

**REGISTRAR OF
COMPANIES**

Pourshins PLC

Report and Financial Statements

Period Ended

26 November 1994



BDO

BDO Stoy Hayward
Chartered Accountants

POURSHINS PLC

Annual report and financial statements for the 18 months ended 26 November 1994

Contents

Page

1	Report of the directors
3	Statement of directors' responsibilities
5	Report of the auditors
6	Consolidated profit and loss account
7	Statement of total recognised gains and losses
8	Consolidated balance sheet
9	Balance sheet
10	Consolidated cash flow statement
11	Notes forming part of the financial statements

Directors

R U Møed (Chairman)
S Cope
S Kalirai
J H McKimmie

Secretary and registered office

C Boundy, Unit 4, Girling Way, Great South West Road, Feltham, Middlesex, TW14 0PH.

Company number

1576522

Auditors

BDO Stoy Hayward, 8 Baker Street, London W1M 1DA

POURSHINS PLC

Report of the directors for the 18 months ended 26 November 1994

The directors submit their report together with the audited financial statements for the 18 months ended 26 November 1994.

Results and dividends

The results of the group for the period are set out on page 6.

Interim dividends totalling 4.30p per ordinary share were paid during the period ended 26 November 1994. The directors do not recommend any further dividend for the period.

It is proposed to transfer the retained profit of £123,000 to reserves.

Principal activities, review of business and future developments

The principal activity of the group is the manufacture, packaging and distribution of foodstuffs.

During the period the group sold its prepared fruit business. The purchaser, at the same time, appointed the group as exclusive distributor of prepared fruit for the European travel market, making use of its extensive distribution network and expertise in that market.

In line with some of the operational changes made within the group upon the sale of the fruit business, the accounting period end was changed from May to November. These accounts therefore cover the 18 months from 30 May 1993 to 26 November 1994.

Executive Lounge Services Limited

On 3 October 1994, the group purchased the 50% balance of issued share capital of Executive Lounge Services Limited that it did not already own. The directors feel that as a wholly owned subsidiary there are additional trading opportunities that the company will enjoy, adding impetus to its expanding customer base.

Investment

The group continually reviews its manufacturing and distribution infrastructure to ensure the highest standards of customer service and operating efficiency are maintained. In line with this policy, the UK operations at Feltham are currently undergoing a major refurbishment of its facilities, investing in the region of ~~£375,000~~ £600,000.

The group continues to investigate and invest in additional product areas and markets to capitalise on its production and distribution strengths. It is confident of seeing continued growth and improved profitability result from this strategy.

POURSHINS PLC

Report of the directors for the 18 months ended 26 November 1994 (Continued)

Tangible fixed assets

The changes in tangible fixed assets during the period are summarised in note 12 to the financial statements.

Directors

The directors who served during the period were:

R U Möed	
J H McKimmie	
S Kalirai	(appointed 19 May 1994)
S Cope	(appointed 16 November 1994)
R W Denton	(resigned 31 January 1994)
N J T Harris	(resigned 8 July 1994)
R J Ashness	(appointed 20 July 1994, resigned 16 November 1994)

The interest of R U Möed in the shares of the company was as set out below:

	Number of shares	
	26 November 1994	30 May 1993
"A" ordinary shares of 10p each	598,750	760,000
"B" ordinary shares of FFr1 each	6,080,000	6,080,000

Share capital

During the period, the company purchased 25,000 of its "A" ordinary shares of 10p each at a total price of £8,750. The movements in share capital are summarised in note 21 to the financial statements.

Political and charitable contributions

Contributions made by the company for charitable purposes amounted to £5,614. No contributions were made for political purposes.

POURSHINS PLC

Report of the directors for the 18 months ended 26 November 1994 (*Continued*)

Employees

The directors place considerable value on the involvement of employees and recognise the importance of communicating effectively on matters which affect their current and future interests. This communication is achieved through regular individual meetings at the local operating level and through informal briefing sessions. Employee involvement in the success of the business is further enhanced by the Profit Related Pay Scheme in the UK.

The group's policy is to ensure that, as far as is reasonably practicable, there is a working environment which will minimise the risk to the health and safety of its employees and those persons who are authorised to be on its premises.

The group continues to give full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. If an employee becomes disabled, the group endeavours to continue his or her own employment if this is practicable and, in appropriate cases, special training may be given.

Directors' responsibilities

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 and of the group at the end of the financial year and of the profit or loss of the group 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; and
- to 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.

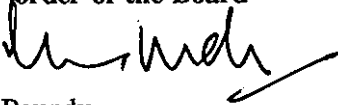
POURSHINS PLC

Report of the directors for the 18 months ended 26 November 1994 (*Continued*)

Auditors

Following their admission on 1 October 1994 as the United Kingdom representatives of BDO International our auditors have changed their name to BDO Stoy Hayward with effect from that date. BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board


C Boundy

Secretary

Date 11 May 1995

POURSHINS PLC

Report of the auditors

To the shareholders of Pourshins PLC

We have audited the financial statements on pages 6 to 29 which have been prepared under the accounting policies set out on pages 11 to 13.

Respective responsibilities of directors and auditors

As described on page 3 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 statements and to report our opinion to you.

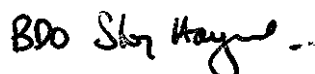
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 and of the group's affairs as at 26 November 1994 and of the group's profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD

*Chartered Accountants
and Registered Auditors*
London

11 May 1995

POURSHINS PLC

Consolidated profit and loss account for the 18 months ended 26 November 1994

	Note	18 months ended 26 November 1994 £'000	12 months ended 29 May 1993 £'000
Turnover	2	45,608	26,016
Cost of sales		39,055	(21,246)
		<hr/>	<hr/>
Gross profit		6,553	4,770
Distribution expenses		(1,836)	(821)
Administrative expenses		(5,452)	(4,004)
Other operating income		25	61
		<hr/>	<hr/>
Operating (loss)/profit	3	(710)	6
Profit on disposal of prepared fruit business	6	1,803	-
Reorganisation costs	7	-	(325)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before interest and other income		1,093	(319)
Loss from interests in associated undertakings		(2)	(11)
Interest receivable		45	51
Interest payable	8	(200)	(102)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation		936	(381)
Tax on profit/(loss) on ordinary activities	9	309	61
		<hr/>	<hr/>
Profit/(loss) on ordinary activities after taxation		627	(320)
Dividends	10	350	-
		<hr/>	<hr/>
Retained profit/(loss)	23	277	(320)
		<hr/>	<hr/>

All amounts relate to continuing activities.

There are no material differences in the results reported above and those on an unmodified historical cost basis.

The notes on pages 11 to 29 form part of these financial statements

POURSHINS PLC

Statement of total recognised gains and losses for the 18 months ended 26 November 1994

	Note	Group		Company	
		26 November 1994	29 May 1993	26 November 1994	29 May 1993
		£'000	£'000	£'000	£'000
Profit/(loss) for the financial period		627	(320)	717	(307)
Currency translation differences	23	(24)	46	(25)	(7)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total recognised gains and losses for the period		603	(274)	692	(314)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

The notes on pages 11 to 29 form part of these financial statements

POURSHINS PLC

Consolidated balance sheet at 26 November 1994

	Note	26 November 1994		29 May 1993	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		1,155		1,509
Investments	13		16		11
Current assets					
Stocks	15	754		824	
Debtors	16	4,474		4,298	
Cash at bank and in hand		<u>1,250</u>		<u>1,002</u>	
		6,478		6,124	
Creditors: amounts falling due within one year	17	<u>5,700</u>		<u>5,683</u>	
Net current assets			778		441
Total assets less current liabilities			1,949		1,961
Creditors: amounts falling due after more than one year	18	585		882	
Provisions for liabilities and charges	20	51		45	
			636		(927)
			1,313		1,034
Capital and reserves					
Called up share capital	21		814		816
Other reserves	22		11		11
Profit and loss account	23		488		207
			1,313		1,034

All items under capital and reserves are equity.

The financial statements were approved by the Board on 11 May 1995

The notes on pages 11 to 29 form part of these financial statements

POURSHINS PLC

Balance sheet at 26 November 1994

	Note	26 November 1994		29 May 1993	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		716		929
Investments	13		253		248
Current assets					
Stocks	15	627		654	
Debtors	16	3,710		3,321	
Cash at bank and in hand		<u>1,091</u>		<u>833</u>	
		5,428		4,808	
Creditors: amounts falling due within one year	17	<u>(4,793)</u>		<u>(4,540)</u>	
Net current assets			635		269
Total assets less current liabilities			1,604		1,445
Creditors: amounts falling due after more than one year	18	(380)		(605)	
Provision for liabilities and charges	20	<u>6</u>		<u>-</u>	
			386		605
			1,218		840
Capital and reserves					
Called up share capital	21		814		816
Other reserves	22		11		11
Profit and loss account	23		<u>393</u>		<u>13</u>
			1,218		840

All items under capital and reserves are equity

These financial statements were approved by the Board on 11 May 1995

u
R M Moed

Director



The notes on pages 11 to 29 form part of these financial statements

POURSHINS PLC

Consolidated cash flow statement for the 18 months ended 26 November 1994

	Note	26 November 1994		29 May 1993	
		£'000	£'000	£'000	£'000
Net cash (outflow)/inflow from operating activities	26		(500)		105
Returns on investments and servicing of finance					
Loss of associated undertaking		(2)		(11)	
Interest received		45		55	
Interest paid		(199)		(117)	
Interest on hire purchase		(18)		-	
Dividends paid		(350)		-	
Shares redeemed		(9)		-	
Net cash outflow from returns on investments and servicing of finance			(533)		(73)
Tax paid			21		(65)
Investing activities					
Purchase of tangible fixed assets		(546)		(536)	
Purchase of investment		(5)		-	
Sale of tangible fixed assets		535		-	
Exchange adjustments on tangible fixed assets		(1)		(115)	
Investment in associate undertaking		-		(5)	
Sale of fruit business		1,615		-	
Cost of sale thereof		(119)		-	
Net cash inflow/(outflow) from investing activities			1,479		(656)
Net cash (outflow)/inflow before financing			467		(689)
Financing					
Allotment of shares				10	
(Decrease)/increase in bank loans		(163)		7	
Exchange adjustments on bank loans		4		142	
(Decrease)/increase in hire purchase		(59)		76	
Decrease in other loans		-		(2)	
Net cash inflow/(outflow) from financing			(218)		233
Increase/(decrease) in cash and cash equivalents	28		249		(456)

The notes on pages 11 to 29 form part of these financial statements

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The company has taken advantage of the exemption from presenting its own profit and loss account. There have been no changes in the accounting policies during the year and the following principal accounting policies are applied:

Basis of preparation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 26 November 1994. The acquisition method of accounting is used to consolidate the results of subsidiary undertakings.

Associated undertakings

A company is treated as an associated undertaking when the group holds a substantial interest in it for the long term and exercises significant influence over its operating and financial policy decisions.

The group's share of the results of associated undertakings is included in the consolidated profit and loss account using the equity method of accounting. The investment in associated undertakings included in the consolidated balance sheet is based on the group's share of the net assets of associated undertakings, together with any premium or discount arising on acquisition, less amounts written off.

Goodwill

Purchased goodwill is written off immediately on acquisition against reserves unless, in the directors' opinion, it would be more appropriate in the circumstances to eliminate it by amortisation through the profit and loss account over its useful economic life. Goodwill arising on consolidation, being the excess of purchase price over the value of net assets of subsidiary companies at the date of acquisition, is written off immediately on acquisition against reserves.

Fixed assets and depreciation

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition.

Provision for depreciation is made so as to write off the cost of tangible fixed assets on the straight line basis over the expected useful economic lives of the fixed assets concerned. The principal annual rates used for this purpose are:

Motor vehicles	- 25% to 33 $\frac{1}{3}$ %
Plant and machinery	- 10% to 20%
Office equipment, fixtures and fittings	- 20%
Leasehold improvements	- 20%

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

1 Accounting policies (*Continued*)

Hire purchase contracts and leases

The cost of assets acquired under hire purchase contracts and finance leases is included in tangible fixed assets and depreciation is charged in accordance with the accounting policy described above. The interest costs are charged to the profit and loss account over the term of each lease, and the capital elements of future hire purchase and finance lease payments are included in creditors.

All costs incurred in respect of assets held on operating leases are written off to profit and loss as they arise.

Foreign currency

Profit and loss accounts and assets and liabilities of foreign subsidiary undertakings are translated into sterling at the rates of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net investment in foreign subsidiary undertakings are taken to reserves.

All other differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings, which, to the extent that they are used to finance or provide a hedge against foreign equity investments, are taken directly to reserves to the extent of the exchange difference arising on the net investment in these enterprises.

Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Pension costs

Contributions to the two defined contributions pension schemes operated by the company are charged to the profit and loss account in the year in which they become payable.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. In general cost is determined on a first in first out basis; in the case of manufactured products cost includes all direct labour costs based on the normal level of activity. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisable and, where appropriate, the cost of conversion from their existing state to a finished condition. Provision is made where necessary for obsolete, slow moving and defective stocks.

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

1 Accounting policies (*Continued*)

Taxation

Deferred taxation is provided at the anticipated future rate of taxation in respect of timing differences in the recognition of income and expenditure for accounting and taxation purposes, to the extent that the directors consider that the liability is likely to crystallise.

Turnover

Turnover, which excludes value added tax and trade discount, represents invoiced value of goods and services supplied to external customers.

2 Segmental reporting

All of the turnover and pre-tax profit/(loss) arose from the principal activity of the group.

	18 months ended 26 November 1994 £'000	12 months ended 29 May 1993 £'000
The geographical analysis of turnover of the group is as follows:		
United Kingdom	35,218	20,334
Overseas	10,390	5,682
	<hr/>	<hr/>
	45,608	26,016
	<hr/>	<hr/>

3 Operating (loss)/profit

This is stated after charging the following:

Auditor's remuneration	34	31
Depreciation of tangible fixed assets:		
Own assets	619	347
Assets held under finance lease	55	53
Directors' emoluments (note 4)	459	247
Operating lease rentals for vehicles and machinery	376	258
Operating lease rentals for land and buildings	649	449
	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (Continued)

4 Directors' emoluments

	18 months ended 26 November 1994 £'000	12 months ended 29 May 1993 £'000
Directors' emoluments comprise:		
Remuneration for management services	333	234
Chairman's bonus	115	-
Pension contributions	11	13
	<hr/>	<hr/>
	459	247
	<hr/>	<hr/>
Emoluments of the chairman and highest paid director (excluding pension contributions) of		
Management services	170	96
Bonus	115	-
	<hr/>	<hr/>
	285	96
	<hr/>	<hr/>
Other directors' emoluments (excluding pension contributions) were within the ranges:		
	Number	Number
£ 0 - £ 5,000	2	-
£10,001 - £15,000	-	1
£15,001 - £20,000	1	-
£20,001 - £25,000	1	-
£45,001 - £50,000	1	-
£60,001 - £65,000	-	1
£65,001 - £70,000	1	1
	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

5 Employee information

	18 months ended 26 November 1994 £'000	12 months ended 29 May 1993 £'000
The average number of persons employed by the group (including executive directors) during the year is analysed below:		
Production	253	279
Selling and distribution	93	40
Administration	77	65
	<hr/>	<hr/>
	423	384
	<hr/>	<hr/>

Employment costs of all employees included above comprised:

Gross wages and salaries	6,810	4,265
Employers' national insurance and state pension contribution	390	678
Other pension costs	67	34
	<hr/>	<hr/>
	7,267	4,977
	<hr/>	<hr/>

6 Profit on disposal of prepared fruit business

Profit on disposal of prepared fruit business net of costs	1,803	-
	<hr/>	<hr/>

7 Reorganisation costs

Reorganisation costs comprise training costs in the UK and additional management costs related to new branches	-	325
	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 *(Continued)*

8 Interest payable

	18 months ended 26 November 1994 £'000	12 months ended 29 May 1993 £'000
Bank loans	182	88
On hire purchase and finance leases	18	14
	<hr/>	<hr/>
	200	102
	<hr/>	<hr/>

9 Tax on profit on ordinary activities

United Kingdom corporation tax at 33% (1993 - 33%) based on profit/(loss) for the period	397	(90)
Overprovision for previous years	(97)	(19)
Overseas tax	3	3
Deferred tax	6	45
	<hr/>	<hr/>
	309	(61)
	<hr/>	<hr/>

The group's tax charge has been reduced by local tax allowances available against profits arising in the overseas subsidiary.

10 Dividend

	18 months ended 26 November 1994 £'000	12 months ended 29 May 1993 £'000
Interim dividends were paid on 6 September 1994 and 3 October 1994 at 1.23p and 3.07p per share respectively:		
On "A" ordinary shares of 10p each	39	-
On "B" ordinary shares of FFfr1 each	311	-
	<hr/>	<hr/>
	350	-
	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

11 Profit/(loss) of Pourshins PLC

In accordance with Section 250 of the Companies Act 1985 no separate profit and loss account is published for the holding company Pourshins PLC.

Of the profit after taxation, £717,000 (1993 - loss £(307,000)) has been dealt with in the financial statements of Pourshins PLC.

12 Tangible assets

Group	Leasehold improvement £'000	Motor vehicles, plant and machinery £'000	Office equipment, fixtures and fittings £'000	Total £'000
<i>Cost</i>				
At 30 May 1993	624	1,696	749	3,069
Exchange movements	4	(4)	-	-
Additions	32	335	171	538
Disposals	(1)	(285)	(55)	(341)
	<hr/>	<hr/>	<hr/>	<hr/>
At 26 November 1994	659	1,742	865	3,266
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 30 May 1993	259	906	394	1,559
Exchange movements	1	(1)	(1)	(1)
Charge for period	145	345	184	674
Disposals	(1)	(92)	(28)	(121)
	<hr/>	<hr/>	<hr/>	<hr/>
At 26 November 1994	404	1,158	549	2,111
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 26 November 1994	255	584	316	1,155
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 May 1993	365	790	355	1,510
	<hr/>	<hr/>	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

12 Tangible assets (*Continued*)

Company	Leasehold improvement £'000	Motor vehicles, plant and machinery £'000	Office equipment, fixtures and fittings £'000	Total £'000
<i>Cost</i>				
At 30 May 1993	575	1,172	392	2,139
Exchange movements	4	1	-	5
Additions	29	360	83	472
Disposals	-	(288)	(31)	(319)
	<hr/>	<hr/>	<hr/>	<hr/>
At 26 November 1994	608	1,245	444	2,297
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 30 May 1993	235	727	248	1,210
Exchange movements	1	-	-	1
Charge for period	134	262	83	479
Disposals	-	(92)	(17)	(109)
	<hr/>	<hr/>	<hr/>	<hr/>
At 26 November 1994	370	897	314	1,581
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 26 November 1994	238	348	130	716
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 May 1993	340	445	144	929
	<hr/>	<hr/>	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

13 Investments

Group	Associated undertakings £'000	Unlisted investments £'000	Total £'000
<i>Cost</i>			
At 30 May 1993	5	11	16
Additions	-	5	5
Elimination (see below)	(5)	-	(5)
	<hr/>	<hr/>	<hr/>
At 26 November 1994	-	16	16
	<hr/>	<hr/>	<hr/>
<i>Provisions</i>			
At 30 May 1993	5	-	5
Released in the period	(5)	-	(5)
	<hr/>	<hr/>	<hr/>
At 26 November 1994	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Total</i>			
At 26 November 1994	-	16	16
	<hr/>	<hr/>	<hr/>
At 30 May 1993	-	11	11
	<hr/>	<hr/>	<hr/>

Elimination on acquiring 100% of the issued share capital of the associated undertaking, Executive Lounge Services Limited.

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

13 Investments (*Continued*)

Company	Subsidiary undertakings £'000	Participating interest £'000	Unlisted investments £'000	Total £'000
<i>Cost</i>				
At 30 May 1993	296	5	11	312
Additions	-	-	5	5
Elimination (note 14)	-	(5)	-	(5)
	<hr/>	<hr/>	<hr/>	<hr/>
At 26 November 1994	296	-	16	312
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Provisions</i>				
At 30 May 1993	59	5	-	64
Released in the period	-	(5)	-	(5)
	<hr/>	<hr/>	<hr/>	<hr/>
At 26 November 1994	59	-	-	59
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total</i>				
At 26 November 1994	237	-	16	253
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 May 1993	237	-	11	248
	<hr/>	<hr/>	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

13 Investments (*Continued*)

In the opinion of the directors the unlisted investments are worth not less than their cost.

Details of subsidiary undertakings:

Name of company and country of incorporation, registration and operations	Description of shares held	Proportion of nominal value of issued shares held
Pourshins SA - France	Ordinary FFr10 shares	100%
Pourshins (Soft Drinks) Limited - England	Ordinary £1 shares	100%
Quik Prep Limited - England	Ordinary £1 shares	100%
Executive Lounge Services Limited - England	Ordinary £1 shares	100%

The principal activity of Pourshins SA is the preparation of foodstuffs.

The financial statements of Pourshins SA do not conform with the group's accounting policies because of the legislation and accounting practices applicable in France. Appropriate adjustments are made on consolidation in order to present the group's financial statements on a uniform basis.

Pourshins (Soft Drinks) Limited does not trade on its own account, but acts as an agency company supplying soft drinks products to the travel market on behalf of Pourshins PLC.

14 Acquisition

The principal activity of Executive Lounge Services Limited is to supply beverages and foodstuffs to airport executive lounges.

On 3 October 1994 the group acquired the 50% balance of the issued share capital of Executive Lounge Services Limited that it did not already own, giving rise to goodwill of £14,000. Consideration for the shares was £1, and a further sum of £20,000 was paid to the vendor by way of settlement of a £29,500 debt it was owed by the company.

Quick Prep Limited did not trade in the period ended 26 November 1994.

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

14 Acquisition (*Continued*)

The acquisition is summarised as follows:

	Book value £'000	Revaluation of loan £'000	Fair value to the group £'000
Tangible fixed assets	2	-	2
Current assets			
Cash	2	-	2
Stocks	28	-	28
Debtors	83	-	83
	<hr/>	<hr/>	<hr/>
Total assets	115	-	115
	<hr/>	<hr/>	<hr/>
Creditors	157	(10)	147
	<hr/>	<hr/>	<hr/>
Net assets	(42)	-	(32)
	<hr/>	<hr/>	<hr/>

15 Stocks

	26 November 1994		29 May 1993	
	Group £'000	Company £'000	Group £'000	Company £'000
Raw materials and consumables	277	203	395	278
Finished goods and goods for resale	476	424	429	376
	<hr/>	<hr/>	<hr/>	<hr/>
	753	627	824	654
	<hr/>	<hr/>	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 *(Continued)*

16 Debtors

	26 November 1994		29 May 1993	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Trade debtors	3,944	3,104	3,757	2,874
Other debtors	302	18	242	126
Prepayments and accrued income	228	140	259	192
Amounts owed by subsidiary undertakings	-	448	-	89
Amounts owed by associated undertakings	-	-	40	40
	<hr/>	<hr/>	<hr/>	<hr/>
	4,474	3,710	4,298	3,321
	<hr/>	<hr/>	<hr/>	<hr/>

17 Creditors: amounts falling due within one year

Bank loans	239	108	172	74
Trade creditors	3,733	3,166	4,128	3,519
Hire purchase and finance leases	55	42	79	79
Other creditors	1,102	812	1,080	775
Other taxes and social security	247	121	224	93
Corporation tax	324	324	-	-
Amounts owed to subsidiary undertakings	-	220	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	5,700	4,793	5,683	4,540
	<hr/>	<hr/>	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

18 Creditors: amounts falling after more than one year

	26 November 1994		29 May 1993	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loans	520	332	746	469
Hire purchase and finance leases	65	48	118	118
Other creditors	-	-	18	18
	<hr/>	<hr/>	<hr/>	<hr/>
	585	380	882	605
	<hr/>	<hr/>	<hr/>	<hr/>

19 Borrowings

Bank loans comprise:

Company: A Dutch florin loan bearing interest at 9.875% per annum, repayable in instalments commenced on 1 September 1993 and ending on 1 December 1998. This loan is secured on the assets of the company's branch in Holland.

Subsidiaries:

A French franc loan repayable in instalments commenced on 15 September 1990 and ending on 15 June 1996. The balance outstanding amounted to £265,000 and is guaranteed by Pourshins PLC.

A French franc loan repayable in instalments commenced on 1 May 1993 and ending on 1 May 1998.

POURSHINS PLCNotes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)**19 Borrowings (*Continued*)**

Obligations under hire purchase and finance lease contracts comprise:

	26 November 1994		29 May 1993	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Due within one year	62	48	92	92
Due between two and five years	74	59	143	143
	<u>136</u>	<u>107</u>	<u>235</u>	<u>235</u>
Less: Finance charges allocated to future periods	(17)	(17)	(38)	(38)
	<u>119</u>	<u>90</u>	<u>197</u>	<u>197</u>

All amounts due under hire purchase contracts are repayable by instalments within five years of the balance sheet date. Interest in these contracts is payable at various rates depending on when the contract was first entered into and the respective finance company.

20 Provisions for liabilities and charges

	26 November 1994		29 May 1993	
	Group	Company	Group	Company
	£'000	£'000	£'000	£'000
Accelerated capital allowances	128	68	60	-
Unutilised tax losses	(15)	-	(15)	-
	<u>113</u>	<u>68</u>	<u>45</u>	<u>-</u>
Recoverable advance corporation tax	(62)	(62)	-	-
	<u>51</u>	<u>6</u>	<u>45</u>	<u>-</u>

All deferred tax was fully provided in the period concerned.

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (*Continued*)

21 Share capital

	1994 £'000	1993 £'000
<i>Authorised</i>		
20,000,000 "A" ordinary shares of 10p each	2,000	2,000
7,220,000 "B" ordinary shares of FFfr1 each	722	722
	<hr/>	<hr/>
	2,722	2,722
	<hr/>	<hr/>
<i>Allotted, called up, issued and fully paid</i>		
917,500 (1993 - 942,500) "A" ordinary shares of 10p each	92	94
7,220,000 "B" ordinary shares of FFfr1 each	722	722
	<hr/>	<hr/>
	814	816
	<hr/>	<hr/>

During the period, the company purchased 25,000 of its own "A" ordinary shares of 10p each at a cost of £8,500.

Share options

The following options on "A" ordinary shares of 10p each have been granted:

<u>Date of grant</u>	<u>Number of shares</u>	<u>Option price</u>	<u>Period of option</u>
September 1989	13,500	£0.44	September 1992 - September 1996
December 1991	2,700	£0.44	December 1994 - December 1998

22 Other reserves

	Premium account £'000	Capital redemption reserve £'000	Total £'000
At 30 May 1993 and 26 November 1994	6	5	11
	<hr/>	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 *(Continued)*

23 Profit and loss account

	26 November 1994	26 November 1993
	Group	Company
	£'000	£'000
At 30 May 1993	207	13
Exchange adjustment	24	25
Premium on acquisition of own shares	(6)	(6)
Goodwill on consolidation	(14)	-
Profit for the year	277	367
	<hr/>	<hr/>
At 26 November 1994	488	399
	<hr/>	<hr/>

24 Commitments under operating leases

As at 26 November 1994, the group had annual commitments under operating leases as follows:

	26 November 1994		29 May 1993	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	82	13	-	62
From two to five years	144	125	284	258
After five years	316	-	195	-
	<hr/>	<hr/>	<hr/>	<hr/>
	542	138	479	320
	<hr/>	<hr/>	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 (Continued)

25 Capital commitments

There were no capital commitments either contracted for or authorised but not contracted at the year end.

Contingent liability re Lloyds guarantee on Wrights of York deal, indemnified by Pourshins PLC.

26 Reconciliation of operating profit to net cash inflow from operating activities

	29 November 1994 £'000	29 May 1993 £'000
Operating (loss)/profit	(723)	6
Reorganisation costs	-	(325)
Depreciation charges	674	400
Provision against associated undertaking	-	5
Profit on sale of tangible fixed assets	(1)	-
Decrease/(increase) in stocks	70	(255)
(Increase) in debtors	(69)	(525)
(Decrease)/increase in creditors	(475)	753
Exchange adjustments	24	46
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(500)	105
	<hr/>	<hr/>

POURSHINS PLC

Notes forming part of the financial statements for the 18 months ended 26 November 1994 *(Continued)*

27 Purchase of subsidiary undertaking

	29 November 1994 £'000	29 May 1993 £'000
Net liabilities acquired		
Debtors	117	-
Creditors	(130)	-
	<hr/>	<hr/>
	(13)	-
Goodwill	14	-
	<hr/>	<hr/>
Satisfied by cash consideration	1	-
	<hr/> <hr/>	<hr/> <hr/>

28 Analysis of changes in cash equivalents during the year

At 30 May 1993	1,002	1,458
Net cash inflow/(outflow)	249	(456)
	<hr/>	<hr/>
At 26 November 1994	1,251	1,002
	<hr/> <hr/>	<hr/> <hr/>