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FORTNUM & MASON PLC

Directors and professional advisers

Directors

Garry H Weston* *Chairman*

W G Galen Weston* *Vice Chairman*

Mrs C H W Dalglish*

G V Hamilton

J G Lithiby*

W Monaghan*

Mrs M D W Rebanks*

Secretary

G W Artindale

Registered office

181 Piccadilly
London W1A 1ER

Registered number

84909

Registrar and transfer office

Lloyds Bank PLC
Registrar's department
The Causeway
Goring-by-Sea
Worthing
West Sussex
BN12 6DA

Auditors

Price Waterhouse
Chartered Accountants

Bankers

Bank of Scotland
Girobank Plc

**Non-executive director*

Mr Garry H Weston was appointed a director in 1951, and has been Chairman since 1978. He is also Chairman of Associated British Foods Plc.

Mr W G Galen Weston has been a director since 1965. He is Chairman and President of George Weston Ltd, Canada and a director of the Canadian Imperial Bank of Commerce.

Mr J G Lithiby has been a director since 1981. He is a director of Panmure Gordon & Co Limited, Stockbrokers.

Mrs C H W Dalglish has been a director since 1979. She is a director of Loblaw Companies Limited, Canada.

Mr W Monaghan CBE was appointed a director in 1990. He was formerly a director of Associated British Foods Plc, and Chairman of Allied Bakeries Ltd.

Mrs M D W Rebanks has been a director since 1971, and is Treasurer of The W Garfield Weston Foundation.

Chairman's statement

TRADING RESULTS

The improvement in sales shown in the first half of the year increased in momentum in the second half, with Piccadilly store sales ahead by 8.5 per cent for a year on year increase of 7.9 per cent, and Export sales producing an increase of 49.4 per cent, against 30 per cent in the first half. Total company sales for the year increased by 12 per cent to £27.6 million.

This increase in turnover is an indication of a continuing, though fragile, recovery in UK consumer confidence, and the further growth of our Export operation which has more than doubled its turnover since 1990.

As a result of this sales growth, operating profit improved substantially on last year's record result with an increase of £480,000 to £1,909,000.

During the year the company acquired the long leasehold interest of its Piccadilly site for £1.75 million and a further £1 million of expenditure was spent on refurbishing the second floor and fresh food departments. This, together with the decline in interest rates since September 1992, resulted in a fall in interest receivable from £576,000 to £401,000. Profit before taxation was nevertheless a new record of £2,310,000, an improvement of £305,000 on the comparable 52 weeks.

After charging taxation of £738,000 the profit available to shareholders was £1,572,000 compared with £1,330,000 for the 52 weeks to July 1993.

MANAGEMENT

The requirement to uphold levels of customer service and to maintain the standards of presentation of the store resulted in upward pressure on wages which increased by 8 per cent and on maintenance and repairs, up 19 per cent.

In addition, a decision was taken to raise further expenditure on advertising and publicity by over 10 per cent. Other items of expenditure remained, as in previous years, tightly controlled, although as a result of rate increases outside our control insurance premiums were £68,000 higher than in 1993.

Despite the sales increase stock holdings were held down to levels only slightly above last year, helped by the further extension of stock control systems.

Our customer order and despatch systems were further enhanced, enabling a 41 per cent increase in the volume of Christmas catalogue orders to be achieved whilst maintaining levels of customer service.

STORE DEVELOPMENT

Sales growth was more consistent across the departments than in the previous year. The benefit of refurbishments in that year showed in sales increases of 22 per cent in the Patio Restaurant, 20 per cent in Men's Wear, and 16 per cent in Gifts.

FORTNUM & MASON PLC

Chairman's statement continued

The Food Hall refrigeration was replaced prior to Christmas, and as part of this work the Cakes department was relocated from Mezzanine to the main area of the food hall. Trade in this department has grown subsequently by 23 per cent.

The new refrigeration has allowed a wider range of products to be sourced from both home and overseas. These products include regional British cheeses, sausages, hams and exotic fruits. As a result the fresh food departments returned an increase of 7 per cent for the year.

Helped by the success of the Christmas catalogue previously mentioned, the Hampers and Wines departments both showed sales increases of over 10 per cent.

The second floor was completely refurbished during the year, and subsequent sales have been in line with expectations.

In total £1,052,000 was spent on store refurbishment and improvements.

As reported above, export sales continued to develop. The opening of new markets in South East Asia produced a growth in sales which now makes this region our second most important export market after Japan. Despite a background of declining retail sales in that country, our exports to Japan showed an increase of 23 per cent.

New distribution arrangements in Australia and Germany produced significant increases in both these countries.

FUTURE PROSPECTS

Current trading has been affected by the rail strikes, and for the first few weeks of the new year by the unusually hot weather at that time. However, export sales continue to be buoyant and providing that consumer and business confidence is maintained through the important Christmas period, our targets for further improvement in sales and profit should be achieved.

APPRECIATION

These results were achieved out of the commitment of our staff to maintaining the highest standards of service to our customers. This has been all the more necessary given the difficult trading climate of the previous three years, which placed extra demands and challenges upon them. I would once again express our appreciation of their efforts.

GARRY H WESTON

Report of the Directors

The directors submit their eighty-ninth annual report together with the accounts of the company for the year ended 9 July 1994.

Principal activities and business review

The company continued its activities as a department store during the year. The review of trading results and future prospects is included in the Chairman's statement on pages 3 and 4.

Profit and dividends

The profit and loss account on page 8 shows turnover for the financial year ended 9 July 1994 of £27,642,000 (1993 – £24,682,000). The profit for the year was £1,572,000 (1993 – £1,330,000). An interim dividend of 86.0p per unit of stock was paid on 1 July 1994. A second interim dividend of 24p per unit of stock amounting to £102,000 will be paid on 3 January 1995. The total dividend on the ordinary and preference shares amounts to £476,000 (1993 – £433,000). The remaining profit of £1,096,000 (1993 – £897,000) will be added to reserves.

Directors and their interests

A list of the directors of the company during the year is shown on page 2 and the schedule of their beneficial interests, including family interests, in the shares and debentures of the group is shown on page 20.

Mr G V Hamilton and Mr W G Galen Weston retire by rotation and being eligible offer themselves for re-election.

Mrs J R Khayat and Mr G W Artindale were today appointed to the Board of Fortnum & Mason plc, where they will hold Executive responsibility as Director of Fashions and Financial Director respectively.

Mrs Khayat joined the company in 1983 as a management trainee and has been the Fashions buyer for the last six years. Mr Artindale has been with the company since 1986, having had six years prior experience with other retailers, and was appointed Company Secretary in 1989.

In accordance with the Articles of Association, Mrs Khayat and Mr Artindale will retire at the next Annual General Meeting and, being eligible, offer themselves for re-election.

Corporate governance

The Board is required by the Stock Exchange to report on the extent of its compliance with the Code of Best Practice drawn up by the Cadbury Committee on Corporate Governance.

Fortnum & Mason is a subsidiary company of Wittington Investments Limited which owns 89.9 per cent of the company's ordinary stock. Wittington Investments Limited is in turn controlled by Mr Garry H Weston and members of his family and trusts associated with them.

FORTNUM & MASON PLC

Report of the directors *continued*

During the accounting period the Board of Fortnum & Mason was with the exception of Mr G V Hamilton, the Managing Director, entirely non-executive. Four of the six non-executive directors are members of the Weston family.

Given the limited size of the company and its focus of operations on one site in Piccadilly, London, the Board does not believe there is either a need or benefit to be obtained from reserving specifically to itself matters for decision. The nature and style of the company's operations is such as to ensure that matters of materiality to the control and operations of the company are promptly discussed and decided at Board level. This structure is based upon short lines of communication and has a proven record of success.

There is no agreed procedure for directors in the furtherance of their duties to take independent professional advice.

Non-executive directors are not appointed for specified terms and their re-appointment is voted upon at Annual General Meetings when periodic re-election is proposed in accordance with the company's Articles of Association. Non-executive directors are selected by an informal process of consultation within the Board.

No executive director has a service contract exceeding one year and the remuneration of executive directors is determined by Board consultation. There is no remuneration committee. There is no audit committee but the auditors meet with the finance director of the holding company on an annual basis for a discussion of matters arising from their audit, including the effectiveness of the company's system of internal controls.

Fixed assets

Changes in fixed assets are set out on page 14.

A valuation carried out in 1993 indicated that the market value of the company's leasehold interest exceeds the amount at which it is shown in the balance sheet by approximately £6 million.

Charitable and political contributions

Charitable donations for the year amounted to £3,336 (1993 – £2,856). There were no contributions to any political organisation during the year (1993 – Nil).

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who is fortunate enough not to suffer from a disability.

Report of the directors continued

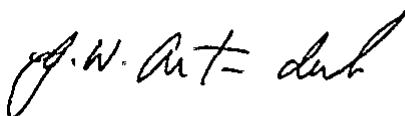
Employee involvement

The company formally communicates with its staff in a number of ways. Upon joining the company, new staff attend an induction training course and are given a booklet explaining the terms and conditions of employment. Weekly training sessions are held at which staff are updated on the company's activities, plans and financial performance. Staff at all levels are involved in forward planning and development of their departments, and regularly updated as to the progress of the company and their personal development in line with that progress and their individual performance.

By order of the board

G W Artindale
Secretary

30 September 1994



Directors' responsibilities statement

The directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the period to that date. The financial statements must be prepared in compliance with the required formats and disclosures of the Companies Act 1985 and with applicable accounting standards. In addition, the directors are required: –

- ◆ to select suitable accounting policies and then apply them consistently
- ◆ to make judgements and estimates that are reasonable and prudent
- ◆ to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are also responsible for maintaining adequate accounting records so as to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985, for safeguarding the assets of the company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FORTNUM & MASON PLC

Profit and loss account

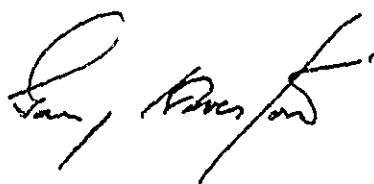
	Note	52 weeks ended 9 July 1994 £'000	52 weeks ended 10 July 1993 £'000
Turnover	1	27,642	24,682
Cost of sales		<u>(19,552)</u>	<u>(17,626)</u>
Gross profit		8,090	7,056
Distribution costs		(183)	(263)
Administrative expenses		<u>(5,998)</u>	<u>(5,364)</u>
Operating profit	1	1,909	1,429
Interest receivable		<u>401</u>	<u>576</u>
Profit on ordinary activities before taxation	2	2,310	2,005
Tax on profit on ordinary activities	3	<u>(738)</u>	<u>(675)</u>
Profit for the financial year		1,572	1,330
Dividends	4	<u>(476)</u>	<u>(433)</u>
Retained profit to reserves	11	<u>1,096</u>	<u>897</u>
Earnings per share	5	368p	311p

Balance sheet

	Note	As at 9 July 1994 £'000	As at 10 July 1993 £'000
Fixed assets			
Tangible assets			
Investments	7 8	6,311 2	4,225 2
		<u>6,313</u>	<u>4,227</u>
Current assets			
Stocks		2,758	2,713
Debtors		1,460	1,076
Cash at bank and in hand	9	5,963	7,548
		<u>10,181</u>	<u>11,337</u>
Creditors (amounts falling due within one year)	10	3,629	3,478
Net current assets		<u>6,552</u>	<u>7,859</u>
Total assets less current liabilities		12,865	12,086
Provision for deferred taxation		447	408
		<u>12,418</u>	<u>11,678</u>
Capital and reserves			
Called up share capital	13	600	600
Share premium account		119	119
Revaluation reserve		—	356
Profit and loss account	11	11,699	10,603
		<u>12,418</u>	<u>11,678</u>

These financial statements were approved by the Board on 30 September 1994 and signed on its behalf by:

GARRY H WESTON
Chairman



FORTNUM & MASON PLC

Cash flow statement

	Note	52 weeks ended 9 July 1994 £'000	52 weeks ended 10 July 1993 £'000
Net cash inflow from operating activities	17	2,314	2,049
Returns on investments and servicing of finance			
Interest received		378	692
Dividends paid		(433)	(424)
Net cash (outflow)/inflow from returns on investments and servicing of finance		(55)	268
Taxation paid		(893)	(574)
Investing activities			
Purchase of tangible fixed assets		(2,958)	(1,458)
Sale of tangible fixed assets		7	10
Net movement on bank deposits held on notice of three months or more	18	(499)	113
Net cash outflow from investing activities		(3,450)	(1,335)
Net Increase/(Decrease) in cash and cash equivalents	18	(2,084)	408

Statement of recognised gains & losses

	52 weeks ended 9 July 1994 £'000	52 weeks ended 10 July 1993 £'000
Profit for the financial year	1,572	1,330
Revaluation reserve eliminated	(356)	—
Total recognised gains and losses	1,216	1,330

Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention, as modified by the valuation of the leasehold property, and in accordance with applicable accounting standards and the Companies Act 1985.

Turnover

Turnover represents amounts charged to customers for goods sold and services rendered, less returns and net of value added tax.

Depreciation

Depreciation is provided by the company so as to write off the cost or valuation of certain fixed assets, excluding works of art, over their estimated useful lives by equal annual instalments as follows:

Leasehold – over 66 years or the remaining period of lease if shorter

Leasehold improvements – 30 years

Fixtures and equipment – 5, 10 or 20 years

Works of art are not depreciated and are included at cost.

Stocks

Stocks which comprise merchandise held for resale are stated at the lower of cost and net realisable value.

Deferred taxation

Full provision has been made for taxation arising primarily from the excess of capital allowances over depreciation and other timing differences.

Leases

All material leases entered into by the group are operating leases whereby substantially all the risks and rewards of ownership of the asset remain with the lessor. Rental payments are charged against profits on a straight line basis over the period of the lease.

FORTNUM & MASON PLC

Notes to the accounts

1. Turnover and operating profit

	52 weeks ended 9 July 1994 £'000	52 weeks ended 10 July 1993 £'000
Turnover		
UK – Retail	23,074	21,376
Overseas – Wholesale	4,568	3,306
	<u>27,642</u>	<u>24,682</u>
Operating profit		
UK – Retail	1,136	877
Overseas – Wholesale	773	552
	<u>1,909</u>	<u>1,429</u>

2. Profit on ordinary activities before taxation

This is stated after charging the following amounts:—

	1994 £'000	1993 £'000
Wages and salaries	4,760	4,415
Social security costs	394	373
Depreciation	488	441
Loss on sale of fixed assets	20	—
Hire of plant and machinery	194	198
Lease rentals on buildings	60	68
Auditors' remuneration	36	33
Directors' remuneration	71	67
Management charges from immediate holding company and a fellow subsidiary company	358	352

Notes to the accounts continued

3. Tax on profit on ordinary activities

Taxation on the profit for the year at the rate of 33% (1993-33%) comprises:—

	1994 £'000	1993 £'000
Corporation tax—current year	689	626
—prior year	10	—
	<u>699</u>	<u>626</u>
Deferred tax	39	49
	<u>738</u>	<u>675</u>

4. Dividends

	1994 £'000	1993 £'000
Preference—paid	8	8
Ordinary—interim paid 86p (86p)	366	366
Ordinary—2nd interim payable 24p (paid 14p)	102	59
	<u>476</u>	<u>433</u>

5. Earnings per share

The calculation of earnings per share is based on profit for the financial year, after preference dividends, of £1,564,000 (1993-£1,322,000) and 425,000 (1993-425,000) ordinary stocks units in issue.

6. Leases

The company has minimum annual commitments under non-cancellable operating leases as follows:—

Operating leases which expire:	Within one year £'000	Two to five years £'000	Over five years £'000	Total £'000
Land and Buildings	—	—	58	58
Other	2	12	180	194
at 9 July 1994	<u>2</u>	<u>12</u>	<u>238</u>	<u>252</u>
Land and Buildings	—	—	89	89
Other	2	13	183	198
at 10 July 1993	<u>2</u>	<u>13</u>	<u>272</u>	<u>287</u>

FORTNUM & MASON PLC

Notes to the accounts continued

7. Tangible assets

	Leaseholds and leasehold improvements		Fixtures and Equipment	Works of art	Total
	Long £'000	Short £'000	£'000	£'000	£'000
At 10 July 1993					
Cost	—	1,815	4,071	402	6,288
Valuation – 1956	—	724	—	—	724
	<u>—</u>	<u>2,539</u>	<u>4,071</u>	<u>402</u>	<u>7,012</u>
Additions	1,804	—	1,154	—	2,958
Disposals	—	(356)	(339)	—	(695)
Transfers	2,183	(2,183)	—	—	—
At 9 July 1994	<u>3,987</u>	<u>—</u>	<u>4,886</u>	<u>402</u>	<u>9,275</u>
Accumulated depreciation					
At 10 July 1993	—	818	1,969	—	2,787
Provision for the year	49	44	395	—	488
Disposals	—	—	(311)	—	(311)
Transfers	862	(862)	—	—	—
At 9 July 1994	<u>911</u>	<u>—</u>	<u>2,053</u>	<u>—</u>	<u>2,964</u>
Net book amount 9 July 1994	<u>3,076</u>	<u>—</u>	<u>2,833</u>	<u>402</u>	<u>6,311</u>
Net book amount 10 July 1993	<u>—</u>	<u>1,721</u>	<u>2,102</u>	<u>402</u>	<u>4,225</u>

During the year the company exercised an option to acquire from its immediate holding company, George Weston Holdings Limited, the long leasehold interest of the Piccadilly premises. The short lease has been deemed extinguished from the date of acquisition of the long leasehold interest, and the revaluation reserve appertaining thereto eliminated.

Notes to the accounts continued

8. Investments – included in fixed assets

The Company owns the entire issued share capital of a number of companies which are shown at cost.

None of the companies has traded during the year and the directors are of the opinion that in view of the insignificant amounts involved there would be no real value in the presentation of group accounts.

9. Debtors

	1994	1993
	£'000	£'000
Trade debtors	849	564
Amounts owed by group companies	14	17
Other debtors	292	253
Prepayments and accrued income	305	242
	<u>1,460</u>	<u>1,076</u>

10. Creditors (amounts falling due within one year)

	1994	1993
	£'000	£'000
Trade creditors	1,280	946
Amounts owed to group companies	400	379
Other creditors	492	395
Taxation and social security	1,034	1,254
Accruals	321	445
Proposed dividend	102	59
	<u>3,629</u>	<u>3,478</u>

11. Reserves

	£'000
Balance at 10 July 1993	10,603
Retained profit for the year	<u>1,096</u>
Balance at 9 July 1994	<u>11,699</u>

FORTNUM & MASON PLC

Notes to the accounts continued

12. Pensions

The Company provides defined benefits, on a voluntary basis to employees over the age of 21 with more than one years' service, through the Associated British Foods Pension Scheme. At 9 July 1994 some 20% of the Company's employees were members of the Scheme.

The Scheme is wholly administered by the Trustees of the Associated British Foods Pension Scheme, and the cost to the Company is determined by the overall cost of the Scheme, not that relating to the Company's employees. As such the Directors are of the opinion that the cost to the Company will tend to equate to the contributions payable. The latest actuarial valuation of the Scheme, at 5 April 1993, showed that assets represented 116% of expected benefits payable.

Pension contributions payable by the Company during the year amounted to £8,000 (1993 – £Nil).

13. Called up share capital

	1994 £'000	1993 £'000
Allotted and fully paid		
4.9% cumulative preference stock units of £1 each	175	175
Ordinary stock units of £1 each	425	425
	<u>600</u>	<u>600</u>
Authorised	<u>750</u>	<u>750</u>

14. Employees

The average number of persons employed by the company, excluding agency staff, during the year was: –

	1994	1993
United Kingdom	<u>448</u>	<u>437</u>

The aggregate remuneration for the year amounted to £4,625,000 (1993 – £4,364,000).

Notes to the accounts continued

15. Directors' and emoluments

	1994	1993
	£100	£100
Chairman	<u>£68,591</u>	<u>£65,430</u>
Highest paid director		

The highest paid director is remunerated by the immediate holding company and this cost forms part of the management charge. The other five (1993 – five) directors received emoluments (excluding pension contributions) in the range £Nil – £5,000 (1993 £Nil – £5,000).

16. Capital commitments

Future capital expenditure not provided in the accounts: –

	1994	1993
	£'000	£'000
Contracts placed	337	65
Authorised by the directors but contracts not yet placed	<u>644</u>	<u>1,386</u>
	<u>981</u>	<u>1,451</u>

17. Reconciliation of operating profit to net cash flow from operating activities

	1994	1993
	£'000	£'000
Operating Profit	1,909	1,429
Depreciation	488	441
Loss on sale of fixed assets	20	22
(Increase)/Decrease in stocks	(45)	139
(Increase)/Decrease in debtors	(364)	208
Increase/(Decrease) in creditors	282	(125)
Increase/(Decrease) in inter-company balance	24	(65)
	<u>2,314</u>	<u>2,049</u>

FORTNUM & MASON PLC

Notes to the accounts continued

18. Analysis of the balance of cash and cash equivalents as shown in the balance sheet

	1994	1993	Change in Period	1992	Change in Period
	£'000	£'000	£'000	£'000	£'000
Cash in hand and on deposit of less than three months notice	1,337	3,421	(2,084)	3,013	408
Cash on deposit held on notice of three months or more	4,626	4,127	499	4,240	(113)
Cash at bank and in hand	<u>5,963</u>	<u>7,548</u>	<u>(1,585)</u>	<u>7,253</u>	<u>295</u>

19. Holding company

The holding company of Fortnum & Mason plc is Wittington Investments Limited which is incorporated in Great Britain and registered in England. At 12 September 1994 Wittington Investments Limited held 381,963 ordinary stock units representing, in aggregate, 89.9% of the total issued ordinary share capital of the company. So far as is known, no other person holds or is beneficially interested in more than 3% of the ordinary share capital.

Fortnum & Mason plc is a close company as defined in the Income and Corporation Taxes Act 1988.

Report of the auditors

To the members of Fortnum & Mason plc

We have audited the accounts on pages 8 to 18 which have been prepared under the historical cost convention, as modified by the valuation of the leasehold property, and the accounting policies set out on page 11.

Respective responsibilities of directors and auditors

As described on page 7 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

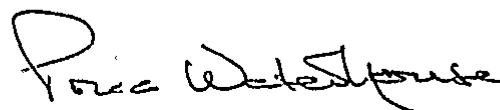
Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 9 July 1994 and of its profit and cash flows for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

No 1 London Bridge
London SE1 9QL

Price Waterhouse
Chartered Accountants
and Registered Auditors

30 September 1994



FORTNUM & MASON PLC

Statement of directors' interests

The persons who were directors of the company at the end of the year had the following beneficial interests, including family interests, in the shares and loan stock of the company, its holding companies and fellow subsidiaries as at the dates shown:—

	9 July 1994	10 July 1993	12 Sept 1994
Garry H Weston			
Wittington Investments Limited, ord. shares of 50p	4,925	4,925	4,925
George Weston Holdings Limited, ord. shares of 50p	56	56	N/A
Associated British Foods plc, ord. shares of 5p	335,659	335,659	346,662
George Weston Foods Limited, ord. shares of 50 cents	1,834	1,834	1,834
W G Galen Weston			
Wittington Investments Limited, ord. shares of 50p	37,953	37,953	37,953
George Weston Holdings Limited, ord. shares of 50p	12,498	12,498	N/A
Associated British Foods plc, ord. shares of 5p	548,272	548,272	4,126,430
Mrs C H W Dalglish			
Wittington Investments Limited, ord. shares of 50p	15,300	15,300	15,300
George Weston Holdings Limited, ord. shares of 50p	6,228	6,228	N/A
Associated British Foods plc, ord. shares of 5p	288,552	288,552	1,507,054
Fortnum & Mason plc, ord. stock units of £1	100	100	100
J G Lithiby			
Fortnum & Mason plc, ord. stock units of £1	500	500	500
W Monaghan			
Associated British Foods plc, ord. shares of 5p	31,000	35,400	31,000
Mrs M D W Rebanks			
Wittington Investments Limited, ord. shares of 50p	15,500	15,500	15,000
George Weston Holdings Limited, ord. shares of 50p	6,662	6,662	N/A
Associated British Foods plc, ord. shares of 5p	183,750	183,750	1,487,132
Fortnum & Mason plc, ord. stock units of £1	100	100	100

Notes

1 A reorganisation of the share capitals of the company's then immediate holding company, George Weston Holdings Limited ("GWH"), and its then fellow subsidiary company, Associated British Foods plc, took effect after the end of the year and before publication of these financial statements. So far as is relevant, the effects of these transactions were to reorganise the share capital of GWH, to transfer all shares in the company named Associated British Foods plc at the end of the year (other than such shares held by GWH and its wholly-owned subsidiaries) to GWH in exchange for holdings of an equal number of shares in GWH, and for GWH to change its name to Associated British Foods plc.

2 Garry H Weston, W G Galen Weston and Mrs C H W Dalglish are trustees of a trust, in which they have no beneficial interest, which at 9 July 1994 held 448,775 ordinary shares of 50p (1993–448,775) in Wittington Investments Limited, and 198,008 ordinary shares of 50p (1993–198,008) in George Weston Holdings Limited. As a result of the reorganisation of share capital mentioned above, at 12 September 1994 this trust held 683,073 ordinary shares of 50p in Wittington Investments Limited and no ordinary shares in any other holding company, subsidiary or fellow subsidiary company of the company.

3 Garry H Weston is a trustee of a trust, in which he has no beneficial interest, which at 9 July 1994 and at 12 September 1994 held 991,969 ordinary shares of 5p (1993–991,969) in Associated British Foods plc.

4 Mrs C H W Dalglish, G V Hamilton, J G Lithiby, W Monaghan, Mrs M D W Rebanks and W G Galen Weston each held 500 ordinary stock units and Garry H Weston held 1,000 ordinary stock units of £1 each in Fortnum & Mason plc at 9 July 1994 and at 12 September 1994, in which they have no beneficial interest.

5 No director has had a material interest in a contract with the company during the year, other than as disclosed in the accounts.

Progress report

January 1985 £'000	52 weeks ended	January 1990 £'000	January 1991 £ 000	July 1992 £'000	July 1993 £'000	July 1994 £'000
13,794	Turnover	23,120	24,841	23,844	24,682	27,642
768	Trading profit	1,353	1,396	1,405	1,429	1,909
290	Interest receivable	608	664	741	576	401
1,058	Profit before tax	1,961	2,060	2,146	2,005	2,310
628	Profit after tax	1,258	1,330	1,428	1,330	1,572
157	Ordinary dividends	353	383	416	425	468
471	Retained profits	897	939	1,012	897	1,096
5,489	Shareholders funds	8,673	9,612	10,781	11,678	12,418
146p	Earnings per share	294p	311p	334p	311p	368p
35p	Dividends per share	83p	90p	98p	100p	110p

The figures above were taken from the published accounts.

FORTNUM & MASON PLC

Notice of annual general meeting

Notice is hereby given that the eighty-ninth annual general meeting of the company will be held at 181 Piccadilly, London W1A 1ER on Friday 4 November 1994 at 10.00 am for the following purposes:—

- 1 To receive and adopt the accounts for the 52 weeks ended 9 July 1994 together with the reports of the directors and auditors thereon,
- 2 To re-appoint directors retiring under the articles of association.
- 3 To re-appoint Price Waterhouse as auditors of the company and to authorise the directors to fix their remuneration.

By the order of the board

G W Artindale
Secretary

10 October 1994



Registered office
181 Piccadilly
London W1A 1ER

Notes:

- 1 A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. The person appointed need not be a member of the company. Forms of proxy, if used, must be lodged at the registered office at least 48 hours before the meeting.
- 2 This notice is sent to preference stockholders for information only.
- 3 No director of the company has a contract of service with the company which is not determinable within one year without payment of compensation.
- 4 Completion of the form of proxy will not preclude a member from attending and voting in person.

FORTNUM & MASON PLC

Form of proxy

I/We
(please use block letters)

of

being (a) member(s) of Fortnum & Mason plc hereby appoint* the chairman of the meeting

to act as my/our proxy at the annual general meeting of the company to be held on Friday 4 November 1994, and at any adjournment thereof.

The proxy is to vote in the manner shown below on the resolutions set out in the notice of meeting.

RESOLUTIONS	For	Against
To receive and adopt the statement of accounts for the 52 weeks ended 9 July 1994 and the reports of the directors and auditors thereon		
To re-elect Mr G V Hamilton as a director		
To re-elect Mr W G Galen Weston as a director		
To re-elect Mrs J R Khayat as a director		
To re-elect Mr G W Artindale as a director		
To re-appoint Price Waterhouse, the retiring auditors and to authorise the directors to fix their remuneration		

Dated this.....day of.....1994

Signature.....

Notes:

- *Delete, if it is desired to appoint any other person and insert his/her name and address. A shareholder is entitled to appoint a proxy of his own choice.
- Please indicate how the proxy is to vote by inserting X in the appropriate space opposite each resolution; unless so instructed the proxy may vote as he thinks fit or abstain from voting.
- To be valid this proxy must reach the company not later than 48 hours before the meeting.
- A corporation may execute this form under its common seal or under the hand of a duly authorised officer.
- In the case of joint holders the signature of any one of them will suffice, but the names of all joint holders must be shown.
- Completion of the form of proxy will not preclude a member from attending and voting in person.

For office use

SECOND FOLD

Postage
to be
affixed

**The Secretary,
FORTNUM & MASON PLC,
181 PICCADILLY,
LONDON,
W1A 1ER**

FIRST FOLD

THIRD FOLD AND TUCK IN