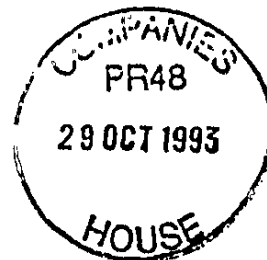


46883

H. PRONNLEY & CO. LIMITED

DIRECTORS' REPORT  
AND ACCOUNTS

YEAR ENDED 31ST DECEMBER 1992



MOORE ROWLAND  
Chartered Accountants  
LONDON

MOORE ROWLAND  
Chartered Accountants  
LONDON

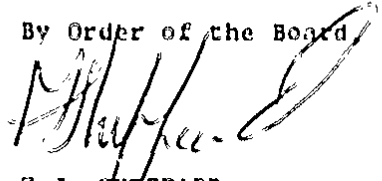
NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the members of the Company will be held at the office of the Company at Radstone Road, Brackley, on 22nd October 1993 at 2.30 pm to transact the following business:-

1. To receive and consider the Directors' Report and Audited Accounts for the year ended 31st December 1992.

To confirm the Dividends as set out in the Audited Accounts for the year.

2. To re-appoint Mr. H.G. Blunk as a Director.
3. To resolve that the annual amount of Directors' fees to be paid to each Director under Article 88 shall be £3,478 per annum as from 1st January 1993.
4. To re-appoint auditors and authorise the Directors to determine their remuneration.
5. To transact any other business which may be properly transacted at an Annual General Meeting of the Company.

By Order of the Board

  
F.J. SHEPPARD  
Secretary

28th June 1993

H. BRONNLEY & CO., LIMITED

2

DIRECTORS

Miss A. Rossiter (Chairman)

A.R. Smith, C.A.

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

F.J. Sheppard (Managing Director and Secretary)

SERVICE DIRECTORS

T.M. Stocker

Mrs P. Swift

H. Lovell

REGISTERED OFFICE AND FACTORY

Radstone Road,  
Brackley,  
Northamptonshire.  
NN13 5AU

LONDON OFFICE AND SHOWROOM

10 Conduit Street,  
London  
W1R 0BR

AUDITORS

Messrs. Moores Rowland,  
Chiltern's Inn,  
Fleet Lane,  
London.  
EC4A 1AG

SOLICITORS

Messrs. Denton Hall Burgin & Warren,  
7 Chancery Lane,  
London  
WC2A 1LL

PRINCIPAL BANKER

Midland Bank Limited,  
17 Market Place,  
Banbury,  
Oxfordshire  
OX15 4ED

FOR  
FILE

DIRECTORS' REPORT

The directors submit their report and the accounts for the year ended 31st December 1992.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group during the year continued to be the production and wholesale distribution of quality soap and toiletries.

The volume of sales has been maintained at 1991 levels despite a sluggish domestic market.

An improvement in overall efficiency together with a cost reduction programme, and a lower level of borrowings has led to a satisfactory result for the year under review.

DIVIDENDS AND APPROPRIATIONS

Dividends have been paid on the preference shares for 1992. The directors recommend that a final dividend of 6 pence per share (1991 = 3 pence) be paid on both classes of the ordinary shares.

The profit for the year and the appropriation thereof is set out in the Profit and Loss Account on page 6.

DIRECTORS AND INTERESTS IN SHARES

The names of the present directors of the company are stated on page 2. Mr. H. Rossiter served as a director until his death on 24th January 1992. The number of shares in the company in which the directors had an interest as defined by the Companies Act 1985, is as follows:-

<u>At end of year</u>	Beneficial Interest				Other Interest			
	Ordinary		Preference		Ordinary		Preference	
	<u>Voting</u>	<u>Non-Voting</u>	<u>62B</u>	<u>5%</u>	<u>Voting</u>	<u>Non-Voting</u>	<u>62B</u>	<u>5%</u>
Miss A. Rossiter	17,365	141,556	15,624	125				
A.R. Smith	-	=	100	=				
H.G. Blank	=	=	=	=				
W.F.J. Sheppard	500	=	=	=				
* Directors joint and collective interests					4,181	15,985	4,096	4,625

<u>At beginning of year</u>	Beneficial Interest				Other Interest			
	Ordinary		Preference		Ordinary		Preference	
	<u>Voting</u>	<u>Non-Voting</u>	<u>62B</u>	<u>5%</u>	<u>Voting</u>	<u>Non-Voting</u>	<u>62B</u>	<u>5%</u>
H. Rossiter (deceased 24th January 1992)	1,394	14,334						
* Miss A. Rossiter	6,100	114,138	9,865	125				
* A.R. Smith	-	=	100	=				
* H.G. Blank	=	=	=	=				
* W.F.J. Sheppard	=	=	=	=				
* Directors joint and collective interests					13,552	29,069	9,878	4,625

Moore  
Rowland

DIRECTORS' REPORT - CONTINUED

" In respect of these shareholdings which are partly held through trusts, Miss A. Rossiter is beneficially interested in a proportion of trust shareholdings of 625 (1991 - 625) 5% Preference Shares, 2,610 (1991 - 7,710) 6% B Preference Shares, 4,181 (1991 - 12,495) Ordinary voting shares and 15,985 (1991 - 17,445) Ordinary non voting shares.

**MARKET VALUE OF LAND AND BUILDINGS**

The directors are of the opinion that the market value of land and buildings is in excess of book value but since there is no intention of selling the property, they do not consider the cost of obtaining a professional valuation is justified.

**ENVIRONMENTAL POLICY**

The Board intend to commission an environmental audit during the next year.

**STAFF**

The directors wish to thank the staff for their loyalty and co-operation during the year.

**AUDITORS**

A resolution will be proposed at the Annual General Meeting to re-appoint Messrs. Moores Rowland as auditors for the ensuing year.

By order of the board,



F.J. Sheppard  
Secretary

Raddstone Road,  
Bracefield,  
Northampton.  
NN13 5AU

28th June 1993

Moores  
Rowland

AUDITORS REPORT TO THE MEMBERS OF

5

H. BRONNLEY & CO. LIMITED

We have audited the accounts on pages 6 to 18 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the affairs of the company and of the group at 31st December 1992 and of the profit and cashflow of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Moores Rowland*

Chartered Accountants  
Registered Auditor  
LONDON

28th June 1993

Moores  
Rowland

CONSOLIDATED PROFIT AND LOSS ACCOUNT  
Year ended 31st December 1992

		1992	1991
	Note	£	£
TURNOVER	2	6,079,166	5,731,942
Cost of sales		(3,111,978)	(2,996,090)
GROSS PROFIT		2,967,188	2,735,852
Selling and distribution costs		(1,461,541)	(1,310,419)
Administrative expenses		(1,050,481)	(1,046,279)
		<u>(2,512,022)</u>	<u>(2,356,698)</u>
		455,166	379,154
Other operating income	3	71,783	3,177
		<u>526,949</u>	<u>382,331</u>
Interest payable	4	(102,842)	(133,097)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	424,107	249,234
Tax on profit on ordinary activities	6	(206,689)	(104,539)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>217,418</u>	<u>144,695</u>
Dividends	8	(27,010)	(14,496)
RETAINED PROFIT FOR THE YEAR		<u>190,408</u>	<u>130,199</u>
Retained profits brought forward		645,557	515,358
RETAINED PROFITS CARRIED FORWARD		<u>£ 835,965</u>	<u>£645,557</u>
		=====	=====

CONSOLIDATED BALANCE SHEET31st December 1992

	Note	£	1992 £	£	1991 £
TANGIBLE FIXED ASSETS	9		2,272,103		2,295,284
CURRENT ASSETS					
Stocks	11	931,335		815,969	
Debtors	12	1,710,080		1,496,480	
Cash at bank and in hand		101,259		42,262	
			<u>2,742,674</u>	<u>2,354,711</u>	
CREDITORS = amounts falling due within one year	13	1,541,003		1,370,045	
NET CURRENT ASSETS			<u>1,201,671</u>	<u>984,666</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,473,774</u>	<u>3,279,950</u>	
CREDITORS = amounts falling due after more than one year	14	130,052		159,147	
PROVISION FOR LIABILITIES AND CHARGES	15	151,766		119,255	
			<u>281,818</u>	<u>278,402</u>	
			<u>£3,191,956</u>	<u>£3,001,548</u>	
			*****	*****	
CAPITAL AND RESERVES					
Called up share capital	16		450,991	450,991	
Other reserves			1,905,000	1,905,000	
Profit and loss account			835,965	645,557	
			<u>£3,191,956</u>	<u>£3,001,548</u>	
			*****	*****	

Approved by the board on 28th June 1993


Ann Rossiter  
DirectorMoores  
Rowland



BALANCE SHEET  
31st December 1992

	Note	£	1992 £	£	1991 £
<b>FIXED ASSETS</b>					
Tangible assets	9		2,261,225		2,282,968
Investments	10		202		202
			<u>2,261,427</u>		<u>2,283,170</u>
<b>CURRENT ASSETS</b>					
Stock	11	931,335		815,969	
Debtors	12	1,740,052		1,422,292	
Cash at bank and in hand		25,202		27,657	
		<u>2,696,589</u>		<u>2,265,918</u>	
CREDITORS - amounts falling due within one year	13	1,442,614		1,308,630	
<b>NET CURRENT ASSETS</b>			<u>1,253,975</u>		<u>957,288</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,515,402</u>		<u>3,240,458</u>
CREDITORS - amounts falling due after more than one year	14	130,052		159,147	
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	15	151,766		119,255	
			<u>281,818</u>		<u>278,402</u>
			<u>£3,233,584</u>		<u>£2,962,056</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		450,991		450,991
Other reserves			1,905,000		1,905,000
Profit and loss account			877,593		606,065
			<u>£3,233,584</u>		<u>£2,962,056</u>

Approved by the board on 26th June 1993

*Ann Rossiter*

Ann Rossiter  
 Director

Moores  
 Rowland

CONSOLIDATED CASH FLOW STATEMENT  
31st December 1992

	£	1992	£	1991	£
NET CASH FLOW FROM OPERATIONS		377,189		638,827	
CASH FLOW ON INVESTMENTS AND SERVICING OF FINANCE:					
Interest received	1,376		521		
Interest paid	(102,842)		(133,097)		
Dividends paid	(14,496)		(14,496)		
		(115,962)		(147,072)	
TAXATION					
UK paid	38,174		33,424		
Overseas paid	613		(1,714)		
		(38,787)		31,710	
INVESTING ACTIVITIES					
Payments to acquire tangible fixed assets		(114,447)		(116,000)	
Receipts from sales of tangible fixed assets		6,752		-	
FINANCING					
Capital elements of finance					
Lease rentals	(33,471)		(50,229)		
Pension fund loan	-		50,000		
Repayment of long term bank loan	-		(450,000)		
		(33,471)		(450,229)	
INCREASE/(DECREASE) IN CASH EQUIVALENTS		£81,274		£(42,764)	

NOTES

1. RECONCILIATION OF OPERATING PROFIT TO NET  
FLOW FROM OPERATIONS:

Operating profit	455,166	379,154
Exchange gain	66,120	2,867
Depreciation	135,163	110,055
(Increase)/decrease in stock	(115,366)	70,594
Increase in debtors	(223,262)	(28,413)
Increase in creditors	59,368	104,570
	<u>377,189</u>	<u>638,827</u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	1992	1991	Change
Cash at bank and in hand	101,259	42,262	58,997
Bank overdraft	(355,700)	(377,977)	22,277
	<u>(254,441)</u>	<u>(335,715)</u>	<u>81,274</u>

NOTES TO THE ACCOUNTS

## 1. ACCOUNTING POLICIES

## Basis of accounting:

The group accounts are prepared on the historic cost basis and in accordance with applicable Accounting Standards.

## Consolidation:

The group accounts comprise the consolidated accounts of the holding company and all its subsidiary undertakings made up to 31st December 1992.

## Depreciation of tangible fixed assets:

Fixed assets other than freehold land are being depreciated so as to write them off over their anticipated useful lives at the following annual rates:-

Freehold buildings	- 2%-5% Straight Line
Plant and machinery: - plant and fixtures	- 10% Straight Line (formerly 10% Reducing Balance)
- computer and vehicles	- 20% Straight Line

## Stock, work in progress and finished goods:

Stock and work in progress are valued at the lower of cost, including appropriate overhead expenses, and estimated net realisable value.

## Foreign currency translation:

Foreign currency assets, liabilities and trading results have been translated into sterling at the end of year exchange rates. Transactions in foreign currency are translated at the rates at the time of a transaction and ensuing differences taken to profit and loss account. The difference arising on restatement of the accumulated losses of foreign subsidiaries is also taken to profit and loss account because the losses have been financed by the holding company.

## Deferred taxation:

Provision is made, at current rates of corporation tax, for net deferred liabilities arising from timing differences, principally on depreciation of fixed assets.

## Leased assets:

Assets the subject of hire purchase contracts are capitalised and all other leasing payments are charged to profit and loss account.

## Pension costs:

Contributions to the defined benefit pension scheme are charged to the profit and loss account on a systematic and rational basis so as to spread the cost of providing pensions over the employees' working lives with the group.

Moore  
Rowland

NOTES TO THE ACCOUNTS - CONTINUED2. TURNOVER AND PROFIT ON ORDINARY  
ACTIVITIES BEFORE TAXATION

	1992 £	1991 £
Geographical analysis of turnover. Sales to:-		
United Kingdom	3,820,981	3,851,433
Rest of Europe	1,468,068	1,366,874
North and South America	364,745	266,260
Africa, Asia and Australia	425,372	247,375
	<u>6,079,166</u>	<u>5,731,942</u>

Profit on ordinary activities has been arrived  
at after charging:-

Depreciation of tangible fixed assets	135,163	110,055
Directors' emoluments	168,531	187,851
Auditors' remuneration - audit	25,800	24,200
- other professional services	16,550	22,850
Hire of plant and equipment	107,959	103,838
Rent of property	48,441	41,019

The change in depreciation method in respect of plant and fixtures has increased the current year charge by approximately £22,000.

## 3. OTHER OPERATING INCOME

	1992 £	1991 £
Gain on exchange	68,167	2,656
Interest received	1,376	521
Profit on disposal of fixed assets	2,240	-
	<u>£71,783</u>	<u>£3,177</u>

## 4. INTEREST PAYABLE

	1992	1991
Hire purchase interest	13,843	16,818
Bank overdrafts and other loans repayable within five years	77,867	68,247
Bank loans repayable over more than five years	11,132	47,953
Other	-	79
	<u>£102,842</u>	<u>£133,097</u>

## 5. DIRECTORS AND OTHER EMPLOYEES

The average number of persons employed by the  
group during the year was as follows:-

	1992	1991
Production	80	78
Selling and distribution	37	35
Administration	27	28
	<u>144</u>	<u>141</u>

Moore  
Rowland

NOTES TO THE ACCOUNTS - CONTINUED

5. DIRECTORS AND OTHER EMPLOYEES - CONTINUED	1992	1991
Staff costs include the following:-	£	£
Wages and salaries	1,900,354	1,832,872
Social Security costs	200,060	184,121
Other pension costs	77,197	59,181
	<u>£2,177,611</u>	<u>£2,076,174</u>

The emoluments of the directors were as follows:-

For services as executives	154,893	172,101
For services as directors	13,638	15,750
	<u>£168,531</u>	<u>£187,851</u>

The individual emoluments, excluding pension contributions of all the directors fell into the following brackets:

	1992	1991
£ 1 - £5,000	1	-
£ 5,001 - £10,000	-	1
£10,001 - £15,000	1	-
£15,001 - £20,000	1	1
£20,001 - £40,000	-	1
£40,001 - £60,000	-	2
£60,001 - £65,000	1	-
£65,001 - £70,000	1	-

The emoluments, excluding pension contributions, of the chairman who was also the highest paid director amounted to £66,567 (1991: Chairman - £38,942, Highest paid Director - £59,387).

## 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1992	1991
	£	£
Based on profit for the year:-		
U.K. Corporation tax based on the profit for the year at 33%	171,575	47,832
Deferred tax	34,946	46,769
Overseas tax	168	453
	<u>206,689</u>	<u>95,054</u>
U.K. Corporation tax in respect of prior year	-	(4,832)
Deferred tax adjustment relating to previous year	-	14,317
	<u>£206,689</u>	<u>£104,539</u>

NOTES TO THE ACCOUNTS - CONTINUED

## 7. PROFIT FOR THE FINANCIAL YEAR

As permitted by Section 228 (7) of the Companies Act 1985, the profit and loss account of the holding company is not presented as part of these financial statements. The accounts of the holding company include a profit for the financial year of £298,538 (1991 - £141,292).

8. DIVIDENDS	1992 £	1991 £
5% Preference shares	250	250
6% 'B' Preference shares	1,732	1,732
Ordinary shares - 6 pence per share (1991 - 3 pence)	25,028	12,514
	<u>£27,010</u>	<u>£14,496</u>

Moore  
Rowland

## NOTES TO THE ACCOUNTS - CONTINUED

9. TANGIBLE FIXED ASSETS	Under <u>Construction</u>	Freehold land <u>and buildings</u>	Plant and <u>machinery</u>	Total
<u>The Group</u>	£	£	£	£
COST				
At 1st January 1992	-	2,024,819	729,043	2,753,862
Exchange rate adjustments	-	-	2,047	2,047
Additions	6,500	2,556	105,391	114,447
Disposals	-	-	(23,091)	(23,091)
At 31st December 1992	<u>6,500</u>	<u>2,027,375</u>	<u>813,390</u>	<u>2,847,265</u>
DEPRECIATION				
At 1st January 1992	-	159,918	298,660	458,578
Charge for year	-	50,574	84,589	135,163
On disposals	-	-	(18,579)	(18,579)
At 31st December 1992	<u>-</u>	<u>210,492</u>	<u>364,670</u>	<u>575,162</u>
NET BOOK VALUE				
At 31st December 1992	<u>6,500</u>	<u>1,816,883</u>	<u>448,720</u>	<u>2,272,103</u>
At 1st January 1992	<u>-</u>	<u>1,864,901</u>	<u>430,383</u>	<u>2,295,284</u>
<u>The Company</u>	Under <u>Construction</u>	Freehold land <u>and buildings</u>	Plant and <u>machinery</u>	Total
	£	£	£	£
COST				
At 1st January 1992	-	2,024,819	711,038	2,735,857
Additions	6,500	2,556	104,687	113,743
Disposals	-	-	(20,468)	(20,468)
At 31st December 1992	<u>6,500</u>	<u>2,027,375</u>	<u>795,257</u>	<u>2,829,132</u>
DEPRECIATION				
At 1st January 1992	-	159,918	292,971	452,889
Charge for year	-	50,574	81,382	131,956
On disposals	-	-	(16,938)	(16,938)
At 31st December 1992	<u>-</u>	<u>210,492</u>	<u>357,415</u>	<u>567,907</u>
NET BOOK VALUE				
At 31st December 1992	<u>6,500</u>	<u>1,816,883</u>	<u>437,842</u>	<u>2,261,225</u>
At 1st January 1992	<u>-</u>	<u>1,864,901</u>	<u>418,067</u>	<u>2,282,968</u>

NOTES TO THE ACCOUNTS - CONTINUED

## 9. TANGIBLE FIXED ASSETS - CONTINUED

Included in the above tangible fixed assets are items of plant and machinery purchased under hire purchase agreements. The depreciation charged and net book value of these assets are as follows:-

	Group and Company
	£
Depreciation charged for year	19,375
Net Book Value at 31st December 1992	129,449
Net Book Value at 31st December 1991	146,757

10. FIXED ASSET INVESTMENTS -  
SUBSIDIARY UNDERTAKINGS

Shares in Group
Undertakings
£
Cost at 1st January and 31st December 1992
Less provision for diminution in value
Net book value at 31st December 1992
202

Cost at 1st January and 31st December 1992  
Less provision for diminution in value

Net book value at 31st December 1992

The subsidiary undertakings are as follows:-

## Country of Incorporation

H. Bronnley (Africa) (Proprietary) Limited	South Africa
Bronnley of London Limited	Great Britain
Bronnley of France SARL	France
Bronnley of London Inc.	U.S.A.
Bronnley of London Inc - U.S.A.	U.S.A.
A.R. Sales Limited	Great Britain

All of the subsidiary undertakings are wholly owned.

All of the companies are engaged in trading activities which complement those of the holding company, with the exception of A.R. Sales Limited and Bronnley of London Limited, which have not traded in the year.

## 11. STOCKS

	The Group and The Company	
	1992	1991
	£	£
Raw materials	216,351	252,155
Work in progress	244,004	193,466
Finished goods	470,980	370,348
	<u>£931,335</u>	<u>£815,969</u>



## NOTES TO THE ACCOUNTS - CONTINUED

12. DEBTORS	The Group		The Company	
	1992	1991	1992	1991
	£	£	£	£
Trade debtors	1,544,508	1,378,577	1,501,931	1,335,787
Other debtors	68,109	54,530	33,759	25,126
Prepayments	97,463	53,711	94,943	51,717
Subsidiary undertakings	-	-	109,419	-
Taxation recoverable	-	9,662	-	9,662
	<u>£1,710,080</u>	<u>£1,496,480</u>	<u>£1,740,052</u>	<u>£1,422,292</u>

13. CREDITORS - amounts falling due within one year	The Group		The Company	
	1992	1991	1992	1991
	£	£	£	£
Bank loan and overdrafts	353,700	377,977	320,869	360,396
Pension fund loan	100,000	100,000	100,000	100,000
Subsidiary undertakings	-	-	55,194	55,194
Corporation tax	166,971	43,676	156,165	43,000
Other taxes and social security	308,781	287,310	231,884	206,500
Trade creditors	388,716	353,338	367,506	353,338
Other creditors	57,561	71,148	47,722	53,606
Accruals	138,246	124,082	138,246	124,082
Proposed dividend	25,028	12,514	25,028	12,514
	<u>£1,541,003</u>	<u>£1,370,045</u>	<u>£1,442,614</u>	<u>£1,308,630</u>

The bank loan and overdrafts are secured on property. £31,069 of hire purchase creditors, included in other creditors above, are secured by charges over the assets purchased.

14. CREDITORS - amounts falling due after more than one year	The Group and The Company	
	1992	1991
	£	£
Hire purchase commitments	30,052	59,147
Bank loan	100,000	100,000
	<u>£130,052</u>	<u>£159,147</u>

The bank loan (secured on property) is repayable in 1999. Interest is payable at 1.5% above Bank Base Rate. The hire purchase commitments are secured by charges over the assets purchased.

## NOTES TO THE ACCOUNTS : CONTINUED

## 15. PROVISIONS FOR LIABILITIES AND CHARGES

	The Group and The Company	
	1992	1991
	£	£
Deferred Tax	159,032	124,086
Advance corporation tax recoverable	(7,266)	(4,831)
	<u>£151,766</u>	<u>£119,255</u>

There is a potential deferred tax liability, not provided in the accounts, in respect of the capital gain on sale of property to be rolled over onto new capital expenditure. The potential amount is estimated at £92,000 after rebasing at 1982 values where appropriate and indexation allowance.

## 16. CALLED UP SHARE CAPITAL

	1992 and 1991	
	Authorized	Allotted & Fully paid
	£	£
5% Preference Shares of £1 each	5,000	5,000
6% "B" Preference Shares of £1 each	68,000	28,859
Ordinary voting shares of £1 each	47,000	34,761
Ordinary non-voting shares of £1 each	400,000	382,371
	<u>£520,000</u>	<u>£450,991</u>

## 17. LEASE COMMITMENTS

	The Group and The Company	
	1992	1991
	£	£
Annual commitments under operating leases for plant and equipment, expiring:-		
Within one year	55,144	10,970
Between one and five years	26,701	100,753
	<u>£81,845</u>	<u>£111,723</u>
Annual commitments under property lease agreements, expiring:-		
Between one and five years	39,000	39,000
Over five years	11,703	6,937
	<u>£50,703</u>	<u>£45,937</u>

Moores  
Rowland

NOTES TO THE ACCOUNTS - CONTINUED

## 18. FUTURE CAPITAL EXPENDITURE

Capital expenditure on fixed assets authorised by the directors at the year end, but not provided for in the accounts was as follows:-

	1992	1991
Contracts placed	£12,200	£4,464
Contracts not placed	41,831	NIL

## 19. CONTINGENT LIABILITIES

The Group and the Company  
1992 1991

Discounted bills receivable	£ -	£1,576
-----------------------------	-----	--------

## 20. PENSIONS

The company operates a defined benefit pension scheme, the assets of which are held in a separate trustee administered fund.

The pension cost is assessed in accordance with triennial valuations by a professionally qualified actuary using the "Attained Age" method. The principal assumptions used were that the average investment return would be 9% per annum, that salary increases would average 7.5% per annum and that present and future pensions would increase at 3% per annum.

The most recent investigation was as at 1st December 1991. This showed that the market value of the scheme's assets was £1,655,261 and that the actuarial value of those assets represented 106% of the benefits that had accrued to members to the valuation date, allowing for future salary increases to retirement. Pension cost for the period was £66,900 after allowing for a variation to normal cost of £9,600 in respect of amortisation of experience surplus over the average remaining service lives of the members and interest on the prepayment. The excess of contributions paid over pensions cost has created a prepayment in the accounts of £24,300 (1991 £15,100).

Moore  
Rowland