

JOHN WALKER & SONS LIMITED

(Registered Number 188598)

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1995



JOHN WALKER & SONS LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their annual report and the audited financial statements for the year ended 31 December 1995.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The sole activity of the company during the year has been receipt of interest on a bank account balance.

FUTURE DEVELOPMENTS

The directors do not envisage any significant change in the status of the company.

RESULTS AND DIVIDENDS

The company has made neither profit nor loss (1994 - £nil) and the directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows:

P G H Antrobus
R J Gilchrist
N T Kerr
G W King
A Morgan
P J Parnell

The directors' interests stated in accordance with statute and intimated to the company are shown below.

	At 31 December 1995		At 1 January 1995	
	<u>Guinness PLC</u>		<u>Guinness PLC</u>	
	Beneficial Interests <u>Ordinary Shares of 25p each</u>	Outstanding Options	Beneficial Interests <u>Ordinary Shares of 25p each</u>	Outstanding Options
	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>
P G H Antrobus	3,829	41,834	5,563	42,794
R J Gilchrist	9,021	24,391	6,995	19,623
N T Kerr	616	364	547	364
G W King	7,232	61,443	8,101	47,016
A Morgan	5,017	113,774	5,573	79,236

JOHN WALKER & SONS LIMITED

DIRECTORS' REPORT (Continued)

	Options granted during 1995 in respect of Ordinary Shares of 25p each		Options exercised during 1995 in respect of Ordinary Shares of 25p each	
	<u>Number</u>	<u>Price</u>	<u>Number</u>	<u>Price</u>
P G H Antrobus	8,088	4.575	9,048	3.210
R J Gilchrist	5,294	4.575	-	-
	860*	4.010	1,386*	2.705
N T Kerr	-	-	-	-
G W King	14,427	4.575	-	-
A Morgan	36,066	4.575	1,528*	2.355

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

The options outstanding at 31 December 1995 are exercisable at varying dates between 1996 and 2005 at varying prices between 127p and 548.5p.

The interests of Mr PJ Parnell in the shares of the ultimate parent company, Guinness PLC, are disclosed in the accounts of United Distillers plc.

No contract or arrangement entered into by the company in which any director is interested has existed throughout the year.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

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

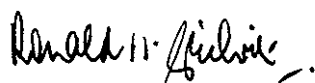
STATUTORY DISPENSATIONS

At an Extraordinary General Meeting held on 1 March 1991, the directors resolved to exercise the dispensations available under the Companies Act 1985 to lay accounts and reports before a general meeting, to hold an annual general meeting and to annually appoint auditors.

AUDITORS

The auditors, Price Waterhouse, have expressed their willingness to continue in office.

By Order of the Board



R J GILCHRIST
Secretary

21 June 1996

Registered Office
39 Portman Square
London
W1H 0EE

JOHN WALKER & SONS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- ◆ Select suitable accounting policies and then apply them consistently;
- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF JOHN WALKER & SONS LIMITED

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

Respective responsibilities of directors and auditors

As described above, 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 31 December 1995 and its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors
Glasgow
21 June 1996

JOHN WALKER & SONS LIMITED

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

	<u>Notes</u>	<u>1995</u> £'000	<u>1994</u> £'000
Bank interest receivable		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Taxation on Profit on ordinary activities		<u>-</u>	<u>-</u>
PROFIT RETAINED FOR FINANCIAL YEAR		<u>-</u>	<u>-</u>

The company has no recognised gains or losses other than the profit shown above (1994 - £Nil)

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

JOHN WALKER & SONS LIMITED

BALANCE SHEET - 31 DECEMBER 1995

	Notes	1995 £'000	1994 £'000
Debtors	2	4,781	4,781
Cash at bank		<u>11</u>	<u>11</u>
TOTAL ASSETS		<u>4,792</u>	<u>4,792</u>
CAPITAL & RESERVES			
Called up share capital	3	4,020	4,020
Other Reserves	4	771	771
Profit and loss account	4	<u>1</u>	<u>1</u>
EQUITY SHAREHOLDERS' FUNDS		<u>4,792</u>	<u>4,792</u>

APPROVED BY THE BOARD ON
21 June 1996



R J Gilchrist
Director

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

JOHN WALKER & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1995

1. ACCOUNTING POLICY

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

2. DEBTORS

	<u>1995</u>	<u>1994</u>
	<u>£'000</u>	<u>£'000</u>
Amounts owed by group undertakings	4,781	4,781
	<u>=====</u>	<u>=====</u>

3. CALLED UP SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	<u>£'000</u>	<u>£'000</u>
Authorised allotted and fully paid: 4,020,000 Ordinary shares of £1 each	4020	4020
	<u>=====</u>	<u>=====</u>

4. RESERVES

	<u>Other</u>	<u>Profit</u>
	<u>Reserves</u>	<u>and Loss</u>
	<u>£'000</u>	<u>Account</u>
	<u>£'000</u>	<u>£'000</u>
At 1 January 1995 and 31 December 1995	771	1
	<u>=====</u>	<u>=====</u>

JOHN WALKER & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) - 31 DECEMBER 1995

5. PARENT UNDERTAKINGS

The immediate parent undertaking, registered in Scotland, is United Distillers plc.

The ultimate parent undertaking, registered in England, is Guinness PLC. Copies of the group accounts of Guinness PLC can be obtained from the Secretary, Guinness PLC, 39 Portman Square, London, W1H 0EE.

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