

**ACORN (UK) 1 LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE 52 WEEKS ENDED 2 APRIL 2006**



# **ACORN (UK) 1 LIMITED**

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## **REPORT AND FINANCIAL STATEMENTS 2006**

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# **ACORN (UK) 1 LIMITED**

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## **REPORT AND FINANCIAL STATEMENTS 2006**

### **OFFICERS AND PROFESSIONAL ADVISORS**

#### **DIRECTORS**

A W Bristow  
TM Roe

#### **SECRETARY**

M F Greenwood

#### **REGISTERED OFFICE**

41 - 42 Kew Bridge Road  
Brentford  
Middlesex  
TW8 0DY

#### **BANKERS**

Bank Of Scotland  
P O Box 39900  
Bishopsgate Exchange  
Level 7, 155 Bishopsgate  
London  
EC2M 3YB

#### **SOLICITORS**

Boyes Turner  
Abbotts House  
Abbey Street  
Reading  
Berkshire  
RG1 3BD

Speechly Bircham  
6 St Andrew Street  
London  
EC4A 3LX

#### **AUDITORS**

PricewaterhouseCoopers LLP  
1 Embankment Place  
London  
WC2N 6RH

# **ACORN (UK) 1 LIMITED**

## **DIRECTORS' REPORT**

The Directors present their annual report and the audited financial statements for the financial year ("the year") which was a fifty two week period ended 2 April 2006. The comparative financial year was a fifty three week period ended 3 April 2005.

## **PRINCIPAL ACTIVITIES**

The company is an investment holding company.

## **RESULTS**

	<b>52 weeks ended 2 April 2006 €000s</b>	<b>53 weeks ended 3 April 2005 €000s</b>
Profit on ordinary activities before tax	(1,371)	26,921
Tax on profit on ordinary activities	<u>411</u>	<u>-</u>
Retained profit for the financial year transferred to reserves	<u>(960)</u>	<u>26,921</u>

No dividend has been paid or proposed (2005 – Nil).

## **FUTURE DEVELOPMENTS**

The Directors do not anticipate that there will be any changes in the activity of the company in the year to 1 April 2007.

## **DIRECTORS AND THEIR INTERESTS**

Directors during the year to 2 April 2006 were as follows:

A W Bristow  
T M Roe

No directors had during the year or at the end of the year any disclosable interests in the shares of any Group company or any material interests in any contracts of significance to the Group's business.

## **STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Directors  
and signed on behalf of the Board



**M F Greenwood**  
Company Secretary  
21 July 2006

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year 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; and
- \* 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 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN (UK) 1 LIMITED**

**52 Weeks Ended 2 April 2006**

We have audited the financial statements of Acorn (UK) 1 Limited for the 52 weeks ended 2 April 2006 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions 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 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACORN (UK) 1 LIMITED**

**52 Weeks Ended 2 April 2006**

**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 2 April 2006 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*

**PricewaterhouseCoopers LLP**  
Chartered Accountants  
and Registered Auditors  
21 July 2006

## ACORN (UK) 1 LIMITED

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### **PROFIT AND LOSS ACCOUNT**

52 Weeks Ended 2 April 2006

	<u>Note</u>	<u>52 weeks ended 2 April 2006 €000</u>	<u>53 weeks ended 3 April 2005 €000</u>
Net operating income / (charges)	2	<u>621</u>	<u>(81)</u>
<b>OPERATING PROFIT / (LOSS )</b>		621	(81)
Income from fixed asset investment	3	-	27,693
Net interest payable	5	<u>(1,992)</u>	<u>(691)</u>
<b>(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(1,371)	26,921
Tax on loss on ordinary activities	6	<u>411</u>	<u>-</u>
<b>RETAINED (LOSS) / PROFIT FOR THE FINANCIAL PERIOD TRANSFERRED TO RESERVES</b>		<u>(960)</u>	<u>26,921</u>

There are no recognised gains or losses other than the profit for the year and accordingly no statement of total recognised gains and losses is given.



**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**52 Weeks Ended 2 April 2006**

	<b>52 weeks ended 2 <u>April 2006</u> €000</b>	<b>53 weeks ended 3 <u>April 2005</u> €000</b>
(Loss) / profit on ordinary activities after taxation	(960)	26,921
Issue of shares	<u>-</u>	<u>100</u>
Net (reduction) / addition to shareholders' funds	(960)	27,021
Opening shareholders' funds	<u>27,021</u>	<u>-</u>
Closing shareholders' funds	<u>26,061</u>	<u>27,021</u>

# ACORN (UK) 1 LIMITED

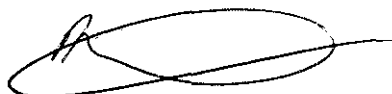
## **BALANCE SHEET**

2 April 2006

	<u>Note</u>	<u>2006</u> €000	€000	<u>2005</u> €000	€000
<b>FIXED ASSETS INVESTMENTS</b>	7				
Investments			39,727		39,197
<b>CURRENT ASSETS</b>					
Debtors	8	50,205		41,388	
Cash at bank and in hand		<u>1,298</u>		<u>140</u>	
		51,503		41,528	
<b>CREDITORS: Amounts falling due within one year</b>	9(a)	<u>(26,925)</u>		<u>(2,819)</u>	
<b>NET CURRENT ASSETS</b>			<u>24,578</u>		<u>38,709</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>64,305</u>		<u>77,906</u>
<b>CREDITORS: Amounts falling due after more that one year</b>	9(b)		<u>(38,244)</u>		<u>(50,885)</u>
<b>NET ASSETS</b>			<u>26,061</u>		<u>27,021</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		100		100
Profit and loss account	11		<u>25,961</u>		<u>26,921</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>26,061</u>		<u>27,021</u>

These financial statements were approved by the Board of Directors and authorised for issue on 21 July 2006.

Signed on behalf of the Board of Directors



**A W Bristow**  
Director

## **NOTES TO THE ACCOUNTS**

**52 Weeks Ended 2 April 2006**

### **1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice. The particular accounting policies adopted are described below.

#### **(a) Accounting Convention**

The financial statements are prepared under the historical cost convention.

#### **(b) Exemption from Producing a Cash Flow Statement**

Exemption has been taken from preparing a cash flow statement as the company is a wholly owned subsidiary of a company whose consolidated financial statements are publicly available.

#### **(c) Investments**

Investments held as fixed assets are stated at cost less any provision for impairment in value.

#### **(d) Translation of Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into euros at the rates of exchange ruling at the year end date. Transactions in currencies other than euros are translated at the rates ruling at the dates of the transactions. All exchange differences are dealt with in the profit and loss account.

#### **(e) Taxation**

Current tax is provided by applying the current tax rate to the result for the financial period, as adjusted for applicable loss carry forwards, exempt profit elements and non-deductible costs.

Deferred taxation is provided in full on all timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **(f) Finance Costs**

Finance costs of debt are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount. Such costs are deducted from the associated borrowings balance for disclosure purposes.

#### **(g) Related Party Transactions**

The company has taken the exemption within FRS 8 not to disclose transactions with other Group companies.

**NOTES TO THE ACCOUNTS**

52 Weeks Ended 2 April 2006

**2. NET OPERATING (INCOME)/CHARGES**

	<b>52 weeks ended 2 April 2006 €000</b>	<b>53 weeks ended 3 April 2005 €000</b>
Staff costs:		
- wages and salaries	1,456	573
- social security costs	185	71
Other operating income	(1,641)	(644)
Exchange (profits) / losses	<u>(621)</u>	<u>81</u>
	<u>(621)</u>	<u>81</u>

The auditors remuneration in the current and prior year has been borne by Autobar Group Limited. Other operating income relates to charges to fellow group undertakings in respect of management services.

**3. INCOME FROM FIXED ASSET INVESTMENTS**

	<b>52 weeks ended 2 April 2006 €000</b>	<b>53 weeks ended 3 April 2005 €000</b>
Income from shares in subsidiary undertakings	<u>-</u>	<u>27,693</u>

**4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>52 weeks ended 2 April 2006 €000</b>	<b>53 weeks ended 3 April 2005 €000</b>
Average number of persons employed (including directors):		
Administration	<u>3</u>	<u>3</u>

No directors received emoluments for their services to the company (2005: - £Nil).

# ACORN (UK) 1 LIMITED

## NOTES TO THE ACCOUNTS

52 Weeks Ended 2 April 2006

### 5. NET INTEREST PAYABLE

	52 weeks ended 2 <u>April 2006</u> €000	53 weeks ended 3 <u>April 2005</u> €000
Interest receivable and similar charges:		
- fellow subsidiary undertakings	2,907	3,103
- undertakings under common control	229	-
- bank	<u>1</u>	<u>5</u>
	3,137	3,108
Interest payable and similar charges:		
- fellow subsidiary undertakings	(367)	-
- undertakings under common control	(266)	(161)
- <i>unsecured discounted bonds</i>	(3,460)	(3,638)
- bank loans	<u>(1,036)</u>	<u>-</u>
	<u>(5,129)</u>	<u>(3,799)</u>
Net interest payable	<u>(1,992)</u>	<u>(691)</u>

### 6. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 2 <u>April 2006</u> €000	53 weeks ended 3 <u>April 2005</u> €000
(Loss) / Profit on ordinary activities before taxation	(1,371)	26,921
United Kingdom Corporation Tax at 30%	411	(8,076)
Effects of:		
- income not subject to corporation tax	-	8,308
- losses not utilised in period	<u>-</u>	<u>(232)</u>
Total current tax credit	<u>411</u>	<u>-</u>

### 7. INVESTMENTS HELD AS FIXED ASSETS

	Shares in group <u>undertakings</u> €000
<b>COST AND NET BOOK VALUE</b>	
At 4 April 2005	39,197
Addition	<u>530</u>
At 2 April 2006	<u>39,727</u>

All the above investments are unlisted. See Note 13 for details of principal subsidiaries. The addition in the period relates to the recharge, by a fellow group undertaking, of costs relating to the acquisition of Autobar Group Limited in July 2004.

## NOTES TO THE ACCOUNTS

52 Weeks Ended 2 April 2006

### 8. DEBTORS

	<u>2006</u> €000	<u>2005</u> €000
Amounts owed by Group undertakings:		
- fellow subsidiary undertakings	50,205	41,388

Amounts owed by group undertakings include intergroup loans of €45,689,000 (2005: €38,507,000). These loans are repayable on the agreement of both parties and interest is charged at between 7.40% and 9.09% per annum.

### 9. CREDITORS

	<u>2006</u> €000	<u>2005</u> €000
<b>(a) Amounts falling due within one year:</b>		
Amounts owed to Group undertakings:		
- parent undertakings	16,529	-
Amounts owed to undertakings under common control	-	2,819
Secured bank loans	10,359	-
Other creditors	37	-
	<u>26,925</u>	<u>2,819</u>

Amounts owed to group undertakings include an intergroup loan of €16,264,000 (2005: €Nil). This loan is repayable on the agreement of both parties and interest is charged at 9.09% per annum.

#### **(b) Amounts falling due after more than one year:**

Unsecured Discounted Bonds	-	50,885
Secured bank loans	38,244	-
	<u>38,244</u>	<u>50,885</u>

#### **Borrowings are repayable as follows:**

Secured bank loans:		
One year or less	10,359	-
One to Two years	3,146	-
Two to Five years	16,202	-
After Five years	18,896	-
	<u>48,603</u>	<u>-</u>

#### Unsecured Discounted Bonds:

After five years	-	50,885
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The unsecured discounted bonds accrued interest at 10% per annum.

**NOTES TO THE ACCOUNTS**

52 Weeks Ended 2 April 2006

**10. CALLED UP SHARE CAPITAL**

	<u>2006</u> <u>€000</u>	<u>2005</u> <u>€000</u>
Authorised		
100 Ordinary Shares of £1 each	-	-
100,000 Ordinary Shares of €1 each	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 Ordinary Share of £1 each	-	-
100,000 Ordinary Shares of €1 each	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

**11. RESERVES**

	<u>Profit &amp; Loss</u> <u>Account</u> <u>€000</u>
3 April 2005	26,921
Retained loss for the period	<u>(960)</u>
At 2 April 2006	<u>25,961</u>

**12. ULTIMATE AND INTERMEDIATE PARENT COMPANY**

At 2 April 2006, Charterhouse Capital Partners VII Fund was the company's ultimate parent company and controlling party. The fund is managed by Charterhouse General Partners VII Limited. Charden International BV is its intermediate parent company and parent of the smallest and largest Group for which consolidated accounts are drawn up and of which the company is a member. Charden International BV is a company incorporated in The Netherlands, (Company Number: 34123874).

The accounts can be obtained from:  
Kamer van Koophandel en Fabrieken voor Rotterdam  
Blaak 40  
3011 TA ROTTERDAM  
The Netherlands

## NOTES TO THE ACCOUNTS

52 Weeks Ended 2 April 2006

### 13. PRINCIPAL SUBSIDIARY COMPANIES AND POST BALANCE SHEET EVENTS

#### United Kingdom and Ireland

#### Nature of Business

Autobar Group Limited	Holding Company
Autobar Industries Limited	Holding Company
Autobar Investments Limited	Treasury
Arabica Coffee Limited	Vending
Automated Vending Company Limited	Vending
Automated Vending Company Limited (Incorporated in Ireland)	Vending
Balmoral Trading Limited	Vending
Business Beverages Limited	Vending
Café Bar (UK) Limited	Vending
Chequer Foods Limited	Vending
Classic Vending Limited	Vending
Executive Vending Limited	Vending
Sabre Vending Limited	Vending
Vendaidd Automatic Caterers Limited	Vending
King UK Limited	Distribution

At 2 April 2006 Acorn (UK) 1 Limited had a beneficial interest of 100% of the ordinary share capital of the above companies. All companies are incorporated in the United Kingdom, except as indicated.

### 14. CONTINGENT LIABILITIES

The company together with its parent company and a number of related group companies have put in place cross-guarantees for obligations under facilities agreements. The guarantors thereby have the ability to benefit from the provision of the facilities to the Group and its related entities. The Directors are of the opinion that these arrangements will not have a material impact on the financial statements.

Security, in the form of fixed and floating charges over certain of the group's assets, has been given by the company, its parent company, and a number of related companies to secure the obligations under the facilities agreements.

### 15. CONSOLIDATION

The financial statements contain information about Acorn (UK) 1 Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Charden International BV, a company incorporated in The Netherlands.



**NOTES TO THE ACCOUNTS****52 Weeks Ended 2 April 2006****16. RELATED PARTY TRANSACTIONS**

As defined in Note 12 at 2 April 2006, Charterhouse Capital Partners VII Fund (managed by Charterhouse General Partners VII Limited) was the company's ultimate parent company, and Charden International BV its intermediate parent company. Charterhouse Capital Partners VII Fund also ultimately owns Acorn (Netherlands) Z BV a Dutch registered group of companies. The company has during the year entered into some normal trading transactions with companies within this group.

All material related party transactions are summarised below:

	<b>52 weeks ended 2 April 2006 €000</b>	<b>53 weeks ended 3 April 2005 €000</b>
Interest receivable from undertakings under common control	<u>229</u>	<u>-</u>
Interest paid to undertakings under common control	<u>(266)</u>	<u>(161)</u>
Balances due to undertakings under common control	<u>-</u>	<u>(2,819)</u>

Material transactions with the company's shareholders are summarised below:

	<b>52 weeks ended 2 April 2006 €000</b>	<b>53 weeks ended 3 April 2005 €000</b>
Interest payable on unsecured discounted bonds	<u>(3,460)</u>	<u>(3,638)</u>
Balances due on unsecured discounted bonds	<u>-</u>	<u>(50,885)</u>

Normal trading transactions also occur between the company and companies within the Charden International BV group. The consolidated financial statements of Charden International BV are publicly available and accordingly, as a result of the exemption allowed by Financial Reporting Standard 8, no disclosure of these transactions is made in the company's financial statements.