

**WILKINSON**  
**SWORD**

**Wilkinson Sword Limited**



**Report and Accounts**  
**1977**

WILKINSON SWORD LIMITED

REPORT OF THE DIRECTORS

The directors present herewith their report and the audited accounts of the company for the year ended 31st March 1977.

Principal Activities

2. The principal activities of the company are the manufacture of razors, razor blades, garden tools and swords.

Results

3. The results for the year are set out in the profit and loss account on page 5. The directors do not recommend the payment of a dividend for the year.

Turnover

4. Turnover in respect of the different classes of business for the year ended 31st March 1977 was as follows:-

	<u>31st March 1977</u>	<u>31st March 1976</u>
	£'000	£'000
Shaving & Personal Products	18966	17327
Garden Tools and Scissors	3372	2825
Swords	375	292
	<u>£22713</u>	<u>£20444</u>

Exports

5. The value of goods exported from the United Kingdom during the year amounted to £9,058,446. (1976 - £10,344,000.)

## Political and Charitable Contributions

6. Charitable contributions made by the company during the year amounted to £3,169. No contributions were made to political organisations.

## Movements in Fixed Assets

7. The movements in fixed assets during the year are set out in note 7 on the accounts. The company's freehold properties included in the accounts at cost of £1,869,000 were valued by Mathews and Goodman at 1st February 1977 on an open market basis assuming vacant possession at £2,055,000. The effect of this valuation has not been incorporated in these accounts but was reflected in the accounts of the parent company as at 31st March 1977.

## Investments in Subsidiary Companies

8. During the year the share holdings in the following subsidiary companies were transferred at book value to other group companies.

<u>Company</u>	<u>Consideration</u>	<u>Transfer Date</u>	<u>Transferred To</u>
Wilkinson Sword (Pty) Limited	226313	March 1977	Wilkinson Match Australia Limited
Wilkinson Sword S.A.E.	296516	December 1976	Wilkinson Sword (Overseas) Limited
Wilkinson Sword (South Africa)(Pty) Limited	100	December 1976	Bryant & May (Holdings) Limited

## Directors

9. The directors of the company at 31st March 1977 all of whom were directors for the whole of the year ended on that date were:-

D. Randolph	(Chairman)
H.B. Randolph	
R. Griffiths	(Deputy Chairman)
C. Lewinton	(Managing Director)
D.R. Gatley	
R.H. Bartlett	
A.D. Shanagher	
C.W.K. Saunders	
H. Osberghaus	
J.W. Latham	
Dr. J. Spreadborough	

In accordance with the Articles of Association Mr. D.R. Gatley, Mr. A.D. Shanagher and Mr. C.W.K. Saunders retire and, being eligible, offer themselves for re-election at the Annual General Meeting.

Directors' Interests in Shares

10. None of the directors have any interest in the shares of this company. Mr. D. Randolph, Mr. C. Lewinton, Mr. C.W.K. Saunders and Mr. A.D. Shanagher are directors of the holding company, Wilkinson Match Limited, and their shareholdings in that company are not required to be disclosed in this report.

The interests of the other directors in the shares of Wilkinson Match Limited were as follows:-

	<u>At 31st March 1977</u>		<u>At 31st March 1976</u>	
	<u>Ordinary Shares of £1 each</u>	<u>10% Convertible Loan Stock 1983/98</u>	<u>Ordinary Shares of £1 each</u>	<u>10% Convertible Loan Stock 1983/98</u>
		£		£
<b>Beneficial interests:</b>				
H.B. Randolph	75,138	252,209	76,138	252,209
R. Griffiths	1,000	-	1,000	-
D.R. Gatley	9,127	14,646	9,127	14,646
R.H. Bartlett	1,314	21,189	1,314	21,189
H. Osberghaus	479	1,396	479	1,396
J.W. Latham	2,226	-	2,226	-
Dr. J. Spreadborough	57	4,173	57	4,173
<b>Other Interests:</b>				
H.B. Randolph	121,000	-	186,970	-

Auditors

11. A resolution to re-appoint the auditors, Coopers & Lybrand, will be proposed at the Annual General Meeting, in accordance with Section 14 (1) of the Companies Act 1976.

BY ORDER OF THE BOARD

Sword House  
Totteridge Road  
High Wycombe  
Buckinghamshire

G. BYARD  
Secretary

July 1977

WILKINSON SWORD LIMITEDREPORT OF THE AUDITORS TO THE MEMBERS

We report on the accounts set out on pages 7 to 14. These have been prepared under the historical cost convention, which permits the inclusion of certain assets at a revaluation.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31st March 1977 and of the results and source and application of funds for the year ended on that date, according to the historical cost convention, and comply with the Companies Acts 1948 and 1967.

COOPERS AND LYBRAND

LONDON, 11<sup>th</sup> July 1977

Chartered Accountants

WILKINSON SWORD LIMITEDSTATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31st MARCH 1977

	<u>1977</u>	<u>1976</u>
	£	£
TURNOVER	<u>£22,713,454</u>	<u>£20,443,917</u>
PROFIT BEFORE TAXATION (note 2)	452,645	479,142
TAXATION (note 5)	<u>23,873</u>	<u>223,539</u>
PROFIT AFTER TAXATION AND BEFORE EXTRAORDINARY ITEMS	228,773	255,603
<u>Less:</u> EXTRAORDINARY ITEMS	<u>419,654</u>	<u>240,685</u>
(LOSS)/PROFIT AFTER TAXATION AND EXTRAORDINARY ITEMS	<u>(£190,881)</u>	<u>£14,918</u>

STATEMENT OF RETAINED PROFIT

(LOSS)/PROFIT FOR YEAR	(£190,881)	£14,918
RETAINED PROFIT AT 1st APRIL 1976	<u>3,207,045</u>	<u>3,192,127</u>
RETAINED PROFIT AT 31st MARCH 1977	<u>£3,016,164</u>	<u>£3,207,045</u>

The notes on pages 7 to 13 form part of these accounts

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BALANCE SHEET - 31st MARCH 1977

	1977		1976	
	£	£	£	£
FIXED ASSETS (note 7)		5,934,194		4,733,478
INTEREST IN SUBSIDIARIES (note 8)		6,687,643		8,070,677
<b>CURRENT ASSETS</b>				
Stock and work in progress	4,190,318		2,830,664	
Amounts due by group companies	875,513		81,473	
Debtors and prepayments	4,904,301		4,402,867	
Taxation recoverable	-		150,016	
Cash and bank balances	251,838		275,449	
	10,221,970		7,740,469	
<u>Less:</u>				
<b>CURRENT LIABILITIES</b>				
Creditors and accrued liabilities	5,034,785		4,312,045	
Amounts due to group companies	6,341,940		5,619,413	
Current taxation	15,718		32,202	
Bank loans and overdrafts	227,506		89,555	
	11,619,949		10,053,215	
<b>NET CURRENT LIABILITIES</b>		(1,397,979)		(2,312,745)
		£11,223,858		£10,491,469
<u>Financed by:</u>				
SHARE CAPITAL (note 9)		5,246,457		5,246,457
SHARE PREMIUM		359,728		359,728
NON-DISTRIBUTABLE RESERVES		487,387		487,387
RETAINED PROFIT		3,016,164		3,207,045
		9,109,736		9,300,617
DEFERRED TAXATION		1,829,050		913,000
REGIONAL DEVELOPMENT GRANTS		285,072		277,732
		£11,223,858		£10,491,469

D. RANDOLPH     )  
                          )     Directors  
C. LEWINTON     )

The notes on pages 7 to 13 form part of these accounts.

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WILKINSON SWORD LIMITED

NOTES ON THE ACCOUNTS - 31st MARCH 1977

1. Accounting Policies

(a) Turnover

Turnover represents the invoiced value of goods, excluding V.A.T., delivered during the period, less returns, and includes sales to subsidiary companies.

(b) Depreciation

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

Provision is not made for the possible increased replacement cost of fixed assets.

(c) Deferred Taxation

Taxation deferred as a result of material timing differences is provided or released at the rate of taxation applicable in the period in which the timing difference occurs (the deferral method). Such timing differences arise mainly from:-

(i) the difference between depreciation allowed for tax purposes and the depreciation which is provided in the accounts;

(ii) reserves and provisions not allowed for tax purposes until later years.

On a revaluation of fixed assets, provision is made for the tax liability which may arise if the assets are sold at the values stated in the balance sheet.

(d) Stock and Work in Progress

Stock and work in progress has been valued at the lower of cost and net realisable value. The cost of work in progress and finished goods includes an appropriate proportion of overhead costs.

Work in progress on long term contracts is valued at cost, comprising direct expenditure and the relevant production overheads, together with a proportion of the estimated total profit attributable to the work completed to date. Provision is made for all losses expected to arise on completion of the contracts entered into at the balance sheet date, whether or not work on these has commenced.

(e) Research and Development Expenditure

Revenue expenditure on research and development is written off against profits as incurred.

WILKINSON SWORD LIMITED

NOTES ON THE ACCOUNTS - 31st MARCH 1977 - Continued

(f) Foreign Currencies

Assets and liabilities in foreign currencies are converted into sterling at rates of exchange approximating to those ruling at each balance sheet date.

(g) Regional Development Grants

Regional Development Grants on plant and machinery are carried forward as deferred credits and are credited to the profit and loss account over the expected useful lives of the assets.

2. Profit before Taxation

The profit before taxation is stated after charging:-

	<u>1977</u>	<u>1976</u>
	£	£
Directors' emoluments		
As directors	-	-
For management	86161	41297
	<u>£86161</u>	<u>£41297</u>
Pensions and consultancy fees paid to former directors	£28288	£18450
	<u>£446817</u>	<u>£549561</u>
Depreciation	£22307	£18000
Auditors' remuneration	£794320	£776805
Interest paid on short term loans	£134821	£50874
Hire of plant and machinery		
	<u>£11360</u>	<u>£313669</u>
and after crediting:-		
Interest received (gross)	<u>£11360</u>	<u>£313669</u>

NOTES ON THE ACCOUNTS - 31st MARCH 1977 - Continued3. Directors' Emoluments

Four of the directors are employed as directors of Wilkinson Match Limited and are remunerated by that company in respect of their services to the group as a whole. Their emoluments are dealt with in the accounts of Wilkinson Match Limited and no emoluments are received from this company.

Particulars of emoluments of the directors of the company disclosed in accordance with the requirements of sections 6 and 7 of the Companies Act 1967 are as follows:-

	<u>1977</u>	<u>1976</u>
Emoluments (excluding pension contributions in respect of duties wholly or mainly discharged in the United Kingdom)		
Emoluments of the chairman	Nil	Nil
Emoluments of the highest paid director	£19924	£16726
The other directors whose emoluments fell within the following ranges were:-		
	<u>Number</u>	<u>Number</u>
Nil to £ 2,500	1	4
£ 2,501 to £ 5,000	1	1
£ 7,501 to £10,000	-	-
£10,001 to £12,500	1	1
£12,501 to £15,000	1	1
£15,001 to £17,500	2	-

4. Emoluments of Senior Employees

	<u>Number</u>	<u>Number</u>
£10,001 to £12,500	5	3
£12,501 to £15,000	2	1
£15,001 to £17,500	2	1

5. Taxation

	<u>1977</u>	<u>1976</u>
	£	£
United Kingdom corporation tax @ 52%	-	114,262
Deferred taxation	811,198	118,166
Amount received from group companies in respect of group relief	(608,136)	-
	<u>203,062</u>	<u>232,428</u>
Overseas taxation	20,445	20,208
	<u>223,507</u>	<u>252,636</u>
Overspill relief	-	(29,097)
Adjustment for previous years	366	-
	<u>£223,873</u>	<u>£223,539</u>

6. Extraordinary Items, Net after Tax

	<u>1977</u>	<u>1976</u>
	£	£
Relocation expenses	-	14,550
Provision for losses in investments in subsidiaries	419,654	226,135
	<u>£419,654</u>	<u>£240,685</u>

7. Fixed Assets

	<u>Freehold properties</u>	<u>Leasehold land and buildings</u>		<u>Plant and equipment</u>	<u>Total</u>
		<u>Short lease</u>	<u>Long lease</u>		
	£	£	£	£	£
<u>Cost or Valuation</u>					
At 1st April 1976	1,949,091	73,396	124,842	5,506,106	7,653,435
Additions	3,588	1,740	14,267	1,643,076	1,662,671
Group Transfers	12,886	-	-	60,472	73,358
Disposals	-	-	-	(266,805)	(266,805)
At 31st March 1977	<u>1,965,565</u>	<u>75,136</u>	<u>139,109</u>	<u>6,942,849</u>	<u>9,122,659</u>
<u>Depreciation</u>					
At 1st April 1976	65,509	14,207	22,423	2,817,818	2,919,957
Charge for year	21,211	3,853	3,636	418,117	446,817
Group Transfers	-	-	-	(1,434)	(1,434)
Disposals	-	-	-	(176,875)	(176,875)
At 31st March 1977	<u>86,720</u>	<u>18,060</u>	<u>26,059</u>	<u>3,057,626</u>	<u>3,188,465</u>
<u>Net Book Value at 31st March 1977</u>	<u>£1,878,845</u>	<u>£57,076</u>	<u>£113,050</u>	<u>£3,885,223</u>	<u>£5,934,194</u>

Cost or valuation includes freehold properties of £1,820,000 valued on 31st October 1972 by Matthews and Goodman on an open market basis, assuming vacant possession.

8. Interest in Subsidiaries

	<u>1977</u>	<u>1976</u>
	£	£
Shares at cost less amounts written off	882,184	1,361,615
Amounts owing by subsidiaries	6,162,200	7,056,577
	<u>7,044,384</u>	<u>8,418,192</u>
Amounts owing to subsidiaries	(70,741)	(61,515)
	<u>6,973,643</u>	<u>8,356,677</u>
Unrealised profits in subsidiaries' stocks	(286,000)	(285,000)
	<u>£6,687,643</u>	<u>£8,070,677</u>

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WILKINSON SWORD LIMITED

NOTES ON THE ACCOUNTS - 31st MARCH 1977 - Continued

In the opinion of the directors, the aggregate value of the company's investment in its subsidiaries and the aggregate value of the company's indebtedness by its subsidiaries are not less than the aggregate amounts at which these items are included in the company's balance sheet.

Group accounts are not submitted as the company is a wholly owned subsidiary of another body corporate incorporated in Great Britain.

9. Share Capital

	<u>Authorised</u>	<u>Issued and fully paid</u>
	£	£
At 31st March 1977 and 31st March 1976		
Ordinary shares of 20p each	1,270,000	1,270,000
Non-voting 'A' ordinary shares of 20p each	3,976,457	3,976,457
Unclassified shares of 20p each	753,543	-
	<u>£6,000,000</u>	<u>£5,246,457</u>

10. Capital Expenditure

	<u>1977</u>	<u>1976</u>
	£	£
Commitments in respect of contracts	<u>£643,060</u>	<u>£353,708</u>
Approved by the directors but not committed	<u>£261,470</u>	<u>£104,864</u>

11. Contingent Liabilities

The company has jointly and severally with other group companies given guarantees in respect of bank loans to the ultimate holding company for £5,000,000.

WILKINSON SWORD LIMITEDNOTES ON THE ACCOUNTS - 31st MARCH 1977 - Continued12. Principal Subsidiary Companies

<u>Name of Company</u>	<u>Country of incorporation</u>	<u>Class of shares held</u>	<u>Proportion of nominal value of issued shares held by:</u>	
			<u>Wilkinson Sword Limited</u>	<u>Wilkinson Sword Limited through subsidiaries</u>
Wilkinson Sword (International) Limited	Great Britain	Ordinary	%	%
Wilkinson Sword (New Zealand) Limited	New Zealand	Ordinary	100	-
Wilkinson Sword A.B.	Sweden	Ordinary	100	-
Wilkinson Sword (Kenya) Limited	Kenya	Ordinary	100	-
Wilkinson Sword S.A.E.	Spain	Ordinary	-	85
Wilkinson Sword (Overseas) Limited	Great Britain	Ordinary	100	-
Wilkinson Sword (Canada) Limited	Canada	Common	-	100
Wilkinson Sword S.p.A.	Italy	Ordinary	-	100
Wilkinson Sword G.m.b.H.	Germany	Ordinary	-	66.6
Wilkinson Sword Incorporated	U.S.A.	Common	-	100
Scripto Incorporated	U.S.A.	Common	-	56
Scripto Pens Limited	Great Britain	Ordinary	55	25
Scripto Industries (Shannon) Limited	Eire	Ordinary	55	25
Scripto Industries (Ireland) Limited	Eire	Ordinary	-	80
Plasmic Limited	Great Britain	Ordinary	-	80
Graviner Limited	Great Britain	Ordinary	100	-
Graviner (New Zealand) Limited	New Zealand	Ordinary	-	100
Graviner S.A.	France	Ordinary	-	100
Graviner (South Africa)(Pty) Limited	South Africa	Ordinary	-	100
Graviner (Overseas)Limited	Great Britain	Ordinary	-	100
Graviner Incorporated	u.S.A.	Common	-	100
Deugra G.m.b.H.	Germany	Ordinary	-	100
E.J. Cooke Limited	Great Britain	Ordinary	100	-
Texo Hammers and Mallets Limited	Great Britain	Ordinary	100	-

WILKINSON SWORD LIMITED

NOTES ON THE ACCOUNTS - 31st MARCH 1977 - Continued

13. Ultimate Holding Company

The directors regard Wilkinson Match Limited, a company incorporated in Great Britain, as the company's ultimate holding company.

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WILKINSON SWORD LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31st MARCH 1977

	£	<u>1977</u> £
<b>SOURCE OF FUNDS</b>		
Profit before tax		452,646
<u>Less: Extraordinary item</u>		<u>419,654</u>
		32,992
Adjustments for items not involving movement of funds		
Depreciation	446,817	
Loss on disposal of fixed assets	<u>40,157</u>	<u>486,974</u>
<b>TOTAL GENERATED FROM OPERATIONS</b>		<b>519,966</b>
<b>FUNDS FROM OTHER SOURCES</b>		
Decrease in interest in subsidiaries	1,680,830	
Disposal of fixed assets	54,516	
Increase in development grants	7,280	
Tax refund	<u>150,000</u>	<u>1,892,626</u>
		<u>2,412,592</u>
<b>APPLICATION OF FUNDS</b>		
Purchase of fixed assets	1,662,671	
Transfer of fixed assets from group companies	79,535	
Payment of overseas tax	<u>20,445</u>	<u>1,762,651</u>
		<u>£649,941</u>
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>		
Stock and work in progress		1,359,654
Debtors and prepayments		501,434
Creditors and accrued liabilities		(783,279)
Amounts due by group companies		1,091,836
Amounts due to group companies		(1,418,681)
Movement in net liquid funds		
Decrease in cash & bank balances	(23,611)	
Increase in bank loans & overdrafts	<u>(77,412)</u>	<u>(101,023)</u>
		<u>£649,941</u>