PRIMO WATER CORP /CN/

FORM 8-K/A
(Amended Current report filing)

Filed 12/29/00 for the Period Ending 10/18/00

Address	4221 W. BOY SCOUT BLVD. SUITE 400 TAMPA, FL, 33607
Telephone	813-313-1732
CIK	0000884713
Symbol	PRMW
SIC Code	2086 - Bottled and Canned Soft Drinks and Carbonated Waters
Industry	Non-Alcoholic Beverages
Sector	Consumer Non-Cyclicals
Fiscal Year	12/02

COTT CORP /CN/

FORM 8-K/A
(Unscheduled Material Events)

Filed 12/29/2000 For Period Ending 10/18/2000

Address	207 QUEENS QUAY W SUITE 340
	TORONTO ONTARIO CANA, 00000
Telephone	416-203-3898
CIK	0000884713
Industry	Beverages (Non-Alcoholic)
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT
Pursuant to Section 13 OR 15 (d) of the Securities Exchange Act of 1934

Date of report: December 29, 2000 Amending Report Filed October 31, 2000
(Date of earliest reported event) October 18, 2000

Commission File Number 000-19914

COTT CORPORATION

(Exact name of registrant as specified in its charter)

CANADA (State or other jurisdiction of incorporation or organization)	None (I.R.S. Employer Identification Number)

207 Queen's Quay W, Suite 340
Toronto, Ontario M5J 1A7
(Address of principal executive offices) (Postal Code)

(416) 203-3898
(Registrant's telephone number, including area code)

Effective October 18, 2000, Cott Corporation (the "Company"), through a wholly owned, indirect subsidiary, completed the acquisition of the assets and assumed certain obligations of the private label carbonated and the "Vintage" brand beverage businesses (the "Assets") of Concord Beverage Company, a Pennsylvania corporation. The details of this transaction were filed on Form 8-K on October 31, 2000. The undersigned Registrant hereby amends the financial statements and exhibits of the Form 8-K filed October 31, 2000. The combined financial statements of Concord Beverage Company and the Vintage Beverage Segments of its Affiliates and the accountant's report thereon required by Item 7(a) and the pro forma financial information required by Item 7(b) are provided herein.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(a) FINANCIAL STATEMENTS OF BUSINESS

The audited combined balance sheets for the Concord Beverage Company and the Vintage Beverage Segments of its Affiliates ("Concord") as of January 1, 2000 and January 2, 1999 and the combined statements of income and comprehensive income, stockholders' equity and cash flows for the years ended January 1, 2000, January 2, 1999 and January 3, 1998 have been attached as Exhibit 2.3.

The unaudited combined balance sheet for Concord as of September 30, 2000 and the unaudited combined statements of income and comprehensive income, stockholders' equity and cash flows for the nine months ended September 30, 2000 have been attached as Exhibit 2.4.

(b) PRO FORMA FINANCIAL INFORMATION

The unaudited Pro Forma Consolidated Statements of Income for the year ended January 1, 2000 and the nine months ended September 30, 2000 have been prepared by management and present the consolidated results of the continuing operations of the Company, as if the acquisition of Concord had occurred as of January 3, 1999. The pro forma consolidated statements of income for the year ended January 1, 2000 and the nine months ended September 30, 2000 have been prepared, respectively, from the audited and unaudited consolidated financial statements of Cott Corporation and Concord. The unaudited Pro Forma Consolidated Balance Sheet as of September 30, 2000 has been prepared by management based on the unaudited balance sheet of Cott Corporation and the unaudited combined balance sheet of Concord as of this date and has been adjusted to reflect the acquisition as of September 30, 2000.

This unaudited pro forma consolidated financial information should be read in conjunction with the historical financial statements and notes thereto of Cott Corporation and Concord.

The unaudited pro forma consolidated financial information presented is for information only and may not be indicative of what the financial position and results of operations would have been had the acquisition been completed on January 3, 1999, nor is it intended to be indicative of the future results of operations or financial position of the Company.

COTT CORPORATION
Pro Forma Consolidated Statement of Income For the Year Ended January 1, 2000

(in millions of U.S. dollars, except per share amounts)
Unaudited

	COTT CORPORATION	CONCORD	PRO FORMA ADJUSTMENTS	NOTES	PRO FORMA CONSOLIDATED
SALES	$ 990.8	$ 84.9	$ (2.1)	a	$ 1,073.6
Cost of sales	846.7	61.0	(1.6)	a	917.5
			0.4	b	
			1.7	c	
			9.3	d	
GROSS PROFIT	144.1	23.9	(11.9)		156.1
Selling, general and administrative expenses	99.1	15.8	(0.2)	a	105.3
			(0.1)	b	
			1.5	c	
			(9.3)	d	
			(1.5)	e	
Unusual items	(1.2)	--	--		(1.2)
OPERATING INCOME	46.2	8.1	(2.3)		52.0
Other expenses (income), net	(5.1)	(0.2)	0.2	f	(5.1)
Interest expense, net	34.6	0.1	(0.1)	g	40.7
			1.3	h	
			4.8	i	
INCOME BEFORE INCOME TAXES AND EQUITY INCOME	16.7	8.2	(8.5)		16.4
Income taxes	3.8	(3.9)	4.0	j	3.9
Equity income	0.9	--	--		0.9
INCOME FROM CONTINUING OPERATIONS	$ 21.4	$ 4.3	$ (4.5)		$ 21.2
INCOME FROM CONTINUING OPERATIONS PER SHARE					
Basic	$ 0.35				$ 0.35
Diluted	$ 0.32				$ 0.32
WEIGHTED AVERAGE NUMBER OF SHARES					
Basic	59,837				59,837
Diluted	66,205				66,205

See notes to the Pro Forma Consolidated Statements of Income

COTT CORPORATION
Pro Forma Consolidated Statement of Income For the Nine Months Ended September 30, 2000

(in millions of U.S. dollars, except per share amounts)
Unaudited

	COTT CORPORATION	CONCORD	PRO FORMA ADJUSTMENTS	NOTES	PRO FORMA CONSOLIDATED
SALES	$ 763.5	$ 66.1	$ (1.5)	a	$ 828.1
Cost of sales	639.6	47.0	(1.1) 0.1 1.3 9.3	a b c d	696.2
GROSS PROFIT	123.9	19.1	(11.1)		131.9
Selling, general and administrative expenses	69.4	13.6	(0.2) (0.1) 1.2 (9.3)	a b c d	74.6
OPERATING INCOME	54.5	5.5	(2.7)		57.3
Other expenses (income), net	(0.7)	(0.2)	0.2	f	(0.7)
Interest expense, net	23.0	-	1.3 4.4	h i	28.7
INCOME BEFORE INCOME TAXES	32.2	5.7	(8.6)		29.3
Income taxes	(13.4)	(3.7)	4.8	j	(12.3)
INCOME FROM CONTINUING OPERATIONS	$ 18.8	$ 2.0	$ (3.8)		$ 17.0
INCOME FROM CONTINUING OPERATIONS PER SHARE					
Basic	$ 0.31				$ 0.28
Diluted	$ 0.28				$ 0.25
WEIGHTED AVERAGE NUMBER OF SHARES					
Basic	59,848				59,848
Diluted	66,483				66,483

See notes to the Pro Forma Consolidated Statements of Income

COTT CORPORATION
Notes to the Pro Forma Consolidated Statements of Income

Unaudited

The pro forma income statements for the nine months ended September 30, 2000 and the year ended January 1, 2000 do not include benefits from the anticipated synergies resulting from the acquisition. The pro forma information incorporates the following adjustments:

(a) Eliminate sales and the related costs associated with certain customers of Concord not purchased under the agreement;

(b) Eliminate historic depreciation expense on the acquired Property, Plant and Equipment and record new depreciation expense on the fair value of the Property, Plant and Equipment based on the purchase price equation;

(c) Record amortization expense on the $18 million of trademarks, the $25 million customer list and $15 million goodwill acquired using the straight-line method over 15 years, 15 years and 40 years, respectively;

(d) Reclassify Concord warehousing, transportation and production costs from Selling, General and Administrative expenses to Cost of Sales to conform to the Company's financial statement presentation;

(e) Eliminate historic amortization of Concord Deferred Charges & Other Costs and expense upfront payments made to customers during the 9-month period ended September 30, 2000;

(f) Eliminate interest and other investment income earned on cash & cash equivalents and marketable securities that were not acquired by the Company;

(g) Eliminate interest expense on the notes payable of Concord which were repaid prior to the acquisition;

(h) Record interest at 7% per annum on the $17.9 million of Notes Payable issued to the vendor for partial payment of the purchase price. The notes are due one year after the deemed acquisition date. As a result, the adjustment assumes the notes were repaid as of January 3, 2000 along with the related interest and refinanced through short-term borrowings;

(i) Record interest expense on the reduction in net cash relating to the payment of the purchase price of $53.7 million at the Company's short-term borrowing rate; and

(j) Adjust Concord's income tax expense to reflect the Company's U.S. effective tax rate and adjust income tax expense to reflect the pro forma adjustments.

COTT CORPORATION
Pro Forma Consolidated Balance Sheet
As of September 30, 2000

(in millions of U.S. dollars)
Unaudited

	COTT CORPORATION	CONCORD	PRO FORMA ADJUSTMENTS	NOTES	PRO FORMA CONSOLIDATED
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	$ 61.7	$ 5.6	$ (5.6)	a	$ 27.8
			(33.2)	b	
			(0.7)	c	
Marketable securities	-	1.5	(1.5)	a	-
Accounts receivable	105.3	9.8	(3.8)	b	111.3
Inventories	64.4	8.4	(2.4)	b	70.4
Prepaid expenses	2.0	-	-		2.0
	233.4	25.3	(47.2)		211.5
PROPERTY, PLANT AND EQUIPMENT	238.6	6.5	8.5	b	248.9
			(4.7)	d	
GOODWILL	100.1	-	14.7	c	114.8
INVESTMENT AND OTHER ASSETS	36.8	5.8	(1.3)	a	79.8
			38.5	b	
	$ 608.9	$ 37.6	$ 8.5		$ 655.0
LIABILITIES					
CURRENT LIABILITIES					
Short-term borrowings	$ 0.9	$ -	$ 38.4	b	$ 39.3
Current maturities of long-term debt	9.7	-	-		9.7
Accounts payable and accrued liabilities	119.3	9.6	(2.5)	b	127.0
			0.6	c	
Discontinued operations	0.7	-	-		0.7
	130.6	9.6	36.5		176.7
LONG-TERM DEBT	305.1	-	-		305.1
OTHER LIABILITIES	23.2	-	-		23.2
	458.9	9.6	36.5		505.0
SHAREOWNERS' EQUITY	150.0	28.0	(8.4)	a	150.0
			(28.3)	b	
			13.4	c	
			(4.7)	d	
	$ 608.9	$ 37.6	$ 8.5		$ 655.0

See notes to the Pro Forma Consolidated Balance Sheet

COTT CORPORATION
Notes to the Pro Forma Consolidated Balance Sheet

Unaudited

The pro forma adjustments as of September 30, 2000 are made to reflect the following:

(a) Eliminate cash & cash equivalents, marketable securities and related accumulated other comprehensive income, certain other working capital items in excess of $5 million and other assets which were not acquired in the transaction;

(b) Adjust to fair value the net assets acquired of Concord as of the acquisition date, including the property, plant and equipment, deferred charges and other costs, customer list and trademarks and record the cash payment of the purchase price, including portions paid with cash-on-hand and increased borrowings on the Company's credit facilities and through the notes payable of $17.9 million issued to the vendor;

(c) Record goodwill for the excess of the $73 million acquisition cost, including estimated transaction costs, over the fair value of net assets acquired. Approximately $0.6 million in estimated costs are included in accrued liabilities as of September 30, 2000; and

(d) Eliminate property, plant and equipment relating to the Elizabeth plant that was not purchased.

(c) EXHIBITS

2.3 Audited combined balance sheets of Concord Beverage Company and the Vintage Beverage Segments of its Affiliates as of January 1, 2000 and January 2, 1999 and the statements of income, stockholders' equity and cash flows for the years ended January 1, 2000, January 2, 1999 and January 3, 1998.

2.4 Unaudited combined interim balance sheet of Concord Beverage Company and the Vintage Beverage Segments of its Affiliates as of September 30, 2000 and the statements of income, stockholders' equity and cash flows for the nine-month period then ended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COTT CORPORATION
(Registrant)

Date: December 28, 2000

/s/ Raymond P. Silcock

Raymond P. Silcock
Executive Vice President &
Chief Financial Officer

EXHIBIT INDEX

2.3 Audited combined balance sheets of Concord Beverage Company and the Vintage Beverage Segments of its Affiliates as of January 1, 2000 and January 2, 1999 and the statements of income, stockholders' equity and cash flows for the years ended January 1, 2000, January 2, 1999 and January 3, 1998.

2.4 Unaudited combined interim balance sheet of Concord Beverage Company and the Vintage Beverage Segments of its Affiliates as of September 30, 2000 and the statements of income, stockholders' equity and cash flows for the nine-month period then ended.

Exhibit 2.3

CONCORD BEVERAGE COMPANY
AND THE VINTAGE BEVERAGE
SEGMENTS OF ITS AFFILIATES

COMBINED FINANCIAL STATEMENTS
YEARS ENDED JANUARY 1, 2000,
JANUARY 2, 1999 AND JANUARY 3, 1998

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES

CONTENTS

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors
Concord Beverage Company
and the Vintage Beverage Segments
of its Affiliates
Concordville, Pennsylvania

We have audited the accompanying combined balance sheets of Concord Beverage Company and the Vintage Beverage segments of its affiliates as of January 1, 2000 and January 2, 1999, and the related combined statements of income and comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended January 1, 2000. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of Concord Beverage Company and the Vintage Beverage segments of its affiliates as of January 1, 2000 and January 2, 1999, and the combined results of their operations and their cash flows for each of the three years in the period ended January 1, 2000, in conformity with generally accepted accounting principles.

/s/ Margolin, Winer & Evens LLP

December 11, 2000

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES
(NOTE 1)

COMBINED BALANCE SHEETS

	JANUARY 1, 2000	January 2, 1999
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (Note 2)	$ 2,179,095	$ 1,862,901
Marketable securities (Note 3)	1,740,691	780,652
Accounts receivable (Notes 1, 10, 11 and 13):		
Trade, net	6,130,038	5,831,649
Affiliates	3,645,137	2,090,182
Other	634,717	619,254
Inventories (Notes 2 and 4)	7,248,606	5,779,045
Prepaid expenses	453,640	474,281
TOTAL CURRENT ASSETS	22,031,924	17,437,964
PROPERTY, PLANT AND EQUIPMENT, NET (NOTES 2 AND 5)	7,752,543	9,059,256
OTHER ASSETS:		
Deferred charges and other costs, net of accumulated amortization of $8,788,043 for 1999 and $7,275,644 for 1998 (Notes 2 and 6)	4,361,957	5,874,356
Construction-in-progress	16,201	16,334
Pallets	793,515	582,615
Security deposits and other assets	190,269	87,107
TOTAL OTHER ASSETS	5,361,942	6,560,412
TOTAL ASSETS	$35,146,409	$33,057,632
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of notes payable (Note 7)	$ --	$ 2,125,231
Accounts payable:		
Trade	4,368,212	3,842,242
Affiliates (Note 10)	579,937	987,518
Accrued expenses and other current liabilities	3,700,961	3,398,994
Income taxes payable	90,197	127,346
TOTAL CURRENT LIABILITIES	8,739,307	10,481,331
COMMITMENTS (NOTES 6 AND 8)	--	--
STOCKHOLDERS' EQUITY:		
Common stock:		
Class A, $10 par value, voting, Authorized - 10,000 shares Issued and outstanding - 5,759 shares	57,590	57,590
Class B, $10 par value, nonvoting, Authorized - 10,000 shares Issued - 4,701 shares	47,010	47,010
Additional paid-in capital	10,303,203	10,303,203
Retained earnings	18,640,186	14,745,129
Equity in affiliated Vintage Beverage segments of business	490,395	689,691
Accumulated other comprehensive income - unrealized gains on securities	744,739	609,699

	30,283,123	26,452,322
Less treasury stock, at cost, 3,351.8 Class B shares	3,876,021	3,876,021
TOTAL STOCKHOLDERS' EQUITY	26,407,102	22,576,301
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$35,146,409	$33,057,632

The accompanying notes are an integral part of these statements.

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES
(NOTE 1)

COMBINED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

Years Ended	JANUARY 1, 2000	January 2, 1999	January 3, 1998
	(52 WEEKS)	(52 Weeks)	(53 Weeks)
NET SALES (NOTES 10 AND 11)	$84,915,848	$87,525,252	$99,061,871
COST OF SALES (NOTE 10)	60,980,849	62,740,573	71,063,899
GROSS PROFIT	23,934,999	24,784,679	27,997,972
OPERATING EXPENSES, INCLUDING INTEREST EXPENSE OF $65,629, $459,001 AND $721,757 (NOTES 1 AND 7)	15,871,513	18,495,242	21,787,882
INCOME FROM OPERATIONS	8,063,486	6,289,437	6,210,090
OTHER INCOME, NET (NOTE 12)	151,011	163,979	187,978
INCOME BEFORE ITEMS BELOW	8,214,497	6,453,416	6,398,068
PAYMENTS IN LIEU OF CORPORATE INCOME TAXES (NOTES 2 AND 10)	3,651,608	1,211,899	119,175
INCOME BEFORE STATE AND LOCAL TAXES	4,562,889	5,241,517	6,278,893
STATE AND LOCAL INCOME TAXES (NOTE 2)	221,282	127,346	--
NET INCOME	4,341,607	5,114,171	6,278,893
OTHER COMPREHENSIVE INCOME - UNREALIZED GAINS ON SECURITIES (NOTES 2 AND 3)	135,040	332,469	137,853
COMPREHENSIVE INCOME (NOTE 2)	$ 4,476,647	$ 5,446,640	$ 6,416,746

The accompanying notes are an integral part of these statements.

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES
(NOTE 1)

COMBINED STATEMENTS OF STOCKHOLDERS' EQUITY

Years Ended January 1, 2000, January 2, 1999 and January 3, 1998

	Common Stock - Class A	Common Stock - Class B	Additional Paid-In Capital
BALANCE - DECEMBER 29, 1996	$57,590	$47,010	$10,303,203
COMPREHENSIVE INCOME (53 WEEKS):			
Net income	--	--	--
Other comprehensive income	--	--	--
DISTRIBUTIONS TO AFFILIATES (NOTE 1)	--	--	--
BALANCE - JANUARY 3, 1998	57,590	47,010	10,303,203
COMPREHENSIVE INCOME (52 WEEKS):			
Net income	--	--	--
Other comprehensive income	--	--	--
DISTRIBUTIONS TO AFFILIATES (NOTE 1)	--	--	--
BALANCE - JANUARY 2, 1999	57,590	47,010	10,303,203
COMPREHENSIVE INCOME (52 WEEKS):			
Net income	--	--	--
Other comprehensive income	--	--	--
DISTRIBUTIONS TO AFFILIATES (NOTE 1)	--	--	--
BALANCE - JANUARY 1, 2000	$57,590	$47,010	$10,303,203

Years Ended January 1, 2000, January 2, 1999 and January 3, 1998

	Retained Earnings	Equity in Affiliated Vintage Beverage Segments of Business	Accumulated Other Comprehensive Income	Treasury Stock	Total Stockholders' Equity
BALANCE - DECEMBER 29, 1996	$ 3,775,283	$ 797,545	$139,377	$(3,876,021)	$ 11,243,987
COMPREHENSIVE INCOME (53 WEEKS):					
Net income	6,097,121	181,772	--	--	6,278,893
Other comprehensive income	--	--	137,853	--	137,853
DISTRIBUTIONS TO AFFILIATES (NOTE 1)	--	(251,516)	--	--	(251,516)
BALANCE - JANUARY 3, 1998	9,872,404	727,801	277,230	(3,876,021)	17,409,217
COMPREHENSIVE INCOME (52 WEEKS):					
Net income	4,872,725	241,446	--	--	5,114,171
Other comprehensive income	--	--	332,469	--	332,469
DISTRIBUTIONS TO AFFILIATES (NOTE 1)	--	(279,556)	--	--	(279,556)
BALANCE - JANUARY 2, 1999	14,745,129	689,691	609,699	(3,876,021)	22,576,301
COMPREHENSIVE INCOME (52 WEEKS):					
Net income	3,895,057	446,550	--	--	4,341,607

Other comprehensive income	--	--	135,040	--	135,040
DISTRIBUTIONS TO AFFILIATES (NOTE 1)	--	(645,846)	--	--	(645,846)
BALANCE - JANUARY 1, 2000	$18,640,186	$ 490,395	$744,739	$(3,876,021)	$ 26,407,102

The accompanying notes are an integral part of these statements.

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES
(NOTE 1)

COMBINED STATEMENTS OF CASH FLOWS

Years Ended	JANUARY 1, 2000 (52 WEEKS)	January 2, 1999 (52 Weeks)	January 3 1998 (53 Weeks)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 4,341,607	$ 5,114,171	$ 6,278,893
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	3,385,411	3,777,217	3,937,409
Gain on sale of property, plant and equipment	(1,533)	(5,221)	(21,109)
Payment of license fees	--	(1,450,000)	(4,400,000)
Equity in undistributed earnings of affiliates	--	--	(18,446)
Net change in operating assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(1,868,807)	1,731,558	7,374,909
Inventories	(1,469,561)	53,407	1,443,300
Prepaid expenses	20,641	(160,347)	(108,502)
Pallets	(210,900)	(111,508)	179,176
Security deposits and other assets	(103,162)	1,821	950
Increase (decrease) in:			
Accounts payable	118,389	(252,235)	(11,313,913)
Accrued expenses and other current liabilities	301,967	(1,005,100)	2,196,792
Income taxes payable	(37,149)	127,346	--
Net Cash Provided by Operating Activities	4,476,903	7,821,109	5,549,459
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(568,807)	(1,367,219)	(1,718,789)
Proceeds from sales of property, plant and equipment	4,175	30,683	23,394
Proceeds from payments on notes receivable	--	180,954	22,620
Distribution from affiliates	--	385,414	156,097
Distributions to affiliates (Note 1)	(645,846)	(279,556)	(251,516)
Purchase of marketable securities	(825,000)	--	--
Net Cash Used in Investing Activities	(2,035,478)	(1,049,724)	(1,768,194)
CASH FLOWS FROM FINANCING ACTIVITIES -			
Repayments of notes payable - affiliates	(2,125,231)	(5,677,588)	(3,302,733)
Net Cash Used in Financing Activities	(2,125,231)	(5,677,588)	(3,302,733)
NET INCREASE IN CASH AND CASH EQUIVALENTS	$ 316,194	$ 1,093,797	$ 478,532
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,862,901	769,104	290,572
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,179,095	$ 1,862,901	$ 769,104
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid for interest	$ 65,629	$ 459,001	$ 721,757
Cash paid for income taxes	266,800	--	--

The accompanying notes are an integral part of these statements.

NOTES TO COMBINED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

DESCRIPTION OF BUSINESS - Concord Beverage Company (Concord) bottles and distributes soft drinks from its two locations in Concordville, Pennsylvania and Elizabeth, New Jersey. Concord distributes various house and private label products to supermarket chains and other retail outlets located in the eastern part of the United States. In addition, certain of Concord's affiliates (as defined below) bottle and distribute the Vintage Beverage brand to similar type customers. The Company grants credit to substantially all of its customers.

BASIS OF PRESENTATION - The accompanying combined financial statements include the accounts of Concord, Vintage Beverage Corporation and the Vintage Beverage brand segments of Concord's affiliates, Beverage Capital Corporation ("Beverage Capital") and Canada Dry Bottling Company of New York ("Canada Dry") (the "Affiliates"), all of which are under common control. As Beverage Capital and Canada Dry do not prepare stand-alone financial statements for their Vintage Beverage segments, the financial statements of the segments were derived from the books and records of the respective entities and include the revenue earned from the sale of Vintage Brand products and direct expenses incurred by the segments and an allocation of expenses, which benefited the segments but were not directly charged to the segments. These financial statements do not purport to represent the combined financial position, results of operations and cash flows that would have resulted if the segments operated on a stand-alone basis or if they were owned by Concord. Concord together with the above noted affiliates are referred to as the "Company". All significant intercompany accounts and transactions have been eliminated.

Distributions to affiliates represent the difference between the net income earned by Vintage Beverage Corporation, and the Vintage Beverage brand segments of Beverage Capital and Canada Dry and the net assets retained in each of the segments as of the end of each of the respective reporting periods.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INVENTORIES - Inventories are stated at the lower of cost (determined by the first-in, first-out method) or market.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost. Depreciation is provided by use of straight-line and accelerated methods over the estimated useful lives of the assets which range from three years to thirty-nine and a half years.

DEFERRED CHARGES AND AMORTIZATION - Deferred charges include license fees which are being amortized based on cases sold pursuant to the terms of the license agreements.

INCOME TAXES - Concord and its stockholders have elected to have Concord taxed as an S corporation for Federal and Pennsylvania income tax reporting purposes. Accordingly, there is no provision for Federal and Pennsylvania income taxes since income earned as an S corporation will be taxed at the individual stockholder level. Concord is subject to New Jersey corporate taxes. One of the affiliates is subject to New York corporate taxes. The state and local income tax (benefit) is included in the tax expense related to the income (loss) from this segment.

CASH AND CASH EQUIVALENTS - The Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents for purposes of the statements of cash flows.

The Company maintains cash balances with financial institutions in amounts that exceed the Federal Government's deposit insurance.

ESTIMATES - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company considers the allocation of expenses related to sales of the Vintage Beverage brand by certain of its affiliates to be a significant estimate used in the preparation of these combined financial statements (See Note 1.)

FISCAL YEAR END - The Company's fiscal year ends on the Saturday nearest December 31. The years ended January 1, 2000 and January 2, 1999 contained fifty-two weeks, respectively, and the year ended January 3, 1998 contained fifty-three weeks.

PENSION PLAN - The Company accounts for its defined benefit pension plan in accordance with the provisions of Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions."

COMPREHENSIVE INCOME - During 1998, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 130, "Reporting Comprehensive Income," issued in June 1997 by the Financial Accounting Standards Board. SFAS No. 130 establishes standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. Comprehensive income includes net income and other comprehensive income. Comprehensive income is defined as the change in net assets of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. It includes all changes in equity during a period except those resulting from investments by owners and distributions to owners. The 1997 financial statements have been restated to reflect the adoption of this accounting standard.

3. MARKETABLE SECURITIES The Company accounts for its marketable securities in accordance with Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities." In accordance with the provisions of SFAS No. 115, the Company's marketable securities (consisting solely of equity securities) were classified as available for sale and are reported at their approximate fair value.

For 1999, 1998 and 1997, there were no sales of investments classified as available for sale. As of January 1, 2000 and January 2, 1999, unrealized gains were $744,739 and $609,699, respectively. There were no unrealized losses as of January 1, 2000 and January 2, 1999.

4. INVENTORIES Inventories consist of the following:

	January 1, 2000	January 2, 1999
Finished goods	$3,367,362	$2,824,313
Raw materials	3,881,244	2,954,732
	$7,248,606	$5,779,045

5. PROPERTY, PLANT AND Property, plant and equipment consist of the EQUIPMENT following:

	January 1, 2000	January 2, 1999
Land	$ 648,179	$ 648,179
Buildings and improvements	7,915,100	7,915,100
Machinery and equipment	20,557,913	20,144,068
Transportation equipment	1,289,115	1,239,267
Furniture and fixtures	1,479,732	1,389,775
	31,890,039	31,336,389
Less accumulated depreciation	24,137,496	22,277,133
	$ 7,752,543	$ 9,059,256

Depreciation expense for 1999, 1998 and 1997 amounted to $1,872,826, $2,140,495 and $2,137,801, respectively.

6. DEFERRED CHARGES AND OTHER COSTS

During 1998, the Company paid $500,000 to a customer to manufacture and supply beverages to that customer. The agreement with the customer expires the later of September 30, 2002 or the date on which the customer purchases and pays for 6,000,000 cases. The Company is not required to make any additional payments for purchases in excess of 6,000,000 cases.

During 1997, the Company paid $2,000,000 ("1997 Agreement") to a second customer to extend a license that the Company has to manufacture and supply beverages for the customer. The 1997 Agreement expires on the later of September 1, 2001 or the date by which the second customer purchases and pays for 24,000,000 cases.

During 1997, the Company paid $950,000 for a license to manufacture and supply beverages to a third customer. The agreement with the third customer, which expires on December 31, 2000, requires that the Company make a $950,000 annual payment at the beginning of each year. In accordance with this agreement, the Company is required to annually supply the lesser of all of the third customer's requirement or 4,000,000 cases. If the third customer has not purchased 16,000,000 cases at the end of the contract, the third customer can either extend the agreement until 16,000,000 cases are purchased or pay the Company for the difference based on a price specified in the agreement. The 1999 and 1998 payments were made in December 1998 and December 1997, respectively. In addition, the Company is required to pay a specified amount per case for the cases purchased annually by the third customer in excess of 4,000,000 cases. The 1999 and 1998 cases purchased did not exceed this amount.

In addition, during 1997, the Company paid $500,000 for a license to manufacture and supply beverages to a fourth customer. The agreement with the fourth customer expires on the later of July 31, 2001 or the date on which the customer purchases and pays for 2,200,000 cases. At the end of the agreement, the Company is required to pay the fourth customer a specified amount per case for any cases purchased in excess of 2,200,000 cases.

During 1996, the Company paid $300,000 to a fifth customer to manufacture and supply beverages. The agreement with the fifth customer expires on the later of October 2001 or the date by which the fifth customer purchases and pays for 3,375,000 cases. During the agreement term, the fifth customer is obligated to purchase 3,375,000 cases, including a minimum of 675,000 cases each year.

7. NOTES PAYABLE During 1995, the Company entered into a note payable to an affiliated company. The note was payable in monthly installments of $205,320, including interest at 7% per annum through 1999. The Company made additional principal payments of $1,921,764 during 1998. The remaining balance of $2,125,231 was repaid during 1999.

During 1996, the Company entered into a second note payable for $3,000,000 with the affiliated company. The second note bore interest at 7% per annum and was paid in full during 1998.

8. COMMITMENTS LEASES - The Company leases warehouse and office space under long-term operating leases. The minimum annual rentals under the leases are as follows:

2000	$ 1,238,828
2001	527,476
2002	404,544
	$ 2,170,848

Total rental expense for warehouse and office space, trucks, trailers, forklifts and office equipment was approximately $1,889,000, $2,097,000 and $2,230,000 for 1999, 1998 and 1997, respectively. Rent expense includes short-term leases.

OTHER - In connection with the sale of certain assets by an affiliate to a non-related third party, the Company agreed to purchase all of its plastic bottles from the third party for a five-year period effective July 1997.

9. BENEFIT PLANS The Company maintains a defined benefit pension plan covering those employees who are included in a collective bargaining agreement. The benefits are based on a fixed monthly benefit for each year of service.

The amount charged to expense for the union defined benefit pension plan was approximately $155,000, $192,000 and $289,000 for 1999, 1998 and 1997, respectively.

The following sets forth the Plan's funded status and related amounts recognized in the Company's financial statements as of January 1, 2000 and January 2, 1999:

	January 1, 2000	January 2, 1999
Benefit obligation	$(4,756,032)	$(4,637,367)
Fair value of plan assets	5,726,024	5,384,470
Funded status	$ 969,992	$ 747,103
Prepaid (accrued) benefit cost recognized in the balance sheet	$ (11,413)	$ 143,291

The benefit cost charged to operations as well as employer contributions and benefits paid for each of the three years included in the period ended January 1, 2000 are as follows:

	1999	1998	1997
Benefit cost	$154,704	$192,432	$289,232
Employer contributions	--	456,812	229,674
Benefits paid	112,521	175,202	65,285

The weighted average discount rate used in determining the actuarial present value of the projected benefit obligation was 7.50%, 6.75% and 7.25% in 1999, 1998 and 1997, respectively. The expected long-term rate of return on assets was 9% in all three years.

The Company maintains a noncontributory profit-sharing plan covering those employees not included in a collective bargaining agreement. The Company also maintains a 401(k) Plan covering all eligible employees. Contributions under both plans are at the discretion of the Board of Directors. Contributions under both plans were $315,887, $341,975 and $257,319 for 1999, 1998 and 1997, respectively.

10. TRANSACTIONS WITH RELATED PARTIES

The Company's purchases from related parties, primarily for raw materials, were approximately $2,768,000, $3,742,000 and $18,445,000 in 1999, 1998 and 1997, respectively. Net sales and cost reimbursements (which reimbursements are accounted for as reductions of cost of sales) to related parties were approximately $13,773,060, $13,482,000 and $11,139,000 for 1999, 1998 and 1997, respectively.

Concord and one of its affiliates have a contractual obligation with its stockholders to pay directly to taxing authorities an amount equal to the income tax liability resulting from Taxable Income. The income tax liability is computed by applying the stockholders' marginal tax rate to Taxable Income. Payments are made on dates coincidental with the estimated tax requirements of the Internal Revenue Service.

Payments in lieu of corporate income taxes relating to Concord's Taxable Income reported for 1998 do not include the payments of stockholders' fourth quarter estimated tax requirements of approximately $1,144,000, which were paid in 1999. The stockholders agreed to defer the State payments of approximately $168,000 in lieu of corporate income taxes for 1997 until April 1998.

The Company has determined that it has no federal liability under the agreement at December 31, 1997 inasmuch as the income tax benefit to the stockholders from the loss incurred by the Company in prior years substantially eliminates the stockholders' income tax liability attributable to the Company's 1997 Taxable Income.

11. MAJOR CUSTOMERS Approximately 67%, 71% and 65%, respectively, of the Company's 1999, 1998 and 1997 net sales were to four major customers. Net trade accounts receivable as of January 1, 2000 and January 2, 1999 from these major customers were approximately $3,939,000, and $3,496,000, respectively.

12. OTHER INCOME, NET Other income, net, consists of the following for 1999, 1998 and 1997:

	1999	1998	1997
Interest and dividend income	$149,478	$158,758	$148,423
Gain on sale of property, plant and equipment	1,533	5,221	21,109
Equity in undistributed earnings of affiliates	--	--	18,446
	$151,011	$163,979	$187,978

13. ACCOUNTS RECEIVABLE - TRADE, NET

ACCOUNTS RECEIVABLE - Trade are net of an allowance for uncollectible accounts of $135,800 and $70,780 at January 1, 2000 and January 2, 1999, respectively.

14. SUBSEQUENT EVENT

On October 18, 2000, substantially all of the assets subject to certain liabilities and the business of Concord as well as the Vintage Beverage brand segments of certain of its affiliates were sold to a third party. The Company received $53,747,823 in cash plus two promissory notes in the principal amounts of $7,166,376 and $10,749,564. The promissory notes are due in one year.

Exhibit 2.4

CONCORD BEVERAGE COMPANY

AND THE VINTAGE BEVERAGE SEGMENTS

OF ITS AFFILIATES

Combined Financial Statements
Nine months ended September 30, 2000

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES

COMBINED STATEMENT OF INCOME AND COMPREHENSIVE INCOME

For the nine months ended September 30, 2000

Net sales	$66,096,429
Cost of sales	46,988,369
GROSS PROFIT	19,108,060
Operating expenses	13,610,841
INCOME FROM OPERATIONS	5,497,219
Other income, net	171,729
INCOME BEFORE ITEMS BELOW	5,668,948
Payments in lieu of taxes	3,540,546
INCOME BEFORE STATE & LOCAL TAXES	2,128,402
State & local taxes	152,710
NET INCOME	1,975,691
OTHER COMPREHENSIVE INCOME - UNREALIZED LOSSES ON SECURITIES	(252,605)
COMPREHENSIVE INCOME	$ 1,723,086

The accompanying notes are an integral part of these statements.

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES

COMBINED BALANCE SHEET

As of September 30, 2000

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	$ 5,590,938
Marketable securities	1,463,085
Accounts receivable	
Trade, net	6,337,921
Affiliates	1,156,403
Other	2,272,448
Inventories (Note 2)	8,409,318
Prepaid expenses	56,175
TOTAL CURRENT ASSETS	25,286,288
PROPERTY, PLANT AND EQUIPMENT, NET (NOTE 3)	6,471,579
OTHER ASSETS:	
Deferred charges and other costs, net of accumulated amortization of $8,788,043 for 1999 and $7,275,644 for 1998	4,509,031
Construction-in-progress	525,723
Pallets	841,761
Security deposits and other assets	34,448
TOTAL OTHER ASSETS	5,910,963
TOTAL ASSETS	$37,668,830

The accompanying notes are an integral part of these statements.

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES

COMBINED BALANCE SHEET

As of September 30, 2000

LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES:	
Current portion of notes payable	$ --
Accounts payable:	
Trade	4,677,789
Affiliates	443,698
Accrued expenses and other current liabilities	4,527,502
Income taxes payable	
TOTAL CURRENT LIABILITIES	9,648,989
STOCKHOLDERS' EQUITY:	
Common stock:	
Class A, $10 par value, voting,	
Authorized - 10,000 shares	
Issued and outstanding - 5,759 shares	57,590
Class B, $10 par value, nonvoting,	
Authorized - 10,000 shares	
Issued - 4,701 shares	47,010
Additional paid-in capital	10,303,203
Retained earnings	20,536,529
Accumulated other comprehensive income -	--
unrealized gains on securities	492,134
Equity in affiliated Vintage Beverage segments of business	459,396
	31,895,861
Less treasury stock, at cost, 3,351.8 Class B shares	3,876,021
TOTAL STOCKHOLDERS' EQUITY	28,019,840
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$37,668,830

The accompanying notes are an integral part of these statements.

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES

COMBINED STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2000	09/30/00
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income	$ 1,975,691
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	2,435,398
Proceeds from sale of marketable securities	25,000
Net change in operating assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	643,120
Inventories	(1,160,712)
Prepaid expenses	397,465
Pallets	(557,768)
Security deposits and other assets	(27,404)
Increase (decrease) in:	
Accounts payable	173,338
Accrued expenses and other current liabilities	826,541
Income taxes payable	(90,197)
Net Cash Provided by Operating Activities	4,640,472
CASH FLOWS FROM INVESTING ACTIVITIES:	
Capital expenditures	(118,280)
Distribution to affiliates	(110,349)
Purchase of franchise contracts	(1,000,000)
Net Cash Used in Investing Activities	(1,228,629)
CASH FLOWS FROM FINANCING ACTIVITIES:	0
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,411,843
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	2,179,095
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 5,590,938
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash paid during the period for:	
Interest	$ --
Income taxes	248,000

The accompanying notes are an integral part of these statements.

CONCORD BEVERAGE COMPANY AND THE VINTAGE BEVERAGE SEGMENTS OF ITS AFFILIATES

NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the nine months ended September 30, 2000

NOTE 1 - BASIS OF PRESENTATION

The unaudited combined financial statements have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all information and notes presented in the annual consolidated financial statements in conformity with U.S. GAAP. In the opinion of management, the statements reflect all adjustments that are necessary for a fair statement of the results for the interim periods presented. All such adjustments are of a normal recurring nature.

The results for the interim periods presented are not necessarily indicative of the results that may be expected for the full fiscal year.

NOTE 2 - INVENTORIES

Inventories consist of the following:

Finished goods	$ 4,614,982
Raw materials	3,386,533
Other	408,803
	$ 8,409,318

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Cost	$31,846,320
Accumulated depreciation	(25,374,741)
	$ 6,471,579