McBRIDE plc

INTERIM ACCOUNTS

Financial Statements of McBride plc as at

31 March 1996

Registered number 2798634

McBRIDE plc

Profit and Loss account

	Note	Nine months to 31March 1996
		£m
Dividend Income		4.8
Administrative expenses		(1.1)
Operating profit		3.7
Interest receivable and similar income		3.3
Interest payable and similar charges	1	(3.0)
Profit on ordinary activities before and after taxation		4.0
Dividends	2	(4.1)
Additional finance costs on non-equity shares		0.1
Retained profit for the financial period		0.0

McBRIDE plc

Reconciliation of movements in shareholders' funds
for the period ended 31 March 1996

	31 March 1996
	£m
Opening shareholders' funds	115.4
Profit for the financial period	4.0
Dividends: equity	(3.9)
non-equity shares	(0.2)
	115.3
New share capital net of flotation costs	42.4
Closing shareholders' funds	**157.7**

McBRIDE plc

Balance sheet

	Note	31March 1996 £m	£m
Fixed assets			
Tangible assets	3		0.1
Investments	4		158.2
			158.3
Current assets			
Debtors	5	65.7	
Cash at bank and in hand		4.2	
		69.9	
Creditors:			
amounts falling due within one year	6	(52.5)	
Net current assets		17.4	
Due within one year		(13.7)	
Debtors due after one year	5	31.1	
			17.4
Total assets less current liabilities			175.7
Provisions for liabilities and charges	7		(18.0)
Net assets			**157.7**
Capital and reserves			
Called up share capital	8		17.5
Share premium account	9		139.3
Profit and loss account	9		0.9
Shareholders' funds			**157.7**

These financial statements were approved by the Board of Directors on 15th April 1996 and were signed on its behalf by:

M. Handley Director T.J. Monks Director

Notes
(forming part of the financial statements)

Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation

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

Investments

Investments in subsidiary undertakings are stated at cost. Dividends received and receivable are credited to the Company's profit and loss account to the extent that they represent a realised profit for the Company.

Fixed assets and depreciation

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	50 years
Leasehold land and buildings	-	life of lease
Plant and machinery	-	8 to 10 years
Computer equipment	-	3 to 5 years
Motor vehicles	-	4 years

No depreciation is provided on freehold land or assets in the course of construction..

Where an estimate of the useful lives of assets is revised, the remaining net book value at the date of revision is written off over the revised estimated useful life.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Notes *(continued)*

Leases

Assets acquired under finance leases are capitalised in the balance sheet and depreciated over their useful lives. The interest element is charged to the profit and loss account over the term of the contract.

Operating leases are charged to the profit and loss account on a straight line basis over the life of the operating lease.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

McBRIDE plc

Notes *(continued)*

1. Interest payable and similar charges

An analysis of the interest charge for the six months to 31 December 1995 is set out below:

	Nine months to 31March 1996 **£m**
On bank loans and overdrafts	1.6
On loans from subsidiary undertakings	1.4
	3.0

2. Dividends

	Nine months to 31 March 1996 **£m**
Preference dividend	0.2
Additional finance costs of preference shares	(0.1)
Dividends proposed on ordinary shares	3.9
	4.0

The Directors will pay an interim dividend of 2.25 pence per ordinary share on 30 April 1996 to shareholders registered at the close of business on 11 April 1996.

Included in the profit and loss account for the nine months to March 1996 was a final preference dividend of £0.2 million in respect of preference shares which were redeemed on flotation on 13 July 1995. Additional finance costs on non-equity shares is a requirement of "Financial Reporting Standard 4 - Capital Investments" whereby finance costs are allocated over the expected term of the preference shares. The additional finance costs in these periods were included in the profit and loss account reserve as part of non-equity shareholder's funds in accordance with the terms of FRS4.

3. Tangible fixed assets

	Plant and Machinery £m
Cost	
At 1 July 1995 & 31 March 1996	0.1
Net book value	
At 31 March 1996	**0.1**

McBRIDE plc

Notes *(continued)*

	31 March 1996 £m
4. Investments	
Shares in subsidiary undertakings at cost	158.2

Set out below are the principal subsidiary undertakings of the Company at 31 March 1996. All subsidiaries incorporated in Great Britain are registered in England and Wales. The decrease in investments during the period of £5.3 million was due to the transfer in ownership of Longthorne Laboratories (UK) Limited from McBride plc to Robert McBride Ltd.

The main business activity of the operating subsidiaries involves the manufacture and distribution of household and personal care products.

A full list of subsidiaries is filed with the Registrar of Companies.

Name	Country of incorporation
Operating Companies	
Robert McBride Ltd (a)	Great Britain
Longthorne Laboratories (UK) Limited	Great Britain
International Consumer Products Limited	Great Britain
Yplon SA	France
Yplon NV/SA	Belgium
General Detergents SpA	Italy
Productos Quimicos Arco Iris S.A.	Spain
Investment Companies	
McBride Holdings Ltd (a)	Great Britain
Yplon Holdings SA	France
Property Companies	
Robert McBride (Properties) Ltd	Great Britain
Robert McBride (Bradford) Ltd	Great Britain

(a) These companies are wholly owned subsidiary undertakings of the Company. Other subsidiary undertakings are wholly owned by the Group.

McBRIDE PLC

Notes *(continued)*

	31 March 1996
	£m
5. Debtors	
Amounts falling due within one year	
Amounts owed by subsidiary undertakings	31.8
Other debtors	2.2
Prepayments and accrued income	0.6
	34.6
Amounts falling due after more than one year	
Amounts owed by subsidiary undertakings	31.1
Other debtors	-
Prepayments and accrued income	-
	31.1

6. Creditors: amounts falling due within one year

	£m
Bank loans and overdrafts	24.0
Trade creditors	0.1
Amounts owed to subsidiary undertakings	22.6
Corporation Tax payable	1.3
Other creditors	0.2
Accruals and deferred income	0.4
Dividends proposed on equity shares	3.9
	52.5

On 12 June 1995 the Company, Robert McBride Ltd, Yplon S.A., and Yplon Holding S.A. entered into an agreement with S.G.Warburg & Co Ltd. and a number of other banks for a £150 million term loan and revolving credit for the purposes of refinancing the existing £30 million mezzanine facility and the existing senior debt facility. The new facility was drawn on 13 July 1995 and the fixed and floating charges on the facilities existing at 30 June 1995 withdrawn. The final maturity of the new facilities is five years from the date of the drawdown at which time all outstanding commitments will be reduced to nil. Interest is payable at the expiry of each interest period on cash advances at the annual rate of the aggregate of LIBOR and margin and any applicable reserve asset costs or similar expenses.

Notes *(continued)*

7. Provisions for liabilities and charges

	£m
At 1 July 1995	19.3
Deferred consideration paid	(0.3)
Utilised in the period	(1.0)
At 31 March 1996	**18.0**

Deferred consideration paid relates to additional consideration arising on the buy-in from the British Petroleum Company p.l.c.

There are no amounts provided for deferred taxation.

Notes *(continued)*

	31 March 1996
	£m
8. Called up share capital	
Authorised	
500,000,000 new Ordinary Shares of 10p each	**50.0**
Allotted, called up and fully paid	**£m**
175,000,000 new Ordinary Shares of 10p each	**17.5**

Restructure of share capital

Persuant to Special Resolutions of the Company passed on 12 June 1995 and effective on flotation of the Company on 13 July 1995.

a) new Articles of Association were adopted;

b) each of the issued ordinary shares of 10p were converted into new ordinary shares having the rights contained in the new Articles of Association;

c) the sum of £8,557,802 standing to the credit of the Company's share premium account was capitalised and the Directors appropriated by way of bonus issue an amount equal to that sum for distribution to the holders of the ordinary shares and applied such sum on behalf of such holders in paying up in full 85,578,024 of the unissued ordinary shares, such shares ranking pari passu in all respects with the existing ordinary shares;

d) the authorised share capital of the Company was increased to £50,000,000 by the creation of an additional 385,320,000 ordinary shares; and

e) £11,068,000 of the authorised but unissued share capital arising as a result of the redemption of 110,680,000 preference shares were redesignated as ordinary shares

Notes *(continued)*

9. Movement on reserves

	Share Premium account £m	Profit and loss account £m
At 1 July 1995	103.0	1.0
Retained profit for the period	-	0.0
Adjustment to finance costs of non-equity shares	-	(0.1)
Flotation net of float costs	36.3	-
At 31 March 1996	139.3	0.9

McBRIDE plc

Notes *(continued)*

10. Shareholders funds

Shareholders funds can be analysed as follows:

Non-equity shareholders' funds:

	Share Capital £000	Share Premium account £000	Profit & Loss Account £000	Total £000
As at 1 July 1995	11.0	99.6	0.1	110.7
Adjustment to finance costs of non-equity shares	-	-	(0.1)	(0.1)
Redemption of preference shares	(11.0)	(99.6)	-	(110.6)
As at 31 March 1996	-	-	-	-

Equity shareholders' Funds

	Share Capital £m	Share Premium Account £m	Profit & Loss Account £m	Total £m
As at 1 July 1995	0.4	3.4	0.9	4.7
Retained profit for the period	-	-	(0.1)	(0.1)
Adjustment to finance costs of non-equity shares	-	-	0.1	0.1
New share capital net of flotation costs	17.1	135.9	-	153.0
As at 31 March 1996	**17.5**	**139.3**	**0.8**	**157.7**