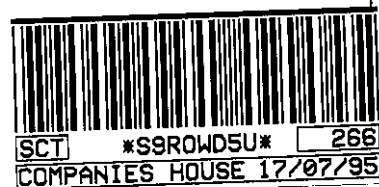


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HOUSE OF CAMPBELL LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1994

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HOUSE OF CAMPBELL LIMITED

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HOUSE OF CAMPBELL LIMITED

COMPANY INFORMATION

Directors: T Jacquillat (Chairman)
His Grace the Duke of Argyll
P Ricard
G J F Nectoux
R J Baudinet

Secretary: A Davie

Registered office: House of Campbell
West Byrehill
Kilwinning
Ayrshire
KA13 6LE

Registered number: 17607 Scotland

Auditors: Mazars
Chartered Accountants
12th Floor
New Zealand House
80 Haymarket
London
SW1Y 4TE

HOUSE OF CAMPBELL LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended December 31, 1994.

Principal activity and business review

The principal business of the company is the making of investments, and that of its subsidiaries is the production and marketing of Scotch Whisky and the shipping and marketing of wines and spirits. The directors are pleased with the results for the year and are confident that the current year will result in a profit. The profit for the year amounted to £3,952,381 (1993 - £6,522,725) which is taken to profit and loss account. No dividend is recommended.

Fixed assets

Information relating to fixed assets is set out in notes 10 to 13 to the financial statements.

Directors and their interests

The directors of the company at the date of this report are shown on page 1. According to the register of directors' interests, none of the directors had any beneficial interest in the share capital of the company or of any UK group company at the end of the year.

Employee involvement

Employee involvement is promoted through consultation with employees on many and various issues affecting their work, working conditions and future prospects. Employees are involved in a wide range of in-house and external training programmes dealing with safety, quality controls, work skills, language skills and self-development. Employees participate in a bonus scheme which is linked to the performance of the company.

Equal opportunities

The company is an equal opportunity employer. Entry into the company and progression within it is determined by merit and the application of criteria related to the effective performance of the task and the needs of the company. No applicant or employee is treated more or less favourably because of his or her sex, marital status, race, nationality, ethnic or national origin, colour or religious beliefs.

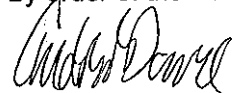
Employment of the disabled

The company's policy is that disabled persons will receive full and fair consideration when applying for a job within the company and in selection for training, career development and promotion. An employee who becomes disabled will be offered continuity of employment whenever the circumstances permit.

Auditors

Mazars have expressed their willingness to continue as auditors and a resolution for their reappointment will be proposed at the Annual General Meeting.

By order of the Board.



A Davie
Company Secretary
May 19, 1995

HOUSE OF CAMPBELL LIMITED

STATEMENT OF 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 group and of the profit or loss of the group 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, subject to any material departures disclosed and explained in the financial statements;
- 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.

HOUSE OF CAMPBELL LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF HOUSE OF CAMPBELL LIMITED

We have audited the financial statements on pages 5 to 26 which have been prepared under the accounting policies set out on pages 9 and 10.

Respective responsibilities of directors and auditors

As described on page 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. 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 affairs of the company and of the group as at December 31, 1994 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Mazars
Chartered Accountants
Registered Auditors
London
May 19, 1995

HOUSE OF CAMPBELL LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 1994**

	Notes	1994 £	1993 £
Turnover - continuing operations	2	92,667,806	77,863,898
Cost of sales		(58,859,133)	(49,209,242)
Gross profit		33,808,673	28,654,656
Distribution costs		(2,552,840)	(1,785,885)
Administrative expenses		(23,015,529)	(19,498,691)
Other operating income	6	1,417,039	2,560,792
Operating profit - continuing operations		9,657,343	9,930,872
Income from fixed asset investments		150,001	66,400
Interest receivable and similar income	7	97,363	398,318
Amounts written off investments	12	-	(41,076)
Interest payable and similar charges	8	(3,489,572)	(349,275)
Profit on ordinary activities before taxation	3	6,415,135	10,005,239
Tax on profit on ordinary activities	9	(2,462,754)	(3,482,514)
Retained profit for the financial year	22	£ 3,952,381	£ 6,522,725

The group has no recognised gains or losses other than the profit for the year.

The notes on pages 9 to 26 form part of the financial statements.

HOUSE OF CAMPBELL LIMITED

CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 1994

	Notes	1994 £	1993 £
Fixed assets			
Intangible assets	10	17,240	50,600
Tangible assets	11	7,975,813	8,484,206
Investments	12	38,277,474	38,277,474
		46,270,527	46,812,280
Current assets			
Stocks	14	45,634,832	44,337,955
Debtors (amounts falling due within one year)	15	27,800,839	27,455,511
Cash at bank and in hand		458,732	1,053,942
		73,894,403	72,847,408
Creditors (amounts falling due within one year)	16	(30,546,598)	(30,245,838)
Net current assets		43,347,805	42,601,570
Total assets less current liabilities		89,618,332	89,413,850
Creditors (amounts falling due after more than one year)	17	(27,457,538)	(31,396,972)
Provisions for liabilities and charges			
Deferred taxation	20	(428,104)	(236,569)
Net assets		£ 61,732,690	£ 57,780,309
Capital and reserves			
Called up share capital	21	7,466,666	7,466,666
Share premium account		6,421,469	6,421,469
Capital redemption reserve		70,000	70,000
Profit and loss account		47,774,555	43,822,174
Total shareholders' funds	22	£ 61,732,690	£ 57,780,309

The financial statements on pages 5 to 26 were approved by the directors on May 19, 1995.

T Jacquillat.....

G J F Nectoux.....

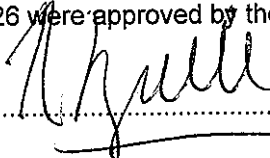
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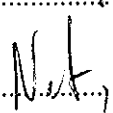
HOUSE OF CAMPBELL LIMITED

COMPANY BALANCE SHEET AT DECEMBER 31, 1994

	Notes	1994 £	1993 £
Fixed assets			
Investments	13	44,095,321	40,195,321
Current assets			
Debtors (amounts falling due within one year)	15	17,871,714	17,021,332
Debtors (amounts falling due after more than one year)	15	3,896	72,431
		17,875,610	17,093,763
Creditors (amounts falling due within one year)	16	(6,860,577)	(1,641,521)
Net current assets		11,015,033	15,452,242
Total assets less current liabilities		55,110,354	55,647,563
Creditors (amounts falling due after more than one year)	17	(27,401,198)	(31,320,309)
Net assets		£ 27,709,156	£ 24,327,254
Capital and reserves			
Called up share capital	21	7,466,666	7,466,666
Share premium account		6,421,469	6,421,469
Profit and loss account		13,821,021	10,439,119
Total shareholders' funds	23	£ 27,709,156	£ 24,327,254

The financial statements on pages 5 to 26 were approved by the directors on May 19, 1995.

T Jacquillat.....

G J F Nectoux.....

The notes on pages 9 to 26 form part of the financial statements.

HOUSE OF CAMPBELL LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1994**

	Notes	1994 £	1993 £
Net cash inflow from operating activities	28	11,385,123	4,615,099
Returns on investments and servicing of finance			
Interest received		97,363	398,318
Interest paid		(3,477,766)	(138,939)
Dividends received		150,001	49,800
Net cash inflow/(outflow) from returns on investments and servicing of finance		(3,230,402)	309,179
Taxation			
UK corporation tax paid		(3,288,860)	(3,588,193)
Investing activities			
Purchase of tangible and intangible fixed assets		(618,284)	(1,165,826)
Sale of tangible fixed assets		-	31,000
Purchase of investments in group undertakings		-	(38,195,321)
Net cash outflow from investing activities		(618,284)	(39,330,147)
Net cash (outflow)/inflow before financing		4,247,577	(37,994,062)
Financing			
Issue of new bank loan		-	31,320,309
Repayment of loan		(3,919,111)	-
Net cash inflow/(outflow) from financing	29	(3,919,111)	31,320,309
Increase/(decrease) in cash and cash equivalents	30	£ 328,466	£ (6,673,753)

The notes on pages 9 to 26 form part of the financial statements.

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

1. Accounting policies

The principal accounting policies of the company are set out below. The policies remain unchanged from the previous year.

Basis of accounting

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all its subsidiaries made up to December 31. The company is not required to publish its individual profit and loss account as a consolidated profit and loss account is presented.

Turnover

Turnover represents amounts invoiced stated net of value added tax and duty.

Foreign currencies

Transactions denominated in foreign currencies are recorded in sterling at the exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is reported in the profit and loss account.

Operating leases

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Dividend income

Dividend income from trade investments is recognised when the dividend is declared.

Pension costs

The group operates a defined benefit pension scheme. The amount charged to the profit and loss account is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The regular cost is calculated so that it represents a substantially level percentage of current and future pensionable payroll. Variations from regular cost are charged or credited to the profit and loss account over the estimated average remaining service lives of scheme members. Details of the latest actuarial valuation are given in note 27.

Any difference between amounts charged to the profit and loss account and contributions paid under the scheme is shown as a separately identified prepayment or accrual in the balance sheet.

The assets of the scheme are held independently of the group by Scottish Widows Fund and Life Assurance Society

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

1. Accounting policies (continued)

Goodwill

Goodwill is the difference between the fair value of the consideration given for the acquisition of a subsidiary undertaking and the aggregate of the fair values of the separate net assets acquired. Purchased goodwill is amortised through the profit and loss account on a straight line basis over the period that the directors consider the company will benefit from the expenditure.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost. Depreciation is provided to write off the cost less estimated residual value of all fixed assets on straight line bases over their expected useful lives:

Leasehold properties	- over the period of the lease
Freehold properties	- 20 years
Plant and machinery	- 10 years
Furniture, fittings & equipment	- between 5 and 10 years
Computer equipment	- between 3 and 5 years
Motor vehicles	- 4 years

Fixed asset investments

Fixed asset investments are included at cost. Provision is made for any permanent impairment in the value of an investment.

Government grants

Capital grants are transferred to a deferred credit account and released to income over the lives of the assets concerned.

Stocks

Stocks are stated at the lower of cost and net realisable value. In respect of whisky stocks purchased from third parties, cost represents the purchase price plus bond rents incurred in storage, while for whisky stocks produced within the group, cost represents materials, direct labour and appropriate production overheads plus bond rents incurred in storage. Provision is made where necessary for obsolete, slow moving and defective stock. In accordance with industry practice whisky stocks are shown as current assets even though a substantial part of stocks will not be sold within one year.

Deferred taxation

Provision is made for deferred tax at current rates of taxation in respect of timing differences between profit as computed for taxation purposes and profit as stated in the financial statements, to the extent that the directors expect that a liability will arise in the foreseeable future.

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

2. Turnover	1994	1993
	£	£
United Kingdom	46,341,454	43,592,771
Rest of Europe	41,039,733	30,036,892
Rest of the world	5,286,619	4,234,235
	£ 92,667,806	£ 77,863,898
 3. Profit on ordinary activities before taxation	 1994	 1993
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Auditors' remuneration	95,950	93,374
Auditors' remuneration for non-audit work	61,981	70,487
Staff costs (refer note 4)	9,527,875	8,304,763
Depreciation of owned tangible fixed assets	1,075,002	1,018,910
Amortisation of goodwill	85,035	33,360
Amortisation of government grants	(20,323)	(28,829)
(Profit)/loss on sale of fixed assets	-	(6,196)
Operating lease rentals - plant and machinery	611,903	609,693
Exchange loss on foreign currency borrowings	1,206,890	92,988
 4. Employee information	 1994	 1993
	£	£
Wages and salaries	8,162,793	6,972,741
Social security costs	547,805	537,162
Other pension costs	817,277	794,860
	£ 9,527,875	£ 8,304,763

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

4 Employee information (continued)

Included in total staff costs is £317,608 (1993 - £328,767) in respect of directors' remuneration (refer note 5).

The average number of persons employed
by the company during the year was:

	1994 Number	1993 Number
Sales	91	72
Distribution	16	17
Administration	91	84
Production	142	142
	340	315

5. Directors' remuneration

	1994 £	1993 £
Emoluments (including pension contributions)	217,608	233,767
Payment to third party for services of a Director	100,000	95,000
	£ 317,608	£ 328,767

Emoluments (excluding pension contributions) of:

Chairman	£ 52,304	£ 68,971
Highest paid director	£ 113,888	£ 117,093

Directors received emoluments (excluding pension
contributions) in the following ranges:

	1994 Number	1993 Number
£5,001 - £10,000	1	1
£25,001 - £30,000	1	1
£50,001 - £55,000	1	-
£65,001 - £70,000	-	1
£110,001 - £115,000	1	-
£115,001 - £120,000	-	1

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

6. Other operating income	1994 £	1993 £
Warehouse rental	491,610	734,544
Bottling services	281,357	525,872
Sale of by-products	232,502	241,153
Management fees	238,490	936,190
Other	173,080	123,033
	£ 1,417,039	£ 2,560,792
7. Interest receivable and similar income	1994 £	1993 £
Interest receivable from group undertakings	-	35,000
Bank deposit interest	38,540	291,097
Other	58,823	72,221
	£ 97,363	£ 398,318
8. Interest payable and similar charges	1994 £	1993 £
Interest payable on bank loans, overdrafts and other loans repayable within 5 years	2,268,422	256,287
Exchange loss on foreign currency borrowings	1,206,890	92,988
Interest payable to group undertakings	14,260	-
	£ 3,489,572	£ 349,275

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

9. Tax on profit on ordinary activities	1994 £	1993 £
UK corporation tax at 33% (1993 - 33%)	2,482,593	3,413,745
Deferred taxation	191,535	103,569
Adjustment in respect of prior years	(211,374)	(34,800)
	£ 2,462,754	£ 3,482,514
10. Intangible fixed assets		Goodwill £
Cost		
at January 1, 1994		167,361
Additions		51,675
at December 31, 1994		£ 219,036
Amortisation		
at January 1, 1994		116,761
Charge for the year		85,035
at December 31, 1994		£ 201,796
Net book amount		
at December 31, 1994		£ 17,240
Net book amount		
at January 1, 1994		£ 50,600

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

11. Tangible fixed assets (Group)	Land and buildings £	Plant, machinery and motor vehicles £	Furniture fittings and equipment £	Total £
Cost				
at January 1, 1994	8,141,617	6,242,140	1,533,313	15,917,070
Additions	91,682	331,741	143,186	566,609
at December 31, 1994	£ 8,233,299	£ 6,573,881	£ 1,676,499	£ 16,483,679
Depreciation				
at January 1, 1994	3,170,018	3,304,230	958,616	7,432,864
Charge for the year	333,898	561,540	179,564	1,075,002
at December 31, 1994	£ 3,503,916	£ 3,865,770	£ 1,138,180	£8,507,866
Net book amount				
at December 31, 1994	£ 4,729,383	£ 2,708,111	£ 538,319	£ 7,975,813
Net book amount				
at January 1, 1994	£ 4,971,599	£ 2,937,910	£ 574,697	£ 8,484,206

Included in land and buildings is a long leasehold building with a net asset value of £583,017 (1993 - £592,408).

All of the group's freehold land and buildings have been given as security for a bank loan issued to the company (refer note 18).

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

12. Fixed asset investments (Group)	Trade investments (unlisted) £
Shares at cost at January 1, 1994	38,318,550
Additions	-
at December 31, 1994	£ 38,318,550
Amount written off at January 1, 1994	41,076
Provision for the year	-
at December 31, 1994	£ 41,076
Net book amount at December 31, 1994	£ 38,277,474
Net book amount at January 1, 1994	£ 38,277,474

Trade investments of both the company and of the group represent the cost of acquiring an interest in bonds issued by Cidreries et Sopagly Réunies ("CSR"), a fellow subsidiary undertaking of Pernod Ricard SA. This interest comprises a right to the allotment of 372,500 shares with a par value of FRF135 each in CSR when the bonds are redeemed on November 30, 2000. Under certain circumstances, an allotment of shares to the company could take place on an earlier date. The company is not entitled to the receipt of any cash amounts in respect of the principal or interest due under the terms of the bonds, but such entitlements are to be held in trust on its behalf until November 30, 2000. The nominal value of the allotted share capital of CSR at December 31, 1994 was FRF58,457,295. Under the terms of the bonds, no shares would be allotted in the circumstances of default by CSR but the bonds would be redeemed in cash at the issue price plus accrued interest.

The group owns 10% of Pernod Ricard Japan, a fellow subsidiary undertaking of Pernod Ricard SA which is registered in Japan.

The group also owns 20% of each class of the share capital of Vintage and Fine Wine International Limited, a company registered in England and Wales which is a distributor and vendor of vintage port. At March 31, 1994 the capital and reserves of Vintage and Fine Wine International Limited were £2,370,478 (1993 - £1,503,782) and its profit for the year then ended was £1,466,696 (1993 - £620,652). The company also owns 19% of the share capital of Marlin Limited, a company registered in Jersey.

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

13. Fixed asset investments (Company)	Subsidiary undertakings £	Trade investments (unlisted) £	Total £
Shares at cost at January 1, 1994	2,000,000	38,195,321	40,195,321
Additions	3,900,000	-	3,900,000
at December 31, 1994	£ 5,900,000	£ 38,195,321	£ 44,095,321

The company's principal investments in subsidiary undertakings are as follows:

Subsidiary undertaking	Principal activity	County of registration or incorporation	Class of share	Percentage of shares held
Campbell Distillers Limited	Whisky distiller wine and spirit supplier	Scotland	Ordinary	100%
World Brands Duty Free Limited	Duty free spirit supplier	England	Ordinary	100%
Caxton Tower Wines Limited*	Wine supplier and distributor	England	Ordinary A	100%
Malcolm Scott and Company Limited*	Investment company	Scotland	Ordinary	100%
J.R. Parkington & Co Limited*	Dormant company	England	Ordinary	100%
White Heather Distillers Limited*	Dormant company	Scotland	Ordinary A	100%
Glanallachie Distillery Co Limited*	Dormant company	Scotland	Ordinary	100%
Pernod (UK) Limited*	Dormant company	England	Ordinary	100%

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

Fixed asset investments (continued)

Subsidiary undertaking	Principal activity	County of registration or incorporation	Class of share	Percentage of shares held
Dubonnet (1966) Limited*	Dormant company	England	Ordinary	100%
Ricard (1978) Limited*	Dormant company	England	Ordinary	100%
Bisquit (1978) Limited*	Dormant company	England	Ordinary	100%
Pierre Gerard (Wines) Limited*	Dormant company	England	Ordinary	100%
Lamont & Co (Distillers) Limited*	Property leasing	Scotland	Ordinary	100%
W Whiteley & Co Limited*	Investment	Scotland	Ordinary	100%
Glenforres Glenlivet Distillery Co Limited*	Dormant company	Scotland	Ordinary	100%
W Whiteley & Co Inc (USA)*	Dormant company	USA	Ordinary	100%

* Interests identified with an asterik are held by a subsidiary undertaking.

In the opinion of the directors, the aggregate value of the assets of the company consisting of shares in, or amounts owing from, the company's subsidiary undertakings is not less than the aggregate of the amounts at which those assets are included in the company's balance sheet.

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

14. Stocks (Group)	1994 £	1993 £
Raw material	2,149,837	1,303,091
Work in progress (maturing whisky stock)	36,046,412	36,792,141
Finished goods	7,438,583	6,242,723
	<u>£ 45,634,832</u>	<u>£ 44,337,955</u>

15. Debtors (amounts falling due within one year)	Group 1994 £	Company 1994 £	Group 1993 £	Company 1993 £
Trade debtors	20,962,017	-	19,331,433	-
Amounts owed by parent and fellow subsidiary undertakings	6,240,006	-	7,723,955	-
Amounts owed by subsidiary undertakings	-	17,867,137	-	17,007,887
Other debtors	307,324	-	230,534	-
Prepayments and accrued income	291,492	4,577	169,589	13,445
	<u>£ 27,800,839</u>	<u>£ 17,871,714</u>	<u>£ 27,455,511</u>	<u>£ 17,021,332</u>

Debtors (amounts falling due after more than one year)

Deferred tax asset	£ -	£ 3,896	£ -	£ 72,431
	<u>£ -</u>	<u>£ 3,896</u>	<u>£ -</u>	<u>£ 72,431</u>

HOUSE OF CAMPBELL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1994**

16. Creditors (amounts falling due within one year)	Group 1994 £	Company 1994 £	Group 1993 £	Company 1993 £
Bank loans and overdrafts (note 18)	7,916,305	6,860,377	8,839,981	1,430,985
Trade creditors	4,776,434	-	5,630,907	-
Amounts owed to parent and fellow subsidiary undertakings	8,727,079	-	7,089,553	-
Amounts owed to subsidiary undertakings	-	200	-	200
Corporation tax payable	2,380,014	-	3,397,145	-
Other creditors	53,839	-	106,690	-
Taxation and social security	737,102	-	540,413	-
Accruals and deferred income	5,955,825	-	4,641,149	210,336
	<u>£ 30,546,598</u>	<u>£ 6,860,577</u>	<u>£ 30,245,838</u>	<u>£ 1,641,521</u>

17. Creditors (amounts falling due after more than one year)	Group 1994 £	Company 1994 £	Group 1993 £	Company 1993 £
Bank loans and overdrafts	27,401,198	27,401,198	31,320,309	31,320,309
Regional development grants (refer note 19)	56,340	-	76,663	-
	<u>£ 27,457,538</u>	<u>£ 27,401,198</u>	<u>£ 31,396,972</u>	<u>£ 31,320,309</u>

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

18. Bank loans	Group 1994 £	Company 1994 £	Group 1993 £	Company 1993 £
Due within 1 year	7,916,305	6,860,377	8,839,981	1,430,985
Due within 1 to 2 years	6,323,353	6,323,353	5,051,662	5,051,662
Due within 2 - 5 years	15,808,383	15,808,383	16,165,323	16,165,323
Due after 5 years	5,269,462	5,269,462	10,103,324	10,103,324
	£ 35,317,503	£ 34,261,575	£ 40,160,290	£ 32,751,294

Bank loans of the company and of the group, totalling £35,317,503 (1993 - £40,160,290), include medium term loans amounting to £30,311,156 (1993 - £32,751,294) which are secured by a floating charge over the assets of the company and its subsidiary, Campbell Distillers Limited, and a fixed charge over all freehold properties owned by Campbell Distillers Limited. The medium term loans are denominated in French francs and the amounts included in the balance sheet represent the sterling equivalent of FRF253,098,149 (1993 - FRF285,263,875) at the exchange rate applying at the balance sheet date. The medium term loans matured on December 31, 1994, when they were replaced by similar loans in accordance with the terms of medium term facilities with the same group of lenders. In accordance with FRS 4, the terms of the facilities have been taken into account in assessing the maturity of the loans. The maximum amount available under these facilities reduces in equal annual instalments of FRF44,000,000 (equivalent to £5,269,461 using the year end exchange rate of £1 = FRF8.35), except in 1996 when a reduction of FRF52,800,000 (equivalent to £6,323,353) is required. These loans may be repaid earlier at the company's option. The rate of interest applying to the loans in 1994 was 7.2% per annum (1993 - 7.225%).

19. Regional development grants (Group)	1994 £
Net book amount at January 1, 1994	76,663
Amortisation charge for the year	(20,323)
Net book amount at December 31, 1994	£ 56,340

HOUSE OF CAMPBELL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1994**

20. Deferred tax	1994	1993
(Group)	£	£
Accelerated tax depreciation	432,000	467,000
Short term timing differences	(3,896)	(230,431)
	£ 428,104	£ 236,569

There was no unprovided potential liability at December 31, 1994 (1993 - £nil). The deferred tax asset in 1993 includes £158,000 which relates to adjustments made to stock values for tax purposes which have been recovered by deduction from the corporation tax liability for 1994.

21. Called up share capital	1994	1993
(Company and group)	£	£
Authorised		
7,497,500 ordinary shares of £1	7,497,500	7,497,500
250,000 'A' ordinary shares of £0.01	2,500	2,500
	£ 7,500,000	£ 7,500,000
Allotted, called up and fully paid		
7,464,493 ordinary shares of £1	7,464,493	7,464,493
217,333 'A' ordinary shares of £0.01	2,173	2,173
	£ 7,466,666	£ 7,466,666

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

22. Shareholders' funds (Group)	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total 1994 £	Total 1993 £
At January 1,	7,466,666	6,421,469	70,000	43,822,174	57,780,309	51,257,584
Retained profit for the year	-	-	-	3,952,381	3,952,381	6,522,725
at December 31,	<u>£7,466,666</u>	<u>£6,421,469</u>	<u>£70,000</u>	<u>£47,774,555</u>	<u>£61,732,690</u>	<u>£57,780,309</u>

23. Shareholders' funds (Company)	Share capital £	Share premium account £	Profit and loss account £	Total 1994 £	Total 1993 £
At January 1,	7,466,666	6,421,469	10,439,119	24,327,254	19,126,399
Retained profit for the year	-	-	3,381,902	3,381,902	5,200,855
at December 31,	<u>£7,466,666</u>	<u>£6,421,469</u>	<u>£13,821,021</u>	<u>£27,709,156</u>	<u>£24,327,254</u>

24. Capital commitments

At the end of the year there were no capital commitments authorised or contracted for (1993 - £nil).

25. Contingent liabilities (Group)

A subsidiary has given an indemnity to the company's bankers in respect of the guarantee of £4,000,000 (1993 - £4,000,000) given to Customs and Excise. No loss is expected to arise under this indemnity.

All of the assets of the company's subsidiary undertaking, Campbell Distillers Limited, are secured under a fixed and floating charge on a bank loan issued to the company.

HOUSE OF CAMPBELL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 1994**

26. Operating lease commitments
(Group)

Rentals payable within one year of the balance sheet date under operating leases are as follows:

	Plant and machinery 1994 £	Plant and machinery 1993 £
Leases which expire:		
- within 1 year	274,878	257,630
- within 2-5 years	524,663	355,512
	£ 799,541	£ 613,142

27. Defined benefit pension commitments

The latest actuarial valuation was as at April 6, 1992 and used the Projected Unit method. The main actuarial assumptions were that (a) pensionable salaries would increase by 7.5% per annum, (b) pensions in payment by 7.5% per annum and (c) the return on scheme investments would be 9% per annum.

The valuation showed that the market value of the assets of the scheme was £6,110,923 and the actuarial value of the assets was sufficient to cover 112% of the benefits that had accrued to members after allowing for expected future increases in earnings. This surplus should be eliminated over the remaining working life of the existing members at the current employer's contribution rate of 15% of pensionable earnings from April 1993.

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

28. Reconciliation of operating profit to net cash inflow from operating activities	1994 £	1993 £
Operating profit	9,657,343	9,930,872
Depreciation and amortisation	1,160,037	1,052,270
Profit on sale of fixed assets	-	(6,196)
Amortisation of government grants	(20,323)	(28,829)
Movement in working capital		
- Stocks	(1,296,877)	(3,857,945)
- Debtors	(345,328)	(7,559,716)
- Creditors	2,230,271	5,084,643
	£ 11,385,123	£ 4,615,099

29. Analysis of changes in financing	Bank loans repayable after more than one year £
At January 1, 1993	-
New loan issued in the year	32,751,294
Amount transferred to cash equivalents	(1,430,985)
At December 31, 1993	31,320,309
Financing cash inflows	(3,919,111)
Financing cash outflows	-
at December 31, 1994	£ 27,401,198

HOUSE OF CAMPBELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 1994

30. Analysis of changes in cash and cash equivalents during the year	Cash at bank and in hand £	Bank loans and overdrafts £	Total £
At January 1, 1993	1,228,340	(2,340,626)	(1,112,286)
Increase/(decrease) in cash and cash equivalents	(174,398)	(6,499,355)	(6,673,753)
At December 31, 1993	1,053,942	(8,839,981)	(7,786,039)
Increase/(decrease) in cash and cash equivalents	(595,210)	923,676	328,466
At December 31, 1994	<u>£ 458,732</u>	<u>£ (7,916,305)</u>	<u>£ (7,457,573)</u>

31. Ultimate parent company

The ultimate parent company is Pernod Ricard S.A., incorporated in France. Copies of its consolidated financial statements are available from 142 Boulevard Haussmann, 75008 Paris, France.