

GUINNESS BREWING WORLDWIDE LIMITED
(Registered Number 510607)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1992



GUINNESS BREWING WORLDWIDE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1992

The Directors submit their Report and the audited financial statements of the Company for the year ended 31 December 1992.

RESULTS AND TRANSFER FROM RESERVES

Profit before taxation amounted to £2.2 million (1991 - £13.3 million). After deducting taxation the profit for the financial year amounted to £0.5 million (1991 - £10.0 million) which after dividends of £9.0 million (1991 - £10.6 million) resulted in a transfer from reserves of £8.5 million (1991 - £0.6 million).

DIVIDENDS

The Company paid an interim dividend of £9.0 million (1991 - £10.6 million) during 1992. The Directors do not recommend the payment of a final dividend (1991 - £Nil).

REVIEW OF THE BUSINESS AND PRINCIPAL ACTIVITIES

Throughout the year the Company continued to brew and market Guinness Stout and Kaliber in Great Britain, as well as being responsible for the supply of raw materials, plant and spares to overseas breweries and for the marketing of Guinness Stout and Harp Lager in overseas markets. A more extensive review of the business operations during the year is contained in the Annual Report and Accounts of Guinness PLC, the ultimate parent undertaking.

FUTURE DEVELOPMENTS

The Company will continue to seek ways of improving its performance in both its home and overseas markets.

FIXED ASSETS

Details of movements in tangible fixed assets are given in note 8 on pages 12 to 14.

RESEARCH AND DEVELOPMENT

Expenditure on research and development activities amounted to £2.9 million (1991 - £2.5 million).

GUINNESS BREWING WORLDWIDE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1992 (CONTINUED)

EMPLOYMENT POLICIES

(1) Communication and consultation with employees

The Company is committed to the continuing development of effective employee communication, consultation and involvement. The Company consults employees and their representative bodies on decisions which are likely to affect them and encourages the involvement of employees in the financial performance of the Company through a profit sharing scheme and SAYE stock option schemes in Guinness PLC.

Communication is achieved through the availability to employees of the Guinness PLC Annual Report, interim statements, company newspapers, circulation of Brewery Council minutes and departmental consultative committees and briefings.

(2) Disabled persons

The policy of the Company is to give full and fair consideration to applications for employment made by disabled persons. If an employee becomes disabled whilst employed by the Company, every effort is made to find suitable employment, with re-training as necessary. Disabled people share equally in the opportunities available for training, career development and promotion.

BOARD OF DIRECTORS

The names of the Directors of the Company during the year are shown below:

BF Baldock	(Chairman and Managing Director)
JDS Davies	
JF Hearnden	
MJ Hughes	
PW Lipscomb	
BJ O'Neill	(appointed 30 March 1992)
AF Peeters	(appointed 30 March 1992)
BA Slowey	
JS Smale	
WJH Spears	(appointed 8 December 1992)
CA Storm	
AJ Walser	(resigned 7 April 1992)
PE Yea	(appointed 1 May 1992)

GUINNESS BREWING WORLDWIDE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1992 (CONTINUED)

DIRECTORS' INTERESTS

No Director had any interest in shares or debentures of the Company, of any subsidiary undertaking or of any subsidiary of the parent undertaking with the exception of non-beneficial interests as nominee and the interests in the ordinary shares of the ultimate holding company, Guinness PLC, as set out below. Mr BF Baldock is a director of Guinness PLC and his interests in the shares of Guinness PLC are set out in that company's Annual Report.

	<u>At 31 December 1992</u>		<u>At 1 January 1992 or date of appointment if later</u>	
	Ordinary shares	Options over ordinary shares	Ordinary shares	Options over ordinary shares
<u>Ordinary shares (25p units)</u>				
JDS Davies	7,236	176,019	6,674	150,881
JF Hearnden	7,217	79,969	5,718	61,378
MJ Hughes	4,977	96,704	3,478	72,752
PW Lipscomb	17,147	152,826	17,544	204,256
BJ O'Neill	7,604	63,358	6,374	52,112
AF Peeters	1,815	74,573	450	62,090
BA Slowey	88,438	75,519	132,680	75,519
JS Smale	7,021	109,478	5,522	91,156
WJH Spears	1,743	18,768	1,743	18,768
CA Storm	19,979	165,714	18,480	145,560
PE Yea	1,025	89,049	-	89,049

During the year, the following movements in options over the ordinary shares of Guinness PLC took place:

	<u>Options granted during 1992</u>		<u>Options exercised during 1992</u>	
	Number	Price	Number	Price
JDS Davies	25,138	£5.335	Nil	Nil
JF Hearnden	18,591	£5.335	Nil	Nil
MJ Hughes	19,681	£5.335	Nil	Nil
PW Lipscomb	4,271*	£4.390	51,080	£1.625
	37,498	£5.335	18,810	£1.595
			19,028	£1.840
BJ O'Neill	11,246	£5.335	Nil	Nil
AF Peeters	12,483	£5.335	Nil	Nil
BA Slowey	Nil	Nil	Nil	Nil
JS Smale	18,322	£5.335	Nil	Nil
CA Storm	20,154	£5.335	Nil	Nil
WJH Spears	4,686	£5.335	Nil	Nil
	1,708*	£4.390	Nil	Nil
PE Yea	35,145	£5.335	Nil	Nil

* These options were granted under the terms of the Savings Related Share Option Scheme.

GUINNESS BREWING WORLDWIDE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1992 (CONTINUED)

DIRECTORS' INTERESTS (CONTINUED)

The options outstanding at 31 December 1992 have been granted under Group employee share participation schemes (including the Executive Share Option Scheme and the Savings Related Share Option Scheme) and are exercisable at varying dates between 1993 and 2002 at varying prices between £1.365 and £5.335.

Directors of subsidiaries of Guinness PLC are deemed to be interested as employees in shares held by an employee share trust, details of which are disclosed in the accounts of Guinness PLC.

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

AUDITORS

The auditors, Price Waterhouse, have expressed their willingness to continue in office and a resolution for their re-appointment, also authorising the Directors to fix their remuneration, will be proposed at the Annual General Meeting.

By Order of the Board



B Beanland
Secretary

27 October 1993

Price Waterhouse



**AUDITORS' REPORT TO THE MEMBERS OF
GUINNESS BREWING WORLDWIDE LIMITED**

We have audited the financial statements on pages 6 to 18 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 1992 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PRICE WATERHOUSE
Chartered Accountants and
Registered Auditor

27 October

1993

GUINNESS BREWING WORLDWIDE LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1992**

	<u>Notes</u>	<u>1992</u> £'m	<u>1991</u> £'m
TURNOVER	2	419.6	375.9
NET OPERATING CHARGES	3	<u>(418.0)</u>	<u>(365.8)</u>
OPERATING PROFIT		1.6	10.1
Income from shares in group undertakings		0.9	3.5
Interest payable on loans repayable within five years		(0.3)	(0.6)
Interest receivable		<u>-</u>	<u>0.3</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2.2	13.3
Taxation on profit on ordinary activities	4	<u>(1.7)</u>	<u>(3.3)</u>
PROFIT FOR THE FINANCIAL YEAR		0.5	10.0
Dividends paid and proposed	7	<u>(9.0)</u>	<u>(10.6)</u>
AMOUNT TRANSFERRED FROM RESERVES	18	<u>(8.5)</u>	<u>(0.6)</u>

Movements on reserves are shown in note 18 to the financial statements.

The notes on pages 8 to 18 form part of these financial statements.

GUINNESS BREWING WORLDWIDE LIMITED

BALANCE SHEET AT 31 DECEMBER 1992

	Notes	1992 £'m	1991 £'m
FIXED ASSETS			
Tangible assets	8	146.8	153.1
Investments	9	<u>0.1</u>	<u>0.3</u>
		146.9	153.4
CURRENT ASSETS			
Stocks	11	20.8	18.2
Debtors	12	94.3	103.0
Cash at bank and in hand		<u>8.9</u>	<u>9.7</u>
		124.0	130.9
CREDITORS (amounts falling due within one year)	13	<u>(114.0)</u>	<u>(91.0)</u>
NET CURRENT ASSETS		<u>10.0</u>	<u>39.9</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		156.9	193.3
CREDITORS (amounts falling due after more than one year)	14	<u>(123.1)</u>	<u>(124.9)</u>
		33.8	68.4
CAPITAL AND RESERVES			
Called up share capital	17	6.1	6.1
Revaluation reserve	18	36.9	61.8
Profit and loss account	18	<u>(9.2)</u>	<u>0.5</u>
		33.8	68.4

APPROVED BY THE BOARD
ON 27/10/1993

DIRECTOR



The notes on pages 8 to 18 form part of these financial statements.

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992

1 ACCOUNTING POLICIES

(1) Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of land and buildings, and in accordance with applicable accounting standards.

Consolidated financial statements have not been prepared as the Company is a wholly-owned subsidiary of another company incorporated in Great Britain, nor has a statement of cash flows been provided because the Guinness PLC consolidated accounts include such a statement.

(2) Depreciation

Tangible assets (other than land) are depreciated in equal annual instalments at rates calculated to write off their cost or valuation over the term of their estimated useful lives. Details of depreciation rates are given in note 8.

(3) Leased assets

Assets acquired under finance leases, comprising vehicles, casks and computer equipment, are capitalised. The annual costs in respect of other equipment leases are charged to the profit and loss account and disclosed under the headings of "hire of plant and machinery" and "other operating lease charges".

(4) Stocks

Valuation of stocks is at the lower of cost and net realisable value. Cost includes raw materials, excise duty and the appropriate proportion of labour costs, production and other overheads.

(5) Research and development expenditure

All research and development expenditure is written off to the profit and loss account as incurred.

(6) Investments

Investments are stated at cost less amounts written off.

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

(7) Foreign currency

Assets and liabilities denominated in foreign currencies are translated into sterling using contract rates of exchange or exchange rates prevailing at the balance sheet date, as appropriate. Exchange differences arising from foreign currency transactions in the normal course of trading are dealt with in the profit and loss account.

(8) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation, on differences between the treatment of certain items for accounting and taxation purposes, is accounted for to the extent that a liability or an asset is expected to crystallise within the foreseeable future.

(9) Pensions

The Company is a member of a group pension scheme which is operated by its ultimate holding company, Guinness PLC. Contributions to the scheme are assessed by a qualified actuary based on the cost of providing pensions across all participating companies. Costs are not determined for each individual company and accordingly contributions are charged to the profit and loss account when they become payable.

2 TURNOVER

Turnover represents the net amounts receivable including duties where applicable but excluding value added tax.

The Company carries out principally one class of business, that of brewing and marketing Guinness stout and other brands of beer and lager. Turnover and profit predominantly arise within the United Kingdom. Further segmental information is provided in the accounts of the parent company, Guinness PLC.

The turnover includes £77.6 million (1991 - £61.0 million) of sales to fellow subsidiaries.

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

3 NET OPERATING CHARGES

	<u>1992</u>	<u>1991</u>
	£m	£m
Change in stocks of finished goods and work in progress	(0.6)	(1.4)
Raw materials and consumables	143.4	124.9
Excise Duties	109.2	105.1
Staff costs (note 5) including		
Directors' emoluments (note 6)	51.1	42.2
Depreciation	14.6	12.1
Other operating charges	<u>100.3</u>	<u>82.9</u>
	418.0	365.8
	<u> </u>	<u> </u>
	<u>1992</u>	<u>1991</u>
Other operating charges include the following:	£'000	£'000
Hire of plant and machinery	420	536
Other operating lease charges	86	84
Auditors' remuneration - audit work	87	80
- non audit work	<u>1,047</u>	<u>N/A</u>

4 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<u>1992</u>	<u>1991</u>
	£'m	£'m
United Kingdom corporation tax for		
current year at 33% (1991 - 33.25%)	5.4	4.6
Under provision in respect of prior years	-	(1.1)
Tax credit on dividends received	<u>-</u>	<u>0.3</u>
	5.4	3.8
	<u>(3.7)</u>	<u>(0.5)</u>
Deferred tax (note 16)	1.7	3.3
	<u> </u>	<u> </u>

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

5 STAFF COSTS AND EMPLOYEES

	<u>1992</u>	<u>1991</u>
	£'m	£'m
(1) Staff costs		
Wages and salaries	47.6	39.1
Social security costs	<u>3.5</u>	<u>3.1</u>
	51.1	42.2
	<u> </u>	<u> </u>
	<u>Number</u>	<u>Number</u>
(2) Average number of employees	<u>1,791</u>	<u>1,723</u>

6 DIRECTORS' EMOLUMENTS

	<u>1992</u>	<u>1991</u>
	£'000	£'000
Salaries and pension scheme contributions	<u>1,615</u>	<u>1,091</u>
Emoluments (excluding pension scheme contributions) of:		
Chairman and highest paid director	<u>346</u>	<u>335</u>

Other directors:

	<u>Number</u>	<u>Number</u>
£205,001 - £210,000	1	-
£160,001 - £165,000	1	1
£150,001 - £155,000	1	1
£140,001 - £145,000	1	-
£130,001 - £135,000	1	1
£125,001 - £130,000	-	1
£120,001 - £125,000	-	1
£110,001 - £115,000	1	-
£95,001 - £100,000	2	-
£90,001 - £95,000	1	-
£55,001 - £60,000	1	-
£45,001 - £50,000	-	1
£10,001 - £15,000	-	1
£Nil - £5,000	2	2

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

7 DIVIDENDS

	<u>1992</u>	<u>1991</u>
	£'m	£'m
Interim dividend paid	<u>9.0</u>	<u>10.6</u>

8 TANGIBLE ASSETS

	<u>Land and buildings</u>	<u>Plant and machinery</u>	<u>Casks and road vehicles</u>	<u>Total</u>
	£'m	£'m	£'m	£'m
(1) Cost or valuation				
At 1 January 1992	70.8	96.3	49.0	216.6
Additions	2.2	27.6	8.4	38.2
Transfers from group companies	0.9	-	0.2	1.1
Transfers to group companies	-	-	(0.2)	(0.2)
Disposals	(0.9)	(7.9)	(6.7)	(15.5)
Revaluation during year	<u>(30.1)</u>	<u>-</u>	<u>-</u>	<u>(30.1)</u>
At 31 December 1992	<u>42.9</u>	<u>116.5</u>	<u>50.7</u>	<u>210.1</u>
Accumulated depreciation				
At 1 January 1992	3.3	45.0	15.2	63.5
Provision for the year	0.2	9.8	4.1	14.1
Depreciation on transfers from group companies	-	-	0.1	0.1
Depreciation on revaluation surplus	0.5	-	-	0.5
Disposals	-	(7.1)	(3.8)	(10.9)
Revaluation during year	<u>(4.0)</u>	<u>-</u>	<u>-</u>	<u>(4.0)</u>
At 31 December 1992	<u>-</u>	<u>47.7</u>	<u>15.6</u>	<u>63.3</u>
Net book amount				
At 31 December 1992	<u>42.9</u>	<u>68.8</u>	<u>35.1</u>	<u>146.8</u>
At 31 December 1991	<u>67.5</u>	<u>51.8</u>	<u>33.8</u>	<u>153.1</u>

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

8 TANGIBLE ASSETS (CONTINUED)

- (2) Land and buildings - the net book amount includes the following:

	<u>1992</u>	<u>1991</u>
	£'m	£'m
Freehold	41.3	67.5
Long leasehold (over 50 years unexpired)	<u>1.6</u>	<u>-</u>
	42.9	67.5
	<u> </u>	<u> </u>

- (3) Land and buildings - the amount shown at cost or valuation includes the following:

	<u>1992</u>	<u>1991</u>
	£'m	£'m
At cost	5.5	3.7
At valuation		
- 1983 or prior	0.3	0.3
- 1989	-	66.8
- 1992	<u>37.1</u>	<u>-</u>
	42.9	70.8
	<u> </u>	<u> </u>

The Company's land and buildings were revalued as at 26 October 1992 on the basis of an open market value for existing use by Wetherall Green and Smith, Chartered Surveyors.

- (4) Land and buildings included at valuation would have been included on an historical cost basis at:

	<u>1992</u>	<u>1991</u>
	£'m	£'m
Cost	11.0	8.8
Accumulated depreciation	<u>(5.0)</u>	<u>(4.8)</u>
	6.0	4.0
	<u> </u>	<u> </u>

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

8 TANGIBLE ASSETS (CONTINUED)

- (5) Included in the cost of tangible fixed assets are the following amounts in respect of assets under construction

	<u>1992</u> £'m	<u>1991</u> £'m
Land and buildings	1.9	-
Plant and machinery	29.1	23.5
Casks and road vehicles	—	<u>1.0</u>
	<u>31.0</u>	<u>24.5</u>

- (6) The following table shows the principal rates of depreciation:

Buildings:	
Freehold and long leasehold	2.5%, 2.66%, 3.03%, 5%
Short leasehold	over term of lease
Plant and machinery:	
Brewing and racking plant	5%, 6.67%, 10%, 12.5%, 20%, 33%
Containers	5%
Casks and road vehicles:	
Distribution vehicles	12.5%
Motor cars	25% - 50%
Casks	6.67%

9 INVESTMENTS

	<u>1992</u> £'m	<u>1991</u> £'m
Shares in subsidiary undertakings	0.1	0.1
Other investments at cost	—	<u>0.2</u>
	<u>0.1</u>	<u>0.3</u>

- (1) All the shares are either unclassified or classified as ordinary.
- (2) In the opinion of the Directors, the aggregate value of the Company's investments in its subsidiaries is not less than the aggregate amount at which they are stated in the balance sheet.

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

10 SUBSIDIARY COMPANIES

The Company has the following subsidiary undertakings registered in England and Wales:

<u>Brewing</u>	<u>% holdings</u>	<u>Country of operation</u>	<u>Activity</u>
ES Beaven (Maltings) Limited	100	England	Maltster
Guinness Hop Farms Limited	100	England	Hop grower

On 1 January 1993 the assets of Guinness Hop Farms Limited were made available for sale and on 29 January 1993 the land and buildings were transferred to United Distillers Plc at their open market valuation.

11 STOCKS

	<u>1992</u>	<u>1991</u>
	<u>£'m</u>	<u>£'m</u>
Raw materials and consumables	3.3	5.0
Finished goods and goods for resale	<u>17.5</u>	<u>13.2</u>
	20.8	18.2
	<u>—</u>	<u>—</u>

The replacement cost of stocks is not materially different from their book value.

12 DEBTORS

	<u>1992</u>	<u>1991</u>
	<u>£'m</u>	<u>£'m</u>
Trade debtors	53.8	43.3
Amounts owed by fellow subsidiary undertakings	29.6	50.8
Other debtors	4.4	6.0
Prepayments and accrued income	1.4	1.5
Deferred tax (note 16)	<u>5.1</u>	<u>1.4</u>
	94.3	103.0
	<u>—</u>	<u>—</u>

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

13 CREDITORS (amounts falling due within one year)

	<u>1992</u> £'m	<u>1991</u> £'m
Bank overdraft	-	4.4
Trade creditors	19.2	15.4
Amounts owed to fellow subsidiary undertakings	23.2	15.9
Corporation tax	7.0	5.6
Social security and other taxes	8.5	11.5
Other creditors	8.3	1.8
Accruals and deferred income	<u>47.8</u>	<u>36.4</u>
	114.0	91.0
	<u> </u>	<u> </u>

14 CREDITORS (amounts falling due after more than one year)

	<u>1992</u> £'m	<u>1991</u> £'m
Amounts owed to parent undertaking	<u>123.1</u>	<u>124.9</u>

15 LEASING COMMITMENTS

Operating leases

Payments on non-cancellable operating leases due within one year of 31 December 1992 are as follows:

	<u>Land and buildings</u> £'m	<u>Other</u> £'m
For which commitment expires:		
Within one year	-	0.4
Between 1 - 2 years	-	-
Between 2 - 5 years	-	-
After 5 years	<u>0.1</u>	<u>-</u>
	0.1	0.4
	<u> </u>	<u> </u>

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

16 DEFERRED TAXATION

	<u>1992</u>		<u>1991</u>	
	<u>Amount</u>	<u>Full potential liability</u>	<u>Amount</u>	<u>Full potential liability</u>
	£'m	£'m	£'m	£'m
Capital allowances on plant, machinery and industrial buildings	-	11.0	-	9.3
Provisions allowable for tax in future years	(5.1)	(5.1)	(1.4)	(1.4)
	(5.1)	5.9	(1.4)	7.9
Tax on chargeable gains on revaluation surpluses	-	8.6	-	8.8
	(5.1)	14.5	(1.4)	16.7
The deferred tax asset is included in debtors in note 12.				

17 CALLED UP SHARE CAPITAL

	<u>1992</u>	<u>1991</u>
	£'m	£'m
Authorised:		
7,500,000 ordinary shares of £1 each	<u>7.5</u>	<u>7.5</u>
Allotted and fully paid:		
6,100,000 ordinary shares of £1 each	<u>6.1</u>	<u>6.1</u>

18 RESERVES

	<u>Revaluation reserve</u>	<u>Profit and loss account</u>
	£'m	£'m
At 1 January 1992	61.8	0.5
Retained loss for the year	-	(8.5)
Transfers between reserves		
- depreciation on revaluation surplus	(0.5)	0.5
- revaluation during year	(26.1)	-
- other	<u>1.7</u>	<u>(1.7)</u>
At 31 December 1992	<u>36.9</u>	<u>(9.2)</u>

GUINNESS BREWING WORLDWIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1992 (CONTINUED)

19 FUTURE CAPITAL EXPENDITURE

	<u>1992</u>	<u>1991</u>
	£'m	£'m
Contracted but not provided for in the financial statements	22.7	24.8
Authorised but not contracted for	<u>40.9</u>	<u>1.6</u>
	63.6	26.4
	<hr/>	<hr/>

20 PENSION FUND ARRANGEMENTS AND CONTRIBUTIONS

The Company is a member of a group pension scheme which is operated by its ultimate holding company Guinness PLC. The scheme is of the defined benefit type, is administered by trustees and is managed independently of the finances of Guinness PLC and its subsidiaries.

A valuation of the scheme was performed during 1992 by the actuary and particulars of the valuation are contained in the accounts of Guinness PLC.

In accordance with the advice of the actuary, there was no charge to the profit and loss for pensions in 1992 (1991 - £Nil) and no contributions were payable. In view of the reduction in the rate of Advanced Corporation Tax announced in March 1993, Guinness PLC is carrying out an interim review of the funding position of the pension fund. The advice of the actuary is that the scheme members, including the Company, should recommence contributions to the scheme no later than the end of the 1993 financial year.

21 HOLDING COMPANIES

The Company is a wholly owned direct subsidiary of Guinness PLC, a company registered in England and Wales. Guinness PLC is the parent undertaking of the smallest and largest group for which group accounts incorporating those of the Company are prepared. Copies of the consolidated accounts of Guinness PLC, can be obtained from:

Guinness PLC
39 Portman Square
London
W1H 9HB