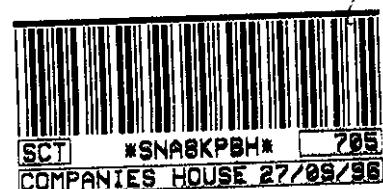


Registered No. : 26958

**UNITED DISTILLERS PROPERTY COMPANY LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 1995**



# **UNITED DISTILLERS PROPERTY COMPANY LIMITED**

## **REPORT OF THE DIRECTORS**

### **DIRECTORS**

B Burden (appointed 1 September 1995)  
N J Cornick  
K W Delahunt (resigned 31 August 1995)  
R J Gilchrist  
G W King

### **SECRETARY**

R J Gilchrist

### **REGISTERED OFFICE**

Distillers House  
33 Ellersly Road  
Edinburgh EH12 6JW

The Directors submit their report and the audited financial statements of the Company for the year ended 31 December 1995.

### **RESULTS**

The Company made neither a profit nor loss for the year (1994 - £nil) and did not make a transfer to reserves (1994 - £nil).

### **DIVIDENDS**

The Directors do not recommend payment of a dividend (1994 - £nil).

### **REVIEW OF THE BUSINESS**

The Company did not trade during the year.

### **DIRECTORS**

The Directors of the Company who held office during the year are shown above.

### **DIRECTORS' INTERESTS**

No Director had a beneficial interest in the shares of the Company or any subsidiary of the ultimate parent undertaking. The Directors' interests in the Ordinary shares of the Company's ultimate parent undertaking, Guinness PLC, were as follows:

# UNITED DISTILLERS PROPERTY COMPANY LIMITED

## REPORT OF THE DIRECTORS

### DIRECTORS' INTERESTS (continued)

	<u>At 31 December 1995</u>		<u>At 1 January 1995 or date of appointment</u>	
	Options over		Options over	
	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares
B Burden	9,560	61,097	9,560	61,097
N J Cornick	2,702	20,321	2,039	15,179
R J Gilchrist	9,021	24,391	6,995	19,623
G W King	7,232	61,443	8,101	47,016

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

	<u>Options granted during 1995 or since date of appointment</u>		<u>Options exercised during 1995 or since date of appointment</u>	
	Number	Price £	Number	Price £
B Burden	-	-	-	-
N J Cornick	4,282	4.575	-	-
	860 *	4.010	-	-
R J Gilchrist	5,294	4.575	-	-
	860 *	4.010	1,386 *	2.705
G W King	14,427	4.575	-	-

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

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

No contract or arrangement entered into by the Company in which any Director is interested has existed during the year.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 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 the financial year.

# **UNITED DISTILLERS PROPERTY COMPANY LIMITED**

## **REPORT OF THE DIRECTORS**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

The Directors consider that in preparing the financial statements on pages 5 to 8, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed. The Directors are also responsible for preparing financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

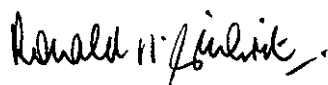
### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

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

### **AUDITORS**

An Elective Resolution was previously passed in accordance with Section 386 of the Companies Act 1985 to dispense with the annual re-appointment of auditors. Price Waterhouse will continue in office until this election is revoked.

By Order of the Board



**R J Gilchrist**  
Secretary

**21 June 1996**

# **UNITED DISTILLERS PROPERTY COMPANY LIMITED**

## **AUDITORS' REPORT TO THE MEMBERS OF UNITED DISTILLERS PROPERTY COMPANY LIMITED**

We have audited the financial statements on pages 5 to 8, which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on pages 2 and 3 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **OPINION**

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 1995 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Price Waterhouse  
Chartered Accountants  
and Registered Auditors**

**Southwark Towers  
32 London Bridge Street  
London SE1 9SY**

**21 June 1996**

**UNITED DISTILLERS PROPERTY COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 1995**

During the financial year and the preceding financial year, the Company did not trade and received no income and incurred no expenditure. Consequently, during those years, the Company made neither a profit nor a loss.

**NOTE ON HISTORICAL COST PROFITS AND LOSSES**

There were no material differences between the reported results for 1995 and 1994 and the results for those years on an historical cost basis.

# UNITED DISTILLERS PROPERTY COMPANY LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 1995

	Notes	1995 £'000	1994 £'000
<b>FIXED ASSETS</b>			
Tangible assets	3	1,035	1,035
<b>CREDITORS</b> (amounts payable within one year)	4	(1,164)	(1,164)
<b>TOTAL NET LIABILITIES</b>		<u>(129)</u>	<u>(129)</u>
<b>SHARE CAPITAL AND RESERVES</b>			
Called up share capital	5	50	50
Profit and loss account	6	(188)	(188)
Other reserves	6	9	9
		<u>(129)</u>	<u>(129)</u>

The notes on page 7 and 8 form part of these accounts.

  
 R J Gilchrist  
 Director

Approved by the Board on 21 June 1996

# UNITED DISTILLERS PROPERTY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards.

#### 1.2 Fixed Assets

Freehold land and buildings are stated at valuation. No provision has been made for depreciation of freehold land and buildings.

#### 1.3 Deferred Taxation

Deferred taxation on differences between 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.

### 2. DIRECTORS AND EMPLOYEES

None of the Directors received any emoluments in respect of their services to the Company (1994 - £nil). There are no employees of the Company.

### 3. TANGIBLE ASSETS

	1995 £'000	1994 £'000
Land and buildings	<u>1,035</u>	<u>1,035</u>

In 1992 the tangible asset values were reduced by £186,000 following an external valuation of the property on 31 December 1992.

### 4. CREDITORS (amounts payable within one year)

	1995 £'000	1994 £'000
Amounts owed to fellow subsidiary undertaking	<u>1,164</u>	<u>1,164</u>

### 5. SHARE CAPITAL

	1995 £'000	1994 £'000
Authorised: 100,000 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued and fully paid: 50,000 Ordinary shares of £1 each	<u>50</u>	<u>50</u>



# UNITED DISTILLERS PROPERTY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 6. RESERVES

	Profit and loss account £'000	Other reserves £'000	Total £'000
At 1 January 1995 and 31 December 1995	<u>(188)</u>	<u>9</u>	<u>(179)</u>

### 7. PARENT UNDERTAKING

The immediate parent undertaking is United Distillers p.l.c., registered in Scotland and the ultimate parent undertaking is Guinness PLC, registered in England.

The ultimate parent undertaking is the only Company in the Group preparing consolidated accounts and copies can be obtained from The Company Secretary, 39 Portman Square, London W1H 0EE.

### 8. FINANCIAL SUPPORT

The Company's ultimate parent undertaking has indicated its willingness to continue to support the Company financially.