESS OTHER INCOME**

	1999 £000	1998 £000
Change in stocks of finished goods	2,473	(1,258)
Raw materials, consumables and excise duty	193,472	197,384
Other external charges	118,026	118,999
Staff costs (note 3)	68,986	66,142
Depreciation on tangible fixed assets	30,275	27,247
Amortisation of goodwill	3,861	3,860
	<hr/> 417,093	<hr/> 412,374

The following amounts are included above:

Hire of plant and machinery - under operating leases	5,180	6,620
Auditors' remuneration		
- audit work	90	84
- non audit work	25	13
Property rentals	2,320	2,657
Research and development expenditure	2,102	1,290

# BRITVIC HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

### 3. STAFF

#### a) Costs

Particulars of employees (including executive directors) are shown below:

	1999 £000	1998 £000
Wages and salaries	58,658	56,324
Employee profit share scheme	1,164	1,687
Social security costs	5,561	5,295
Other pension costs	3,603	2,836
	<hr/> 68,986	<hr/> 66,142

#### b) Average number of employees

The average weekly number of persons employed by the group during the year, including part time employees, was as follows:

	1999 NUMBER	1998 NUMBER
Administration	327	313
Distribution	561	535
Production	847	967
Sales and marketing	821	838
	<hr/> 2,556	<hr/> 2,653

#### c) Pensions

Retirement and death benefits are provided for eligible group employees in the United Kingdom 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 Pension Scheme. The plans are externally funded defined benefit schemes based upon final pay levels. The assets of these plans are mainly held in self-administered trust funds separated from the group's assets.

Actuarial valuations were completed as at 31 March 1997 which 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 plan. Particulars of the actuarial valuations are given in the accounts of Bass PLC.

A surplus of assets in excess of liabilities identified in 1997 has been dealt with as a variation from regular pension cost over the average remaining service lives of employees. This has resulted in a reduction of £1,890,000 (1998 - £2,001,000) to the charge in the current financial year which has been dealt with in the financial statements as a prepayment.



## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

## 3. STAFF (Continued)

## d) directors' remuneration

The directors' remuneration was:

	1999 £000	1998 £000
Fees as a director	178	155
Other emoluments	7	6
Bonuses	91	14
	<hr/> 276	<hr/> 175

During the year 1 director exercised share options. There is one director to whom retirement benefits are accruing under a defined benefit scheme (1998 - 1).

## 4. EXCEPTIONAL ITEMS

## Profit/(loss) on disposal of fixed assets

	1999 £000	1998 £000
Exceptional closure costs	-	(1,399)
Profit on sale of property	-	1,295
	<hr/> -	<hr/> (104)

Exceptional item relates to the permanent diminution in the value of the premises and equipment at the Pudsey and Bristol sites.

## 5. INTEREST PAYABLE AND SIMILAR CHARGES

	1999 £000	1998 £000
Interest receivable	42	35
Interest payable	<hr/>	<hr/>
Loan interest payable (other than by instalments)	2,620	1,820
Interest payable to Group undertakings	770	551
	<hr/> 3,390	<hr/> 2,371

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

## 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1999 £000	1998 £000
Charge for the year		
- current year	3,262	3,316
- prior year	-	31
	<hr/>	<hr/>
	3,262	3,347
	<hr/>	<hr/>

UK corporation tax has been calculated on taxable profits at 30.5% (1998 - 31%).

The charge for taxation for the year has been reduced by approximately £196,000 (1998 increased by £275,000) being timing differences on capital allowances and depreciation and increased by approximately £961,000 (1998 increased by £970,000) being other timing differences.

The revaluation of property has had no impact on the deferred tax charge as there is no intention to sell these properties.

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

	1999 £000	1998 £000
Excess of capital allowances over depreciation for:		
Plant and equipment	19,314	19,224
Industrial buildings	6,656	6,550
Pension contributions	215	1,321
Other timing differences	(319)	(464)
	<hr/>	<hr/>
	25,866	26,631
	<hr/>	<hr/>

## 7. EARNINGS AVAILABLE TO SHAREHOLDERS

In accordance with the exemption allowed by Section 230 of the Companies Act 1985, the Company has not presented its own profit and loss account. Of the earnings available to shareholders £2,338,000 has been dealt with in the accounts of the Company (1998 - £2,601,000).

## 8. DIVIDENDS

	1999 £000	1998 £000
Proposed final dividend on "B" shares of 2.95 p per share (1998 - 3.28p)	2,104	2,341
Proposed final dividend on "P" shares of 2.95 p per share (1998 - 3.28p)	234	260
	<hr/>	<hr/>
	2,338	2,601
	<hr/>	<hr/>

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

## 9. INTANGIBLE FIXED ASSETS

	1999 £000	1998 £000
Goodwill cost at beginning and end of year	78,823	78,823
Amortisation at beginning of year	(46,782)	(42,922)
Amortisation provided during the year	(3,861)	(3,860)
Amortisation at end of year	(50,643)	(46,782)
Net book amount at end of year	28,180	32,041

## 10. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Long Leasehold Land and Buildings	Plant and Machinery	Fixtures Fittings Tools and Equipment	Total
	£000	£000	£000	£000	£000
a) Cost or valuation					
At 27 September 1998	42,817	26,430	103,978	182,129	355,354
Revaluation in year	(2,322)	(5,720)	-	-	(8,042)
Additions during the year	467	459	7,748	27,745	36,419
Transfer between classifications	161	(401)	(387)	512	(115)
Transfers to group companies	-	-	-	24	24
Disposals	-	(9)	(5,223)	(18,562)	(23,794)
At 2 October 1999	41,123	20,759	106,116	191,848	359,846

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

## 10. TANGIBLE FIXED ASSETS (Continued)

	Freehold Land and Buildings	Long Leasehold Land and Buildings	Plant and Machinery	Fixtures Fittings Tools and Equipment	Total
	£000	£000	£000	£000	£000
b) Depreciation and amortisation					
At 27 September 1998	3,938	2,482	53,958	71,749	132,127
Revaluation in year	(4,655)	(2,903)	-	-	(7,558)
Transfers between classifications	-	(136)	(91)	136	(91)
Transfers from/(to) group companies	-	-	-	1	1
Charge for year	717	566	8,734	20,258	30,275
Relating to disposals	-	(9)	(5,152)	(16,208)	(21,369)
At 2 October 1999	-	-	57,449	75,936	133,385
c) Net book amounts:					
At 2 October 1999	41,123	20,759	48,667	115,912	226,461
At 26 September 1998	38,879	23,948	50,020	110,380	223,227
d) Summary at 2 October 1999			Cost or Valuation £000	Depreciation £000	Total £000
Freehold			41,123	-	41,123
Leasehold over 100 years			14,000	-	14,000
Leasehold 50 to 100 years			6,759	-	6,759
Total Properties			61,882	-	61,882
Plant and Machinery			106,116	57,449	48,667
Fixtures, Fittings, Tools & Equipment			191,848	75,936	115,912
			359,846	133,385	226,461
e) Historic cost of land and buildings :					
At 2 October 1999			72,363	(11,419)	60,944
At 26 September 1998			73,141	(10,936)	62,205

# BRITVIC HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

### 10. TANGIBLE FIXED ASSETS (Continued)

- f) During the year, the Group's freehold and long-leasehold properties were valued by independent valuers Chesterton in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors. The basis of valuation was existing use value for all properties.

These financial statements reflect the values as advised.

### 11. FIXED ASSET INVESTMENT

	1999 £000	1998 £000
Shares at cost	22,600	22,600
Loans to subsidiaries	150,692	150,692
	<hr/>	<hr/>
	173,292	173,292
	<hr/>	<hr/>

The Company's subsidiaries, incorporated in the United Kingdom and registered in England are:

	Principal Activity	Class of Share	Direct %
Britvic Soft Drinks Limited	Soft Drinks Manufacturer	Ordinary	100
Britvic Vitamin Products Limited	Dormant	Ordinary	100
R White & Sons Limited	Dormant	Ordinary	100
Britvic Limited	Dormant	Ordinary	100
Britvic (NI) Limited	Dormant	Ordinary	100
Pure Fruit Juices Limited	Dormant	Ordinary	100
Sunfresh Soft Drinks Limited	Dormant	Ordinary	100
Idris Limited	Dormant	Ordinary	100
Hooper Struve & Company Limited	Dormant	Ordinary	100
The London Essence Company Limited	Dormant	Ordinary	100
Britvic Corona International Limited	Dormant	Ordinary	100
H D Rawlings Limited	Dormant	Ordinary	100
The Southern Table Water Company Limited	Dormant	Ordinary	100
		1 % deferred cumulative preference redeemable preference	100
			100

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999**12. STOCKS**

The following are included in the net book value of stocks:

	1999 £000	1998 £000
Raw materials	5,476	7,225
Finished goods	15,325	17,798
Consumable stores	5,378	5,714
Returnable bottles and cases	2,707	3,403
	<hr/>	<hr/>
	28,886	34,140
	<hr/>	<hr/>

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

**13. DEBTORS**

	Group		Company	
	1999 £000	1998 £000	1999 £000	1998 £000
Amounts falling due within 1 year:				
Trade debtors	65,068	73,018	-	-
Amounts owed by other Group undertakings	9,080	5,932	-	-
ACT recoverable	-	146	-	146
Other debtors	889	5,797	-	-
Prepayments and accrued income				
- Pensions *	716	4,261	-	-
- Other **	28,382	21,086	-	-
Dividend receivable	-	-	2,338	2,601
	<hr/>	<hr/>	<hr/>	<hr/>
	104,135	110,240	2,338	2,747
	<hr/>	<hr/>	<hr/>	<hr/>

\* Pension prepayments are now due within one year. (In 1998 Pension prepayments were due after one year)

\*\* Other prepayments includes concessionary payments of £3,329,000 due after one year.

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999**14. CREDITORS: Amounts falling due within one year**

The following amounts are included in creditors falling due within one year:

	Group		Company	
	1999 £000	1998 £000	1999 £000	1998 £000
Bank loans and overdrafts	47,345	50,528	-	-
Other loans	-	-	-	-
Borrowings (see note 16)	47,345	50,528	-	-
Trade creditors	41,312	56,391	-	-
Amounts owed to other Group undertakings	10,163	5,734	-	-
Other creditors				
- UK corporation tax payable	2,719	3,308	-	-
- Other tax and social security	12,046	7,137	-	-
- Other creditors	6,641	8,773	-	-
Proposed dividends (see note 8)	2,338	2,601	2,338	2,601
Accruals and deferred income	29,522	29,984	-	-
ACT payable	-	146	-	146
	152,086	164,602	2,338	2,747

**15. CREDITORS: Amounts falling due after more than one year**

The following amounts are included in creditors falling due after more than one year:

	Group		Company	
	1999 £000	1998 £000	1999 £000	1998 £000
Bank borrowings	-	-	-	-
Other borrowings	28,333	28,333	28,333	28,333
ACT Payable	-	-	-	-
	28,333	28,333	28,333	28,333

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

## 16. BORROWINGS

## a) Analysis by year of repayment

	Group			
	Bank Loans & Overdrafts £000	Other Borrowings £000	1999 Total £000	1998 Total £000
Due within 1 year	47,345	-	47,345	50,528
between 1 and 2 years	-	-	-	-
other than by instalments	-	28,333	28,333	28,333
Due after more than 1 year	-	28,333	28,333	28,333
Total borrowings	47,345	28,333	75,678	78,861
Bank overdrafts and borrowings drawn for 90 days or less			47,345	50,528
Other borrowings			28,333	28,333
Total borrowings			75,678	78,861

	Company	
	1999 Total £000	1998 Total £000
Between 2 and 5 years	-	-
Other than by instalments	28,333	28,333
Due after more than 1 year	28,333	28,333
Total borrowings	28,333	28,333

- b) £20 million of the bank loans and overdrafts due within one year has maturity assessed by reference to committed facilities. The earliest date on which the lender could demand repayment in the absence of committed facilities was 1 November 1999.



## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

## 16. BORROWINGS (Continued)

## c) Analysis of borrowings

	Group 1999		Company 1999		Group 1998	Company 1998
	Within 1 Year £000	After 1 Year £000	Within 1 Year £000	After 1 Year £000	Total £000	Total £000
Total Bank loans and overdrafts	47,345	-	-	-	50,528	-
Total other loans	-	28,333	-	28,333	28,333	28,333
Total borrowings	47,345	28,333	-	28,333	78,861	28,333

## 17. CALLED-UP SHARE CAPITAL

	Authorised		Allotted and Fully Paid	
	1999 £000	1998 £000	1999 £000	1998 £000
Ordinary "B" shares of £1 each	81,000	81,000	71,375	71,375
Ordinary "P" shares of £1 each	9,000	9,000	7,931	7,931
	90,000	90,000	79,306	79,306

## 18. RESERVES

GROUP	Undistributable Reserves			
	Share Premium £000	Revaluation Reserves £000	Capital Reserve £000	Distributable Reserves £000
At 26 September 1998	8,199	621	57,454	61,394
Revaluation in year	-	(484)	-	-
Reclassification	-	614	-	(614)
Revaluation element in depreciation charge	-	95	-	(95)
Revaluation deficit written back on disposals	-	91	-	(91)
Retained earnings for the year	-	-	-	816
At 2 October 1999	8,199	937	57,454	61,410
COMPANY				
At 26 September 1998	8,199	-	57,454	-
At 2 October 1999	8,199	-	57,454	-

## BRITVIC HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

## 19. CASH FLOW STATEMENT

	1999 £000	1998 £000
<b>a) Reconciliation of trading profit to net cash inflow from operating activities</b>		
Operating profit	9,764	9,886
Amortisation of goodwill	3,861	3,860
Depreciation	30,275	27,247
Loss on sale of fixed assets	1,848	3,221
Decrease in stocks	5,254	512
Decrease / (Increase) in debtors	1,294	(4,334)
(Decrease) / Increase in creditors	(6,574)	1,887
	<hr/>	<hr/>
Net cash inflow from operating activities	45,722	42,279
	<hr/>	<hr/>
<b>b) Analysis of net debt</b>		
	<b>At 26 September 1998 £000</b>	<b>Cash Flow £000</b>
		<b>At 2 October 1999 £000</b>
Cash in hand and at bank	261	(198)
Overdrafts	(50,528)	3,183
	<hr/>	<hr/>
	(50,267)	2,985
	<hr/>	<hr/>
Debt due within one year	-	-
Debt due after one year	(28,333)	-
	<hr/>	<hr/>
	(28,333)	-
	<hr/>	<hr/>
<b>Total</b>	<b>(78,600)</b>	<b>2,985</b>
	<hr/>	<hr/>
		<b>(75,615)</b>

# BRITVIC HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - 2 OCTOBER 1999

### 20. FINANCIAL COMMITMENTS

	1999 £000	1998 £000
a) The aggregate amount of capital expenditure not dealt within the Group accounts is:		
In respect of contracts placed	955	6,027
Authorised by the directors but not contracted for	3,010	3,838

### b) Commitments for annual rentals under non-cancellable operating leases are as follows:

	Land and Buildings		Plant and Machinery	
	1999 £000	1998 £000	1999 £000	1998 £000
Leases expiring -				
Within 1 year	213	-	735	642
Within 2 to 5 years	363	1,104	2,475	2,832
After 5 years	2,057	1,963	-	-
	2,633	3,067	3,210	3,474

### c) In addition to the above, the Company had commitments to purchase raw materials and foreign currency under forward contracts in the normal course of trading.

### 21. CONTINGENT LIABILITIES

The Company has assigned its interest in certain leasehold properties to other tenants. It remains liable for rentals due to the landlord for any defaults on the part of these tenants. It is not practicable to estimate the amount or timing of rentals that may default.

### 22. RELATED PARTY TRANSACTIONS

The aggregate turnover with shareholders of the immediate parent for the year was £79,007,000 and the indebtedness at 2 October 1999 was £6,920,000. The company has taken advantage of the exemption under FRS 8 available to subsidiary undertakings not to disclose transactions with other group companies.

### 23. ULTIMATE PARENT UNDERTAKING

The immediate parent of Britvic Holdings Limited is Britannia Soft Drinks Limited, incorporated in Great Britain and registered in England. The ultimate parent undertaking of Britvic Holdings Limited is Bass PLC, incorporated in Great Britain and registered in England. Group accounts of Bass PLC are available from the Company Secretary, Bass PLC, 20 North Audley Street, London, W1Y 1WE.