

**Edward Williams Holdings  
Limited and Subsidiary Companies**

**Directors' report and financial statements**

**For the year ended 30 June 1996**

**Registered number 98606**



# Edward Williams Holdings Limited and Subsidiary Companies

## Directors' report and financial statements

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# Edward Williams Holdings Limited and Subsidiary Companies

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 1996.

### Principal activity

The company acts as a holding company for the companies listed in note 14 to the financial statements.

### Results and state of affairs

The financial statements show the profit of the group for the year after taxation and the state of affairs at 30 June 1996.

### Future prospects

The directors continue to seek opportunities to strengthen the group balance sheet to the benefit of all shareholders.

### Dividends and transfers to reserves

The final dividend paid during the year was £89,663 (1995: £44,831). No interim dividend was paid (1995: £44,832).

### Creditor payments policy

The company does not follow a specific code or standard on payment practice - it is the company's policy to agree the terms of payment with its suppliers in respect of each transaction. The terms of payment are documented in the purchase order and are adhered to as a contractual commitment.

### Fixed assets

The directors are of the opinion that the aggregate market value of properties at 30 June 1996 was in excess of their book value at that date.

### Employees

The group makes every effort to ensure that disabled people receive equal opportunities and are not discriminated against on the grounds of their disability.

The group recognises the benefits of keeping employees informed of the progress of the business and of involving them in its performance.

# Edward Williams Holdings Limited and Subsidiary Companies

## Directors' report (*continued*)

### Directors and directors' interests

The directors of the company who served during the year were as follows:

FB Williams (chairman)  
RT Stokes  
EJ Webster

The director retiring by rotation is Mr R T Stokes who, being eligible, offers himself for re-election. Mr EJ Webster resigned as a director on 31 October 1995.

The interests of the directors in the 25p ordinary shares of the company were as follows:

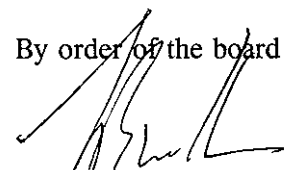
	At 30 June 1996		At 30 June 1995	
	Beneficial	Trustee	Beneficial	Trustee
FB Williams	35,194	246,987	35,194	246,987

No director is beneficially interested in the share capital of any subsidiary undertaking.

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company, is to be proposed at the forthcoming annual general meeting.

By order of the board



FB Williams  
Chairman

19 December 1996

# Edward Williams Holdings Limited and Subsidiary Companies

## Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.



2 Cornwall Street  
Birmingham  
B3 2DL

## Auditors report to the members of Edward Williams Holdings Limited

We have audited the financial statements on pages 5 to 27.

### *Respective responsibilities of the directors and auditors*

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### *Basis of opinion*

We conducted our audit in accordance with Auditing Standards 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 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 state of affairs of the company and the group as at 30 June 1996 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG*

KPMG  
Chartered Accountants  
Registered Auditors

19 December 1996

# Edward Williams Holdings Limited and Subsidiary Companies

## Consolidated profit and loss account for the year ended 30 June 1996

	Note	1996 £	1995 £
Turnover - continuing operations	2	5,314,899	6,145,211
Cost of sales		(4,616,993)	(4,538,166)
<b>Gross profit</b>		<b>697,906</b>	<b>1,607,045</b>
Other operating expenses		(588,639)	(702,131)
<b>Operating profit - continuing operations</b>	3	<b>109,267</b>	<b>904,914</b>
Loss on sale of business - discontinued operations	4	-	(16,517)
Income from other fixed asset investments		53,241	39,230
Other interest receivable and similar income		92,867	74,857
Interest payable and similar charges	6	(5,453)	(6,412)
<b>Profit on ordinary activities before taxation</b>	7	<b>249,922</b>	<b>996,072</b>
Tax on profit on ordinary activities	9	(42,172)	(207,754)
<b>Profit on ordinary activities after taxation</b>		<b>207,750</b>	<b>788,318</b>
<b>Profit for the financial year</b>	10	<b>207,750</b>	<b>788,318</b>
Dividends paid	11	(89,663)	(89,663)
Retained profit	21	118,087	698,655

A statement of movement on reserves is given in note 21 on page 24.

# Edward Williams Holdings Limited and Subsidiary Companies

Consolidated profit and loss account  
*for the year ended 30 June 1996 (continued)*

## **Consolidated statement of total recognised gains and losses**

There were no recognised gains or losses in either the current or preceding years other than those disclosed in the consolidated profit and loss account.

## **Note of consolidated historical cost profits and losses**

In both the current and preceding years there was no material difference between the profit reported in the consolidated profit and loss account and the profit on an unmodified historical cost basis.

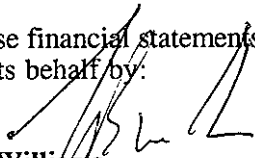


# Edward Williams Holdings Limited and Subsidiary Companies

## Consolidated balance sheet as at 30 June 1996

	Note	1996 £	£	1995 £	£
<b>Fixed assets</b>					
Tangible assets	12	1,331,660		1,368,716	
Investment property	1,13	400,000		400,000	
Investments	14	1,070,532		974,356	
			2,802,192		2,743,072
<b>Current assets</b>					
Stocks	15	713,874		773,322	
Debtors	16	699,934		1,170,404	
Cash at bank and in hand		1,942,347		1,459,298	
		3,356,155		3,403,024	
<b>Creditors: amounts falling due within one year</b>	17	(943,890)		(1,046,007)	
<b>Net current assets</b>			2,412,265		2,357,017
<b>Total assets less current liabilities</b>			5,214,457		5,100,089
<b>Creditors: amounts falling due after more than one year</b>	18	(24,715)		(38,434)	
Provisions for liabilities and charges	19	(10,000)		-	
<b>Net assets</b>			5,179,742		5,061,655
<b>Capital and reserves</b>					
Called up share capital	20	373,595		373,595	
Revaluation reserve	21	573,243		573,243	
Capital reserve	21	307,382		307,382	
Capital redemption reserve	21	27,088		27,088	
Profit and loss account	21	3,898,434		3,780,347	
<b>Equity shareholders' funds</b>	22		5,179,742		5,061,655

These financial statements were approved by the board of directors on 19 December 1996 and were signed on its behalf by:

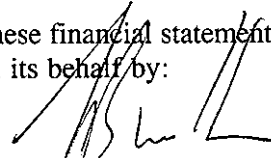
  
FB Williams  
Chairman

# Edward Williams Holdings Limited

## Company balance sheet as at 30 June 1996

	Note	1996 £	1995 £
<b>Fixed assets</b>			
Tangible assets	12	1,187,190	1,183,068
Investment property	1,13	400,000	400,000
Investments	14	1,320,536	1,224,359
		<u>2,907,726</u>	<u>2,807,427</u>
<b>Current assets</b>			
Debtors	16	133,934	380,949
Cash at bank and in hand		1,357,197	1,165,829
		<u>1,491,131</u>	<u>1,546,778</u>
<b>Creditors:</b> amounts falling due within one year	17	(444,891)	(380,324)
		<u>1,046,240</u>	<u>1,166,454</u>
<b>Net current assets</b>			
Provisions for liabilities and charges	19	(10,000)	-
		<u>3,943,966</u>	<u>3,973,881</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	20	373,595	373,595
Capital redemption reserve	21	27,088	27,088
Profit and loss account	21	3,543,283	3,573,198
		<u>3,943,966</u>	<u>3,973,881</u>
<b>Equity shareholders' funds</b>	22		
		<u>3,943,966</u>	<u>3,973,881</u>

These financial statements were approved by the board of directors on 19 December 1996 and were signed on its behalf by:

  
FB Williams  
Chairman

# Edward Williams Holdings Limited and Subsidiary Companies

## Consolidated cash flow statement for the year ended 30 June 1996

	Note	1996	1995
		£	£
Net cash inflow from operating activities	27	721,429	236,556
<b>Returns on investments and servicing of finance</b>			
Interest received		92,867	74,857
Interest paid		(415)	(1,861)
Dividends paid		(89,663)	(89,663)
Interest element of finance leases		(5,028)	(4,551)
Income from fixed asset investments		53,241	39,230
		<u>          </u>	<u>          </u>
Net cash inflow from returns on investment and servicing of finance		51,002	18,012
<b>Taxation</b>			
Corporation tax (paid)/recovered (including ACT)		(190,874)	(21,735)
<b>Investing activities</b>			
Payments to acquire tangible fixed assets and listed investments		(816,690)	(572,383)
Receipts from sales of tangible fixed assets and listed investments		645,126	83,517
Receipt on sale of business		-	775,200
		<u>          </u>	<u>          </u>
Net cash inflow/(outflow) from investing activities		(171,564)	286,334
Net cash inflow/(outflow) before financing		409,993	519,167
<b>Financing</b>			
Capital element of finance lease rental payments		(10,264)	(18,942)
		<u>          </u>	<u>          </u>
Net cash outflow from financing		(10,264)	(18,942)
Movement in cash and cash equivalents	28	<u>399,729</u>	<u>500,225</u>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

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

#### (a) *Basis of preparation*

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention, modified to include the revaluation of freehold land and buildings and the inclusion of investment properties at open market value.

#### (b) *Basis of consolidation*

The consolidated financial statements incorporate those of the parent and subsidiary undertakings. The financial statements are all made up to 30 June each year.

A separate profit and loss account, dealing with the results of the company only, has not been presented under the exemption provided in section 230(4) of the Companies Act 1985.

Any goodwill arising on consolidation is written off immediately against reserves.

#### (c) *Depreciation and amortisation*

Subject to retaining a nominal value, the annual rates of depreciation applied to cost or valuation less estimated residual value on a straight line basis are as follows:

Freehold buildings	2%
Plant and machinery	10% to 100%

No depreciation or amortisation is charged in respect of freehold investment properties in accordance with Statement of Standard Accounting Practice No. 19. This treatment may be a departure from the requirements of the Companies Act 1985 concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view.

#### (d) *Stocks and work in progress*

Stocks and work in progress are valued at the lower of cost and net realisable value. Work in progress is valued at cost, plus direct production overheads, less progress payments received.

#### (e) *Profit on contracts*

Profit on contracts is brought into account by reference to the sales invoices rendered in the financial year.

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 1 Principal accounting policies (continued)

#### (f) Foreign exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Balances denominated in a foreign currency are translated into sterling at the exchange rate ruling on the balance sheet date.

#### (g) Pensions

The group operates three defined benefit pension schemes, the assets being held in independently administered funds. The group's contributions to its pension schemes are charged to the profit and loss account so as to spread the cost of pensions over the employees' working lives within the group.

#### (h) Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

#### (i) Leasing and hire purchase

Where plant and machinery is acquired under finance lease or hire purchase arrangements which give rights approximating to ownership, the fair value of such assets is included in tangible assets. Depreciation is provided at the rates set out in 1(c). The capital element of the future obligation to the finance companies is treated as a liability and the interest element is charged to the profit and loss account over the period of the finance lease or hire purchase agreement.

Operating lease rental costs are charged to the profit and loss account as incurred.

### 2 Turnover

Turnover represents amounts invoiced by the group in respect of goods and services provided during the year, less returns and allowances, excluding value added tax.

Turnover is analysed between the following markets:

	1996 £	1995 £
UK	4,947,255	4,991,501
The Americas	-	763,713
Europe	771	75,657
Other	366,873	314,340
	<hr/>	<hr/>
	5,314,889	6,145,211
	<hr/>	<hr/>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 3 Operating profit

	1996 £	1995 £
Turnover	5,314,899	6,145,211
Cost of sales	<u>(4,616,993)</u>	<u>(4,538,166)</u>
Gross profit	<u>697,906</u>	<u>1,607,045</u>
Net operating expenses:		
Distribution costs	(96,345)	(115,492)
Administration expenses	(618,721)	(702,598)
Other operating income	<u>126,427</u>	<u>115,959</u>
	<u>(588,639)</u>	<u>(702,131)</u>
Operating profit	<u>109,267</u>	<u>904,914</u>

### 4 Loss on sale of business

The loss on the sale of Rudge Littley Limited, which was sold on 2 September 1995, was generated as follows:

	£
Debtors due within one year	4,920
Debtors due outside one year	1,087,097
Creditors due within one year	<u>(300)</u>
	1,091,717
Loss on disposal	<u>(16,517)</u>
Consideration received	<u>1,075,200</u>
Satisfied by:	
Cash	675,200
Loan	<u>400,000</u>
	<u>1,075,200</u>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes *(continued)*

### 4 Loss on sale of business *(continued)*

At 30 June 1996 all of the loan had been repaid.

The loss on disposal is calculated excluding goodwill previously written off on the acquisition of Rudge Littley Limited. This is because the company has been acquired piecemeal over many years and the exact amounts paid for shares are unknown.

The subsidiary undertaking sold during the previous year generated a cash outflow of £194,609.

### 5 Staff numbers and costs

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	1996	1995
Production	92	113
Selling and distribution	1	8
Management and administration	31	32
	<hr/>	<hr/>
	124	153
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	1,882,057	2,082,033
Social security	229,734	183,323
Other pension costs	(435)	25,730
	<hr/>	<hr/>
	2,111,356	2,291,086
	<hr/>	<hr/>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

6	Interest payable and similar charges	1996 £	1995 £
	On bank loans, overdrafts and other loans repayable within five years	407	1,621
	Hire purchase and finance lease interest	5,028	4,551
	Other	18	240
		<u>5,453</u>	<u>6,412</u>
7	Profit on ordinary activities before taxation	1996 £	1995 £
	<i>Profit on ordinary activities before taxation is stated</i>		
	<i>after charging/(crediting)</i>		
	Depreciation of tangible fixed assets	107,255	96,269
	Auditors' remuneration and expenses:		
	Audit (including £9,250 (1995: £9,000) for parent company)	32,645	39,541
	Other services	5,050	4,550
	Profit on disposal of tangible fixed assets and investments	294	(18,291)
	Operating lease rentals in respect of:		
	Plant and machinery	1,711	10,073
	Rents receivable	(80,230)	-
	Exchange (gain)/loss	-	(20,730)

The total amount charged to revenue for the hire of plant and machinery amounted to £17,579 (1995: £22,697). This comprises rentals payable under operating leases as well as depreciation and finance charges in respect of plant and machinery held under hire purchase agreement.



# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 8 Emoluments of directors

- (a) The total emoluments of the directors of the company for the year comprised remuneration of £135,450 (1995: £158,623) and pension contributions of £Nil (1995: £Nil).
- (b) The total emoluments of the chairman were £88,975 (1995: £94,883) including pension contributions of £Nil (1995: £Nil). The emoluments of the directors excluding pension contributions, were within the following ranges:

		Number of directors	
		1996	1995
£0	- £5,000	1	-
£15,001	- £20,000	-	1
£40,001	- £45,000	1	-
£45,001	- £50,000	-	1
£85,001	- £90,000	1	1
£90,001	- £95,000	-	1

### 9 Tax on profit on ordinary activities

	1996	1995
	£	£
United Kingdom corporation tax at 33% (1995: 33%)	42,172	207,754

### 10 Profit for the financial year

Of the group profit for the financial year amounting to £207,750 (1995: profit £788,318), a profit of £59,748 (1995: £942,714) has been dealt with in the financial statements of the holding company.

### 11 Dividends paid

	1996	1995
Interim	-	44,832
Final	89,663	44,831
	<u>89,663</u>	<u>89,663</u>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 12 Tangible fixed assets

#### (a) The group

	Freehold land and buildings £	Plant and machinery £	Total £
<b>Cost or valuation</b>			
At beginning of year	1,288,183	920,126	2,208,309
Additions	-	82,104	82,104
Disposals	-	(33,450)	(33,450)
At end of year	<u>1,288,183</u>	<u>968,780</u>	<u>2,256,963</u>
<b>Depreciation and amortisation</b>			
At beginning of year	145,942	693,651	839,593
Charge for the year	9,417	97,838	107,255
Disposals	-	(21,545)	(21,545)
At end of year	<u>155,359</u>	<u>769,944</u>	<u>925,303</u>
<b>Net book value</b>			
At 30 June 1996	<u>1,132,824</u>	<u>198,836</u>	<u>1,331,660</u>
At 30 June 1995	<u>1,142,241</u>	<u>226,475</u>	<u>1,368,716</u>

The gross book value of tangible fixed assets on which depreciation has been provided amounts to £1,439,640 (1995: £1,290,985).

The net book value of land and buildings, determined according to the historical cost accounting rules, is £879,400 (1995: £883,428).

Included in plant and machinery above are assets held under finance leases and hire purchase agreements. These amount to £28,530 net book value at the year end (1995: £39,370) after depreciation charged of £10,840 for the year (1995: £12,624).

The land and buildings were revalued in 1984.

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 12 Tangible fixed assets (continued)

#### (b) The company

	Freehold land and buildings £	Plant and machinery £	Total £
<b>Cost</b>			
At beginning of year	1,288,183	140,086	1,428,269
Additions	-	43,197	43,197
Disposals	-	(17,000)	(17,000)
	<hr/>	<hr/>	<hr/>
At end of year	<u>1,288,183</u>	<u>166,283</u>	<u>1,454,466</u>
<b>Depreciation and amortisation</b>			
At beginning of year	145,942	99,259	245,201
Charge for the year	9,417	21,783	31,200
Disposals	-	(9,125)	(9,125)
	<hr/>	<hr/>	<hr/>
At end of year	<u>155,359</u>	<u>111,917</u>	<u>267,276</u>
<b>Net book value</b>			
At 30 June 1996	<u>1,132,824</u>	<u>54,366</u>	<u>1,187,190</u>
At 30 June 1995	<u>1,142,241</u>	<u>40,827</u>	<u>1,183,068</u>

The gross book value of tangible fixed assets on which depreciation has been provided amounts to £637,142 (1995: £610,945).

### 13 Investment property

	Group and Company £
Freehold land and buildings at valuation:	
At beginning and end of year	<u>400,000</u>

The freehold investment property was valued by the directors at open market value on 30 June 1989.

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 14 Investments

	Loans to related undertakings	Shares in related undertakings	Listed investments	Total
Group	£	£	£	£
<b>Cost or valuation</b>				
At beginning of year	33,000	10,000	977,706	1,020,706
Additions	56,250	-	614,487	670,737
Disposals	-	-	(590,050)	(590,050)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	89,250	10,000	1,002,143	1,101,393
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Provisions</b>				
At beginning of year	-	10,000	36,350	46,350
Movement during the year	-	-	(15,489)	(15,489)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	-	10,000	20,861	30,861
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 30 June 1996	89,250	-	981,282	1,070,532
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1995	33,000	-	941,356	974,356
	<hr/>	<hr/>	<hr/>	<hr/>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 14 Investments (continued)

Company	Investment in group undertakings £	Investment related undertakings £	Listed investments £	Total £
<b>Cost</b>				
At beginning of year	228,513	10,000	977,706	1,216,219
Additions	-	-	614,487	614,487
Disposals	-	-	(590,050)	(590,050)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	228,513	10,000	1,002,143	1,240,656
Loan to subsidiary undertaking (1995: £249,998)	249,998	-	-	249,998
Loan to related undertaking (1995: £33,000)	-	89,250	-	89,250
	<hr/>	<hr/>	<hr/>	<hr/>
	478,511	99,250	1,002,143	1,579,904
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Provisions</b>				
At beginning of year	228,507	10,000	36,351	274,858
Movement during the year	-	-	(15,490)	(15,490)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	228,507	10,000	20,861	259,368
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 30 June 1996	250,004	89,250	981,282	1,320,536
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1995	250,004	33,000	941,355	1,224,359
	<hr/>	<hr/>	<hr/>	<hr/>

#### Listed investments

At 30 June 1996, investments with a cost of £1,002,143 (1995: £977,706) were listed on The Stock Exchange. The market value of these listed investments at 30 June 1996 was £1,083,341 (1995: £1,004,210).

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes *(continued)*

### 14 Investments *(continued)*

#### Shares in group undertakings

The shares at cost represent 100%, unless otherwise stated, of the issued £1 ordinary shares of the following companies which are incorporated in England:

Trading companies	Activities
Edward Williams Manufacturing Company Limited	Cold heading and driers
Associated British Machine Tool Makers (Holdings) Limited	Holding company
ABMTM Limited	Marketing of engineering products
Souter Shipyard Limited	Building and repair of ships and other marine craft
Souter Copland Composites Limited	Building and repair of ships and other marine craft
Heat Win Limited (40%)	Development of heat retaining equipment

#### Non-trading companies

Associated British Tool Makers (Pakistan) Limited  
Associated British Marine Limited  
Associated British Machine Tool Makers (India) Limited

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 15 Stocks and work in progress

	Group	
	1996	1995
	£	£
Raw materials and consumables	128,689	178,749
Work in progress	992,197	1,624,644
Finished goods and goods for resale	281,751	236,264
	<hr/>	<hr/>
	1,402,637	2,039,657
Payments on account	(688,763)	(1,266,335)
	<hr/>	<hr/>
	713,874	773,322
	<hr/>	<hr/>

### 16 Debtors

	Group		Company	
	1996	1995	1996	1995
	£	£	£	£
Trade debtors	600,602	746,047	-	-
Amounts owed by group undertakings	-	-	77,615	34,782
Other debtors	21,910	353,548	4,546	315,022
Prepayments and accrued income	61,857	43,149	20,890	3,485
Taxation recoverable	15,565	27,660	30,883	27,660
	<hr/>	<hr/>	<hr/>	<hr/>
	699,934	1,170,404	133,934	380,949
	<hr/>	<hr/>	<hr/>	<hr/>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 17 Creditors: amounts falling due within one year

	Group		Company	
	1996	1995	1996	1995
	£	£	£	£
Bank loans and overdrafts	83,320	-	-	-
Payments received on account	130,320	83,123	-	-
Trade creditors	375,985	504,121	106	38
Amounts owed to group undertaking	-	-	346,148	312,342
Other creditors including taxation and social security	122,583	278,910	26,492	54,694
Accruals and deferred income	231,682	179,853	72,145	13,250
	<u>943,890</u>	<u>1,046,007</u>	<u>444,891</u>	<u>380,324</u>

#### *Other creditors including taxation and social security comprises:*

Advance corporation tax	-	11,208	-	11,208
Corporation tax	22,951	172,540	21,851	32,209
Other taxes	24,598	17,367	-	118
Social security	50,134	59,146	4,641	11,159
	<u>97,683</u>	<u>260,261</u>	<u>26,492</u>	<u>54,694</u>
Obligations under finance leases and hire purchase agreements	10,580	15,991	-	-
Other creditors	14,320	2,658	-	-
	<u>122,583</u>	<u>278,910</u>	<u>26,492</u>	<u>54,694</u>



# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 18 Creditors: amounts falling due after more than one year

	Group	
	1996	1995
	£	£
Trade creditors	-	25,000
Obligations under finance leases and hire purchase agreements (all falling due within five years)	24,715	13,434
	<u>24,715</u>	<u>38,434</u>

### 19 Provisions for liabilities and charges

The full potential liability for deferred taxation calculated at 33% (1995: 33%) is set out below:

	Group and Company			
	1996		1995	
	Full potential liability	Amount unprovided	Full potential liability	Amount unprovided
	£	£	£	£
Accelerated capital allowances and other timing differences	10,000	-	4,203	4,203
Taxation losses	-	-	(4,203)	(4,203)
	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

### 20 Called up share capital

	1996	1995
	£	£
<b>Authorised:</b>		
1,680,000 ordinary shares of 25p each	<u>420,000</u>	<u>420,000</u>
<b>Allotted, called up and fully paid:</b>		
1,494,382 ordinary shares of 25p each	<u>373,595</u>	<u>373,595</u>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 21 Reserves

#### (a) Revaluation reserve

	Investment properties £	Others £	Total £
<b>Group</b>			
At beginning and end of year	<u>350,129</u>	<u>223,114</u>	<u>573,243</u>

#### (b) Capital reserve

	<b>Group £</b>
At beginning and end of year	<u>307,382</u>

#### (c) Capital redemption reserve

	<b>Group and company £</b>
At beginning and end of year	<u>27,088</u>

#### (d) Profit and loss account

	<b>Group £</b>	<b>Company £</b>
At beginning of year	3,780,347	3,573,198
Retained profit/(loss) for the financial year	<u>118,087</u>	<u>(29,915)</u>
At end of year	<u>3,898,434</u>	<u>3,543,283</u>

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes *(continued)*

### 22 Reconciliation of movements in shareholders' funds

	Group		Company	
	1996	1995	1996	1995
	£	£	£	£
At beginning of year	5,061,655	4,363,000	3,973,881	3,120,830
Retained profit/(loss) for the year after taxation	118,087	698,655	(29,915)	853,051
At end of year	<u>5,179,742</u>	<u>5,061,655</u>	<u>3,943,966</u>	<u>3,973,881</u>

### 23 Guarantees

At 30 June 1996, there were guarantees arising on the following items, all of which were incurred in the normal course of business:

#### (a) The company, together with a subsidiary undertaking

	1996	1995
	£	£
Guarantees jointly given in respect of the financing arrangements of certain export contracts	<u>44,671</u>	<u>44,671</u>

#### (b) Subsidiary undertakings

	1996	1995
	£	£
Counter indemnities relating to guarantees given by a bank on behalf of subsidiary undertakings	<u>44,671</u>	<u>44,671</u>

### 24 Capital commitments

There were no capital commitments at 30 June 1996 (1995: £Nil).

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 25 Lease commitments

The group's annual commitments in respect of operating leases are as follows:

	1996		1995	
	Land and buildings £	Plant and machinery £	Land and buildings £	Plant and machinery £
Lease expires:				
Within one year	-	582	-	1,248
Between one and five years	-	1,002	-	-
Over five years	-	1,522	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	3,106	-	1,248
	<hr/>	<hr/>	<hr/>	<hr/>

The obligation of the group under finance leases is as follows:

	1996 £	1995 £
Within one year	10,580	15,991
Between one and five years	24,715	13,434
	<hr/>	<hr/>
	35,295	29,425
	<hr/>	<hr/>

### 26 Pension schemes

The defined benefit pension schemes operated by the group were wound up in the year. Personal pension plans were established for all scheme members with transfer values from the schemes calculated by the scheme actuaries prior to being paid into each individual's personal pension plans.

# Edward Williams Holdings Limited and Subsidiary Companies

## Notes (continued)

### 27 Reconciliation of operating profit to net cash inflow from operating activities

	1996 £	1995 £
Operating profit	109,267	904,914
Depreciation charges and provision for diminution in value of investments	91,765	100,110
Profit on sale of fixed assets and investments	(43,169)	(18,291)
(Increase)/decrease in stocks	59,448	132,268
Decrease in debtors	458,375	261,751
Increase/(decrease) in creditors	45,743	(1,144,196)
	<hr/>	<hr/>
Net cash inflow from operating activities	721,429	236,556
	<hr/>	<hr/>

### 28 Analysis of cash and cash equivalents

	1996 £	1995 £	Change in year £
Cash at bank and in hand	1,942,347	1,459,298	483,049
Overdraft	(83,320)	-	(83,320)
	<hr/>	<hr/>	<hr/>
	1,859,027	1,459,298	399,729
	<hr/>	<hr/>	<hr/>

# Edward Williams Holdings Limited

## Profit and loss account for the year ended 30 June 1996

	1996 £	1995 £
Turnover	-	-
Cost of sales	-	-
<b>Gross profit</b>	-	-
Administrative expenses	(272,264)	(150,100)
Other operating income and income from fixed asset investments	206,227	181,352
<b>Operating (loss)/profit</b>	(66,037)	31,252
Exceptional credit	-	919,714
Income from shares in group undertakings	-	170,000
Income from other fixed asset investments	53,241	39,230
Amounts written off investments	15,490	(232,349)
Other interest receivable and similar income	77,654	60,229
<b>Profit on ordinary activities before taxation</b>	80,348	988,076
Taxation on profit on ordinary activities	(20,600)	(45,362)
<b>Profit on ordinary activities after taxation</b>	59,748	942,714
Dividends paid	(89,663)	(89,663)
<b>Retained (loss)/profit for the financial year</b>	(29,915)	853,051

This profit and loss account was approved by the board of directors on 19 December 1996 and signed on its behalf by:

**FB Williams**  
*Chairman*