

SCHEDULE OF DIRECTORSHIPS

<u>COMPANY</u>	<u>M. McGUIRK</u>	<u>G. A. RAVENSCHIFF</u>	<u>M. G. HART</u>
RAMAC HOLDINGS LIMITED	YES	YES	YES
WINGHAM ENGINEERING COMPANY LIMITED	YES	YES	YES
WINGHAM CONSTRUCTION LIMITED	YES	YES	NO
R. M. BROOKES LIMITED	NO	YES	YES
RAMAC CONSTRUCTION COMPANY LIMITED	NO	YES	YES
QUICKWAY BUILDINGS LIMITED	NO	YES	YES
OAKS PLANT HIRE LIMITED	NO	YES	YES
PRINCE'S LEISURE GROUP LIMITED	YES	NO	YES
SANDWICH BAY ESTATE LIMITED	YES	YES	YES
PORT RICHBOROUGH DEVELOPMENTS LIMITED	YES	YES	YES
MIDDLEBROAD LIMITED	YES	NO	NO
MIDDLEBROAD HOMES LIMITED	YES	NO	NO
W.B.C. PACKAGING LIMITED	YES	NO	NO
BEVINGTON ESTATES LIMITED	NO	YES	YES

29/96

THE WINGHAM ENGINEERING COMPANY LIMITED

ANNUAL REPORT

YEAR ENDED 28 FEBRUARY 1990

CAPE & DALGLEISH
Chartered Accountants
401 St John Street
London EC1V 4LH



THE WINGHAM ENGINEERING COMPANY LIMITED

DIRECTORS

M. McGuirk
G.A. Ravenscroft
M.G. Hart

SECRETARY AND REGISTERED OFFICE

M.G. Hart
Wingham Works
Wingham
Canterbury
Kent CT3 1AS

ADMINISTRATIVE OFFICE

Wingham Works
Wingham
Canterbury
Kent CT3 1AS

AUDITORS

Cape & Dalgleish
Chartered Accountants
401 St John Street
London EC1V 4LH

BANKERS

Barclays Bank PLC
9 St. Georges Street
Canterbury
Kent CT1 2JX

REGISTERED NUMBER

29196

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THE WINGHAM ENGINEERING COMPANY LIMITED

DIRECTORS' REPORT

YEAR ENDED 28 FEBRUARY 1990

The directors present their report and the accounts for the year ended 28 February 1990.

BUSINESS REVIEW

The principal activities remained unchanged, and comprise general engineering and the management of its freehold site at Wingham.

The financial results are set out in the profit and loss account.

DIVIDENDS

The directors recommend a payment in full of the dividend on the 7% preference shares. The directors do not recommend the payment of a dividend for the year on either the ordinary shares or the non-cumulative second preference shares.

FIXED ASSETS

Changes in fixed assets are shown in note 6 to the accounts.

In view of the substantial difference between the book value of investment properties and their open market value, the directors considered that a professional valuation was appropriate. The resulting valuation has been incorporated into the accounts and the accounting policies changed accordingly. The directors consider that the financial position of the group is more accurately presented as a result of this change.

DIRECTORS

The directors holding office at the end of the year are shown in the table below, together with their interests in the 7% preference shares of £10 each.

<u>Name of director</u>	<u>Share interests</u>	
	<u>1.3.1989</u>	<u>28.2.1990</u>
M. McGuirk	10	10
G.A. Ravenscroft	10	10
M.G. Hart	10	10

The above shareholdings are held to comply with the Articles of Association. Their interests in the share capital of the parent company are disclosed in the directors' report of that company.

AUDITORS

A resolution in accordance with Section 384(1) Companies Act 1985 for the re-appointment of Cape & Dalgluish as auditors of the company will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

M.G. HART

Secretary

AUDITORS' REPORTTO THE MEMBERS OF THE WINGHAM ENGINEERING COMPANY LIMITED

We have audited the accounts set out on pages 4 to 10 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 28 February 1990 and of its results and source and application of funds for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

CAPE & DALGLEISH
Chartered Accountants
401 St John Street
London EC1V 4LH

10 August 1990

THE WINGHAM ENGINEERING COMPANY LIMITED

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PROFIT AND LOSS ACCOUNT

YEAR ENDED 28 FEBRUARY 1990

	<u>Note</u>	<u>1990</u> <u>£</u>	<u>1989</u> <u>£</u>
TURNOVER	2	1,931,243	1,897,915
Cost of sales		(1,423,578)	(1,418,523)
Gross profit		507,665	479,392
Administrative expenses		(194,234)	(167,149)
Interest payable		-	(365)
Profit on ordinary activities before taxation	3	313,431	311,878
Taxation on profit on ordinary activities	4	(162,400)	(112,997)
Profit on ordinary activities after taxation		151,031	198,881
Dividends	5	(659)	(659)
Retained profit for the financial year		150,372	198,222
STATEMENT OF RETAINED EARNINGS			
Retained profits brought forward		850,472	652,250
Retained profit for the financial year		150,372	198,222
Retained profits at 28 February 1990		1,000,844	850,472

CERTIFIED A TRUE COPY OF THE ACCOUNT

THE WINGHAM ENGINEERING COMPANY LIMITED

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BALANCE SHEET

AS AT 28 FEBRUARY 1990

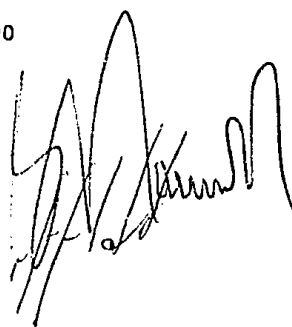
	<u>Note</u>	<u>1990</u> <u>£</u>	<u>1989</u> <u>£</u>
FIXED ASSETS			
Tangible assets	6	1,017,505	217,362
Investment	7	910	910
		-----	-----
		1,018,415	218,272
		-----	-----
CURRENT ASSETS			
Stocks	8	130,504	166,924
Debtors	9	1,100,202	1,095,161
Cash at bank and in hand		86,010	3,297
		-----	-----
		1,316,716	1,265,382
		-----	-----
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(334,985)	(446,078)
		-----	-----
NET CURRENT ASSETS		981,731	819,304
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		2,000,146	1,037,576
		=====	=====
CAPITAL AND RESERVES			
Called-up share capital	11	169,520	169,520
Revaluation reserve	12	829,728	17,584
Profit and loss account		1,000,844	850,472
		-----	-----
Shareholders' funds		2,000,146	1,037,576
		=====	=====

Approved by the Board on 7 August 1990

G.A. RAVENSCROFT

M.G. HART

)
) DIRECTORS
)



THE WINGHAM ENGINEERING COMPANY LIMITEDSOURCE AND APPLICATION OF FUNDS STATEMENTYEAR ENDED 28 FEBRUARY 1990

	<u>1990</u> £	<u>1989</u> £
Source of funds:		
Profit on ordinary activities before taxation	313,431	311,878
Adjustment for items not involving the movement of funds:		
Depreciation	14,057	12,848
Profit on sale of fixed assets	-	(1,551)
	-----	-----
Total generated from operations	327,488	323,175
Funds from other sources:		
Sale of fixed assets	-	2,250
	-----	-----
	327,488	325,425
Application of funds:		
Purchase of fixed assets	(2,002)	(14,479)
Tax paid	(42,928)	(3,636)
Dividends paid	(659)	(659)
Group relief payment	(78,000)	-
	-----	-----
	203,899	306,651
	=====	=====
Increase/(decrease) in working capital:		
Stocks	(36,420)	94,192
Debtors	5,041	579,857
Creditors falling due within one year	135,227	(142,431)
	-----	-----
	103,848	531,618
Increase/(decrease) in net liquid funds:		
Bank and cash balances	100,051	(224,967)
	-----	-----
	203,899	306,651
	=====	=====

NOTES TO THE ACCOUNTS

YEAR ENDED 28 FEBRUARY 1990

1. ACCOUNTING POLICIES

The following policies, which have been consistently applied, are considered material in relation to the company's accounts.

(a) Basis of accounting

Accounts have been prepared under the historical cost accounting rules set out in Schedule 4 Companies Act 1985, as modified by the revaluation of investment properties.

(b) Group accounts

Consolidated accounts of the company and its subsidiary have not been prepared as the company is itself a wholly owned subsidiary of another body corporate.

(c) Depreciation

In accordance with Statement of Standard Accounting Practice No.19, investment properties are stated at their open market value and no depreciation is charged thereon. In the opinion of the directors it is necessary to adopt this accounting policy for the accounts to show a true and fair view. It is not practical to quantify the depreciation which would otherwise have been charged. This represents a change of accounting policy which has no impact on the results for the year.

Depreciation is provided on the net cost of other fixed assets using rates and bases designed to write off the assets over their estimated useful lives. The following rate and bases have been applied:

Motor vehicle	25% per annum on cost
Plant and machinery - operator controlled	3% per month on cost
Plant and machinery - not requiring operator	2% per month on cost
Fixtures and fittings	25% per annum on cost

(d) Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value represents anticipated proceeds after selling costs.

(e) Deferred taxation

Provision for deferred taxation is made in the accounts, using the liability method, on all material timing differences, unless it can be demonstrated with reasonable probability that such timing differences will not reverse in the foreseeable future.

THE WINGHAM ENGINEERING COMPANY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 28 FEBRUARY 1990

2. **TURNOVER**

Turnover comprises amounts invoiced in respect of goods and services supplied during the year, excluding value added tax.

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
An analysis by activity is:		
General engineering	1,827,720	1,819,718
Rental income	103,523	78,197
	-----	-----
	1,931,243	1,897,915
	=====	=====

3. **PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

(a) The profit is stated after charging:

Depreciation on tangible fixed assets	14,057	12,848
Auditors' remuneration	5,750	5,500
Hire of plant and machinery	41,043	36,785
	=====	=====

Number of staff

(b) Staff. The table below includes directors:

Management and administration	6	6
Production and warehousing	6	6
	---	---
	12	12
	===	===

	<u>£</u>	<u>£</u>
Wages and salaries	102,803	92,186
Social security	9,175	12,401
Other pension costs	468	468
	-----	-----
	112,446	105,055
	=====	=====

The directors received their remuneration from the holding company.

4. **TAXATION ON PROFIT ON ORDINARY ACTIVITIES**

Taxation based on the year's profits

Corporation tax at 35% (1989: 35%)	(84,400)	(109,550)
Group relief	(78,000)	-
Adjustment for prior years	-	(3,447)
	-----	-----
	(162,400)	(112,997)
	=====	=====

5. **DIVIDENDS**

Preference dividends at 7%

659	659
===	===

THE WINGHAM ENGINEERING COMPANY LIMITED

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NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 28 FEBRUARY 1990

6. TANGIBLE ASSETS	Freehold land and buildings	Investment properties	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£	£
Cost at 1 March 1989	182,802	36,614	35,385	254,801	
Additions	-	502	1,500	2,002	
Revaluation	812,198	-	-	812,198	
	-----	-----	-----	-----	-----
Cost or valuation at 28 February 1990	995,000	37,116	36,885	1,069,001	
	=====	=====	=====	=====	=====
Depreciation at 1 March 1989	-	21,119	16,320	37,439	
Charge for the year	-	7,328	6,729	14,057	
	-----	-----	-----	-----	-----
Depreciation at 28 February 1990	-	28,447	23,049	51,496	
	=====	=====	=====	=====	=====
Book value:					
28 February 1990	995,000	8,669	13,836	1,017,505	
	=====	=====	=====	=====	=====
28 February 1989	182,802	15,495	19,065	217,362	
	=====	=====	=====	=====	=====

Investment properties are stated at open market values as prepared by Cluttons, Chartered Surveyors as at 28 February 1990. If land and buildings had not been revalued they would have been stated at a cost of £182,802.

If the investment properties had been sold at their revalued amounts at the balance sheet date, there would have been a maximum corporation tax liability of £284,000. As there is no intention to sell the property in the foreseeable future no provision for deferred tax has been made.

7. INVESTMENTS

The company beneficially owns the whole of the issued share capital of Wingham Construction Limited, a company registered in England. The company does not trade.

	1990 £	1989 £
8. STOCKS		
The basis of valuation is set out in note 1.		
The total comprises:		
Raw materials and consumables	130,504	90,143
Finished goods and goods for resale	-	76,781
	-----	-----
	130,504	166,924
	=====	=====

9. DEBTORS

Trade debtors	175,553	261,318
Amounts owed by group companies	910,862	827,251
Other debtors	4,460	6,540
Prepayments and deferred income	9,327	52
	-----	-----
	1,100,202	1,095,161
	=====	=====

THE WINCHAM ENGINEERING COMPANY LIMITED

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NOTES TO THE ACCOUNTS (CONTINUED)

YEAR ENDED 28 FEBRUARY 1990

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank overdraft	-	17,338
Trade creditors	54,594	157,375
Amounts owed to group companies	44,473	8,225
Corporation tax	193,517	152,045
Other taxes and social security	4,728	1,058
Other creditors	1,352	1,467
Accruals and deferred income	36,321	108,570
	-----	-----
	334,985	446,078
	=====	=====
11. SHARE CAPITAL		
Authorised:		
7% preference shares of £10 each	34,950	34,950
1% Non-cumulative second preference shares of 25p each	112,142	112,142
Ordinary shares of 5p each	137,908	137,908
	-----	-----
	285,000	285,000
	=====	=====
Issued and fully paid:		
7% preference shares of £10 each	34,950	34,950
1% Non-cumulative second preference shares of 25p each	112,142	112,142
Ordinary shares of 5p each	22,428	22,428
	-----	-----
	169,520	169,520
	=====	=====
12. REVALUATION RESERVE		
At 1 March 1989	17,584	17,584
Increase in the year	812,198	-
	-----	-----
At 28 February 1990	829,782	17,584
	=====	=====

13. CONTINGENT LIABILITIES

The company has given an unlimited guarantee to secure bank borrowings of group companies.

14. HOLDING COMPANY

The holding company is Ramac Holdings Limited, a company registered in England.