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H. BRONNLEY AND CO. LIMITED


NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the members of the Company will be held at the offices of the Company at Bronnley Works, Brackley, Northants, on Thursday the 11th June 1981 at 11.00 a.m. in the morning to transact the following business:-

1. To receive and consider the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the fifty two weeks ended 26th September 1980.
2. To confirm the Dividends as set out in the Audited Accounts for the period.
3. To re-elect Mr. A. R. Smith as a Director.
4. To approve the annual amount of Directors' fees to be paid to each Director under Article 88 to be £1,560 per annum as from 1st January 1981.
5. To re-appoint the Auditors and authorise the Directors to determine the Auditors' Remuneration.
6. To transact any other business which may be properly transacted at an Annual General Meeting of the Company.

By Order of the Board

10, Conduit Street,
London, W.1.

18th May 1981.


A. R. SMITH
Secretary

P R O X Y

A member who is entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his behalf. The person so appointed as a proxy need not be a member of the Company.

The instrument appointing a proxy must be lodged at the Company's offices at 10, Conduit Street, London, W1R 0BR, not later than 48 hours before the meeting.

The holders of 5% Preference Shares, 6% 'B' Preference Shares and Ordinary Shares are entitled to attend and vote at the Meeting.



H. BRONNLEY AND CO. LIMITED

(Registered No. 46883 England)

DIRECTORS

H. Rossiter (Chairman and Joint Managing Director)

Mrs. G. H. Rossiter (Deputy Chairman)

Miss A. Rossiter (Joint Managing Director)

A. R. Smith, C.A.

H. G. Blank, F.C.A.

M. S. Gummer (General Manager)

SERVICE DIRECTOR

D. I. C. Elliot (Sales Manager)

SECRETARY

A. R. Smith, C.A.

REGISTERED OFFICE

158, Bishopsgate,

London, EC2M 4LR.

LONDON OFFICE AND SHOWROOMS

10, Conduit Street,

London, W1R OBR.

FACTORY

Brackley,

Northamptonshire, NN13 5EP.

AUDITORS

Messrs. Hart Brothers,

158, Bishopsgate,

London, EC2M 4LR.

SOLICITORS

Herbert Oppenheimer, Nathan & Vandyk,

20, Copthall Avenue,

London, EC2R 7JH.

PRINCIPAL BANKER

Midland Bank Limited,

199, High Street,

Acton,

London, W3 9DE.

MEMBERS OF SOAPS AND TOILET PREPARATIONS)

REPORT OF THE DIRECTORS

The Directors submit the Audited Balance Sheets and Accounts covering the 52 weeks ended on the 26th September 1980.

The profits for the year as shown by the accounts are abnormally high due to the seasonal effect of sales for the Christmas selling periods. In the nine months to 30th September 1979 the substantial part of the Christmas orders were not delivered. At the 26th September 1980, however, the majority of the Christmas orders had been despatched and the year's turnover for the United Kingdom as shown by the accounts therefore contains more than a normal Christmas Season's sales.

The economic situation in the U.K. for the current year has shown a decline on the same period of last year and the Directors therefore anticipate that the results for 1980/81 will show an appreciable decrease for the reason set out in the preceding paragraph, together with any decrease in sales that may result from the downward trend for the current year.

The Australian Company's results show a small improvement though the situation in that country continues to prove difficult for trade.

The French subsidiary has completed its first year's trading and while the results, as expected, show a loss, your Directors anticipate an improvement as a result of the sales organisation having had a year's experience behind them.

DIVIDEND ON ORDINARY SHARES

Owing to Group liquidity problems the Directors feel compelled to recommend that the dividend be limited to 6p per share to be paid on all issued Ordinary and Ordinary Non-Voting Shares as held at 11th June 1981 payable on the 30th September 1981

TRANSFER OF RESERVES

From the attached accounts it will be seen that the Directors have transferred to Reserves £150,000 from Profit and Loss Account.

DIRECTORS - SHAREHOLDING AND INTERESTS

Shareholdings at 26th September 1980 are shown below. Figures in brackets denote shareholdings at 30th September 1979 to show changes during the year.

	<u>BENEFICIAL INTEREST</u>				<u>OTHER INTEREST</u>			
	<u>Ordinary</u>		<u>Preference</u>		<u>Ordinary</u>		<u>Preference</u>	
	<u>Voting</u>	<u>Non-Voting</u>	<u>6%B</u>	<u>5%</u>	<u>Voting</u>	<u>Non-Voting</u>	<u>6%B</u>	<u>5%</u>
* H. Rossiter	2,394	14,334	-	-				
* Mrs. G.H. Rossiter	1,039	2,078	-	-				
		(-)						
* Miss A. Rossiter	523	87,101	4,865	125				
		(27,101)						
* A.R. Smith	-	-	-	-				
* H.G. Blank	-	-	100	-				
* Directors joint and collective interests					18,090	78,987	14,878	4,625
						(138,987)		

DIRECTORS

Mrs. G.H. Rossiter and Mr. A.R. Smith partially retired during the period and arrangements were made for appropriate pension benefits.

In accordance with the Articles of Association Mr. A. R. Smith retires and offers himself for re-election.

Mr. H. G. Blank is a partner in the firm of Jeffreys Henry Rudolf & Marks, Chartered Accountants, who provide financial consultancy services to the Company from time to time.

H. BRONNLEY AND CO. LIMITED

Directors' Fees The Directors recommend that the fees be increased to £1,560 per annum each as from 1st January 1981, an increase of £235 per annum, which is commensurate with the general salary increases awarded to the employees.

EMPLOYEES

The average number of employees for the Group was 257 (including part time) and their aggregate remuneration was £1,120,088.

TURNOVER

Group Turnover was as follows:-

	<u>1980</u>	<u>1979 (9 months)</u>
Parent Company	2,853,437	1,679,965
Subsidiary Companies (Overseas trade)	836,327	280,111
	<u>£3,689,764</u>	<u>£1,960,076</u>

Export sales by the Parent Company from U.K. including sales to Overseas Subsidiary Companies amounted to £592,158 (1979 £402,749).

FREEHOLD PROPERTIES

In the opinion of the Directors the market realisable value of the freehold properties at Brackley still exceeds the net book value.

AUDITORS

The Auditors Messrs. Hart Brothers, have changed their name from Hart Brothers, Reddall & Co. and in accordance with Section 14 of the Companies Act 1976 a resolution proposing their re-appointment as Auditors to the Company will be put to the Annual General Meeting.

By Order of the Board,

A. R. SMITH

Secretary

18th May 1981.

H. BRONNLEY AND CO. LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1ST OCTOBER 1979 TO 26TH SEPTEMBER 1980

	<u>Notes</u>	<u>£</u>	<u>1980</u>	<u>£</u>	<u>1979</u>	<u>£</u>
<u>TRADING PROFIT</u>						
Add: Bank Deposit Interest			536,312	168,777		
			5,819	555		
Less: Depreciation			542,131	169,332		
Bank Interest	(1)	30,306				21,260
Directors' Fees		20,809				8,371
Directors' Pensions and Retirement Benefit	(2)	7,400				4,312
Auditors' Remuneration		22,032				1,181
Preliminary Expenses	(3)	16,489				10,780
		255				-
			97,291	45,904		
<u>PROFIT FOR YEAR BEFORE TAXATION</u>			444,840	123,428		
<u>TAXATION</u>	(4)		245,314	69,755		
<u>PROFIT FOR YEAR AFTER TAXATION</u>	(5)		199,526	53,673		
<u>BALANCE</u> brought forward from last Account						
Parent Company		80,622				23,280
Subsidiaries	(5)	(17,644)				22,911
			62,978	46,191		
<u>TRANSFER TO RESERVES</u>			262,504	99,864		
			150,000	19,248		
			112,504	80,616		
<u>DIVIDENDS PAID AND PROPOSED</u>						
5% Preference Shares 3.5p per share		175				87
6% 'B' Preference Shares 6p per share						
(Free of Income Tax to 30p in the £)		1,731				866
<u>Ordinary Dividend Proposed</u>						
6p per Share	(11)	25,028	26,934	17,638	16,685	
			£85,570	£62,978		
<u>PARENT COMPANY</u>		110,912				80,622
<u>SUBSIDIARIES</u>	(5)	(25,342)				(17,644)
			£85,570	£62,978		
<u>Earnings per Ordinary £1 Share</u> (See Note)			47.38p	12.64p		

NOTE: Earnings per Ordinary Share

. . The calculations are based on amounts as under:-

	<u>1980</u>	<u>1979</u>
(i) <u>Earnings</u>	(52 weeks)	(9 months)
	£197,620	£52,720
(ii) <u>Ordinary Shares in issue</u>	417,132	417,132

H. BRONNLEY AND CO. LIMITED

AND SUBSIDIARY COMPANIES

BALANCE SHEET AS AT 26TH SEPTEMBER 1980

		<u>Group</u>		<u>Company</u>	
	<u>Notes</u>	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>
<u>FIXED ASSETS</u>	(6)	177,498	179,643	145,530	157,180
<u>SUBSIDIARY COMPANIES</u>	(7)	1,102	6,827	83,149	45,740
<u>CURRENT ASSETS</u>	(8)	2,241,545	1,584,058	1,632,647	1,323,890
<u>PRELIMINARY EXPENSES</u>		512	-	-	-
<u>UNSECURED LOAN:</u>					
Trustees of the Company's Pension Scheme		32,716	40,716	32,716	40,716
		<u>2,453,373</u>	<u>1,811,244</u>	<u>1,894,042</u>	<u>1,567,530</u>
<u>Deduct:</u>					
<u>CURRENT LIABILITIES</u>	(9)	1,423,154	952,342	860,002	713,780
<u>DEFERRED TAXATION</u>	(10)	1,030,219	858,902	1,034,040	853,750
		22,137	22,137	22,137	22,137
		<u>£1,008,082</u>	<u>£836,765</u>	<u>£1,011,903</u>	<u>£831,613</u>
<u>FUNDS EMPLOYED:</u>					
<u>SHARE CAPITAL</u>	(13)	450,991	450,991	450,991	450,991
<u>RESERVES</u>	(14)	450,000	300,000	450,000	300,000
<u>PROFIT AND LOSS ACCOUNT</u>		85,570	62,978	110,912	80,622
<u>EXCHANGE SURPLUS OF OVERSEAS INTEREST</u>		21,521	22,796	-	-
		<u>£1,008,082</u>	<u>£836,765</u>	<u>£1,011,903</u>	<u>£831,613</u>

H. ROSSITER)
 G.H. ROSSITER) DIRECTORS

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H. BRONNLEY AND CO. LIMITED

STATEMENT OF GROUP SOURCE AND APPLICATION OF FUNDS FOR THE PERIOD 1ST OCTOBER 1979 TO
26TH SEPTEMBER 1980

	<u>1980</u>	<u>1979</u>
	<u>£</u>	<u>£</u>
I SOURCE OF FUNDS		
Profit before taxation	444,840	123,428
Net Book amount of Fixed Assets disposed of	5,718	9,094
	<u>450,558</u>	<u>132,522</u>
Adjustments for items not involving the movement of funds:		
Depreciation	30,306	
Exchange adjustments	(321)	21,260
	<u>29,985</u>	<u>15,244</u>
FUNDS GENERATED FROM OPERATIONS	<u>480,543</u>	<u>147,766</u>
ADDITIONAL SOURCE		
Amount received in reduction of unsecured loan	8,000	5,400
	<u>£488,543</u>	<u>£153,166</u>
II APPLICATION OF FUNDS		
Purchase of Fixed Assets	34,833	39,311
Payment of Dividends	1,906	20,419
Payment of Taxation	121,528	8,703
Net Increase in Working Capital (See below)	335,489	79,008
(Decrease)/Increase in Subsidiary Company Balances	(5,725)	5,725
Preliminary Expenses	512	-
	<u>£488,543</u>	<u>£153,166</u>
Increase in Working Capital		
(a) Current Assets - Increase/(Decrease)		
Stocks	164,252	254,180
Debtors	468,517	200,772
Bills of Exchange	(25,697)	(43,186)
Staff Loans	1,524	8,842
	<u>608,596</u>	<u>420,608</u>
Bank Balances	6,773	(273,983)
	<u>615,369</u>	<u>146,625</u>
(b) Current Liabilities - Increase/(Decrease)		
Creditors	35,278	(34,947)
Short-Term Loan	44,602	102,564
	<u>279,880</u>	<u>67,617</u>
Net Increase (per above)	<u>£335,489</u>	<u>£79,008</u>

H. BRONNLEY AND CO. LIMITED

NOTES TO THE ACCOUNTS 26TH SEPTEMBER 1980

1. STATEMENT OF ACCOUNTING POLICIES

Comparative Figures

The amounts for 1979 relate to the period 1st January 1979 to 30th September 1979 (as against the fifty two weeks period 1st October 1979 to 26th September 1980).

Consolidation

The Nigerian and Ghanaian Company interests are represented in the Group accounts by the share interest and loan monies as set out in Note 7(b)(i) and (ii).

Depreciation

Depreciation has been written off at rates commensurate with expected life usage. Rates vary up to 20% per annum in respect of the Company, and 10% and 33% in respect of overseas subsidiaries. Freehold Premises are depreciated at a fixed rate of 2% of Book Cost.

During the period the cost of hiring plant and office machinery amounted to:

	<u>1980</u>	<u>1979 (9 months)</u>
Company	28,682	13,138
Subsidiary Company	73,213	8,407
	<u>£101,895</u>	<u>£21,545</u>

Taxation

The United Kingdom Taxation is charged at the rate of 52% on the profits of the period, the amount representing capital allowances being taken to Deferred Taxation Account.

Deferred Taxation

Deferred tax is provided by a charge against profits to cover the estimated future tax liabilities resulting from capital allowances claimed for tax purposes being in excess of depreciation charged in the accounts.

Stocks have been valued on a basis which is consistent with previous years.

Raw materials stocks are valued at the lower of cost or net realisable value. Work-in-progress and finished goods are valued at the lower of cost, being the direct cost of labour and materials, or net realisable value, except that the valuation of work-in-progress in the United Kingdom includes factory overheads.

Foreign Currencies

Assets and liabilities and results of foreign subsidiary Companies have been converted at the rate of exchange ruling at the year end. Differences arising from changes in exchange rates from previous years have been taken to reserves.

H. BRONNLEY AND CO. LIMITED

NOTES TO THE ACCOUNTS 26TH SEPTEMBER 1980 CONTD...

2. SALARIES AND OTHER EMOLUMENTS

<u>Directors</u>	<u>1980</u>	<u>1979 (9 months)</u>
Director's and other emoluments and superannuation premiums	56,939	33,145
Benefits in Kind	1,585	1,205
	<u>£58,524</u>	<u>£34,350</u>
<u>Emoluments Range</u>	<u>1980</u>	<u>1979</u>
£1 - £5,000	2	2
£5,001 - £10,000	-	2
£10,001 - £15,000	3	1
£15,001 - £20,000	1	-
Chairman's Emoluments	<u>£12,381</u>	<u>£7,307</u>
Highest Paid Director	<u>£16,826</u>	<u>£11,859</u>

3. AUDITORS' REMUNERATION

The Auditors' Remuneration covers the audit fee and other accounting services in the U.K. and audit fees of Subsidiary Companies.

4. TAXATION

United Kingdom

Current Year

	<u>1980</u>	<u>1979 (9 months)</u>
Provision has been made for Corporation Tax at 52% (1979 52%)	261,000	89,000
<u>In respect of previous year</u>		
Overprovision	<u>(15,686)</u>	<u>(19,245)</u>
	<u>£245,314</u>	<u>£69,755</u>

The Company is a Close Company.

5. GROUP PROFITS

(Loss)/Profit of those subsidiary companies included in the Consolidated Profit and Loss Account have been dealt with as follows:-

	<u>1980</u>	<u>1979</u>
(Loss) brought forward at 1.10.79	(17,644)	22,911
(Loss) for period to 26.9.80.	<u>(7,698)</u>	<u>(40,555)</u>
(Loss) carried forward by Subsidiary Companies	<u>£(25,342)</u>	<u>£17,644</u>

The profit after taxation dealt with in the Accounts of the Parent Company is £207,224 (1979 £94,228), no provision having been made in respect of the loss of £(7,698) sustained by the Subsidiary Companies during the period.

H. BROHNLEY AND CO. LIMITED

NOTES TO THE ACCOUNTS 26TH SEPTEMBER 1980 CONTD...

6. MOVEMENTS IN FIXED ASSETS

	<u>GROUP</u>				
<u>Cost</u>	<u>Freehold Land and Buildings</u>	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>Fixtures and Fittings</u>	<u>Total</u>
<u>Balance 1.10.79</u>	47,213	331,228	77,866	52,497	508,804
Exchange Rate Adjustments	-	(3,743)	(543)	(878)	(5,164)
Additions	-	10,912	19,269	4,652	34,833
	<u>47,213</u>	<u>338,397</u>	<u>96,592</u>	<u>56,271</u>	<u>538,473</u>
Disposals	-	-	8,489	-	8,489
<u>Balance 26.9.80</u>	<u>£47,213</u>	<u>£338,397</u>	<u>£88,103</u>	<u>£56,271</u>	<u>£529,984</u>
<u>Depreciation</u>					
<u>Balance 1.10.79</u>	20,188	236,349	31,166	41,458	329,161
Exchange Rate Adjustments	-	(3,356)	(117)	(737)	(4,210)
Depreciation for period	915	12,250	15,501	1,640	30,306
	<u>21,103</u>	<u>245,243</u>	<u>46,550</u>	<u>42,361</u>	<u>355,257</u>
Disposals	-	-	2,771	-	2,771
<u>Balance 26.9.80</u>	<u>£21,103</u>	<u>£245,243</u>	<u>£43,779</u>	<u>£42,361</u>	<u>£352,486</u>
<u>Net Book Value 1980</u>	<u>£26,110</u>	<u>£93,154</u>	<u>£44,324</u>	<u>£13,910</u>	<u>£177,498</u>
<u>Net Book Value 1979</u>	<u>£27,025</u>	<u>£94,879</u>	<u>£46,700</u>	<u>£11,039</u>	<u>£179,643</u>

	<u>PARENT COMPANY</u>				
<u>Cost</u>					
<u>Balance 1.10.79</u>	47,213	244,537	65,330	32,287	389,367
Additions	-	1,531	11,153	-	12,684
	<u>47,213</u>	<u>246,068</u>	<u>76,483</u>	<u>32,287</u>	<u>402,051</u>
Disposals	-	-	2,228	-	2,228
<u>Balance 26.9.80</u>	<u>£47,213</u>	<u>£246,068</u>	<u>£74,255</u>	<u>£32,287</u>	<u>£399,823</u>
<u>Depreciation</u>					
<u>Balance 1.10.79</u>	20,188	159,037	28,492	24,462	232,179
Depreciation for period	915	8,703	12,937	783	23,338
	<u>21,103</u>	<u>167,740</u>	<u>41,429</u>	<u>25,245</u>	<u>255,517</u>
Disposals	-	-	1,224	-	1,224
<u>Balance 26.9.80</u>	<u>£21,103</u>	<u>£167,740</u>	<u>£40,205</u>	<u>£25,245</u>	<u>£254,293</u>
<u>Net Book Value 1980</u>	<u>£26,110</u>	<u>£78,328</u>	<u>£34,050</u>	<u>£7,042</u>	<u>£145,530</u>
<u>Net Book Value 1979</u>	<u>£27,025</u>	<u>£85,500</u>	<u>£36,838</u>	<u>£7,825</u>	<u>£157,188</u>

H. BRONNLEY AND CO. LIMITED

NOTES TO THE ACCOUNTS 26TH SEPTEMBER 1980 CONTD...

7. SUBSIDIARY COMPANIES	CLASS	INCORPORATED	SHARE CAPITAL	
			AUTHORISED	ISSUED
(a) Bronnley (Australia) Pty Ltd	Ordinary \$A2	Australia	30,000	30,000
Bronnley (Africa) (Proprietary) Ltd	Ordinary 2 Rand	South Africa	100	2
Bronnley (Ghana) Ltd	Ordinary N.P.V.	Ghana	5,000	2,000
Bronnley (London) Ltd	Ordinary £1	U.K.	100	100
Bronnley (New Zealand) Ltd	Ordinary \$NZ1	New Zealand	400	400
Bronnley (Services) Pty Ltd	Ordinary \$A1	Australia	10,000	2
(Subsidiary Bronnley (Australia) Pty Ltd)				
Bronnley France	Ordinary FF200	France	100	100

The Parent Company and Nominees hold all the Issued Capital of each company.

The Overseas Companies carry on the same activities as the Parent Company.

The following Companies have not been involved in any trading activities during the year:-

Bronnley (London) Limited
Bronnley (New Zealand) Limited
Bronnley (Ghana) Limited

- (b) (i) £1,102 is included in the Accounts in respect of the monies held by the Liquidator of Bronnley (Nigeria) Ltd. £67,762 which will be liable to U.K. Taxation has, in fact, been received since and will be dealt with in the Accounts for the ensuing year.
- (ii) The Ghana Company ceased trading in 1973 and is in course of being struck off. There is a frozen balance of £15,278 due to the Parent Company which, except for £1,000, is not included in the Accounts.
- (iii) The Company's interest in the subsidiary companies are made up as follows:-

	Group		Company	
Shares at Cost		1,100		33,993
Current Accounts due to Parent Company	1,002		50,256	
<u>Less: Loan due from Parent Company</u>	<u>-</u>	<u>1,002</u>	<u>100</u>	<u>50,156</u>
		2,102		84,149
<u>Less: Provision for Losses</u>		<u>1,000</u>		<u>1,000</u>
		<u>£1,102</u>		<u>£83,149</u>

8. CURRENT ASSETS

	Group		Company	
	1980	1979	1980	1979
Stocks	824,012	659,760	581,171	543,240
Debtors and Prepayments	1,327,973	859,456	976,738	696,752
Staff Loans	23,548	22,024	23,548	23,024
Bills Receivable	5,655	31,352	40,426	51,999
Cash at Bank and In Hand	49,888	1,824	1,196	124
Tax Recoverable	10,469	9,642	9,568	8,751
	<u>£2,241,545</u>	<u>£1,584,058</u>	<u>£1,632,647</u>	<u>£1,323,890</u>

H. BRONNLEY AND CO. LIMITED

NOTES TO THE ACCOUNTS 26TH SEPTEMBER 1980 CONTD.,,

9. CURRENT LIABILITIES

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>
Bank Overdrafts (Part Secured)	298,313	257,022	254,274	246,614
Creditors and Accruals	601,648	366,370	229,701	240,714
U.K. Taxation	334,314	209,701	334,314	209,701
Short-term Loan (Secured see note)	147,166	102,564	-	-
Dividends Declared (Paid October 1980)	16,685	-	16,685	-
Dividends Proposed	25,028	16,685	25,028	16,685
	<u>£1,423,154</u>	<u>£952,342</u>	<u>£860,002</u>	<u>£713,788</u>

NOTE: The assets of the Australian subsidiary are the subject of a charge under a registered mortgage debenture given as security of a bank overdraft £25,585 (A\$52,156) and a short-term loan of £49,055 (A\$100,000). The balance of the short-term loan £98,111 (A\$200,000) is repayable within three years.

10. DEFERRED TAXATION

In accordance with the practice of past years provision is included for taxation on the amount of which capital allowances on plant and machinery exceed depreciation charged in the accounts of the Parent Company.

	<u>COMPANY</u>	
	<u>1980</u>	<u>1979 (9 months)</u>
<u>Capital Allowances</u>	22,137	22,137
<u>Stock Relief</u>	-	-
<u>Less: Transfer to Reserves</u>	-	70,563
	<u>-</u>	<u>70,563</u>
<u>Balance 26th September 1980</u>	<u>£22,137</u>	<u>£22,137</u>

11. DIVIDENDS PROPOSED

6p Per Ordinary Share	<u>£25,028</u>	<u>£16,685</u>
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12. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

	<u>1980</u>	<u>1979</u>
(1) <u>Contingent Liabilities in respect of amounts not included in the Accounts are as follows:</u>		
a) Discounted bills receivable	<u>£36,981</u>	<u>£37,614</u>

b) Guarantees

The Company has given guarantees in respect of a subsidiary company amounting to \$A250,000 and £25,000 in respect of monies borrowed by the Trustees of the Company's Pension Fund Trust Fund.

(2) The liability in respect of future U.K. Capital Expenditure is estimated as follows:-

	<u>Parent</u>	<u>Consolidated</u>
<u>Contracted</u>		
1980	-	-
(1979)	(£25,000)	(£25,000)

H. BRONNLEY AND CO. LIMITED

NOTES TO THE ACCOUNTS 26TH SEPTEMBER 1980 CONTD...

13. SHARE CAPITAL

	<u>1980</u>		<u>1979</u>	
	<u>Authorised</u>	<u>Issued</u>	<u>Issued</u>	<u>Authorised</u>
5% Preference Shares of £1 each	5,000	5,000	5,000	5,000
6% 'B' Preference Shares of £1 each	68,000	28,859	28,859	68,000
Ordinary Voting Shares of £1 each	47,000	34,761	34,761	47,000
Ordinary Non-Voting Shares of £1 each	400,000	382,371	104,283	400,000
	<u>£520,000</u>	<u>£450,991</u>	<u>£172,903</u>	<u>£520,000</u>

14. RESERVES

	<u>1980</u>	<u>1979</u>	
Balance 1st October 1979	300,000	488,277	
<u>Less: Capitalisation</u>	<u>-</u>	<u>278,088</u>	
	300,000	210,189	
<u>Add: Transfer from Deferred Taxation</u>	<u>-</u>		70,563
Transfer from Profit and Loss			
Account	<u>150,000</u>	<u>89,811</u>	<u>19,248</u>
	<u>£450,000</u>	<u>£300,000</u>	

THE AUDITORS REPORT

TO THE MEMBERS OF H. BRONNLEY AND CO. LIMITED

We have examined the Accounts set out on pages 4 to 12 which have been prepared under the historical cost convention as modified by the valuation of overseas assets and liabilities at current rates of exchange.

Our audit has been carried out in accordance with approved auditing standards.

In our opinion based on our examination and on the reports of auditors of overseas subsidiaries these accounts together with the statement of source and application of funds on page 6 give under the convention stated above a true and fair view of the state of affairs of the company and the group at 26th September 1980 and of the profit and the source and application of funds of the group for the period ended on that date and comply with the Companies Acts 1948 to 1980.



HART BROTHERS

CHARTERED ACCOUNTANTS

158, Bishopsgate,
London, EC2M 4LR.

18th May 1981.