

COMPANY REGISTRATION NUMBER 1032622

FOUNTAIN INDUSTRIES (U.K.) LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2005



ENSORS

Chartered Accountants & Registered Auditors
46 St Nicholas Street
IPSWICH
IP1 1TT

FOUNTAIN INDUSTRIES (U.K.) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

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FOUNTAIN INDUSTRIES (U.K.) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr M Tulkens
Fountain Manufacturing Limited

Company secretary

Mrs R Palmer

Registered office

Reydon Business Park
Fountain Way
Reydon
Southwold
Suffolk
IP18 6DH

Auditors

Ensors
Chartered Accountants
& Registered Auditors
46 St Nicholas Street
IPSWICH
IP1 1TT

Bankers

National Westminster Bank Plc
2 Tavern Street
Ipswich
IP1 3BD

FOUNTAIN INDUSTRIES (U.K.) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2005

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2005.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the sale of drink dispensing equipment, together with associated products.

RESULTS AND DIVIDENDS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

DIRECTORS

The directors who served the company during the year were as follows:

Mr P Van Campenhout
Mr M Tulkens
Fountain Manufacturing Limited

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

Fountain Manufacturing Limited was appointed as a director on 1 January 2005.

Mr P Van Campenhout resigned as a director on 1 January 2005.

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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on pages 8 to 9, 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; and

- 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. The directors 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.

FOUNTAIN INDUSTRIES (U.K.) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2005

AUDITORS

A resolution to re-appoint Ensors as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors

Registered office:
Fountain Way
Reydon Business Park
Reydon
Southwold
IP18 6DH



MRS R PALMER
Company Secretary

Approved by the directors on 27th February 2006

FOUNTAIN INDUSTRIES (U.K.) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF FOUNTAIN INDUSTRIES (U.K.) LIMITED

YEAR ENDED 31 DECEMBER 2005

We have audited the financial statements of Fountain Industries (U.K.) Limited for the year ended 31 December 2005 on pages 6 to 13 which comprise the Profit and Loss Account, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholder, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

FOUNTAIN INDUSTRIES (U.K.) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF FOUNTAIN INDUSTRIES (U.K.) LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2005

OPINION

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Ensors

ENSORS
Chartered Accountants
& Registered Auditors
46 St Nicholas Street
IPSWICH
IP1 1TT

27 February 2006

FOUNTAIN INDUSTRIES (U.K.) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2005

	Note	2005 £	2004 £
TURNOVER	2	332,988	385,156
Cost of sales		<u>271,906</u>	<u>303,576</u>
GROSS PROFIT		61,082	81,580
Distribution Costs		17,175	51,400
Administrative expenses		<u>64,878</u>	<u>71,070</u>
OPERATING LOSS	3	(20,971)	(40,890)
Interest receivable		1,204	996
Interest payable and similar charges	5	<u>(855)</u>	<u>(1,313)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(20,622)	(41,207)
Tax on loss on ordinary activities		—	—
LOSS FOR THE FINANCIAL YEAR		(20,622)	(41,207)
Balance brought forward		<u>184,843</u>	<u>226,050</u>
Balance carried forward		<u><u>164,221</u></u>	<u><u>184,843</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 13 form part of these financial statements.

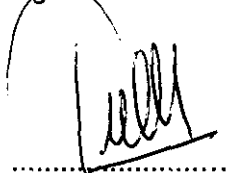
FOUNTAIN INDUSTRIES (U.K.) LIMITED

BALANCE SHEET

31 DECEMBER 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible assets	6	<u>1,809</u>	<u>4,211</u>
CURRENT ASSETS			
Stocks	7	67,258	70,342
Debtors	8	79,227	85,384
Cash at bank		<u>77,366</u>	<u>74,846</u>
		<u>223,851</u>	<u>230,572</u>
CREDITORS: Amounts falling due within one year	9	<u>36,058</u>	<u>24,709</u>
NET CURRENT ASSETS		<u>187,793</u>	<u>205,863</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>189,602</u>	<u>210,074</u>
CREDITORS: Amounts falling due after more than one year	10	<u>25,329</u>	<u>25,179</u>
		<u>164,273</u>	<u>184,895</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	52	52
Profit and loss account		<u>164,221</u>	<u>184,843</u>
SHAREHOLDER'S FUNDS	14	<u>164,273</u>	<u>184,895</u>

These financial statements were approved by the directors on the 27th feb 2006 and are signed on their behalf by:



MR M TULKENS

The notes on pages 8 to 13 form part of these financial statements.

FOUNTAIN INDUSTRIES (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Delivery vehicles	- 25% on cost
Plant & Machinery	- 20% on cost
Fixtures & Fittings	- 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

FOUNTAIN INDUSTRIES (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2005	2004
	£	£
United Kingdom	331,798	380,619
Europe	1,190	4,537
	<u>332,988</u>	<u>385,156</u>

FOUNTAIN INDUSTRIES (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

3. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	2005	2004
	£	£
Directors' emoluments	—	—
Depreciation of owned fixed assets	2,402	3,245
Profit on disposal of fixed assets	(3,000)	—
Auditors' remuneration		
- as auditors	6,345	6,970
Operating lease costs:		
Land and buildings	27,339	26,439
Plant and equipment	4,865	5,546
Vehicles	—	650
Net loss on foreign currency translation	<u>219</u>	<u>4,200</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2005	2004
	No	No
Number of distribution staff	—	1
Number of sales staff	1	1
	<u>1</u>	<u>2</u>

The aggregate payroll costs of the above were:

	2005	2004
	£	£
Wages and salaries	21,000	45,416
Social security costs	2,066	3,643
	<u>23,066</u>	<u>49,059</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004
	£	£
Other similar charges payable	<u>855</u>	<u>1,313</u>

FOUNTAIN INDUSTRIES (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

6. TANGIBLE FIXED ASSETS

	Delivery Vehicles £	Plant & Machinery £	Fixtures & Fittings £	Total £
COST				
At 1 January 2005	48,714	7,713	52,673	109,100
Disposals	(48,714)	—	—	(48,714)
At 31 December 2005	<u>—</u>	<u>7,713</u>	<u>52,673</u>	<u>60,386</u>
DEPRECIATION				
At 1 January 2005	48,714	6,208	49,967	104,889
Charge for the year	—	1,150	1,252	2,402
On disposals	(48,714)	—	—	(48,714)
At 31 December 2005	<u>—</u>	<u>7,358</u>	<u>51,219</u>	<u>58,577</u>
NET BOOK VALUE				
At 31 December 2005	<u>—</u>	<u>355</u>	<u>1,454</u>	<u>1,809</u>
At 31 December 2004	<u>—</u>	<u>1,505</u>	<u>2,706</u>	<u>4,211</u>

7. STOCKS

	2005 £	2004 £
Raw materials	362	362
Finished goods	66,896	69,980
	<u>67,258</u>	<u>70,342</u>

8. DEBTORS

	2005 £	2004 £
Trade debtors	72,981	77,750
Amounts owed by group undertakings	—	767
Other debtors	6,246	6,867
	<u>79,227</u>	<u>85,384</u>

9. CREDITORS: Amounts falling due within one year

	2005 £	2004 £
Trade creditors	2,444	—
Amounts owed to group undertakings	28,173	19,213
Other creditors	5,441	5,496
	<u>36,058</u>	<u>24,709</u>

FOUNTAIN INDUSTRIES (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

10. CREDITORS: Amounts falling due after more than one year

	2005	2004
	£	£
Amounts owed to group undertakings	<u>25,329</u>	<u>25,179</u>

11. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2005 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets Other Than Land & Buildings	
	2005	2004
	£	£
Operating leases which expire:		
Within 2 to 5 years	<u>5,546</u>	<u>5,546</u>

12. RELATED PARTY TRANSACTIONS

The immediate controlling company is Fountain Netherlands Holding BV, a company incorporated in Holland.

The company is more than 90% controlled by the group and therefore advantage has been taken of the exemption not to disclose group related party transactions in the financial statements.

During the year the company paid £2,933 (2004: £Nil) to Mr M Tulkens (a director) for his management services.

All related party transactions between the company and other group members have been eliminated in the consolidated financial statements of Fountain SA.

13. SHARE CAPITAL

Authorised share capital:

	2005	2004
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>52</u>	<u>52</u>	<u>52</u>	<u>52</u>

FOUNTAIN INDUSTRIES (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2005	2004
	£	£
Loss for the financial year	(20,622)	(41,207)
Opening shareholder's equity funds	<u>184,895</u>	<u>226,102</u>
Closing shareholder's equity funds	<u>164,273</u>	<u>184,895</u>

15. ULTIMATE PARENT COMPANY

The ultimate parent company is Fountain SA, a company incorporated in Belgium. Copies of that company's consolidated financial statements may be obtained from:

Fountain SA
Avenue de l'Artisanat 17
B-1420 Braine-l'Alleud
Belgium

FOUNTAIN INDUSTRIES (U.K.) LIMITED

MANAGEMENT INFORMATION

YEAR ENDED 31 DECEMBER 2005

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditors' report on pages 4 to 5.**

FOUNTAIN INDUSTRIES (U.K.) LIMITED**DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2005**

	2005 £	2004 £
TURNOVER	332,988	385,156
COST OF SALES		
Purchases	230,168	276,399
Storage costs	5,040	—
Sales labour and N.I.C.	23,066	19,983
Overalls and cleaning	—	190
Plant and factory maintenance	1,093	1,373
Transportation costs	7,982	—
Plant leasing charges	3,407	4,088
Plant depreciation	1,150	1,543
	271,906	303,576
GROSS PROFIT	61,082	81,580
OVERHEADS		
Distribution Costs	17,175	51,400
Administrative expenses	64,878	71,070
	82,053	122,470
OPERATING LOSS	(20,971)	(40,890)
Bank interest receivable	1,204	996
	(19,767)	(39,894)
Interest on other loans	(855)	(1,313)
LOSS ON ORDINARY ACTIVITIES	(20,622)	(41,207)

FOUNTAIN INDUSTRIES (U.K.) LIMITED

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2005

	2005 £	2004 £
DISTRIBUTION COSTS		
Driver wages and N.I.C.	—	29,076
Discounts allowed	1,326	1,061
Freight and carriage	8,438	(5,992)
Vehicle running	—	22,902
Advertising	7,411	4,353
	<u>17,175</u>	<u>51,400</u>
ADMINISTRATIVE EXPENSES		
Establishment expenses		
Rent	27,339	26,439
Rates	4,633	4,518
Light and heat	1,879	1,530
Insurance	2,977	2,549
Plant and factory maintenance	269	387
	<u>37,097</u>	<u>35,423</u>
General expenses		
Travel and motor expenses	—	547
Vehicle leasing charges	—	650
Telecommunications	1,930	2,741
Computer costs	412	479
Postage	623	781
Printing, stationery and postage	1,163	913
General expenses	1,905	645
Management charges payable	2,349	2,751
Legal and professional fees	2,933	—
Accountancy fees	5,400	5,400
Auditors remuneration	6,345	6,970
Depreciation of fixtures and fittings	1,252	1,702
Profit on disposal of fixed assets	(3,000)	—
	<u>21,312</u>	<u>23,579</u>
Financial costs		
Provision for doubtful debts	4,164	5,575
Operating lease: Plant & machinery	1,458	1,458
Bank charges	628	835
Foreign currency gains/losses	219	4,200
	<u>6,469</u>	<u>12,068</u>
	<u>64,878</u>	<u>71,070</u>
INTEREST RECEIVABLE		
Bank interest receivable	<u>1,204</u>	<u>996</u>