

**Edward Williams Holdings
Limited and Subsidiary Companies**

Directors' report and financial statements

For the year ended 30 June 1994

Registered number 98606



Edward Williams Holdings Limited and Subsidiary Companies

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Auditors' report	4
Consolidated profit and loss account	5
Consolidated balance sheet	6
Balance sheet	7
Consolidated cash flow statement	8
Notes	9

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 1994.

Principal activity

The company acts as a holding company for the companies listed in note 12 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 1994.

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 recommended by the directors is £Nil (1993: £Nil), no interim dividend was paid (1993: £Nil). The retained profit of £347,238 (1993: loss of £96,854) has been transferred to reserves.

Fixed assets

Changes in the fixed assets of the group and of the company are set out in notes 10 to 12 of the financial statements.

The directors are of the opinion that the aggregate market value of properties at 30 June 1994 was in excess of their book value at that date.

Post balance sheet event

On 1 September 1994 the company disposed of its 100% shareholding in Rudge Littley Limited.

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 RT Stokes who, being eligible, offers himself for re-election.

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

	At 30 June 1994		At 30 June 1993	
	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.

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 group's state of affairs at the end of the year and the profit or loss for the year then ended. 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 being 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

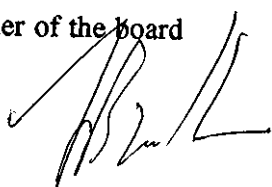
Edward Williams Holdings Limited and Subsidiary Companies

Directors' report *(continued)*

Auditors

On 6 February 1995 our auditors changed the name under which they practise to KPMG and, accordingly, have signed their report in their new name. 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

31 MARCH 1995



2 Cornwall Street
Birmingham
B3 2DL

Report of the auditors to the members of Edward Williams Holdings Limited

We have audited the financial statements on pages 5 to 26.

Respective responsibilities of the directors and auditors

As described on page 2 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 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 at 30 June 1994 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

31 March 1995



Edward Williams Holdings Limited and Subsidiary Companies

Consolidated profit and loss account for the year ended 30 June 1994

	Note	1994 £	1993 £
Turnover - continuing operations	2,3	2,090,484	3,755,675
- discontinued operations	2,3	5,200,373	4,948,968
		<u>7,290,857</u>	<u>8,704,643</u>
Operating profit/(loss) - continuing operations	2,3	308,680	(306,082)
- discontinued operations	3	32,882	29,886
		<u>341,562</u>	<u>(276,196)</u>
Other interest receivable and similar income		53,011	68,017
Interest payable and similar charges	5	(10,596)	(10,074)
		<u>383,977</u>	<u>(218,253)</u>
Profit/(loss) on ordinary activities before taxation	6	383,977	(218,253)
Tax on profit/(loss) on ordinary activities	8	(36,499)	121,639
		<u>347,478</u>	<u>(96,614)</u>
Profit/(loss) on ordinary activities after taxation		347,478	(96,614)
Minority interests		(240)	(240)
		<u>347,238</u>	<u>(96,854)</u>
Profit/(loss) retained for the financial year	9	347,238	(96,854)

A statement of movement on reserves is given in note 19 on page 22.

Recognised gains and losses

There were no recognised gains or losses attributable to the shareholders of the group or company other than those already dealt with in the profit and loss account.

Note of historical cost profits and losses

There is no material difference between the profit before taxation and the retained profit for the year as shown in the consolidated profit and loss account and their historical cost equivalents.

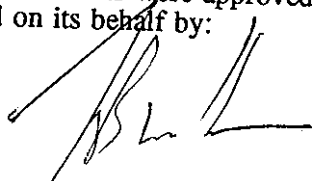
Edward Williams Holdings Limited and Subsidiary Companies

Consolidated balance sheet
at 30 June 1994

	Note	£	1994 £	£	1993 £
Fixed assets					
Tangible assets	10	1,406,667		1,457,183	
Investment property	11	400,000		400,000	
Investments	12	449,998		320,395	
			2,256,665		2,177,578
Current assets					
Stocks	13	905,590		662,922	
Debtors	14	2,210,994		2,648,410	
Cash at bank and in hand		989,627		1,091,723	
		4,106,211		4,403,055	
Creditors: amounts falling due within one year	15	(1,968,331)		(2,445,486)	
Net current assets			2,137,880		1,957,569
Total assets less current liabilities			4,394,545		4,135,147
Creditors: amounts falling due after more than one year	16	(26,745)		(114,345)	
Net assets			4,367,800		4,020,802
Capital and reserves					
Called up share capital	18	373,595		373,595	
Revaluation reserve	19	573,243		573,243	
Capital reserve on consolidation	19	307,382		307,382	
Capital redemption reserve	19	27,088		27,088	
Profit and loss account	19	3,081,692		2,734,454	
Equity shareholders' funds			4,363,000		4,015,762
Minority interest		4,800		5,040	
			4,367,800		4,020,802

These financial statements were approved by the board of directors on 31st MARCH 1995 and were signed on its behalf by:

FB Williams
Chairman



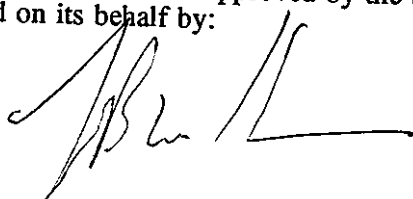
Edward Williams Holdings Limited

Balance sheet
at 30 June 1994

	Note	£	1994 £	£	1993 £
Fixed assets					
Tangible assets	10	1,151,658		1,161,023	
Investment property	11	400,000		400,000	
Investments	12	913,995		784,390	
			<u>2,465,653</u>		<u>2,345,413</u>
Current assets					
Debtors	14	532,430		90,026	
Cash at bank and in hand		210,175		363,570	
			<u>742,605</u>		<u>453,596</u>
Creditors: amounts falling due within one year	15	(87,428)		(140,355)	
Net current assets			<u>655,177</u>		<u>313,241</u>
Net assets			<u>3,120,830</u>		<u>2,658,654</u>
Capital and reserves					
Called up share capital	18		373,595		373,595
Capital redemption reserve	19		27,088		27,088
Profit and loss account	19		2,720,147		2,257,971
Equity shareholders' funds			<u>3,120,830</u>		<u>2,658,654</u>

These financial statements were approved by the board of directors on 31st March 1995 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 1994

	Note	£	1994 £	£	1993 £
Net cash inflow from operating activities	25		136,826		58,026
Returns on investments and servicing of finance					
Interest received		53,011		68,017	
Interest paid		(7,066)		(739)	
Dividends paid		(240)		(240)	
Interest element of finance leases		(3,530)		(9,335)	
Net cash inflow from returns on investment and servicing of finance			42,175		57,703
Taxation					
Corporation tax recovered (including ACT)			14,099		99,056
Investing activities					
Payments to acquire tangible fixed assets and listed investments		(313,834)		(263,883)	
Receipts from sales of tangible fixed assets and listed investments		92,793		124,789	
Net cash outflow from investing activities			(221,041)		(139,094)
Net cash (outflow)/inflow before financing			(27,941)		75,691
Financing					
Movement in creditors amounts falling due after more than one year		(81,107)		40,468	
Capital element of finance lease rental payments		(8,023)		(34,213)	
Net cash (outflow)/inflow from financing			(89,130)		6,255
Movement in cash and cash equivalents	26		(117,071)		81,946

Edward Williams Holdings Limited and Subsidiary Companies

Notes

(forming part of the financial statements)

1 Accounting Standards and principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards.

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 accounting*

The financial statements are prepared using the historical cost convention, as modified by 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.

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 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 excluding certain moulds and tooling	10%-100%
Fixtures, fittings and equipment	10% or 100%

No depreciation is charged in respect of investment properties in accordance with Statement of Standard Accounting Practice No. 19. This is a departure from the requirements of the Companies Act 1985 in order to show 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.

(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.

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

1 Principal accounting policies (continued)

(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:

	1994 £	1993 £
UK	6,868,874	8,535,972
The Americas	377,246	100,671
Europe	43,824	32,329
Other	913	35,671
	<u>7,290,857</u>	<u>8,704,643</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

3 Operating profit

	1994			1993		
	Continuing £	Discontinued £	Total £	Continuing £	Discontinued £	Total £
Turnover	2,090,484	5,200,373	7,290,857	3,755,675	4,948,968	8,704,643
Cost of sales	(1,267,904)	(4,533,407)	(5,801,311)	(3,238,230)	(4,300,696)	(7,538,926)
Gross profit	<u>822,580</u>	<u>666,966</u>	<u>1,489,546</u>	<u>517,445</u>	<u>648,272</u>	<u>1,165,717</u>
Net operating expenses:						
Distribution costs	(65,032)	(87,478)	(152,510)	(64,080)	(85,007)	(149,087)
Administration expenses	(494,409)	(552,763)	(1,047,172)	(784,618)	(549,831)	(1,334,449)
Other operating income	<u>45,541</u>	<u>6,157</u>	<u>51,698</u>	<u>25,171</u>	<u>16,452</u>	<u>41,623</u>
	<u>(513,900)</u>	<u>(634,084)</u>	<u>(1,147,984)</u>	<u>(823,527)</u>	<u>(618,386)</u>	<u>(1,441,913)</u>
Operating profit/(loss)	<u>308,680</u>	<u>32,882</u>	<u>341,562</u>	<u>(306,082)</u>	<u>29,886</u>	<u>(276,196)</u>

The amounts shown for discontinued operations comprise the turnover and operating profits of Rudge Littley Limited which was sold on 1 September 1994.

4 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	
	1994	1993
Production	219	205
Selling and distribution	9	10
Management and administration	<u>43</u>	<u>39</u>
	<u>271</u>	<u>254</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

4 Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	3,241,721	3,307,154
Social security	265,161	285,743
Other pension costs	52,191	87,663
	<u>3,559,073</u>	<u>3,680,560</u>

5 Interest payable and similar charges

	1994 £	1993 £
On bank loans, overdrafts and other loans repayable within five years	631	4
Hire purchase and finance lease interest	3,530	9,335
Other	6,435	735
	<u>10,596</u>	<u>10,074</u>

6 Profit/(loss) on ordinary activities before taxation

	1994 £	1993 £
<i>Profit/(loss) on ordinary activities before taxation is stated after charging/(crediting)</i>		
Depreciation of tangible fixed assets	142,577	189,828
Auditors' remuneration and expenses:		
- audit	32,325	38,641
- other services	2,900	17,439
Profit on disposal of tangible fixed assets and investments	(24,776)	(38,966)
Operating lease rentals in respect of:		
Plant and machinery	22,590	13,124
Rents receivable	(3,801)	(1,160)
Research and development expenditure	23,376	24,403
Hire of plant and machinery	465	849

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

7 Emoluments of directors and senior employees

- (a) The total emoluments of the directors of the company for the year comprised remuneration of £148,464 (1993: £147,842) and pension contributions of £Nil (1993: £Nil).
- (b) The total emoluments of the chairman were £87,835 (1993: £85,217) including pension contributions of £Nil (1993: £Nil). The emoluments of the directors excluding pension contributions, were within the following ranges:

		Number of directors	
		1994	1993
£15,001	- £20,000	1	1
£40,001	- £45,000	1	1
£85,001	- £90,000	1	1
		<hr/>	<hr/>

8 Tax on profit/(loss) on ordinary activities

	1994	1993
	£	£
United Kingdom corporation tax at 33% (1992: 33%)	70,993	-
Adjustments in respect of prior years	(34,494)	(121,639)
	<hr/>	<hr/>
	36,499	(121,639)
	<hr/>	<hr/>

Certain undertakings in the group have accumulated revenue losses for UK taxation purposes of approximately £580,000 (1993: £800,000), subject to agreement by the Inland Revenue. These losses are net of those utilised against deferred tax and are available for carry forward against future trading profits.

9 Profit for the financial year

Of the group profit for the financial year amounting to £347,238 (1993: loss £96,854), a profit of £462,176 (1993: £456,174) has been dealt with in the financial statements of the holding company.

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

10 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	1,926,886	3,215,069
Additions	-	94,403	94,403
Disposals	-	(106,280)	(106,280)
At end of year	1,288,183	1,915,009	3,203,192
<i>Depreciation and amortisation</i>			
At beginning of year	127,108	1,630,778	1,757,886
Charge for the year	9,417	133,160	142,577
Disposals	-	(103,938)	(103,938)
At end of year	136,525	1,660,000	1,796,525
<i>Net book value</i>			
At 30 June 1994	1,151,658	255,009	1,406,667
At 30 June 1993	1,161,075	296,108	1,457,183

The gross book value of tangible fixed assets on which depreciation has been provided amounts to £2,385,868 (1993: £2,397,215).

The net book value of land and buildings, determined according to the historical cost accounting rules, is £883,428 (1993: £892,845).

Included in plant and machinery above are assets held under finance leases and hire purchase agreements. These amount to £11,864 net book value at the year end (1993: £35,460) after depreciation charged of £21,254 for the year (1993: £35,672).

The land and buildings were revalued in 1984.

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

10 Tangible fixed assets (continued)

(b) The company

	Freehold land and buildings £	Plant and machinery £	Total £
Cost			
At beginning of year	1,285,086	85,650	1,370,736
Inter company transfers	3,097	28,034	31,131
At end of year	1,288,183	113,684	1,401,867
Depreciation and amortisation			
At beginning of year	127,108	82,605	209,713
Charge for the year	9,417	3,045	12,462
Inter company transfers	-	28,034	28,034
At end of year	136,525	113,684	250,209
Net book value			
At 30 June 1994	1,151,658	-	1,151,658
At 30 June 1993	1,157,978	3,045	1,161,023

The gross book value of tangible fixed assets on which depreciation has been provided amounts to £470,859 (1993: £521,038).

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

11 Investment property

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

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

12 Investments

	Shares in related undertakings £	Listed investments £	Total £
Group			
<i>Cost or valuation</i>			
At beginning of year	10,000	328,752	338,752
Additions	-	219,431	219,431
Disposals	-	(65,675)	(65,675)
	<u>10,000</u>	<u>482,508</u>	<u>492,508</u>
At end of year	10,000	482,508	492,508
<i>Provisions</i>			
At beginning of year	10,000	8,357	18,357
Movement during the year	-	24,153	24,153
	<u>10,000</u>	<u>32,510</u>	<u>42,510</u>
At end of year	10,000	32,510	42,510
<i>Net book value</i>			
At 30 June 1994	-	449,998	449,998
	<u>-</u>	<u>449,998</u>	<u>449,998</u>
At 30 June 1993	-	320,395	320,395
	<u>-</u>	<u>320,395</u>	<u>320,395</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

12 Investments (continued)

Company	Shares in group undertakings £	Shares in related undertakings £	Listed investments £	Total £
Cost				
At beginning of year	445,837	10,000	328,752	784,589
Additions	2	-	219,431	219,433
Disposals	-	-	(65,675)	(65,675)
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	445,839	10,000	482,508	938,347
Loan to subsidiary undertaking (1993: £79,998)	79,998	-	-	79,998
	<hr/>	<hr/>	<hr/>	<hr/>
	525,837	10,000	482,508	1,018,345
	<hr/>	<hr/>	<hr/>	<hr/>
Provisions				
At beginning of year	61,840	10,000	8,357	80,197
Movement during the year	-	-	24,153	24,153
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	61,840	10,000	32,510	104,350
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 30 June 1994	463,997	-	449,998	913,995
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 1993	463,995	-	320,395	784,390
	<hr/>	<hr/>	<hr/>	<hr/>

Listed investments

At 30 June 1994, investments with a cost of £482,958 (1993: £328,752) were listed on The Stock Exchange.

The market value of listed investments at 30 June 1994 was £509,875 (1993: £384,113).

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.

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

12 Investments (continued)

Trading companies

Activities

Edward Williams Manufacturing Company Limited	Cold heading
Rudge Littley Limited	Casting manufacturers
Associated British Machine Tool Makers (Holdings) Limited	Holding company
ABMTM Limited)	Marketing of
Associated British Machine Tool Makers)	engineering products
(Pakistan) Limited)	
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

H.W. Ward & Co. Limited
Weston Williams Limited
Associated British Marine Limited
Intervision Limited
International Marine Constructors Limited
ABMTM (Korea) Limited
Associated British Machine Tool Makers
(India) Limited

In addition, the company holds certain preference shares in the following company.

Rudge Littley Limited - 52% of the 5% 'B' cumulative preference shares of £1 each.

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

13 Stocks and work in progress

	1994 £	Group 1993 £
Raw materials and consumables	296,391	282,375
Work in progress	1,041,929	119,143
Finished goods and goods for resale	390,986	315,677
Payments on account	(823,716)	(54,273)
	<u>905,590</u>	<u>662,922</u>

14 Debtors

	1994 £	Group 1993 £	1994 £	Company 1993 £
Trade debtors	2,056,218	2,426,256	-	-
Amounts owed by group undertaking	-	-	166,957	39,278
Other debtors	44,776	70,171	350,000	-
Prepayments and accrued income	95,218	101,915	751	986
Taxation recoverable	14,782	50,068	14,722	49,762
	<u>2,210,994</u>	<u>2,648,410</u>	<u>532,430</u>	<u>90,026</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

15 Creditors: amounts falling due within one year

	1994	Group 1993	1994	Company 1993
	£	£	£	£
Bank loans and overdrafts	30,554	15,579	-	-
Payments received on account	34,503	29,636	-	-
Trade creditors	1,416,864	1,931,467	-	-
Amounts owed to group undertaking	-	-	52,917	114,701
Other creditors including taxation and social security	352,479	325,207	21,261	11,588
Accruals and deferred income	133,931	143,597	13,250	14,066
	<u>1,968,331</u>	<u>2,445,486</u>	<u>87,428</u>	<u>140,355</u>

Other creditors including taxation and social security comprises:

Advance corporation tax	-	4,774	-	4,774
Corporation tax	29,191	9,105	14,100	-
Other taxes	179,701	196,191	7,161	6,814
Social security	93,994	53,608	-	-
	<u>302,886</u>	<u>263,678</u>	<u>21,261</u>	<u>11,588</u>
Obligations under finance leases and hire purchase agreements	6,492	8,022	-	-
Other creditors	43,101	53,507	-	-
	<u>352,479</u>	<u>325,207</u>	<u>21,261</u>	<u>11,588</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

16 Creditors: amounts falling due after more than one year

	1994	Group 1993
	£	£
Bank loans and overdrafts	-	1,860
Trade creditors	25,000	104,247
Obligations under finance leases and hire purchase agreements (all falling due within five years)	1,745	8,238
	<u>26,745</u>	<u>114,345</u>

17 Provisions for liabilities and charges

The full potential liability for deferred taxation calculated at 33 % (1993: 33 %) is set out below:

	Group		Group	
	1994	Amount	1993	Amount
	Full	unprovided	Full	unprovided
	potential		potential	
	liability		liability	
	£	£	£	£
Accelerated capital allowances and other timing differences	10,350	10,350	10,350	10,350
Taxation losses	(10,350)	(10,350)	(10,350)	(10,350)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

18 Called up share capital

	1994	1993
	£	£
<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)

19 Reserves

(a) Revaluation reserve

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

(b) Profit and loss account

	Group £	Company £
At beginning of year	2,734,454	2,257,971
Retained profit for the financial year	<u>347,238</u>	<u>462,176</u>
At end of year	<u>3,081,692</u>	<u>2,720,147</u>

(c) Capital reserve on consolidation

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

(d) Capital redemption reserve

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

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

20 Reconciliation of movements in shareholders' funds

	1994 £	Group 1993 £	1994 £	Company 1993 £
At beginning of year	4,015,762	4,112,616	2,658,654	2,202,480
Profit/(loss) for the year after taxation	347,238	(96,854)	462,176	456,174
At end of year	<u>4,363,000</u>	<u>4,015,762</u>	<u>3,120,830</u>	<u>2,658,654</u>

21 Guarantees

At 30 June 1994, 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

	1994 £	1993 £
Guarantees jointly given in respect of the financing arrangements of certain export contracts	<u>48,159</u>	<u>-</u>

(b) Subsidiary undertakings

	1994 £	1993 £
Counter indemnities relating to guarantees given by a bank on behalf of subsidiary undertakings	<u>48,159</u>	<u>48,159</u>
Counter guarantees in respect of the above	<u>-</u>	<u>-</u>

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

22 Capital commitments

There were no capital commitments at 30 June 1994 (1993: £Nil).

23 Lease commitments

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

	1994		1993	
	Land and buildings £	Plant and machinery £	Land and buildings £	Plant and machinery £
Lease expires:				
Within one year	-	1,252	-	3,082
Between one and five years	-	4,442	-	9,316
	<hr/>	<hr/>	<hr/>	<hr/>
	-	5,694	-	12,398
	<hr/>	<hr/>	<hr/>	<hr/>

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

	1994 £	1993 £
Within one year	6,492	8,022
Between one and five years	1,745	8,238
	<hr/>	<hr/>
	8,237	16,260
	<hr/>	<hr/>

24 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)

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

	1994 £	1993 £
Operating profit/(loss)	341,562	(276,196)
Depreciation	166,730	189,871
Profit on sale of fixed assets and investments	(24,776)	(38,966)
(Increase)/decrease in stocks	(242,668)	148,911
Decrease in debtors	402,130	351,433
Increase/(decrease) in creditors	(506,152)	(317,027)
Net cash inflow from operating activities	136,826	58,026

26 Analysis of cash and cash equivalents

	1994 £	1993 £	Change in year £
Cash at bank and in hand	989,627	1,091,723	(102,096)
Overdraft	(30,554)	(15,579)	(14,975)
	959,073	1,076,144	(117,071)

Edward Williams Holdings Limited and Subsidiary Companies

Notes (continued)

27 Post balance sheet event

On 1 September 1994 the company sold 100% of the share capital of Rudge Littley Limited. The net assets of Rudge Littley Limited at 30 June 1994 were as follows:

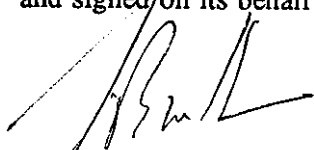
	£	£
Fixed assets		
Tangible assets		116,332
Current assets		
Stocks	419,612	
Debtors	1,699,787	
Cash at bank and in hand	194,609	
	<hr/>	
	2,314,008	
Creditors: amounts falling due within one year	(1,213,158)	
	<hr/>	
Net current assets		1,100,850
		<hr/>
Net assets		1,217,182
		<hr/>

Edward Williams Holdings Limited

Profit and loss account for the year ended 30 June 1994

	1994 £	1993 £
Turnover	-	-
Cost of sales	-	-
Gross profit	-	-
Administrative expenses	(217,346)	(220,734)
Other operating income and income from fixed asset investments	714,054	555,826
Other interest receivable and similar income	13,924	33,985
Profit on ordinary activities before taxation	510,632	369,077
Taxation on profit on ordinary activities	(48,456)	87,097
Profit on ordinary activities after taxation	462,176	456,174
Dividends	-	-
Retained profit for the financial year	462,176	456,174

This profit and loss account was approved by the board of directors on 31 March 1995 and signed on its behalf by:



FB Williams
Chairman