

**Edward Williams Holdings
Limited and Subsidiary Companies**

Directors' report and financial statements

For the year ended 30 June 1995

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 1995.

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 1995. On 2 September 1994 the company disposed of its 100% shareholding in Rudge Littlely Limited.

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 £44,831 (1994: £Nil), an interim dividend of £44,832 was also paid (1994: £Nil). The retained profit of £698,655 (1994: profit of £347,238) has been transferred to reserves.

Fixed assets

Changes in the fixed assets of the group and of the company are set out in notes 12 to 14 of the financial statements.

The directors are of the opinion that the aggregate market value of properties at 30 June 1995 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 FB Williams 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 1995		At 30 June 1994	
	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

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 1995 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

8TH MARCH 1996

KPMG
Chartered Accountants
Registered Auditors



Edward Williams Holdings Limited and Subsidiary Companies

Consolidated profit and loss account for the year ended 30 June 1995

		<i>Note</i>	1995 £	1994 £
Turnover	- continuing operations	2,3	5,122,307	2,090,484
	- discontinued operations	2,3	1,022,904	5,200,373
			<hr/>	<hr/>
			6,145,211	7,290,857
			<hr/>	<hr/>
Cost of sales			(4,538,166)	(5,801,311)
Gross profit			1,607,045	1,489,546
Other operating expenses			(702,131)	(1,175,767)
Operating profit	- continuing operations	3	822,847	280,897
	- discontinued operations	3	82,067	32,882
			<hr/>	<hr/>
			904,914	313,779
Loss on sale of business - discontinued operations		4	(16,517)	-
Income from other fixed asset investments			39,230	27,783
Other interest receivable and similar income			74,857	53,011
Interest payable and similar charges		6	(6,412)	(10,596)
			<hr/>	<hr/>
Profit on ordinary activities before taxation		7	996,072	383,977
Tax on profit on ordinary activities		9	(207,754)	(36,499)
			<hr/>	<hr/>
Profit on ordinary activities after taxation			788,318	347,478
Minority interests			-	(240)
			<hr/>	<hr/>
Profit for the financial year		10	788,318	347,238
Dividends paid		11	(89,663)	-
			<hr/>	<hr/>
Retained profit			698,655	347,238
			<hr/>	<hr/>

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 1995
(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 at 30 June 1995

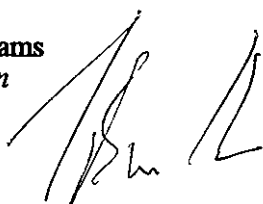
	Note	1995 £	1994 £
Fixed assets			
Tangible assets	12	1,368,716	1,406,667
Investment property	13	400,000	400,000
Investments	14	974,356	449,998
		<u>2,743,072</u>	<u>2,256,665</u>
Current assets			
Stocks	15	773,322	905,590
Debtors	16	1,170,404	2,210,994
Cash at bank and in hand		1,459,298	989,627
		<u>3,403,024</u>	<u>4,106,211</u>
Creditors: amounts falling due within one year	17	<u>(1,046,007)</u>	<u>(1,968,331)</u>
Net current assets		<u>2,357,017</u>	<u>2,137,880</u>
Total assets less current liabilities		<u>5,100,089</u>	<u>4,394,545</u>
Creditors: amounts falling due after more than one year	18	<u>(38,434)</u>	<u>(26,745)</u>
Net assets		<u>5,061,655</u>	<u>4,367,800</u>
Capital and reserves			
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	3,780,347	3,081,692
		<u>5,061,655</u>	<u>4,367,800</u>
Equity shareholders' funds	22	<u>5,061,655</u>	<u>4,363,000</u>
Minority interest		<u>-</u>	<u>4,800</u>
		<u>5,061,655</u>	<u>4,367,800</u>

These financial statements were approved by the board of directors on behalf by:

GRAHAM 1996

and were signed on its

FB Williams
Chairman



Edward Williams Holdings Limited

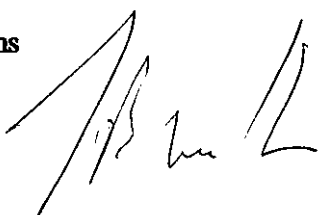
Balance sheet at 30 June 1995

	Note	1995 £	1994 £
Fixed assets			
Tangible assets	12	1,183,068	1,151,658
Investment property	13	400,000	400,000
Investments	14	1,224,359	913,995
		<u>2,807,427</u>	<u>2,465,653</u>
Current assets			
Debtors	16	380,949	532,430
Cash at bank and in hand		1,165,829	210,175
		<u>1,546,778</u>	<u>742,605</u>
Creditors: amounts falling due within one year	17	(380,324)	(87,428)
Net current assets		<u>1,166,454</u>	<u>655,177</u>
Net assets		<u>3,973,881</u>	<u>3,120,830</u>
Capital and reserves			
Called up share capital	20	373,595	373,595
Capital redemption reserve	21	27,088	27,088
Profit and loss account	21	3,573,198	2,720,147
Equity shareholders' funds	22	<u>3,973,881</u>	<u>3,120,830</u>

8th March 1996

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

FB Williams
Chairman



Edward Williams Holdings Limited and Subsidiary Companies

Consolidated cash flow statement for the year ended 30 June 1995

	Note	1995		1994	
		£	£	£	£
Net cash inflow from operating activities	27		275,786		136,826
Returns on investments and servicing of finance					
Interest received		74,857		53,011	
Interest paid		(1,861)		(7,066)	
Dividends paid		(89,663)		(240)	
Interest element of finance leases		(4,551)		(3,530)	
Net cash (outflow)/inflow from returns on investment and servicing of finance			(21,218)		42,175
Taxation					
Corporation tax (paid)/recovered (including ACT)			(21,735)		14,099
Investing activities					
Payments to acquire tangible fixed assets and listed investments		(572,383)		(313,834)	
Receipts from sales of tangible fixed assets and listed investments		83,517		92,793	
Receipt on sale of business		775,200		-	
Net cash inflow/(outflow) from investing activities			286,334		(221,041)
Net cash inflow/(outflow) before financing			519,167		(27,941)
Financing					
Movement in creditors amounts falling due after more than one year		-		(81,107)	
Capital element of finance lease rental payments		(18,942)		(8,023)	
Net cash outflow from financing			(18,942)		(89,130)
Movement in cash and cash equivalents	28		500,225		(117,071)

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:

	1995 £	1994 £
UK	4,991,501	6,868,874
The Americas	763,713	377,246
Europe	75,657	43,824
Other	314,340	913
	<hr/>	<hr/>
	6,145,211	7,290,857
	<hr/>	<hr/>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

3 Operating profit

	1995			1994		
	Continuing £	Discontinued £	Total £	Continuing £	Discontinued £	Total £
Turnover	5,122,307	1,022,904	6,145,211	2,090,484	5,200,373	7,290,857
Cost of sales	(3,671,346)	(866,820)	(4,538,166)	(1,267,904)	(4,533,407)	(5,801,311)
Gross profit	<u>1,450,961</u>	<u>156,084</u>	<u>1,607,045</u>	<u>822,580</u>	<u>666,966</u>	<u>1,489,546</u>
Net operating expenses:						
Distribution costs	(97,578)	(17,914)	(115,492)	(65,032)	(87,478)	(152,510)
Administration expenses	(644,753)	(57,845)	(702,598)	(494,409)	(552,763)	(1,047,172)
Other operating income	<u>114,217</u>	<u>1,742</u>	<u>115,959</u>	<u>17,758</u>	<u>6,157</u>	<u>23,915</u>
	<u>(628,114)</u>	<u>(74,017)</u>	<u>(702,131)</u>	<u>(541,683)</u>	<u>(634,084)</u>	<u>(1,175,767)</u>
Operating profit	<u>822,847</u>	<u>82,067</u>	<u>904,914</u>	<u>280,897</u>	<u>32,882</u>	<u>313,779</u>

The amounts shown for discontinued operations comprise the turnover and operating profits of Rudge Littley Limited which was sold on 2 September 1994.

4 Loss on sale of business

The loss on the sale of Rudge Littley Limited 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 1995 £100,000 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 year generated a cash outflow of £194,609 (1994: £228,867).

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	
	1995	1994
Production	113	219
Selling and distribution	8	9
Management and administration	32	43
	<hr/>	<hr/>
	153	271
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	1995	1994
	£	£
Wages and salaries	2,082,033	3,241,721
Social security	183,323	265,161
Other pension costs	25,730	52,191
	<hr/>	<hr/>
	2,291,086	3,559,073
	<hr/>	<hr/>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

6 Interest payable and similar charges

	1995 £	1994 £
On bank loans, overdrafts and other loans repayable within five years	1,621	631
Hire purchase and finance lease interest	4,551	3,530
Other	240	6,435
	<u>6,412</u>	<u>10,596</u>

7 Profit on ordinary activities before taxation

	1995 £	1994 £
<i>Profit on ordinary activities before taxation is stated after charging/(crediting)</i>		
Depreciation of tangible fixed assets	96,269	142,577
Auditors' remuneration and expenses:		
- audit	39,541	32,325
- other services	4,550	2,900
Profit on disposal of tangible fixed assets and investments	(18,291)	3,007
Operating lease rentals in respect of:		
Plant and machinery	10,073	22,590
Rents receivable	-	(3,801)
Research and development expenditure	-	23,376
Hire of plant and machinery	-	465
Exchange (gain)/loss	<u>(20,730)</u>	<u>(183,650)</u>

The total amount charged to revenue for the hire of plant and machinery amounted to £22,697 (1994: £29,715). 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 and senior employees

- (a) The total emoluments of the directors of the company for the year comprised remuneration of £158,623 (1994: £148,464) and pension contributions of £Nil (1994: £Nil).
- (b) The total emoluments of the chairman were £94,883 (1994: £87,835) including pension contributions of £Nil (1994: £Nil). The emoluments of the directors excluding pension contributions, were within the following ranges:

		Number of directors	
		1995	1994
£15,001	- £20,000	1	1
£40,001	- £45,000	0	1
£45,001	- £50,000	1	0
£85,001	- £90,000	0	1
£90,001	- £95,000	1	0
		<hr/>	<hr/>

9 Tax on profit on ordinary activities

	1995	1994
	£	£
United Kingdom corporation tax at 33% (1994: 33%)	207,754	70,993
Adjustments in respect of prior years	-	(34,494)
	<hr/>	<hr/>
	207,754	36,499
	<hr/>	<hr/>

10 Profit for the financial year

Of the group profit for the financial year amounting to £788,318 (1994: profit £347,238), a profit of £942,714 (1994: £462,176) has been dealt with in the financial statements of the holding company.

11 Dividends paid

	1995	1994
Interim	44,832	-
Final	44,831	-
	<hr/>	<hr/>
	89,663	-
	<hr/>	<hr/>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

12 Tangible fixed assets

(a) The group

	Freehold land and buildings £	Plant and machinery £	Total £
<i>Cost or valuation</i>			
At beginning of year	1,288,183	1,915,009	3,203,192
Additions	-	177,423	177,423
Disposals	-	(1,172,306)	(1,172,306)
	<hr/>	<hr/>	<hr/>
At end of year	1,288,183	920,126	2,208,309
	<hr/>	<hr/>	<hr/>
<i>Depreciation and amortisation</i>			
At beginning of year	136,525	1,660,000	1,796,525
Charge for the year	9,417	86,852	96,269
Disposals	-	(1,053,201)	(1,053,201)
	<hr/>	<hr/>	<hr/>
At end of year	145,942	693,651	839,593
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 30 June 1995	1,142,241	226,475	1,368,716
	<hr/>	<hr/>	<hr/>
At 30 June 1994	1,151,658	255,009	1,406,667
	<hr/>	<hr/>	<hr/>

The gross book value of tangible fixed assets on which depreciation has been provided amounts to £1,290,985 (1994: £2,385,868).

The net book value of land and buildings, determined according to the historical cost accounting rules, is £883,428 (1994: £883,428).

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

12 Tangible fixed assets (continued)

(a) The group (continued)

Included in plant and machinery above are assets held under finance leases and hire purchase agreements. These amount to £39,370 net book value at the year end (1994: £11,864) after depreciation charged of £12,624 for the year (1994: £6,660).

The land and buildings were revalued in 1984.

(b) The company

	Freehold land and buildings £	Plant and machinery £	Total £
Cost			
At beginning of year	1,288,183	113,684	1,401,867
Additions	-	54,436	54,436
Disposals	-	(28,034)	(28,034)
	<hr/>	<hr/>	<hr/>
At end of year	1,288,183	140,086	1,428,269
	<hr/>	<hr/>	<hr/>
Depreciation and amortisation			
At beginning of year	136,525	113,684	250,209
Charge for the year	9,417	13,609	23,026
Disposals	-	(28,034)	(28,034)
	<hr/>	<hr/>	<hr/>
At end of year	145,942	99,259	245,201
	<hr/>	<hr/>	<hr/>
Net book value			
At 30 June 1995	1,142,241	40,827	1,183,068
	<hr/>	<hr/>	<hr/>
At 30 June 1994	1,151,658	-	1,151,658
	<hr/>	<hr/>	<hr/>

The gross book value of tangible fixed assets on which depreciation has been provided amounts to £610,945 (1994: £584,543).

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

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.

14 Investments

	Loans to related undertakings £	Shares in related undertakings £	Listed investments £	Total £
Group				
<i>Cost or valuation</i>				
At beginning of year	-	10,000	482,508	492,508
Additions	33,000	-	507,036	540,036
Disposals	-	-	(11,837)	(11,837)
	<u>33,000</u>	<u>10,000</u>	<u>977,707</u>	<u>1,020,707</u>
At end of year	<u>33,000</u>	<u>10,000</u>	<u>977,707</u>	<u>1,020,707</u>
<i>Provisions</i>				
At beginning of year	-	10,000	32,510	42,510
Movement during the year	-	-	3,841	3,841
	<u>-</u>	<u>10,000</u>	<u>36,351</u>	<u>46,351</u>
At end of year	<u>-</u>	<u>10,000</u>	<u>36,351</u>	<u>46,351</u>
<i>Net book value</i>				
At 30 June 1995	<u>33,000</u>	<u>-</u>	<u>941,356</u>	<u>974,356</u>
At 30 June 1994	<u>-</u>	<u>-</u>	<u>449,998</u>	<u>449,998</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

14 Investments (continued)

Company	Investment in group undertakings £	Investment related undertakings £	Listed investments £	Total £
Cost				
At beginning of year	445,839	10,000	482,508	938,347
Additions	-	-	507,035	507,035
Disposals	(217,326)	-	(11,837)	(229,163)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	228,513	10,000	977,706	1,216,219
Loan to subsidiary undertaking (1994: £79,998)	249,998	-	-	249,998
Loan to related undertaking (1994: £Nil)	-	33,000	-	33,000
	<hr/>	<hr/>	<hr/>	<hr/>
	478,511	43,000	977,706	1,499,217
	<hr/>	<hr/>	<hr/>	<hr/>
Provisions				
At beginning of year	61,840	10,000	32,510	104,350
Movement during the year	166,667	-	3,841	170,508
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	228,507	10,000	36,351	274,858
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 30 June 1995	250,004	33,000	941,355	1,224,359
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1994	463,997	-	449,998	913,995
	<hr/>	<hr/>	<hr/>	<hr/>

Listed investments

At 30 June 1995, investments with a cost of £977,706 (1994: £482,958) were listed on The Stock Exchange. The market value of these listed investments at 30 June 1995 was £1,004,210 (1994: £509,875).

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
Associated British Machine Tool Makers (Holdings) Limited	Holding company
ABMTM Limited	Marketing of
Associated British Machine Tool Makers (Pakistan) Limited	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 Marine Limited
Associated British Machine Tool Makers (India) Limited

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

15 Stocks and work in progress

	1995 £	Group 1994 £
Raw materials and consumables	178,749	296,391
Work in progress	1,624,644	1,041,929
Finished goods and goods for resale	236,264	390,986
	<u>2,039,657</u>	<u>1,729,306</u>
Payments on account	<u>(1,266,335)</u>	<u>(823,716)</u>
	<u>773,322</u>	<u>905,590</u>

16 Debtors

	1995 £	Group 1994 £	1995 £	Company 1994 £
Trade debtors	746,047	2,056,218	-	-
Amounts owed by group undertaking	-	-	34,782	166,957
Other debtors	353,548	44,776	315,022	350,000
Prepayments and accrued income	43,149	95,218	3,485	751
Taxation recoverable	27,660	14,782	27,660	14,722
	<u>1,170,404</u>	<u>2,210,994</u>	<u>380,949</u>	<u>532,430</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

17 Creditors: amounts falling due within one year

	1995	Group 1994	1995	Company 1994
	£	£	£	£
Bank loans and overdrafts	-	30,554	-	-
Payments received on account	83,123	34,503	-	-
Trade creditors	504,121	1,416,864	38	-
Amounts owed to group undertaking	-	-	312,342	52,917
Other creditors including taxation and social security	278,910	352,479	54,694	21,261
Accruals and deferred income	179,853	133,931	13,250	13,250
	<u>1,046,007</u>	<u>1,968,331</u>	<u>380,324</u>	<u>87,428</u>

Other creditors including taxation and social security comprises:

Advance corporation tax	11,208	-	11,208	-
Corporation tax	172,540	29,191	32,209	14,100
Other taxes	17,367	179,701	118	7,161
Social security	59,146	93,994	11,159	-
	<u>260,261</u>	<u>302,886</u>	<u>54,694</u>	<u>21,261</u>
Obligations under finance leases and hire purchase agreements	15,991	6,492	-	-
Other creditors	2,658	43,101	-	-
	<u>278,910</u>	<u>352,479</u>	<u>54,694</u>	<u>21,261</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

18 Creditors: amounts falling due after more than one year

	1995 £	Group 1994 £
Trade creditors	25,000	25,000
Obligations under finance leases and hire purchase agreements (all falling due within five years)	13,434	1,745
	<u>38,434</u>	<u>26,745</u>

19 Provisions for liabilities and charges

The full potential liability for deferred taxation calculated at 33% (1994: 33%) is set out below:

	Group			
	1995		1994	
	Full potential liability £	Amount unprovided £	Full potential liability £	Amount unprovided £
Accelerated capital allowances and other timing differences	4,203	4,203	10,350	10,350
Taxation losses	(4,203)	(4,203)	(10,350)	(10,350)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

20 Called up share capital

	1995 £	1994 £
<i>Authorised</i>		
1,680,000 ordinary shares of 25p each	<u>420,000</u>	<u>420,000</u>
<i>Allotted, called up and fully paid</i>		
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 £
Group			
At beginning and end of year	350,129	223,114	573,243

(b) Capital reserve

		Group £
At beginning and end of year		307,382

(c) Capital redemption reserve

	Group and company £
At beginning and end of year	27,088

(d) Profit and loss account

	Group £	Company £
At beginning of year	3,081,692	2,720,147
Retained profit for the financial year	698,655	853,051
At end of year	3,780,347	3,573,198

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

22 Reconciliation of movements in shareholders' funds

	1995	Group 1994	1995	Company 1994
	£	£	£	£
At beginning of year	4,363,000	4,015,762	3,120,830	2,658,654
Profit for the year after taxation	698,655	347,238	853,051	462,176
At end of year	<u>5,061,655</u>	<u>4,363,000</u>	<u>3,973,881</u>	<u>3,120,830</u>

23 Guarantees

At 30 June 1995, 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

	1995 £	1994 £
Guarantees jointly given in respect of the financing arrangements of certain export contracts	<u>44,671</u>	<u>48,159</u>

(b) Subsidiary undertakings

	1995 £	1994 £
Counter indemnities relating to guarantees given by a bank on behalf of subsidiary undertakings	<u>44,671</u>	<u>48,159</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

24 Capital commitments

There were no capital commitments at 30 June 1995 (1994: £Nil).

25 Lease commitments

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

	1995		1994	
	Land and buildings £	Plant and machinery £	Land and buildings £	Plant and machinery £
Lease expires:				
Within one year	-	1,248	-	1,252
Between one and five years	-	-	-	4,442
	<hr/>	<hr/>	<hr/>	<hr/>
	-	1,248	-	5,694
	<hr/>	<hr/>	<hr/>	<hr/>

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

	1995 £	1994 £
Within one year	15,991	6,492
Between one and five years	13,434	1,745
	<hr/>	<hr/>
	29,425	8,237
	<hr/>	<hr/>

26 Pension schemes

The three pension schemes operated by the group are of the defined benefit type, the assets of which are held in trustee administered funds separate from those of the group.

A valuation of the schemes is undertaken by independent qualified actuaries every three years and the annual contributions are paid in accordance with their recommendation. At the dates of the latest actuarial valuations, 7 April 1990 and 30 September 1991 respectively, the combined market value of the assets was £3.0 million which was materially in excess of the amount required to cover the benefits that had accrued to members after allowing for expected future increases in earnings.

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

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

	1995 £	1994 £
Operating profit	904,914	313,779
Depreciation charges and provision for diminution in value of investments	100,110	166,730
Profit on sale of fixed assets and investments	(18,291)	3,007
(Increase)/decrease in stocks	132,268	(242,668)
Decrease in debtors	261,751	402,130
(Decrease) in creditors	(1,104,966)	(506,152)
Net cash inflow from operating activities	<u>275,786</u>	<u>136,826</u>

28 Analysis of cash and cash equivalents

	1995 £	1994 £	Change in year £
Cash at bank and in hand	1,459,298	989,627	469,671
Overdraft	-	(30,554)	30,554
	<u>1,459,298</u>	<u>959,073</u>	<u>500,225</u>

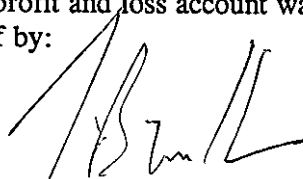
Edward Williams Holdings Limited

Profit and loss account for the year ended 30 June 1995

	1995 £	1994 £
Turnover	-	-
Cost of sales	-	-
	<hr/>	<hr/>
Gross profit	-	-
Administrative expenses	(150,100)	(193,193)
Other operating income and income from fixed asset investments	181,352	336,271
	<hr/>	<hr/>
Operating (loss)/profit	31,252	143,078
Exceptional credit	919,714	-
Income from shares in group undertakings	170,000	350,000
Income from other fixed asset investments	39,230	27,783
Amounts written off investments	(232,349)	(24,153)
Other interest receivable and similar income	60,229	13,924
	<hr/>	<hr/>
Profit on ordinary activities before taxation	988,076	510,632
Taxation on profit on ordinary activities	(45,362)	(48,456)
	<hr/>	<hr/>
Profit on ordinary activities after taxation	942,714	462,176
Dividends paid	(89,663)	-
	<hr/>	<hr/>
Retained profit for the financial year	853,051	462,176
	<hr/>	<hr/>

STH MARCH 1996

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



FB Williams
Chairman