

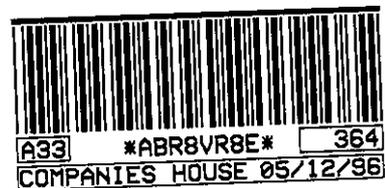
AMENDED ACCOUNTS FOR A TYPOGRAPHICAL ERROR ON LINE 18 OF  
PAGE 3 (THE AUDITORS' REPORT).

WILKINSON SWORD LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1995

Registered number 29311



**WILKINSON SWORD LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE THIRTEEN MONTH PERIOD ENDED 31 DECEMBER 1995**

**DIRECTORS:** W J Cosgrove  
A L Vosper  
S A Mellino  
D A Wooler (Resigned 6 November 1995)  
M J Cummings (Appointed 6 November 1995)

**SECRETARY:** K A M Sykes (Resigned 11 March 1996)  
D M Willis (Appointed 11 March 1996)

**REGISTERED NUMBER :** 29311

**REGISTERED OFFICE:** Lambert Court  
Chestnut Avenue  
Eastleigh  
Hampshire  
SO5 3ZQ

This report accompanies the Financial Statements of the Company for the thirteen month period ended 31 December 1995.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activities of the Company continued to be the manufacture and distribution of razors, razor blades and swords and the distribution of toiletries and manicure products.

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit or loss of the Company for the period to that date.

The Directors are responsible for ensuring that systems are in place for maintaining adequate accounting records, which will enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.

The Directors confirm that:

- suitable accounting policies, consistently applied and supported by reasonable and prudent judgement and estimates, have been used in the preparation of the financial statements;
- applicable accounting standards have been followed; and
- the financial statements have been prepared on the going concern basis.

## WILKINSON SWORD LIMITED

### REPORT OF THE DIRECTORS FOR THE THIRTEEN MONTH PERIOD ENDED 31 DECEMBER 1995 (Continued)

#### RESULTS AND DIVIDENDS

The profit after taxation for the thirteen month period to 31 December 1995 was £4,737,000 (1994; profit for the twelve month period to 30 November 1994 was £1,877,000).

Interim dividends totalling £3,600,000 were paid during the period (1994: £Nil). The Directors do not recommend the payment of a Final Dividend and propose that the profit of £1,137,000 is added to reserves.

#### DIRECTORS' INTERESTS

None of the Directors nor their families had any beneficial interest in the shares of the Company or its immediate parent undertaking or its fellow subsidiary undertakings either at the beginning or end of the financial period.

#### EQUAL OPPORTUNITIES AND EMPLOYEE INVOLVEMENT

It is the policy of the Company to offer equal opportunity to persons applying for vacancies, regardless of their sex, race, ethnic origin or disability and to provide continued employment for persons who become disabled whilst in its employment. In this respect, the Company provides special facilities and aids for disabled persons where required.

The Company recognises the benefits of keeping its employees informed of the progress of the business and information regarding financial and economic factors affecting the performance of the Company is provided.

#### CHANGES IN FIXED ASSETS

The movements in fixed assets during the period are set out in Notes 9 and 10 to the financial statements.

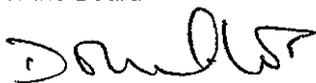
#### DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company has maintained insurance to cover directors' and officers' liability as defined in s310(3)(a) of the Companies Act 1985.

#### ANNUAL GENERAL MEETING

In accordance with the provisions of s379A of the Companies Act 1985, the Company has elected to dispense with the laying of reports and accounts before the members in general meeting, the annual appointment of auditors and the holding general meetings.

By order of the Board



D M Willis

25 October 1996

## *Price Waterhouse*



### **AUDITORS' REPORT TO THE MEMBERS OF WILKINSON SWORD LIMITED**

We have audited the financial statements on pages 4 to 20 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 to 9.

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

As described on page 1 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 the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 the company's affairs as at 31 December 1995 and of its profit and cash flow for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

PRICE WATERHOUSE  
Chartered Accountants  
and Registered Auditors

25 October 1996

The Quay  
30 Channel Way  
Ocean Village  
Southampton  
SO14 3QG

WILKINSON SWORD LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 31 DECEMBER 1995

	<u>Note</u>	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
		£000	£000
<b>TURNOVER</b>	2	65,589	45,374
Cost of Sales		(46,190)	(28,228)
<b>GROSS PROFIT</b>		19,399	17,146
Distribution Costs		(11,275)	(11,353)
Administrative Costs		(2,138)	(1,995)
Research and Development Costs		(244)	(294)
Amortisation of Intangible Assets	9	(469)	(432)
<b>OPERATING PROFIT</b>		5,273	3,072
Interest Receivable	6	369	462
Interest Payable	7	(15)	(45)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	5,627	3,489
Taxation on profit on ordinary activities	8	(890)	(1,612)
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		4,737	1,877
Dividends paid		(3,600)	-
<b>AMOUNT TRANSFERRED TO RESERVES</b>	17, 18	1,137	1,877

All the Company's operations are classed as continuing. The Company had no recognised gains or losses other than those disclosed in the Profit & Loss Account.

WILKINSON SWORD LIMITED

BALANCE SHEET AT 31 DECEMBER 1995

	<u>Note</u>	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
		£000	£000
<b>FIXED ASSETS</b>			
Intangible Assets	9	16,100	16,569
Tangible Assets	10	6,930	5,965
Investments	11	22	7
		<hr/>	<hr/>
		23,052	22,541
<b>CURRENT ASSETS</b>			
Stocks	12	6,985	4,641
Debtors	13	8,596	7,786
Cash at Bank and In Hand	20	2,461	6,429
		<hr/>	<hr/>
		18,042	18,856
<b>CREDITORS ( amounts falling due within one year)</b>	14	(12,772)	(14,118)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		5,270	4,738
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		28,322	27,279
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	15	(515)	(609)
		<hr/>	<hr/>
		27,807	26,670
		<hr/> <hr/>	<hr/> <hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	5,246	5,246
Share premium account	17	360	360
Revaluation reserve	17	16,413	16,885
Profit and Loss account	17	5,788	4,179
		<hr/>	<hr/>
<b>Shareholders' funds</b>	18	27,807	26,670
		<hr/> <hr/>	<hr/> <hr/>

Approved by the Board of Directors on 25 October 1996

*A. L. Vosper.*

A L Vosper  
Director

WILKINSON SWORD LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED  
31 DECEMBER 1995

	Note	13 months to 31 Dec 1995		12 months to 30 Nov 1994	
		£000	£000	£000	£000
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	19		3,739		6,721
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
Interest paid	7	(15)		(45)	
Interest received	6	369		462	
Dividend paid		(3,600)		-	
			(3,246)		417
<b>TAXATION</b>					
Corporation tax paid		(1,443)		(1,357)	
Advance Corporation tax paid		(900)		-	
			(2,343)		(1,357)
<b>INVESTING ACTIVITIES</b>					
Purchase of tangible fixed assets		(2,103)		(4,140)	
Investment in Wilkinson Sword SPA	11	(15)		-	
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>			(2,118)		(4,140)
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	20		(3,968)		1,641

WILKINSON SWORD LIMITED

NOTE OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE PERIOD ENDED 31 DECEMBER 1995

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
	£000	£000
Reported profit on ordinary activities before taxation	5,627	3,489
Difference between the historical cost depreciation charge and the actual charge of the period calculated on the revalued amount	472	435
Historical cost profit on ordinary activities before taxation	<u>6,099</u>	<u>3,924</u>
Historical cost profit for the period retained after taxation & dividends	<u>1,609</u>	<u>2,312</u>

**WILKINSON SWORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995**

**1 ACCOUNTING POLICIES**

**1) Basis of accounting**

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

**2) Turnover**

Turnover comprises amounts invoiced to customers and fellow subsidiary undertakings less returns, excluding value added tax and trade discounts.

**3) Foreign currencies**

Assets and liabilities denominated in foreign currencies are converted into sterling at rates of exchange ruling at the balance sheet date. Exchange differences arising in the course of trading are converted at the rate of exchange ruling at that date and are included in the operating results.

**4) Intangible assets**

Consequent upon the acquisition on 22 March 1993 of Wilkinson Sword Limited by Warner Lambert (UK) Limited, a wholly owned subsidiary of Warner Lambert Company, a US corporation, a valuation of £17.3 million (Note 9) was placed on the trademarks and patents. The amortisation is calculated to write off the valuation of these intangible assets over forty years.

**5) Depreciation**

Depreciation is provided on a straight line basis on all tangible assets except freehold land. The charge in the profit and loss account is calculated to write off the cost or valuation of tangible assets over the expected useful economic lives of the assets.

The lives assumed for the principal categories are :

Freehold Buildings	20 - 50 years
Leasehold Buildings	Life of Lease
Plant and Machinery	3 - 20 years
Motor Vehicles	3 - 5 years

**6) Deferred taxation**

Provision is made for deferred taxation where there is a reasonable probability that a liability will arise in the foreseeable future.

**7) Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis and, in respect of work in progress and finished stocks, includes an appropriate proportion of overhead costs.

**8) Research and development**

Research and development expenditure is written off in the year in which it is incurred.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (Continued)

1 ACCOUNTING POLICIES (Continued)

9) Leased assets

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over the shorter of its estimated useful life and the lease term. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account as interest, and the capital element, which reduces the outstanding obligation for future instalments.

All other leases are operating leases and the rentals are taken to the profit and loss account on a straight line basis over the life of the lease.

10) Pension costs

The expected cost of pensions in respect of the Company's defined benefit pension scheme is charged to the profit and loss account so as to spread the cost of pensions over the average expected service lives of employees in the scheme. Variations from the regular cost are spread over the expected remaining service lives of current employees in the scheme. The pension cost is assessed in accordance with the advice of qualified actuaries.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

2 TURNOVER

	<u>13 months to</u> <u>31 Dec 1995</u>	<u>12 months to</u> <u>30 Nov 1994</u>
	£000	£000
Geographical markets		
United Kingdom	27,377	22,862
Americas	3,698	3,475
Europe	29,154	13,759
Africa & Middle East	1,449	796
Other	3,911	4,482
	<hr/> <hr/>	<hr/> <hr/>
	65,589	45,374

The company has only one class of business.

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation  
is stated after charging :

	<u>Note</u>	<u>13 months to</u> <u>31 Dec 1995</u>	<u>12 months to</u> <u>30 Nov 1994</u>
		£000	£000
Amortisation of intangible assets	9	469	432
Depreciation of tangible assets	10	1,138	565
Auditors' remuneration:			
Audit fees		39	39
Non audit work		5	3
Hire of plant and machinery		77	61
Operating lease rentals		1,020	931
		<hr/> <hr/>	<hr/> <hr/>
		2,748	2,031
and after crediting:			
Redundancy provision no longer required		-	(220)
		<hr/> <hr/>	<hr/> <hr/>

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

4 EMPLOYEES AND PENSION COSTS

The average number of employees during the period was :-

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
Hourly paid	383	298
Salaried	190	176
	<hr/>	<hr/>
	573	474
	<hr/>	<hr/>

Employee costs during the period were :

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
	£000	£000
Wages and salaries	10,084	7,641
Social security costs	847	620
Other pension costs	338	265
	<hr/>	<hr/>
	11,269	8,526
	<hr/>	<hr/>

Pension costs

The company has been operating a funded single defined benefit pension scheme since 1 September 1990. Prior to this date two defined benefit schemes were in operation. The current scheme is open to all of the Company's permanent employees and is financed through separate trustee administered funds.

The pension cost relating to the scheme is assessed in accordance with the advice of an independent qualified actuary using the Projected Unit Method. The latest actuarial statement on the scheme was prepared on 6 April 1996. The market value of the assets in the scheme at that date was approximately £73 million. The opinion expressed in the statement was that the pension fund assets at 6 April 1996 were sufficient to cover 105% of the accrued liabilities.

The pension charge for the year reflects the review by the actuaries on 6 April 1993.

The next full actuarial valuation is scheduled for April 1999.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

5 DIRECTORS' EMOLUMENTS

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
	£000	£000
Salaries, including benefits in kind	228	174
Contributions to pension scheme	17	15
	<hr/>	<hr/>
	245	189
	<hr/> <hr/>	<hr/> <hr/>

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
	£	£
Highest paid director - excluding pension contributions	149,500	107,088
	<hr/> <hr/>	<hr/> <hr/>

The company has no chairman.

The emoluments of the directors, excluding pension contributions, fell within the following bands:

Nil - £ 5,000	3	3
£ 65,001 - £ 70,000	-	1
£ 75,001 - £ 80,000	1	-
£ 105,001 - £ 110,000	-	1
£ 145,001 - £ 150,000	1	-

6 INTEREST RECEIVABLE

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
	£000	£000
Bank interest	364	323
Interest receivable from group undertakings	5	139
	<hr/>	<hr/>
	369	462
	<hr/> <hr/>	<hr/> <hr/>

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

7 INTEREST PAYABLE

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
	£000	£000
Interest payable on bank overdraft	13	6
Other interest payable	2	39
	<hr/>	<hr/>
	15	45
	<hr/> <hr/>	<hr/> <hr/>

8 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<u>13 months to 31 Dec 1995</u>	<u>12 months to 30 Nov 1994</u>
	£000	£000
Current year:		
Corporation tax at 33% (1994: 33%)	1,996	1,339
Prior year:		
Corporation tax	(1,106)	273
	<hr/>	<hr/>
	890	1,612
	<hr/> <hr/>	<hr/> <hr/>

9 INTANGIBLE FIXED ASSETS

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Valuation	17,300	17,300
Amortisation		
As at 1 December 1994	731	299
Charge for the period	469	432
	<hr/>	<hr/>
	1,200	731
	<hr/>	<hr/>
Net book amount at 31 December 1995	16,100	16,569
	<hr/> <hr/>	<hr/> <hr/>

As referred to in note 1(4), Wilkinson Sword Limited was purchased by Warner Lambert (UK) Limited on 22 March 1993 and on that date a valuation of £17.3 million was placed on the trademarks and patents.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

10 TANGIBLE FIXED ASSETS

	Land and buildings	Payments on account and assets in the course of construction	Plant and machinery	Total
	£000	£000	£000	£000
a) Cost or valuation				
As at 1 December 1994				
Additions	1,237	1,284	13,559	16,080
Disposals	3	1,155	945	2,103
	-	-	(27)	(27)
At 31 December 1995	1,240	2,439	14,477	18,156
Depreciation				
As at 1 December 1994				
Charge for the year	274	-	9,841	10,115
Disposals	37	-	1,101	1,138
	-	-	(27)	(27)
At 31 December 1995	311	-	10,915	11,226
Net book amount : At 31 December 1995	929	2,439	3,562	6,930
At 30 November 1994	963	1,284	3,718	5,965
b) Analysis of cost or valuation at 31 December 1995				
Cost	121	2,439	14,477	17,037
Valuation	1,119	-	-	1,119
	1,240	2,439	14,477	18,156

The land and buildings were revalued on an existing use basis by Vail Williams, Chartered Surveyors on 22 March 1993.

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

10 TANGIBLE FIXED ASSETS (continued)

	Land and buildings	Payments on account and assets in the course of construction	Plant and machinery	Total
	£000	£000	£000	£000
c) If the assets had not been revalued the balances at 31 December 1995 would have been:				
Cost	919	2,439	14,477	17,835
Accumulated depreciation	303	-	10,915	11,218

d) Land and buildings at net book amount  
comprises:

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Freehold	884	903
Short leasehold	45	60
	<u>929</u>	<u>963</u>

e) There were authorised capital commitments at 31 December 1995 £290,000 (1994: £405,000)

f) Obligations under operating leases committed to be paid during the following year analysed between  
the years in which the leases expire are as follows:

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Within one year	346	-
Between one and five years	665	512
Over five years	446	227

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

11 INVESTMENTS

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Cost at 1 December	7	7
Additions	15	-
Cost at 31 December 1995 / 30 November 1994	<u>22</u>	<u>7</u>

The Company's investment represents a 1.03% shareholding in Wilkinson Sword SPA Italy incorporated in Italy. The principal activity of that company is the distribution and marketing of shaving products.

12 STOCKS

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Raw materials and consumables	1,646	1,076
Work in progress	2,038	1,534
Finished goods and goods for resale	3,301	2,031
	<u>6,985</u>	<u>4,641</u>

13 DEBTORS

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Trade debtors	6,431	5,094
Amounts owed by parent undertaking and fellow subsidiary undertakings	1,513	2,017
Prepayments and accrued income	530	302
Other debtors	122	373
	<u>8,596</u>	<u>7,786</u>

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

14 CREDITORS: Amounts falling due within one year

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Trade creditors	3,878	3,219
Corporation tax	514	1,967
Other taxation and social security	209	165
Other creditors	8,171	8,767
	<hr/>	<hr/>
	12,772	14,118
	<hr/>	<hr/>

15 PROVISION FOR LIABILITIES AND CHARGES

a) Deferred tax

Deferred tax, which is calculated under the liability method, is £nil (1994 :£nil)

The full potential (asset)/liability is as follows:

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Accelerated capital allowances	572	642
Other timing differences	(1,020)	(1,215)
	<hr/>	<hr/>
	(448)	(573)
	<hr/>	<hr/>

b) Pensions

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Provision for the excess of pension costs charged over amounts funded	515	609
	<hr/>	<hr/>

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

16 CALLED UP SHARE CAPITAL

	Authorised		Allotted issued and fully paid	
	31 Dec 1995	30 Nov 1994	31 Dec 1995	30 Nov 1994
	£000	£000	£000	£000
6,350,000 Ordinary shares of 20p each	1,270	1,270	1,270	1,270
19,882,283 Non-voting "A" Ordinary shares of 20p each	3,976	3,976	3,976	3,976
3,767,717 Unclassified shares of 20p each	754	754	-	-
	<u>6,000</u>	<u>6,000</u>	<u>5,246</u>	<u>5,246</u>

The Non-Voting "A" Ordinary Shares rank pari passu in all respects with the Ordinary Shares except that holders of the former shares are not entitled to vote at general meetings and on any issue of shares (not being Preference Shares) by way of capitalisation are only entitled to receive further Non-Voting "A" Ordinary Shares.

The Unclassified Shares may be issued by the Company in all or part either as Ordinary Shares or as Non-Voting "A" Ordinary Shares as it may so determine.

17 RESERVES

	Share premium account	Revaluation reserve	Profit and loss account
	£000	£000	£000
1 December 1994	360	16,885	4,179
Profit for the period	-	-	1,137
Transfers :			
Excess amortisation of trademarks	-	(469)	469
Excess depreciation of revalued land & buildings	-	(3)	3
31 December 1995	<u>360</u>	<u>16,413</u>	<u>5,788</u>

WILKINSON SWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Profit for the financial period	4,737	1,877
Dividend Paid	(3,600)	-
	<hr/>	<hr/>
Net addition to shareholders' funds	1137	1877
Opening shareholders' funds	26,670	24,793
	<hr/>	<hr/>
Closing shareholders' funds	27,807	26,670
	<hr/> <hr/>	<hr/> <hr/>

19 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>31 Dec 1995</u>	<u>30 Nov 1994</u>
	£000	£000
Operating profit	5,273	3,072
Amortisation of intangible fixed assets	469	432
Depreciation of tangible fixed assets	1,138	565
Increase in stocks	(2,344)	(1,329)
Increase in debtors	(1,314)	(690)
Increase in creditors/provisions	13	2,114
Decrease in balances due from group undertakings	504	2,557
	<hr/>	<hr/>
Net cash inflow from operating activities	3,739	6,721
	<hr/> <hr/>	<hr/> <hr/>

20 INCREASE IN CASH AND CASH EQUIVALENTS

	<u>31 Dec 1995</u>	<u>Change</u>	<u>30 Nov 1994</u>	<u>Change</u>	<u>30 Nov 1993</u>
	£000	£000	£000	£000	£000
Cash at bank & in hand	2,461	(3,968)	6,429	1,641	4,788
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**WILKINSON SWORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 1995 (continued)**

**21 ULTIMATE PARENT COMPANY**

The ultimate parent undertaking is Warner Lambert Company, the largest company for which group accounts are prepared. It is incorporated in the United States of America. Copies of the accounts can be obtained from 201 Tabor Road, Morris Plains, New Jersey, 07950, USA.

The immediate parent undertaking is Warner Lambert (UK) limited, the smallest company for which group accounts are prepared. It is incorporated in Great Britain. Copies of the accounts can be obtained from Lambert Court, Chestnut Avenue, Eastleigh, Hampshire, SO5 3ZQ.