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BRITVIC LIMITED
REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their annual report and audited accounts for the 75 weeks ended 3rd March 1979.

Directorate

The Directors of the Company at 3rd March 1979 were as follows:

B.H. McGrath	(Chairman)
G.E. Inman	(Chief Executive)
H.F. Horton	
R.W. Jarred	
G.E.V. Martin	
W.D. Moon	
S.J. Neale	
G.R.C. Scott	
G.D. Yates	

During the period, the undermentioned Board changes took place:

Mr. D.F. Strachan resigned on the 25th September 1977
Mr. G.R.C. Scott was appointed on the 18th January 1978
Mr. D.A. Longbottom resigned on the 23rd January 1978

Directors' Interests

There were no notifiable interests of Directors in the shares and stock of Allied Breweries Limited recorded in the Register of Directors' Shareholdings, as the Directors are all Directors of the Company's holding company in whose Register the interests are disclosed.

Principal Activities

The principal activities of the Company are the production and sale of fruit juices and soft drinks.

Profit and Dividends

The attached Profit and Loss Account shows the profit for the 75 weeks ended the 3rd March 1979 together with the transfer to Revenue Reserves, 1st and 2nd interim dividends paid and 3rd interim dividend proposed.

Export Sales

During the period export sales amounted to £681,131. (1977 £404,809)

Fixed Assets

During the 75 weeks the Company spent £2,086,335 on additions to fixed assets, the major expenditure being for plant and dispensing equipment.

Auditors

Price Waterhouse & Co., having indicated their willingness to continue in office, a Resolution for their re-appointment, at a fee fixed by the Directors, has been passed at the Annual General Meeting.

By Order of the Board

23rd May 1979.

E.W. Seabright
Secretary



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AUDITORS' REPORT TO THE MEMBERS OF
BRITVIC LIMITED

We have examined the attached accounts and notes which have been prepared under the historical cost convention, as modified by the revaluation of certain properties (note 9).

In our opinion, the accounts give, under the accounting convention stated above, a true and fair view of the state of affairs of the Company at 3rd March 1979, and of its profit and source and application of funds for the period then ended and comply with the Companies Acts 1948 and 1967.

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

Price Waterhouse & Co.

PRICE WATERHOUSE & CO.
Chartered Accountants

15 June 1979

BRITVIC LIMITED
PROFIT AND LOSS ACCOUNT FOR THE
75 WEEKS ENDED 3RD MARCH, 1979

		1979	52 Weeks Ended 24th September 1977
	Notes	£	£
TURNOVER	1	<u>20,851,689</u>	<u>10,608,046</u>
PROFIT BEFORE TAXATION		1,337,788	495,353
After Charging:			
Depreciation	1 & 9	1,018,756	489,240
Hire of Plant & Machinery		60,666	5,883
Directors' Emoluments	2	109,589	50,791
Auditors Remune- ration		6,069	2,400
Property rent payable		416,047	250,176
Interest payable		<u>76,558</u>	<u>83,428</u>
And Crediting:			
Profit on disposal of fixed assets		42,267	15,583
Exchange gains		2,664	-
Rents receivable		<u>62,829</u>	<u>44,150</u>
TAXATION	1 & 4	<u>(119,015)</u>	<u>246,142</u>
PROFIT AFTER TAXATION		1,218,773	741,495
Interim dividends paid		(239,000)	(100,000)
Third interim dividend proposed (1977 second)		<u>(134,000)</u>	<u>(130,000)</u>
TRANSFER TO REVENUE RESERVE		<u>845,773</u>	<u>511,495</u>

BRITVIC LIMITED

BALANCE SHEET AS AT 3RD MARCH 1979

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	Notes	£	1979	£	1977	£
FIXED ASSETS	9		6,057,413		5,003,861	
INVESTMENTS & TRADE LOANS			40,000		-	
INVESTMENT IN SUBSIDIARY	11		260,120		-	
CURRENT ASSETS						
Stocks and stores	1	2,912,195		2,893,406		
Debtors & prepayments		737,732		565,611		
Amounts owing by other group companies		287,688		182,303		
Bank balance and cash		28,714		18,518		
Group relief receivable		112,340		242,570		
		<u>4,078,669</u>		<u>3,902,408</u>		
CURRENT LIABILITIES						
Taxation		244,751		-		
Bank overdraft		177,142		137,700		
Creditors		2,783,366		2,947,835		
Amounts owing to group companies		1,165,050		604,614		
Proposed dividend		134,000		130,000		
		<u>4,504,309</u>		<u>3,820,149</u>		
NET CURRENT ASSETS/ LIABILITIES			(425,640)		82,259	
			<u>5,931,893</u>		<u>5,086,120</u>	
SHARE CAPITAL						
Authorised: 100 Ordinary Shares of £1 each		100		100		
Issued and fully paid: 10 ordinary shares of £1 each			10		10	
CAPITAL RESERVE			1,297,768		1,297,768	
REVENUE RESERVE	.6		4,634,115		3,788,342	
			<u>5,931,893</u>		<u>5,086,120</u>	

George E. Inman Director (G. E. INMAN)

G. R. C. Scott Director (G. R. C. SCOTT)

NOTES ON THE ACCOUNTS FOR THE
75 WEEKS ENDED 3RD MARCH 1979

1. Accounting Policies

Accounting Date

During the period under review, the Accounting Reference Date was changed with the effect that the period covered by these Accounts is for 75 weeks ended the 3rd March 1979, and thereafter the financial year will end on the first Saturday in March of each year.

Foreign Currencies

Balances of foreign currencies at the year end are expressed in sterling at appropriate rates of exchange ruling at the year end.

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. However, no provision is made for taxation deferred by reliefs, principally accelerated taxation allowances on capital expenditure and stock appreciation relief, if there is reasonable evidence that such deferred taxation will not be payable in the future. This policy is in accordance with the provisions of Statement of Standard Accounting Practice No. 15 issued by the UK accountancy bodies in October 1978.

This represents a change in policy from that previously adopted, and the comparative figures for 1977 have been adjusted accordingly. The effects of this change in policy are shown in notes 4 and 6.

Stocks and Stores

The valuation of trading stocks is made on bases appropriate to the Company's business at the lower of cost and net realisable value. Cost comprises purchase price or direct production and appropriate overhead costs together with Customs and Excise duties.

Depreciation

No depreciation is provided on freehold land.

No depreciation is provided on long leasehold properties until they are within 50 years of the expiry of the lease at which time depreciation is provided to write off the cost or valuation over the remaining period of the lease.

Depreciation on industrial buildings is calculated to write off the cost or valuation over 50 years and on plant, machinery, vehicles and sundry equipment over the estimated useful life.

Turnover

Turnover is the sum of sales and other trading income including sales to fellow subsidiaries but excluding Value Added Tax.

Consolidated Accounts

The Company is a wholly owned subsidiary of another body corporate incorporated in Great Britain and no group accounts are submitted. In the opinion of the Directors the value of the Company's investment in its subsidiaries, consisting of shares in and amounts due therefrom, is not less than the aggregate of the amounts at which these assets are included in the balance sheets.

2. Directors' Emoluments

The emoluments of the Directors during the period were as follows:

	1979 £	1977 £
Remuneration as executive directors	90,632	41,881
Premiums in respect of pension schemes	18,957	8,910
	<u>109,589</u>	<u>50,791</u>
Emoluments of the Chairman	NIL	NIL
Emoluments of the highest paid director	27,599	15,969

The number of other directors whose emoluments excluding contributions paid under pension schemes were within the scales set out below was:

£	1979	1977
0 - 2,500	5	5
2,501 - 5,000	-	-
5,001 - 7,500	-	-
7,501 - 10,000	-	3
10,001 - 12,500	-	-
12,501 - 15,000	1	-
15,001 - 17,500	3	-

3. Employees' Emoluments

The emoluments of higher paid employees who were earning over £10,000 per annum were as follows:

£	1979	1977
10,001 - 12,500	1	-

4. Taxation

Taxation based on the profit for the period is as follows:

	1979 On basis of £	1977 SSAP 15 £	1977 As previously stated £
Corporation Tax at 52% (1977 - 52%)	132,411	(219,819)	(219,819)
Prior Year	(13,396)	(26,323)	(26,323)
Deferred Taxation	-	-	464,475
	<u>119,015</u>	<u>(246,142)</u>	<u>218,333</u>

The credit for taxation in 1977 arises from payments from other group companies for losses surrendered under the group relief provisions.

The charge for taxation has benefited from capital allowances in excess of the related depreciation charge, and stock appreciation relief. It is not expected that the taxation deferred by these timing differences will be payable in the future and in accordance with SSAP No. 15 this tax has not been provided. Without the benefit of these timing differences the taxation charge would have been increased as follows:

	1979 £	1977 £
Capital Allowances	558,594	257,114
Stock Appreciation Relief	<u>45,760</u>	<u>207,361</u>
	<u>604,354</u>	<u>464,475</u>

5. Deferred Taxation

As stated in notes 1 and 4 deferred taxation has been provided in accordance with SSAP No. 15. The potential amount of deferred taxation which has not been accounted for at the balance sheet date is:

	1979 £	1977 £
Capital Allowances	1,960,257	1,401,663
Stock Appreciation Relief	966,300	920,540
Surplus on Revaluation of Properties (Note 9)	315,000	315,000
	<u>3,241,557</u>	<u>2,637,203</u>

6. Reserves

	1979 £	1977 £
<u>Revenue</u>		
At beginning of period:		
- as previously stated		1,419,119
- prior year adjustment		1,857,728
- as restated	3,788,342	3,276,847
Transfer from profit and loss account	845,773	511,495
At end of period	4,634,115	3,788,342

The prior year adjustment relates to the change in accounting policy for deferred taxation due to the adoption of an SSAP No. 15 basis.

7. Capital Commitments

	1979 £	1977 £
Expenditure contracted for but not provided in the accounts estimated at	2,645,202	544,883
Expenditure authorised by the Directors but not contracted for estimated at	1,161,877	1,528,980

8. Holding Company

At 3rd March 1979 the Company's ultimate holding company was Allied Breweries Limited, a company incorporated in Great Britain.

9. Fixed Assets

The Company's freehold and leasehold properties were professionally valued in 1973. No provision has been made for any tax liabilities which might arise if the Company's properties were disposed of at the amount at which they were valued on 29th September 1973 as no disposal of these assets is anticipated.

10. Guaranteed Borrowing Facility

Under the terms of a letter dated 11th January 1978 the company has unconditionally and irrevocably guaranteed all monies which may become due by Allied Breweries Limited to a syndicate of bankers under the terms of a borrowing facility of £20 million granted to that company.

At 3rd March 1979 £20 million has been drawn under this facility.

Under the terms of a letter dated 29th January 1979 the company has unconditionally and irrevocably guaranteed all monies which may become due by Allied Breweries Limited to a syndicate of bankers under the terms of a borrowing facility of £36 million granted to that company.

At 3rd March 1979 £18 million has been drawn under this facility.

11. Subsidiary Company

During the period ended 3rd March 1979 a 90% owned overseas subsidiary company, Britvic (Deutschland) GmbH, was formed.

The company's investment in its subsidiary at 3rd March 1979 is represented by:

	<u>£</u>
Cost of Shares	23,405
Amounts due	<u>236,715</u>
	<u>260,120</u>

9. Fixed Assets (Cont'd)

BRITVIC LIMITED

Valuations at 29th September 1973

Cost at 3rd March 1979

SUB-TOTAL

Depreciation at 3rd March 1979

Net balance as at 3rd March 1979

Net balance as at 24th September 1977

Additions

Internal transfers

Government Grants

Disposals

Proceeds

Profit

Depreciation

Net balance at 3rd March 1979

Freehold Properties	Long Lease Properties	Short Lease Properties	Plant and Machinery	Vehicles & Sundry Equipment	Total 1979	Total 1977
£	£	£	£	£	£	£
910,000	920,000	122,250	-	-	1,952,250	1,952,250
213,891	644,397	173,115	3,416,863	2,887,617	7,335,883	5,391,916
1,123,891	1,564,397	295,365	3,416,863	2,887,617	9,288,133	7,344,166
(73,678)	-	(89,010)	(1,917,502)	(1,150,530)	(3,230,720)	(2,340,305)
1,050,213	1,564,397	206,355	1,499,361	1,737,087	6,057,413	5,003,861
1,040,671	1,471,274	187,904	1,074,551	1,229,461	5,003,861	4,414,102
29,808	93,123	37,825	830,459	1,095,120	2,086,335	950,133
-	-	5,393	2,581	(1,088)	6,886	142,673
-	-	-	(5,521)	-	(5,521)	(9,952)
-	-	-	(1,500)	(56,159)	(57,659)	(19,438)
-	-	(748)	1,500	41,515	42,267	15,583
(20,266)	-	(24,019)	(402,709)	(571,762)	(1,018,756)	(489,240)
1,050,213	1,564,397	206,355	1,499,361	1,737,087	6,057,413	5,003,861

BRITVIC LIMITEDSTATEMENT OF SOURCES AND APPLICATION OF FUNDS75 WEEKS ENDED 3RD MARCH 1979

	1979 (75 Weeks)		1977 (52 Weeks)	
	£	£	£	£
<u>Sources of Funds</u>				
Funds from trading operations				
Profit Before Tax		1,337,788		495,353
Adjustment for items not involving the movement of funds				
Profit on sale of assets		(42,267)		(15,583)
Depreciation		1,018,756		489,240
Opening Stock Adjustment		-		141,838
Total generated from operations		2,314,277		1,110,848
Funds from other sources				
Group relief receipts		255,966		522,242
Proceeds from disposal of assets		57,659		19,438
Government Grants		5,521		9,952
		2,633,423		1,662,480
<u>Application of Funds</u>				
Shares in subsidiaries	(23,405)		-	
Trade Loans	(40,000)		-	
Dividends paid	(369,000)		(194,000)	
Purchases of fixed assets	(2,093,221)		(1,092,806)	
		(2,525,626)		(1,286,806)
		107,797		375,674
<u>Working Capital Requirements</u>				
Increase in stocks	18,789		670,260	
Increase in debtors	514,121		164,868	
(Increase) in creditors	(395,867)	137,043	(419,623)	415,505
<u>Increase/(Decrease) in Liquid Funds</u>				
Bank balance and cash	10,196		2,046	
Bank overdraft	(39,442)	(29,246)	(41,877)	(39,831)
		107,797		375,674