YOUNG & CO'S BREWERY LIMITED

REPORT & ACCOUNTS 1977

RESULTS AT A GLANCE

	1977	1976
Group Profit before Tax and Extraordinary Items	1,490,665	1,141,470
Profit including Extraordinary Items attributable to Members	765,867	592,666
Earnings per Ordinary Share	11·13p	8·53p
Dividends per Ordinary Share	2·8897p	2·5866p

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YOUNG & Co's BREWERY LIMD

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YOUNG & Co's BREWERY LIMd

Notice of Meeting

Notice is hereby given that the eighty-eighth Annual General Meeting of Young & Co's Brewery Limited will be held in the Civic Suite of The Wandsworth Town Hall, SW18 on Monday, 11th July 1977 at 12 noon for the following purposes:

1. To receive the Statement of Accounts and Balance Sheets for the year ended 31st March, 1977 and the Directors' and Auditors' Reports thereon, and to declare a Final Dividend on the Ordinary Shares.

2. To re-elect a Director.

3. To re-appoint the Auditors.

4. To authorise the Directors to fix the Auditors' remuneration.

5. To transact any other ordinary business of the Company.

Note: Holders of Non-voting shares, Preference and Debenture stock are not entitled to attend or vote at the Meeting and this Notice is sent to them for information only.

By order of the Board,
J. R. LAWES
Secretary
Ram Brewery, Wandsworth,
London SW18
17th June 1977

A Member of the Company entitled to attend and vote at the meeting may appoint a proxy or proxies to attend and, on a poll, vote instead of him, and such proxy need not also be a Member. The instrument appointing the proxy must be received at the Registered Office of the Company not less than forty-eight hours before the Meeting.

Copies of Directors' Service Contracts will be available for inspection at the Ram Brewery during normal business hours from 17th June to 8th July, 1977 and at the place of the meeting from 15 minutes prior to and until the conclusion of the meeting.

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Directors and Officers

Directors

J. A. Young, C.B.E. (Chairman and Managing)
J. Carew, F.C.I.S. (Managing)
J. C. Darby
B. D. B. Palmer (Managing)
C. P. W. Read (Managing)
J. D. Rose
J. O. Young (Managing)
Lieut. Commander T. ff. B. Sligo Young, R.N. (Rtd.)

Secretary

J. R. Lawes, C.A.

Head Brewer

J. Rowley D.S.C.

Auditors

Messrs. Pannell Fitzpatrick & Co.
Lee House, London Wall, EC2

Bankers

National Westminster Bank Ltd.
41 Lothbury, EC2

Solicitors

Messrs. Druces & Attlee
115 Moorgate, EC2

Directors' Report

Activities of the Company

The principal activities of the Company are those of brewing and bottling, and selling beer, wines and spirits through its public houses. The Company's main subsidiary companies, which are all wholly owned, are:—Foster-Probyn Limited which sells beer, wines and spirits to the Free Trade, London Off-Licence Company Limited which operates off-licence shops and Cockburn & Campbell Limited which is a wines and spirits merchant.

Profits		£
The Consolidated Trading Profit for the year is		1,476,408
Gains from redemption of Debentures		14,257
		1,490,665
Less Tax (including Deferred Tax)		784,044
Trading Profit after Tax		706,621
Gains on Sale of Properties after tax		59,246
Profit available for distribution		765,867
From which has been paid		
Preference Dividend	13,544	
Interim Ordinary Dividend of 1·4p per share (1976 1·2p)	87,192	
To which must be added the recommended Final Dividend of 1·4897p per share (1976 1·3866p)	92,780	
		193,516
Leaving Profits and Gains retained in the Business		572,351

Deferred Taxation

During the present debate on this subject the Company has continued to make provisions for deferred taxation in accordance with the accounting policy set out on page 11. This policy will be reviewed during the current year in the light of developments.

Inflation Accounting

We are at present preparing additional information to illustrate the effects of inflation but we feel it unwise to produce any figures until the final recommendations as to how this information should be presented are agreed as between the Government, the accounting profession and ourselves.

Directors

Mr. C. P. W. Read and Mr. J. D. Rose were elected Directors of the Company at the A.G.M. on 12th July, 1976.

Re-Election of Directors

T. ff. B. Sligo Young, the Director retiring by rotation, offers himself for re-election.

Employees

The Company and its subsidiaries employed a weekly average of 951 persons and their aggregate remuneration for the year was £2,434,318. This includes Managers and Bar Staff of our Managed Houses, some of whom are part-time employees. There are two employees receiving remuneration in the scale of £10,001 to £12,500

Exports

The Company has an agreement with Piedboeuf of Belgium who are brewing and bottling the Company's Export Pale Ale, Stout, and Barley Wine on a royalty basis, otherwise the Group had an export trade of £130 during the year to 31st March, 1977.

Charitable Donations

Donations to charitable organisations amounted to £2,032.

Finance Act 1965

The Company is not a close company within the terms of the Finance Act 1965.

Auditors

Messrs. Pannell Fitzpatrick & Co. have expressed their willingness to continue in office as Auditors.

Directors and their Holdings and Interests 31.3.77 (31.3.76 or on later appointment)

	'A' Ordinary Shares of 50p each	'B' Ordinary Shares of 50p each	Non-voting Shares of 50p each	6% Cum. Pref. Stock Units of £1 each	3½% Debenture Stock Units of £1 each
J. A. Young. Beneficial and family interests	2,623	49,651	2,592	138	
	2,623	50,651	2,592	138	
Trustee	222,833	1,140,232	236,660	36,500	380
	222,833	1,140,232	236,660	36,500	380
Trustee—Ram Brewery Trust	17,500	767,342	96,837		
	17,500	756,642	96,837		
J. O. Young. Beneficial and family interests	2,559	87,856	5,252	1,867	
	11,559	97,856	5,252	1,867	
Trustee	222,805	1,059,339	220,476	36,500	380
	222,805	1,059,339	220,476	36,500	380
Trustee—Ram Brewery Trust	17,500	767,342	96,837		
	17,500	756,642	96,837		
T. ff. B. Sligo Young. Beneficial and family interests	27,515	150,092	35,020	253	
	27,515	81,748	21,852	253	
Trustee	39,555	231,112	32,891	5,725	380
	39,555	231,112	32,891	5,725	380
Trustee—Ram Brewery Trust	17,500	767,342	96,837		
	17,500	756,642	96,837		
B. D. B. Palmer. Beneficial and family interests	5,580	55,472	648		
	5,580	56,172	7,350		
J. C. Darby. Beneficial and family interests	5,710	19,200	8,840		
	5,000	19,200	8,840		
James Carew. Beneficial and family interests	100				
	100				
Trustee		6,000	1,200		
		6,000	1,200		
J. D. Rose. Beneficial and family interests		1,000			
C. P. W. Read Trustee		1,000			

The following change in Directors' holdings has taken place since 31st March, 1977: J. A. Young has sold 5,000 'B' Shares.

A number of trustee holdings are held jointly by two or more Directors.

So far as the Directors are aware, no other person had an interest amounting to 5% or more of the Ordinary Share Capital of the Company.

The Ram Brewery Trust which operates the Profit Sharing Scheme, Special Pension Scheme and other benefits for the employees of the Company, held 15% of the Company's Ordinary Shares at 31st March, 1977.

J. D. Rose is a partner of Louis Scott & Partners, the Company's property advisers, which received fees totalling £782 during the year. During the year none of the Directors has had any other material interest in any contract entered into by any company in the Group.

J. A. YOUNG
J. C. DARBY } Directors

17th June, 1977

YOUNG & Co's BREWERY LIMD

The Chairman's Statement

Congratulations to all who have made this year again a very successful one. In two years we have doubled our profits. As before everybody has set to with a will and purpose and a pride in their work and recognition of their achievements deserves priority and thanks. These good results have been obtained only by great diligence, attention to detail, and a communal effort striving to produce the best, not only in the quality of our beer but in all things in which we are engaged including those back up services that are so important to our business and our customers. Thus, where everybody works keenly out of interest in a job well done and pulls together, a small organisation such as ours has advantages with which to compete and excel in competition with big business. It has, and will always be, my cherished ideal to try and preserve this; that to work for Young's is challenging and rewarding and above all a happy and satisfying existence.

But this year has been hectic and not without much aggravation and frustration. Our decision last year to increase the capacity of the Brewery by 25%, to which I referred in my statement last year, and in addition our planned programme of replacing old and worn out plant, has caused tremendous upheavals and tested everybody's nerves and patience. Work proceeded apace and disruption throughout the Brewery extended to every department whilst production to meet an increasing trade still had to be met. The Brewery is not only a place for making beer and money but the place where we spend as much of our waking life as we do at home and the continuous and continuing building operations have been as painful as having workmen in your own kitchen. Our foremen and managers and others whose skills have borne the brunt of the reorganisation have been hit hard by the restraints of the Pay Code and it is becoming intolerable that loyalties should be strained so unfairly.

We have given much thought to so called industrial democracy and in particular to the Bullock Committee and their recommendations. I and some of my colleagues attended at the Industrial Society when members of that Committee defended their Report. I question that acceptable recommendations can be made by such a body whose terms of reference were stimulated by politicians, and whose majority recommendation came from people who are not employed in industry, and three of whom are academics. We are fed up with so much economic theory and exhortation because we are advancing much faster in industrial democracy than is recognised. Let us be allowed to continue that evolution and work it out for ourselves.

This year we have prepared an additional simplified form of accounts and, although simplification may lead to misinterpretation, read with the statutory accounts the risk is small and worth taking. It will excite interest and better understanding. Accountancy has become such a science that unless you are a professional, balance sheets are bewildering, in some aspects incomprehensible.

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Let me illustrate this by drawing your attention to an item in the balance sheet deferred taxation, which is now a very substantial liability and gives cause for alarm. The total is up in two years by over £2,000,000. In 1971 under the description of Tax Equalisation Account deferred taxation was first shown on the balance sheet at £57,000. In 1977 it is £2,622,700. This tax is shown as a liability but *under current legislation* would only become payable in the unlikely event that:

1. We sold all our Pubs.
2. We made no further investment for the next ten years.
3. We could reduce the value of our stocks to pre-inflation values.

The Chancellor hints it will never be called in but some politicians might consider otherwise; it remains a hostage to take over by Government, nationalisation at little or no cost.

"We like to treat people like guests in our home." So say Jack and Pauline Gage, our managers at the Orange Tree. They won the Evening Standard Pub of the Year award. The Charlie Butler was amongst the six finalists. This is the fourth time in seven years we have won and the other three times we came second. No matter how attractive a public house is in terms of bricks and mortar and decorations, it will not succeed unless it has a good licencee and staff who work as a team. A successful pub also depends to a large degree on the support of the brewery staff from the office telephonist and those who take the orders to the draymen who deliver the beer. The draymen do a great deal to help the licencee, they are the brewery's ambassadors! We have a new pub being built on the embankment east of Blackfriars Bridge and are negotiating for a new pub up the river at Kingston. We have lost the Halfway House compulsorily purchased by Wandsworth Borough Council and for much less compensation than would pay for its replacement. We have just received compensation for our George in Old Town, Croydon. Compulsorily purchased in 1972 we received a derisory £15,000 for pub and freehold site. Subsequently we were offered back our own now desolate freehold site, albeit marginally increased in size, at a ground rent of £2,000 per annum with upward rent reviews every seven years. Insult to injury! I am assured by our valuers the Croydon Council would not budge and we had to accept the pittance for what amounts to the theft of our property.

Ernest Benbow, fifty five years with Cockburn & Campbell, our Mayfair and Edinburgh Wine Merchants, retired this year. In at least one case he has known five generations of a family customer. Phyllis Pape retired at the same time after 32 years. Now under the direction of Martin Mora, the firm is moving ahead and The Royal & Ancient is Young's best selling whisky. Bill Patten, who came to us from Foster-Probyn also retired after 50 years service. We wish them all many happy years in their retirement.

I am pleased to say that through our Dynamic Pension scheme all pensions will be increased again this year by 10%. We have decided to contract out of the new Government scheme having first satisfied ourselves it is in the best interests of everyone to do so.

To commemorate the Jubilee we brewed last November, in good time to mature, a very special bottled beer at a gravity of 1077° to match the year. We named it SILVER SOVEREIGN. On 6th February, the anniversary of Accession we delivered to Buckingham Palace a pack for every member of the Household and Royal Mews which Her Majesty was gracious to accept. The same day the beer was on sale in all bars at a recommended price of 25p a bottle, one penny for each year of the reign. At a special Jubilee Show on 29th May at Windsor we paraded before the Queen our eight horse team of black Shires. I was proud to introduce to Her Majesty Harry Ranson, Head Horse Keeper, Mick Flynn, driver, and other members of our stable staff. On 30th June the Queen will visit Wandsworth and we are closing the Brewery so that everybody may have the opportunity of welcoming our Queen to our Borough.

Here's a health unto Her Majesty, and long may she reign over us.

JOHN YOUNG
Chairman

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YOUNG & Co's BREWERY LIMTD

Ten Year Review

		1968	1969	1970
Assets employed:	Fixed Assets	2,969,274	3,068,951	3,223,710
Current Assets:	Stock	305,753	348,549	363,503
	Debtors	541,886	677,072	673,044
	Cash	6,681	13,124	6,919
	Short Term Loans			
		854,320	1,038,745	1,043,466
Current Liabilities:	Creditors	553,635	540,641	594,761
	Bank Overdraft	61,456	237,432	238,752
	Tax	178,656	211,936	223,578
	Final Dividend	72,985	77,850	90,825
		866,732	1,067,859	1,147,916
Net Current Assets		(12,412)	(29,114)	(104,450)
Total Net Assets		**£2,956,862**	**£3,039,837**	**£3,119,260**
Financed by:	Preference Capital	322,500	322,500	322,500
	Ordinary Capital	432,500	432,500	432,500
	Reserves	1,101,862	1,184,837	1,276,235
Shareholders Funds:		1,856,862	1,939,837	2,031,235
	Loan Capital	1,100,000	1,100,000	1,088,025
	Deferred Tax			
		£2,956,862	**£3,039,837**	**£3,119,260**

1972 (*) Property Revaluation
1973 (**) Bonus Issue

		1968	1969	1970
Turnover		**£5,117,773**	**£5,395,826**	**£5,[illegible]6,162**
Trading Profit		327,882	346,249	427,899
	Tax	139,042	142,037	179,652
Profit after Tax		188,840	204,212	248,247
	Gain on Sale of Properties	19,919	14,888	19,905
Profit available for Shareholders		208,759	219,100	268,152
	Preference Dividend	19,350	19,350	19,350
	Ordinary Dividend	111,910	116,775	129,750
Profit Retained		**£77,499**	**£82,975**	**£119,052**

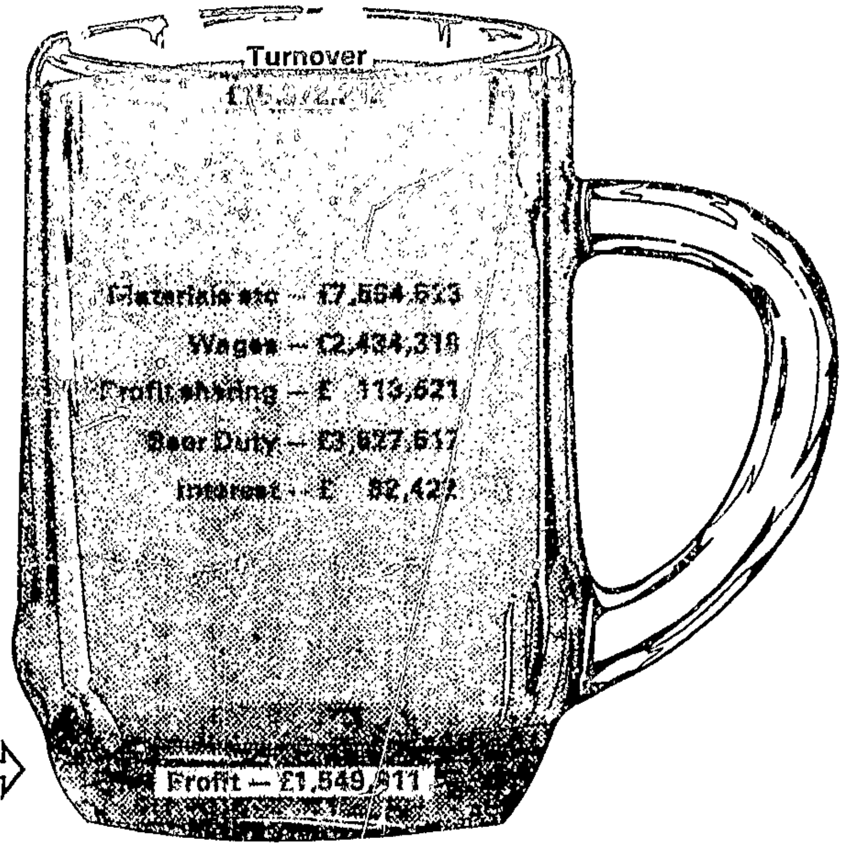
***Dividends prior to 1973 are not comparable owing to changes in tax laws.

	1971	1972	1973	1974	1975	1976	1977
	3,620,718	8,322,616*	8,553,275	9,067,695	10,065,554	10,537,722	11,349,896
	413,328	525,970	586,759	758,522	886,851	1,176,439	1,716,172
	781,701	756,197	730,426	836,889	838,440	898,093	1,120,718
	15,365	5,367	59,975	24,110	52,991	38,489	50,653
		300,000	230,000	210,000			
	1,210,394	1,587,534	1,607,160	1,829,521	1,778,282	2,113,021	2,887,543
	953,013	835,893	722,781	910,389	1,226,930	1,459,124	1,838,804
	283,790	109,030	201,122	270,357	565,960	400,629	494,780
	188,220	267,376	252,699	244,905	227,071	166,487	117,084
	99,475	125,425	93,420	89,474	86,028	86,357	92,780
	1,524,498	1,337,724	1,270,022	1,515,125	2,105,989	2,112,597	2,543,448
	(314,104)	249,810	337,138	314,396	(327,707)	424	344,095
	£3,306,614	**£8,572,426**	**£8,890,413**	**£9,382,091**	**£9,737,847**	**£10,538,146**	**£11,693,991**

	322,500	322,500	322,500	322,500	322,500	322,500	322,500
	432,500	432,500	3,114,000**	3,114,000	3,114,000	3,114,000	3,114,000
	1,421,953	6,661,993	4,224,464	4,616,630	4,832,280	4,119,308	4,691,659
	[illegible],176,953	7,416,993	7,660,964	8,053,130	8,268,780	7,555,808	8,128,159
	1,072,661	1,057,433	1,046,449	1,027,961	996,067	977,438	943,132
	57,000	98,000	183,000	301,000	473,000	2,004,900	2,622,700
	£3,306,614	**£8,572,426**	**£8,890,413**	**£9,382,091**	**£9,737,847**	**£10,538,146**	**£11,693,991**

	1971	1972	1973	1974	1975	1976	1977
	£6,095,764	**£6,821,468**	**£7,232,962**	**£7,716,712**	**£9,667,850**	**£12,824,673**	**£15,372,212**
	450,036	569,856	692,102	743,723	758,245	1,141,470	1,490,665
	177,500	251,785	252,480	415,294	380,742	596,804	784,044
	272,536	318,071	439,622	328,429	377,503	544,666	706,621
	35,046	366,492	(3,322)	213,233		48,000	59,246
	307,582	684,563	436,300	541,662	377,503	592,666	765,867
	19,350	19,350	19,350	13,544***	13,544	13,545	13,544
	147,050	181,653	151,029***	135,952***	148,309	161,093	179,972
	£141,182	**£483,560**	**£265,921**	**£392,166**	**£215,650**	**£418,028**	**£572,351**

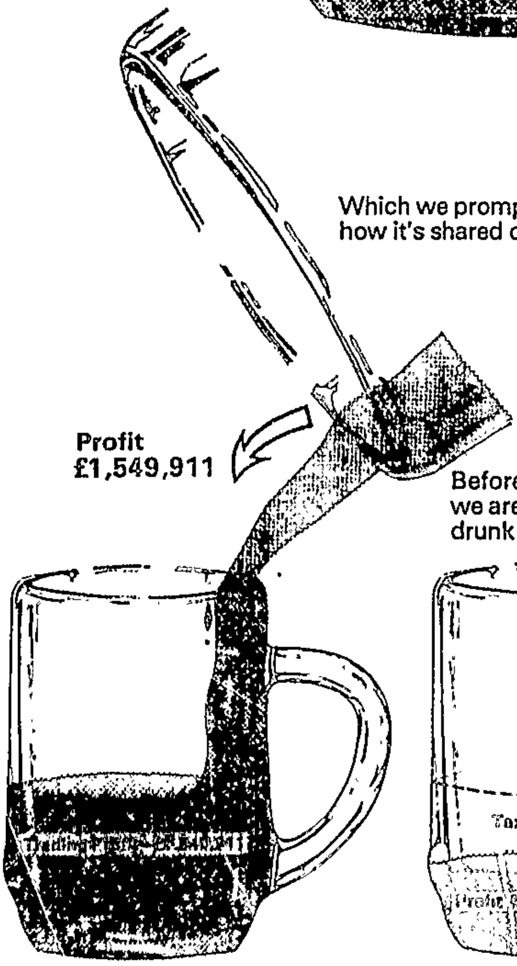
‘thats the way the money goes . . .



So after each of the costs have swallowed their share, we’re left with a profit of **£1,549,911**

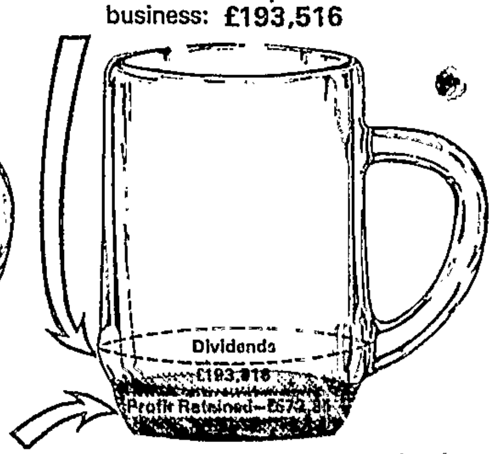
Which we promptly tip into a small mug so that we can see how it’s shared out.

Profit
£1,549,911



Before we know where we are the Tax man has drunk half of it!

Next come dividends to the shareholders who have invested money in the business: **£193,516**



Whatever is left we keep in the business. Money of this kind pays for the improvements being made to the brewery and pubs and is essential to our continuing existence.

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YOUNG & Co's BREWERY LIMTD

Accounting Policies

Consolidation

The consolidated accounts incorporate the accounts of the company and all subsidiaries from the dates of their acquisition.

Depreciation

All leases are amortised by charging Profit and Loss Account with an annual sinking fund contribution. Freehold properties are not depreciated.

With the exception of those items listed in note 14 shown at net realisable value, all other fixed assets are depreciated evenly over their expected remaining lives.

Tax

Deferred tax is calculated using the liability method. Provision is made in respect of:

(a) the excess of tax allowances over the charge for depreciation on the relevant assets.

(b) the tax on realised capital gains deferred due to the reinvestment of the sale proceeds in other property.

(c) the tax in respect of capital gains which might arise in the event of properties being sold at the revalued amounts shown in the Balance Sheet.

(d) the tax postponed by Stock Relief.

(e) timing differences arising on expenditure charged or income credited in the accounts which is not allowable or chargeable to tax in the accounting period.

Stocks

Stocks are valued at the lower of cost and net realisable value and where appropriate includes Duty and production overheads.

Repairs and Maintenance

Repairs and renewals of a revenue nature are charged to Profit and Loss Account in the year in which the expenditure is incurred.

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YOUNG & Co's BREWERY LIMTD

Consolidated Profit and Loss Account for the year ended 31st March, 1977

	Notes	1977	1976
Net Profit from Trading	2	1,476,408	1,133,168
Gains from redemption of Debentures		14,257	8,302
		1,490,665	1,141,470
Tax (including Deferred Tax)	5	784,044	596,804
Trading Profit After Tax (of which £713,330 (1976 £558,890) is in the accounts of the parent company)		706,621	544,666
Gains on sale of Properties after tax		59,246	48,000
		765,867	592,666
Dividends paid and proposed	6	193,516	174,638
Profit Retained in the Business	10	£572,351	£418,028
Earnings per ordinary share of 50p	7	11·13p	8·53p

This is the copy referred to in the annexed Certificate 'B'.

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Director..J. A. Young............ Secretary...W. Lawes....

YOUNG & Co's BREWERY LIMTD

Balance Sheets at 31st March, 1977

		Notes	1977 Group	1977 Company	1976 Group	1976 Company
Assets employed:						
Fixed Assets		14	11,349,896	11,162,892	10,537,722	10,350,553
Current Assets:	Stocks		1,716,172	1,574,810	1,176,439	1,024,839
	Debtors		1,120,718	651,345	898,093	511,801
	Cash		50,653	22,719	38,489	20,620
			2,887,543	2,248,874	2,113,021	1,557,260
Deduct:						
Current Liabilities:	Creditors		1,838,804	1,820,542	1,459,124	1,421,991
	Bank Overdraft		494,780	494,780	400,629	387,992
	Tax		117,084	112,284	166,487	156,387
	Final Dividend		92,780	92,780	86,357	86,357
			2,543,448	2,520,386	2,112,597	2,052,727
Net Current Assets			344,095	(271,512)	424	(495,467)
Subsidiary Companies		8		770,058		652,093
			£11,693,991	£11,661,438	£10,538,146	£10,507,184
Financed by:						
Share Capital		9	3,436,500	3,436,500	3,436,500	3,436,500
Reserves		10	4,691,659	4,683,806	4,119,308	4,104,746
Shareholders Funds			8,128,159	8,120,306	7,555,808	7,541,246
Deferred Tax		11	2,622,700	2,598,000	2,004,900	1,988,500
Secured Loans		12	943,132	943,132	977,438	977,438
			£11,693,991	£11,661,438	£10,538,146	£10,507,184

J. A YOUNG }
J. C. DARBY } Directors

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Notes to the Accounts

		1977	1976
1. Turnover			
	The Turnover of the Group comprises invoiced sales and cash sales inclusive of Excise Duties and Rents. Turnover is exclusive of Value Added Tax	£15,372,212	£12,824,673
2. Trading Profit. After charging:			
	Directors' Emoluments (including 2 new directors)	£72,660	£56,851
	Hire of Equipment	20,770	20,309
	Depreciation and Amortisation	301,377	239,583
	Interest Payable	82,422	101,196
	Audit Fees	14,000	12,000
3. Directors' Emoluments			
(a)	Fees	5,000	5,000
	Other Emoluments	60,052	45,806
	Superannuation Contributions	7,608	6,045
		£72,660	£56,851
(b)	Scale of emoluments of Directors other than the Chairman:		
	£12,501 — £15,000	1	
	£10,001 — £12,500	2	3
	£ 7,501 — £10,000	1	
	£ 2,501 — £ 5,000	1	
	Under £ 2,500	2	2
(c)	The emoluments of the Chairman were	£12,654	£12,661
4. Interest Payable			
	3½% Irredeemable Mortgage Debenture Stock	10,500	10,500
	6½% 1st Mortgage Debenture Stock 1984/89	25,489	26,786
	7¼% 1st Mortgage Debenture Stock 1986/91	19,149	19,696
		55,138	56,982
	Bank Loan and Deposits	27,284	44,214
		£82,422	£101,196
5. Tax	Based on profits of the year is made up as follows:		
	Corporation Tax at 52% (1976 52%) payable on 1st January, 1978	191,300	256,100
	Deferred Tax	606,300	357,500
		797,600	613,600
	Adjustments in respect of previous years:		
	Corporation Tax	(24,556)	(42,696)
	Deferred Tax	11,000	25,900
		£784,044	£596,804
6. Dividends	Dividends paid during the year:		
	Preference Stock	13,544	13,545
	Ordinary Shares Interim 1·4p per share (1976 1·2p)	87,192	74,736
	Proposed Dividend:		
	Ordinary Shares Final 1·4897p per share (1976 1·3866p)	92,780	86,357
		£193,516	£174,638

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		1977	1976
7. Earnings per Share, basis of calculation			
	Trading Profit after Taxation	706,621	544,666
	Less Preference Stock Dividend	13,544	13,545
	Earnings	£693,077	£531,121
	Ordinary Shares in issue	6,228,000	6,228,000
8. Subsidiary Companies (detailed on page 4)			
	Shares at cost	282,298	282,298
	Current accounts	487,760	369,800
		£770,058	£652,098
9. Share Capital	Authorised, Issued and Fully Paid		
	322,500 6% Cumulative Preference Stock	322,500	322,500
	2,076,000 'A' Ordinary Shares of 50p each	1,038,000	1,038,000
	3,114,000 'B' Ordinary Shares of 50p each	1,557,000	1,557,000
	1,038,000 Non-voting Ordinary Shares of 50p each	519,000	519,000
		£3,436,500	£3,436,500

	1977		1976	
	Group	Company	Group	Company
10. Reserves				
Past Profits employed in the business at the beginning of year	3,014,842	3,015,388	2,784,814	2,771,138
Less Prior year adjustment Deferred Tax			212,000	212,000
	£3,014,842	£3,015,388	£2,572,814	£2,559,138
Profit of the year retained	572,351	579,060	418,028	432,250
Transfer from Property Revaluation Reserve	27,000	27,000	24,000	24,000
	£3,614,193	£3,621,448	£3,014,842	£3,015,388
Property Revaluation Reserve	1,104,466	1,089,358	2,047,466	2,028,358
Less Transfer to Past Profit and Gains on sale of property during the year	(27,000)	(27,000)	(24,000)	(24,000)
Transfer to deferred tax in relation to 1972 property revaluation			(919,000)	(915,000)
	£1,077,466	£1,062,358	£1,104,466	£1,089,358
	£4,691,659	£4,683,806	£4,119,308	£4,104,746
11. Deferred Tax				
Capital allowances	1,266,500	1,266,500	899,000	899,000
Realised Capital Gains	127,000	127,000	118,000	118,000
Unrealised surplus on property revaluation in 1972	919,000	915,000	919,000	915,000
Stock Relief	356,200	335,500	115,400	103,000
	2,668,700	2,644,000	2,051,400	2,035,000
Less Unrelieved Advance Corporation Tax	46,000	46,000	46,500	46,500
	£2,622,700	£2,598,000	£2,004,900	£1,988,500

		1977	1976
12. Secured Loans	3½% Irredeemable Mortgage Debenture Stock	300,000	300,000
	6½% 1st Mortgage Debenture Stock 1984/89	380,143	407,068
	7¼% 1st Mortgage Debenture Stock 1986/91	262,989	270,370
		£943,132	£977,438

13. Capital Commitments

Capital Commitments not provided for in these accounts and for which contracts have been placed amounted to £632,181 for the Group and the Company (1976 £453,999).

Capital Commitments authorised by the Directors but for which contracts have not been placed amounted to £287,000 for the Group and the Company (1976 £112,000).

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YOUNG & Co's BREWERY LIMTD

Notes to the Accounts (continued)

14. Fixed Assets

Group

Cost and Valuation

	Total as at 31.3.76				Total as at 31.3.77	
	At Cost	At Valuation 31.3.72	Additions	Disposals	At Cost	At Valuation 31.3.72
Freeholds	1,519,045	6,969,458	392,883	48,020	1,911,908	6,921,458
Long Leaseholds (over 50 years)	100,159	211,500	(5,854)		94,305	211,500
Short Leaseholds (under 50 years)	3,920	142,900	3,666		7,586	142,900
Plant and Machinery	1,606,230		482,710		2,088,940	
Motor Vehicles	167,169		62,099	22,219	207,049	
Inventories	954,823		126,518		1,081,341	
	£4,351,346	£7,323,858	£1,062,022	£70,239	£5,391,129	£7,275,858
Casks, Crates, Pallets and Bottles, Horses and Drays (Valued at their net realisable value)						

Parent Company

	At Cost	At Valuation 31.3.72	Additions	Disposals	At Cost	At Valuation 31.3.72
Freeholds	1,354,147	6,956,458	392,883	48,020	1,747,010	6,908,458
Long Leaseholds (over 50 years)	100,159	211,500	(5,854)		94,305	211,500
Short Leaseholds (under 50 years)	3,920	130,900	3,666		7,586	130,900
Plant and Machinery	1,606,230		482,710		2,088,940	
Motor Vehicles	165,033		62,099	20,083	207,049	
Inventories	947,979		124,001		1,071,980	
	£4,177,468	£7,298,858	£1,059,505	£68,103	£5,216,870	£7,[illegible]858
Casks, Crates, Pallets and Bottles Horses and Drays (Valued at their net realisable value)						

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		Depreciation and Amortisation				Net Book Value	
77							
on 2		Total as at 31.3.76	Charge for the year	On Disposals	Total as at 31.3.77	As at 31.3.77	As at 31.3.76
58	Freeholds					8,833,366	8,488,503
00	Long Leaseholds (over 50 years)	2,951	859		3,810	301,995	308,708
00	Short Leaseholds (under 50 years)	26,145	6,810		32,955	117,531	120,675
	Plant and Machinery	775,027	179,096		954,123	1,134,817	831,203
	Motor Vehicles	123,137	25,563	19,060	129,640	77,409	44,032
	Inventories	501,976	89,049		591,025	490,316	452,847
58		£1,429,236	£301,377	£19,060	£1,711,553	£10,955,434	£10,245,968
						394,462	291,754
						£11,349,896	£10,537,722

58	Freeholds					8,655,468	8,310,605
00	Long Leaseholds (over 50 years)	2,951	859		3,810	301,995	308,708
00	Short Leaseholds (under 50 years)	21,345	5,610		26,955	111,531	113,475
	Plant and Machinery	775,027	179,096		954.123	1,134,817	831,203
	Motor Vehicles	121,857	25,563	17,780	129,640	77,409	43,176
	Inventories	496,347	88,423		584,770	487,210	451,632
58		£1,417,527	£299,551	£17,780	£1,699,298	£10,768,430	£10,058,799
						394,462	291,754
						£11,162,892	£10,350,553

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YOUNG & Co's BREWERY LIMTD

Statement of Cash Funds

	1977		1976	
Where it came from				
Profit for the year	1,476,408		1,133,168	
Depreciation	301,377		239,583	
		1,777,785		1,372,751
Sales of Fixed Assets		122,425		118,708
		1,900,210		1,491,459
Where it went				
Purchase of Fixed Assets	1,164,730		764,459	
Debentures repaid	20,049		10,327	
Dividend	187,093		174,309	
Taxation	227,647		273,988	
Increase in Stock	539,733		289,588	
Increase in Debtors	222,625		59,654	
	2,361,877		1,572,325	
Less				
Increase in Creditors	379,680		231,695	
		1,982,197		1,340,630
Net Cash (Deficit)/Surplus		£(81,987)		£150,829

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YOUNG & CO'S BREWERY LIMD

Auditors' Report to the Members of Young & Co's Brewery, Limited

We have examined the accounts set out on pages 11 to 18 which as hitherto have been prepared under the historical cost convention including the revaluation of certain properties as disclosed in Note 14.

In our opinion, these accounts give, under the accounting convention stated above and so far as concerns members of the company, a true and fair view of the state of affairs at 31st March, 1977 and of the profit for the year ended on that date and comply with the Companies Acts 1948 and 1967.

Pannell Fitzpatrick & Co.
Chartered Accountants

London
17th June, 1977

Capital Gains Tax

For the information of members the valuation of the company's Shares and Debenture Stocks at 6th April 1965 was as follows:—

'A' Ordinary Shares	45·06218p
Non-voting Ordinary Shares	37·70993p
6% (now 4·2% plus tax credit) Preference Stock	86p
3½% Irredeemable Mortgage Debenture Stock	50½%
6½% 1st Mortgage Debenture Stock 1984/89	95½%

Although Non-voting shares were not issued until 29th June, 1972 the terms of their issue have affected the value of the 'A' shares at 6th April, 1965 and in consequence the Non-voting shares are deemed to have a value at that date.

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YOUNG
& CO'S
BREWERY LIM^TD

Current Public Bar Prices at 17th June 1977 in Managed Houses

	Brewed to Original Gravity	Average Alcohol % by Volume	Public Bar Prices Managed Houses
Draught			
Winter Warmer (available November to March) ...	1055°	5·5	33p per pint
Special Bitter	1047°	5·0	28p per pint
Bitter	1036°	3·7	25p per pint
Best Malt Ale	1030°	3·0	21p per pint
Saxon Lager	1032°	3·1	31p per pint
Bottled			
Old Nick	1084°	7·2	18p per nip
Silver Sovereign ...	1077°	6·9	25p small bottle
Export	1062°	6·1	19½p small bottle
Ram Rod	1047°	4·9	16½p small bottle
Light Ale	1030°	3·1	14½p small bottle
Brown Ale	1030°	3·0	14½p small bottle
Saxon Lager	1032°	3·1	19½p small bottle

We have published the above information because of customers' natural concern over prices and gravities. Prices are exhibited in all the Bars of all our Houses which is now a statutory requirement. It is not always understood that since the end of Resale Price Maintenance brewers control only the prices in their Managed Houses. Tenants are independent and make their own decisions on prices.

Print by Hadlow & James Ltd SE27

This Proxy Card is for the use of A and B Ordinary Share Holders only, and should be lodged with the Company not less than forty-eight hours before the time fixed for the Meeting.

YOUNG & CO.'s BREWERY LIMITED

FORM OF PROXY for use of 'A' and 'B' Shareholders only
for use at the 88th Annual General Meeting convened for the 11th July 1977

I/We ....
(BLOCK CAPITALS PLEASE)

of ....
being a holder of 'A' or 'B' Ordinary Shares of the above named Company, hereby appoint John Allen Young or failing him, James Oliver Young or failing him Lieut.-Commander Thomas ffolliott Barrow Sligo Young, R.N. (Rtd.), or failing him, John Christopher Darby, or failing him, Brian Dudley Buller Palmer, or failing him, James Carew, F.C.I.S., or failing him, C. P. W. Read, or failing him, J. D. Rose, all of The Ram Brewery, Wandsworth, London, SW18 or .... as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting to be held on 11th July, 1977 and at any adjournment thereof.

RESOLUTIONS	FOR	AGAINST
1. To receive the Report of the Directors and Accounts to 31st March, 1977 and to declare a dividend		
2. To re-elect a Director, Lieut. Commander T.ff.B.Sligo Young, R.N. (Rtd)		
3. To re-appoint the Auditors		
4. To authorise the Directors to fix the Auditors' remuneration ...		

Signature .... *Date* 1977

NOTES:
(1) The persons named above, who are Directors of the Company, may be deleted and another person (who need not be a member of the Company) inserted.
(2) Please indicate with an "X" against each of the above resolutions how you wish to vote. Unless otherwise instructed the proxy will vote or abstain as he thinks fit.
(3) To be valid this proxy, together with any authority under which it is signed, must be lodged with the Company not less than forty-eight hours before the time fixed for the Meeting.
(4) A corporation must execute under its common seal or under the hand of its officer or attorney duly authorised in writing.
(5) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy will be accepted to the exclusion of the votes of the other registered holders.