

**W P Holdings PLC and its Subsidiary
Undertakings**
Financial Statements
30th September 1998

Company Registration Number 1872858

JOLLIFFE CORK
Chartered Accountants & Registered Auditors
33 George Street
Wakefield
WF1 1LX



W P Holdings PLC and its Subsidiary Undertakings

Financial Statements

Year Ended 30th September 1998

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W P Holdings PLC and its Subsidiary Undertakings

Officers and Professional Advisers

The Board of Directors	Mr K Williams Mr G Williams
Company Secretary	Mr K Williams
Registered Office	Horbury Bridge Mills Horbury Bridge Wakefield WF4 5PW
Auditors	Jolliffe Cork Chartered Accountants & Registered Auditors 33 George Street Wakefield WF1 1LX
Bankers	Barclays Bank plc Minerva House 29 East Parade Leeds LS1 5TW
Solicitors	Catteralls 7 Kingsway Ossett WF5 8DA

W P Holdings PLC and its Subsidiary Undertakings

The Directors' Report

Year Ended 30th September 1998

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 30th September 1998.

Principal Activities and Business Review

The principal activity of the group continued to be that of the manufacture of fibreglass products, motor vehicle sprayers, shopfitters, sign manufacturers and property management.

The group suffered a major fire at its trading premises at Horbury Bridge during the year and the accounts include the insurance proceeds for that property and consequential loss claim. The directors have secured new premises and are confident that the group will trade profitably in the current and future years.

On the 30th September 1998 Hippo Glassfibre Limited ceased trading when the business was transferred to The Widd Group Limited.

Results and Dividends

The trading results for the year, and the group's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

The Directors and their Interests

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		Ordinary Shares of £1 each	
		At 30 September 1998	At 1 October 1997
Mr K Williams		47,500	47,500
Mr G Williams		500	500
Mr K H Emsley	(Retired 8 May 1998)	<hr/>	<hr/>

Policy on the Payment of Creditors

Where appropriate, in relation to specific suppliers, it is the company's practice to;

- a) Agree the terms of payment at the start of business with suppliers
- b) Ensure that suppliers are made aware of the terms of payment when an order is placed
- c) Abide by the terms of payment

Trade creditor days of the company for the year ended 30th September 1998 were 200 days (1997:167 days), as calculated in accordance with the requirements of the Companies Act 1985.

W P Holdings PLC and its Subsidiary Undertakings

The Directors' Report *(continued)*

Year Ended 30th September 1998

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 at the end of the year and of the group's profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 12 to 13, 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; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Jolliffe Cork as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Horbury Bridge Mills
Horbury Bridge
Wakefield
WF4 5PW

Signed by order of the directors



Mr K Williams
Company Secretary

Approved by the directors on 28th April 1999

W P Holdings PLC and its Subsidiary Undertakings

Auditors' Report to the Shareholders

Year Ended 30th September 1998

We have audited the financial statements on pages 5 to 22 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 12 to 13.

Respective Responsibilities of the Directors and the Auditors

As described on pages 2 to 3, the company's directors are responsible for the preparation of the 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 issued by the Auditing Practices Board. 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 group'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 company's and group's state of affairs as at 30th September 1998 and of the group's profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

33 George Street
Wakefield
WF1 1LX

28th April 1999


JOLLIFFE CORK
Chartered Accountants
& Registered Auditors

W P Holdings PLC and its Subsidiary Undertakings

Group Profit and Loss Account

Year Ended 30th September 1998

		1998 £	1997 £
Group Turnover	2	893,208	919,663
Cost of sales		<u>386,394</u>	<u>518,918</u>
Gross Profit		506,814	400,745
Distribution costs		72,376	53,225
Administrative expenses		550,958	360,822
Other operating income	3	<u>(259,638)</u>	<u>(68,483)</u>
Operating Profit	4	143,118	55,181
Interest receivable		4,584	-
Amounts written off investments	7	(1)	(1)
Interest payable	8	<u>(27,143)</u>	<u>(20,927)</u>
Profit on Ordinary Activities Before Taxation		<u>120,558</u>	<u>34,253</u>
Tax on profit on ordinary activities	9	69,568	7,993
Retained Profit for the Financial Year	10	<u>50,990</u>	<u><u>26,260</u></u>

All of the activities of the company are classed as continuing.

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own profit and loss account.

The notes on pages 12 to 22 form part of these financial statements.

W P Holdings PLC and its Subsidiary Undertakings

Year Ended 30th September 1998

Group Statement of Total Recognised Gains and Losses

	1998	1997
	£	£
Profit for the financial year attributable to the members of the parent company	50,990	26,260
Unrealised profit on revaluation of properties	100,000	-
Total gains and losses recognised Since the last annual report	150,990	26,260

The notes on pages 12 to 22 form part of these financial statements.

W P Holdings PLC and its Subsidiary Undertakings

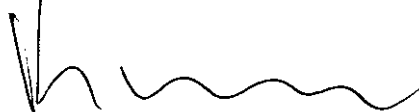
Group Balance Sheet

30th September 1998

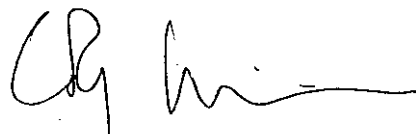
	Note	1998 £	1997 £
Fixed Assets			
Tangible assets	11	1,136,386	1,171,998
Investments	12	-	-
		<u>1,136,386</u>	<u>1,171,998</u>
Current Assets			
Stocks	13	28,750	40,942
Debtors	14	240,228	203,858
Cash at bank and in hand		362,358	22,802
		<u>631,336</u>	<u>267,602</u>
Creditors: Amounts falling due within one year	15	<u>(786,776)</u>	<u>(637,282)</u>
Net Current Liabilities		<u>(155,440)</u>	<u>(369,680)</u>
Total Assets Less Current Liabilities		<u>980,946</u>	<u>802,318</u>
Creditors: Amounts falling due after more than one year	16	<u>(58,993)</u>	<u>(33,187)</u>
		<u>921,953</u>	<u>769,131</u>
Provisions for Liabilities and Charges			
Deferred taxation	17	<u>(5,086)</u>	<u>(3,254)</u>
		<u>916,867</u>	<u>765,877</u>
Capital and Reserves			
Called-up equity share capital	20	50,000	50,000
Revaluation reserve	21	587,342	740,440
Other reserves	21	112	112
Profit and loss account	21	279,413	(24,675)
Shareholders' Funds	22	<u>916,867</u>	<u>765,877</u>

These financial statements were approved by the directors on the 28th April 1999 and are signed on their behalf by:

Mr K Williams



Mr G Williams



The notes on pages 12 to 22 form part of these financial statements.

W P Holdings PLC and its Subsidiary Undertakings

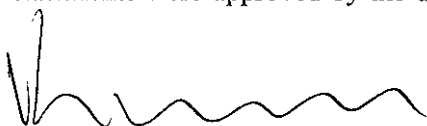
Company Balance Sheet

30th September 1998

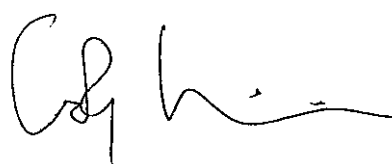
	Note	1998 £	1997 £
Fixed Assets			
Tangible assets	11	1,112,167	1,145,992
Investments	12	25,500	15,500
		<u>1,137,667</u>	<u>1,161,492</u>
Current Assets			
Debtors	14	53,202	27,697
Cash at bank and in hand		406,417	22,459
		<u>459,619</u>	<u>50,156</u>
Creditors: Amounts falling due within one year	15	(621,538)	(423,771)
Net Current Liabilities		<u>(161,919)</u>	<u>(373,615)</u>
Total Assets Less Current Liabilities		<u>975,748</u>	<u>787,877</u>
Creditors: Amounts falling due after more than one year	16	(58,993)	(33,187)
		<u>916,755</u>	<u>754,690</u>
Capital and Reserves			
Called-up equity share capital	20	50,000	50,000
Revaluation reserve	21	587,342	740,440
Profit and loss account	21	279,413	(35,750)
Shareholders' Funds		<u>916,755</u>	<u>754,690</u>

These financial statements were approved by the directors on the 28th April 1999 and are signed on their behalf by:

Mr K Williams



Mr G Williams



The notes on pages 12 to 22 form part of these financial statements.

W P Holdings PLC and its Subsidiary Undertakings

Cash Flow Statement

Year Ended 30th September 1998

	1998		1997	
	£	£	£	£
Net Cash Inflow From Operating Activities		98,279		45,560
Returns on Investments and Servicing of Finance				
Interest received	4,584		-	
Interest paid	(21,519)		(16,657)	
Interest element of hire purchase and finance lease payments	(5,624)		(4,270)	
Net Cash Outflow From Returns on Investments and Servicing of Finance		(22,559)		(20,927)
Taxation		(4,323)		-
Capital Expenditure				
Payments to acquire tangible fixed assets	(122,646)		(2,876)	
Receipts from sale of fixed assets	631,094		20,426	
Net Cash Inflow/(outflow) From Capital Expenditure		508,448		17,550
Acquisitions and Disposals				
Acquisition of shares in group undertakings	(1)		-	
Net Cash Outflow From Acquisitions and Disposals		(1)		-
Cash Inflow Before Financing		579,844		42,183
Financing				
Repayment of bank loans	(1,500)		-	
Capital element of hire purchase and finance lease payments	(173,859)		(58,744)	
Net Cash (Outflow)/inflow From Financing		(175,359)		(58,744)
Increase in Cash		404,485		(16,561)

W P Holdings PLC and its Subsidiary Undertakings

Cash Flow Statement *(continued)*

Year Ended 30th September 1998

Reconciliation of operating Profit to Net Cash inflow from Operating Activities

	1998 £	1997 £
Operating profit	143,118	55,181
Depreciation	22,034	18,783
(Profit)/Loss on disposal of fixed assets	(190,411)	601
Decrease/(Increase) in stocks	12,192	(1,526)
Increase in debtors	(36,370)	(21,355)
Increase in creditors	147,716	(6,124)
Net cash inflow from operating activities	<u>98,279</u>	<u>45,560</u>

Reconciliation of Net Cash Flow to Movement in Net Funds

	1998 £	1997 £
Increase in cash in the period	404,485	(16,561)
New hire purchase agreements	(204,459)	(65,508)
Net cash outflow/(inflow) from bank loans	1,500	-
Net cash outflow/(inflow) in respect of hire purchase and finance leases	173,859	58,744
Change in net funds	<u>375,385</u>	<u>(23,325)</u>
Net debt at 1st October 1997	(116,852)	(93,527)
Net funds at 30th September 1998	<u>258,533</u>	<u>(116,852)</u>

W P Holdings PLC and its Subsidiary Undertakings

Cash Flow Statement *(continued)*

Year Ended 30th September 1998

Analysis of Changes in Net Funds

	At 1 Oct 1997 £	Cash flows £	Other changes £	At 30 Sep 1998 £
Net cash:				
Cash in hand and at bank	22,802	339,556		362,358
Overdrafts	(64,929)	64,929		-
	<u>(42,127)</u>	<u>404,485</u>		<u>362,358</u>
Debt:				
Debt due within 1 year	(17,500)	1,500	-	(16,000)
Hire purchase and finance leases	(57,225)	173,859	(204,459)	(87,825)
	<u>(74,725)</u>	<u>175,359</u>		<u>(103,825)</u>
Net funds	<u>(116,852)</u>	<u>579,844</u>	<u>(204,459)</u>	<u>258,533</u>

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

1. Accounting Policies

(i) Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

(ii) Basis of Consolidation

The consolidated accounts incorporate the accounts of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of section 230 of the Companies Act 1985.

(iii) Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

(iv) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 15%
Fixtures and fittings	- 15%
Motor vehicles	- 25%

(v) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

(vi) Work in Progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

(vii) Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

(viii) Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

1. Accounting Policies *(continued)*

(ix) Deferred Taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	1998 £	1997 £
United Kingdom	<u>893,208</u>	<u>919,663</u>

3. Other Operating Income

	1998 £	1997 £
Rent receivable	63,107	68,483
Profit on disposal of fixed assets	190,411	-
Other operating income	6,120	-
	<u>259,638</u>	<u>68,483</u>

4. Operating Profit

Operating profit is stated after charging/(crediting):

	1998 £	1997 £
Depreciation	22,034	18,783
Loss on disposal of fixed assets	-	601
Profit on disposal of fixed assets	(190,411)	-
Auditors' remuneration		
- as auditors	<u>11,000</u>	<u>8,398</u>

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

5. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	1998 No.	1997 No.
Number of production staff	18	17
Number of administrative staff	5	5
	<u>23</u>	<u>22</u>

The aggregate payroll costs of the above were:

	1998 £	1997 £
Wages and salaries	513,017	297,976
Social security costs	54,868	27,368
Other pension costs	30,000	30,000
	<u>597,885</u>	<u>355,344</u>

6. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	1998 £	1997 £
Emoluments receivable	257,499	87,778
Value of company pension contributions to money purchase schemes	30,000	30,000
	<u>287,499</u>	<u>117,778</u>

Emoluments of highest paid director:

	1998 £	1997 £
Total emoluments (excluding pension contributions):	<u>211,250</u>	<u>58,350</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	1998 No.	1997 No.
Money purchase schemes	<u>2</u>	<u>2</u>

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

7. Amounts Written Off Investments

	1998 £	1997 £
Amounts written off investments	<u>1</u>	<u>1</u>

8. Interest Payable

	1998 £	1997 £
Interest payable on bank borrowing	14,368	16,657
Finance charges	5,624	4,270
Other similar charges payable	7,151	-
	<u>27,143</u>	<u>20,927</u>

9. Tax on Profit on Ordinary Activities

	1998 £	1997 £
In respect of the year:		
Corporation tax based on the results for the year at 21% (1997 - 24%)	66,753	7,993
Increase in deferred tax provision (Note 17):		
Capital allowances	1,832	3,254
	<u>68,585</u>	<u>11,247</u>
Adjustment in respect of previous years:		
Corporation tax	983	-
	<u>69,568</u>	<u>11,247</u>

10. Profit Attributable to Members of the Parent Company

The profit dealt with in the accounts of the parent company was £62,065 (1997 - £10,279).

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

11. Tangible Fixed Assets

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost Or Valuation					
At 1 October 1997	1,050,000	119,816	18,441	96,728	1,284,985
Additions	-	55,884	444	270,777	327,105
Disposals	(300,000)	(97,053)	(18,441)	(132,211)	(547,705)
Revaluation	100,000	-	-	-	100,000
At 30 September 1998	850,000	78,647	444	235,294	1,164,385
Depreciation					
At 1 October 1997	-	84,753	11,258	16,976	112,987
Charge for the year	-	8,322	1,101	12,611	22,034
On disposals	-	(78,148)	(12,335)	(16,539)	(107,022)
At 30 September 1998	-	14,927	24	13,048	27,999
Net Book Value					
At 30 September 1998	850,000	63,720	420	222,246	1,136,386
At 30 September 1997	1,050,000	35,063	7,183	79,752	1,171,998

Revaluation of fixed assets

Freehold property is included at revalued amounts, based on the directors opinion of open market value.

In respect of assets stated at valuation, the comparable historical cost is as follows:

Historical cost:

At 1st October 1997	276,828	276,828
Disposals in year	(46,902)	Nil
At 30th September 1998	<u>229,926</u>	<u>276,828</u>

Hire purchase agreements

Included within the net book value of £1,136,386 is £145,292 (1997 - £76,726) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £8,223 (1997 - £12,460).

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

11. Tangible Fixed Assets *(continued)*

Company	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
Cost Or Valuation				
At 1st October 1997	1,050,000	26,509	96,728	1,173,237
Additions	-	30,238	270,777	301,015
Disposals	(300,000)	(3,746)	(132,211)	(435,957)
Revaluation	100,000	-	-	100,000
At 30th September 1998	850,000	53,001	235,294	1,138,295
Depreciation				
At 1st October 1997	-	10,269	16,976	27,245
Charge for the year	-	3,651	12,611	16,262
On disposals	-	(840)	(16,539)	(17,379)
At 30th September 1998	-	13,080	13,048	26,128
Net Book Value				
At 30th September 1998	850,000	39,921	222,246	1,112,167
At 30th September 1997	1,050,000	16,240	79,752	1,145,992

Revaluation of fixed assets

Freehold property is included at revalued amounts, based on the directors opinion of open market value.

In respect of assets stated at valuation, the comparable historical cost is as follows:

Historical cost:

At 1 st October 1997	276,828	276,828
Disposals in year	(46,902)	Nil
At 30th September 1998	229,296	276,828

Hire purchase agreements

Included within the net book value of £1,112,167 is £145,292 (1997 - £76,726) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £8,223 (1997 - £12,460).

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

12. Investments

Group - Subsidiary undertakings

	£
Cost	
Additions	1
At 30th September 1998	<u>1</u>
Amounts Written Off	
Written off in year	1
At 30th September 1998	<u>1</u>
Net Book Value	
At 30th September 1998	<u>-</u>

The company owns 100% of the issued ordinary share capital of Hippo Glassfibre Limited, a company registered in England, whose principal activity was that of the manufacture, design and sale of fiberglass products, the company ceased trading on the 30th September 1998. On the 17th August 1998 the company acquired 100% of the issued share capital of The Widd Group Limited, a company registered in England, this company did not trade during the year, but acquired all the assets and liabilities of Hippo Glassfibre Limited on the 30th September 1998.

The company also acquired 100% of the issued ordinary share capital of Widd(1934) Limited whose principal activity was that of signmaking, this company subsequently went into liquidation and its results for the period to 30th September 1998 have not been included in the group accounts and the investment has been written off.

Company	Total £
Cost	
At 1st October 1997	15,500
Additions	10,001
At 30th September 1998	<u>25,501</u>
Amounts Written Off	
Written off in year	1
At 30th September 1998	<u>1</u>
Net Book Value	
At 30th September 1998	<u>25,500</u>
At 30th September 1997	<u>15,500</u>

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

13. Stocks

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Raw materials	5,911	8,422	-	-
Work in progress	16,765	23,870	-	-
Finished goods	6,074	8,650	-	-
	<u>28,750</u>	<u>40,942</u>	<u>-</u>	<u>-</u>

14. Debtors

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Trade debtors	155,931	103,140	25,004	3,723
Directors current accounts	21,040	17,750	21,040	17,750
Other debtors	60,324	80,650	5,261	4,438
Prepayments and accrued income	2,933	2,318	1,897	1,786
	<u>240,228</u>	<u>203,858</u>	<u>53,202</u>	<u>27,697</u>

The maximum indebtedness on the directors' loan account during the year was £46,028 (1997: £17,750).

15. Creditors: Amounts falling due within one year

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Bank loans and overdrafts	16,000	82,429	16,000	17,500
Trade creditors	221,298	174,382	28,294	40,062
Amounts owed to group undertakings	-	-	166,610	203,108
Other creditors including taxation and social security:				
Corporation Tax	71,733	8,320	44,610	1,100
PAYE and social security	98,403	68,633	55,715	22,962
VAT	39,855	44,183	16,925	13,994
Hire purchase agreements	28,832	24,038	28,832	24,038
Other creditors	48,206	51,406	23,206	18,006
Directors current accounts	6,640	1,038	6,640	1,038
Accruals and deferred income	255,809	182,853	234,706	81,963
	<u>786,776</u>	<u>637,282</u>	<u>621,538</u>	<u>423,771</u>

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

16. Creditors: Amounts falling due after more than one year

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Other creditors:				
Hire purchase agreements	<u>58,993</u>	<u>33,187</u>	<u>58,993</u>	<u>33,187</u>

17. Deferred Taxation

The movement in the deferred taxation provision during the year was:

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Provision brought forward	3,254	3581	-	-
Increase in provision	1,832	(327)	-	-
Provision carried forward	<u>5,086</u>	<u>3,254</u>	<u>-</u>	<u>-</u>

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>5,086</u>	<u>3,254</u>	<u>-</u>	<u>-</u>

18. Commitments under Hire Purchase Agreements

Future commitments under hire purchase agreements are as follows:

	Group		Company	
	1998	1997	1998	1997
	£	£	£	£
Amounts payable within 1 year	34,958	27,882	34,958	27,882
Amounts payable between 2 to 5 years	66,379	35,483	66,379	35,483
	<u>101,337</u>	<u>63,365</u>	<u>101,337</u>	<u>63,365</u>
Less interest and finance charges relating to future periods	(13,512)	(6,140)	(13,512)	(6,140)
	<u>87,825</u>	<u>57,225</u>	<u>87,285</u>	<u>57,225</u>

Hire purchase agreements are repayable by monthly instalments. Interest is fixed at the agreement date.

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

19. Related Party Transactions

The company was under the control of Mr K Williams throughout the current and previous year. Mr K Williams is the managing director and majority shareholder.

During the year the company received management charges of £16,000 and rental income of £19,588 from Widd Signs (1934) Limited, a company which was acquired in the year, but subsequently went into liquidation.

20. Share Capital

Authorised share capital:

	1998 £	1997 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	<u>50,000</u>	<u>50,000</u>

21. Reserves

Group	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £
Opening balance	(24,675)	740,440	112
Profit for the year	50,990		
Transfer from revaluation reserve	253,098		
Revaluation of fixed assets		100,000	
Transfer to profit and loss account		(253,098)	
Balance carried forward	<u>279,413</u>	<u>587,342</u>	<u>112</u>
Company	Profit and loss account £	Revaluation reserve £	
Opening balance		(35,750)	740,440
Profit for the year		62,065	
Transfer from revaluation reserve		253,098	
Revaluation of fixed assets			100,000
Transfer to profit and loss account			(253,098)
Balance carried forward		<u>279,413</u>	<u>587,342</u>

W P Holdings PLC and its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 30th September 1998

22. Reconciliation of Movements in Shareholders' Funds

	1998	1997
	£	£
Profit for the financial year	50,990	26,260
Other net recognised gains and losses	100,000	-
Net addition to funds	150,990	26,260
Opening shareholders' equity funds	765,877	739,617
Closing shareholders' equity funds	<u>916,867</u>	<u>765,877</u>