

NORMANTON BRICK COMPANY LIMITED

ACCOUNTS FOR THE YEAR ENDED

31ST DECEMBER 1995



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NORMANTON BRICK COMPANY LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1995

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NORMANTON BRICK COMPANY LIMITED

DIRECTORS:	T.E. Kirk (Chairman) G.A. Kirk P.D. Kirk (Managing) J. Kirk
SECRETARY:	R. Munton F.C.C.A.
REGISTERED OFFICE:	Wakefield Road Brick Works NORMANTON West Yorkshire WF6 1BG
BANKERS:	Barclays Bank plc Normanton Branch Wood Street WAKEFIELD WF1 2EA
AUDITORS:	Milne Booth Chartered Accountants & Registered Auditor 6 Park Square LEEDS LS1 2LX
COMPANY NUMBER:	58957

NORMANTON BRICK COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report with the Accounts of the Company for the year ended 31st December 1995.

PRINCIPAL ACTIVITIES

The principal activity of the Company in the period under review was that of the production and selling of building bricks in Great Britain.

REVIEW OF BUSINESS

Brick Manufacturing

We have now experienced a full year of production using the gas fired kilns at Altofts. A number of expensive adjustments have been needed but the kilns are now working satisfactorily and the small loss of 1994 has been turned into a moderate profit. Fortunately, this has been augmented by other extraneous projects, together with the sale of another cottage at Horbury.

With the industry still in deep depression forecasting the 1996 results is well nigh impossible. However, every effort will be made to maintain production.

Horbury Cottages

One cottage was disposed of in the year leaving three remaining.

Dividend and Transfer to Reserves

The Directors recommend that a dividend on the Ordinary shares of £8 per share be paid, making a total for the year of £12 per share. The retained profit of £71,149 has been transferred to Reserves.

LAND AND INVESTMENT PROPERTIES

It is the opinion of the Board that the value of the land owned by the Company is well in excess of the amount shown on the Balance Sheet. The Directors consider the value of investment properties to be £30,000.

DIRECTORS

The Directors in office during the period and their beneficial interests in the issued share capital are as follows:-

	Ordinary Shares	Preference Shares
T.E. Kirk	20	45
P.D. Kirk	58	64
G.A. Kirk	64	61
J. Kirk	71	21

All the above Directors served throughout the year.

NORMANTON BRICK COMPANY LIMITED

REPORT OF THE DIRECTORS

APPOINTMENT AND RETIREMENT OF DIRECTORS

Mr. T.E. Kirk retires from the board under the age limit, and Mr. J. Kirk retires by rotation, both being eligible for re-election.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- a. select suitable accounting policies and apply them consistently.
- b. make judgements and estimates that are reasonable and prudent.
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue to operate.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CLOSE COMPANY

In the opinion of the Directors the Company is a Close Company within the provisions of the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, Milne Booth, Chartered Accountants have indicated their willingness to continue in office. A resolution will be proposed at the Annual General Meeting that Milne Booth be re-appointed as Auditors.

SMALL COMPANIES EXEMPTION

The Directors have taken advantage, in the preparation of the accounts, of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985. In the opinion of the Directors the Company qualifies as a small company and is entitled to make use of the special exemptions.

BY ORDER OF THE BOARD:



R. Munton
Secretary.

Dated: 4th April 1996

**AUDITORS REPORT TO THE MEMBERS OF
NORMANTON BRICK COMPANY LIMITED**

We have audited the financial statements on Pages 4 to 11 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on Page 2 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

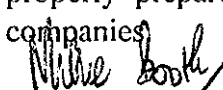
We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and 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 mis-statement, 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 at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies


MILNE BOOTH
Chartered Accountants
& Registered Auditor
6 Park Square
LEEDS
LS1 2LX

Dated: 4th April 1996

NORMANTON BRICK COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1995**

	Notes	1995		1994	
		£	£	£	£
TURNOVER			1,563,451		1,461,644
Cost of Sales			<u>1,302,125</u>		<u>1,283,201</u>
GROSS PROFIT			261,326		178,443
Distribution Costs		(71,398)		(65,435)	
Administrative Expenses		<u>(130,403)</u>		<u>(119,272)</u>	
			<u>201,801</u>		<u>184,707</u>
Operating Profit/(Loss)			59,525		(6,264)
Income from other Fixed Asset Investments	2.	2,868		4,986	
Other Income	3.	13,692		16,657	
Exceptional Item	4.	<u>23,643</u>		<u>-</u>	
			<u>40,203</u>		<u>21,643</u>
PROFIT on Ordinary Activities before Taxation	5.	99,728		15,379	
TAX ON PROFIT on Ordinary Activities	8.		<u>22,482</u>		<u>3,625</u>
PROFIT on Ordinary Activities after Taxation		77,246		11,754	
EQUITY DIVIDENDS	9.		6,000		5,000
NON-EQUITY DIVIDENDS	9.		<u>97</u>		<u>97</u>
RETAINED PROFIT			<u>71,149</u>		<u>6,657</u>

STATEMENT OF RETAINED PROFITS

Retained Profit brought forward	888,892	882,235
Retained Profit for the year	<u>71,149</u>	<u>6,657</u>
Retained Profit carried forward	<u>960,041</u>	<u>888,892</u>

NORMANTON BRICK COMPANY LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1995

	NOTES	1995		1994	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	11.		420,967		447,241
CURRENT ASSETS					
Stocks	12.	297,077		221,010	
Debtors	13.	198,051		199,799	
Investments	14.	68,358		81,571	
Cash At Bank		<u>231,148</u>		<u>154,973</u>	
		794,634		657,353	
CREDITORS					
Amounts falling due within one year	15.	<u>179,134</u>		<u>139,563</u>	
NET CURRENT ASSETS			<u>615,500</u>		<u>517,790</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,036,467		965,031
PROVISION FOR LIABILITIES AND CHARGES					
	16.		<u>39,756</u>		<u>24,752</u>
			996,711		940,279
CAPITAL AND RESERVES					
CALLED UP SHARE CAPITAL	18.		7,520		7,520
REVALUATION RESERVE	19.		29,150		43,867
PROFIT AND LOSS ACCOUNT			<u>960,041</u>		<u>888,892</u>
			996,711		940,279
ANALYSIS OF SHAREHOLDERS' FUNDS					
Equity Interests			994,191		937,759
Non-Equity Interest			<u>2,520</u>		<u>2,520</u>
			<u>996,711</u>		<u>940,279</u>

The Directors have taken advantage, in the preparation of the Accounts, of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985.

DIRECTOR: T.E. Kirk

DIRECTOR: P.D. Kirk

Approved by the Board on 4th April 1996

P.D. Kirk
T.E. Kirk

NORMANTON BRICK COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The Accounts have been prepared under the Historical Cost Convention as modified by the revaluation of certain fixed assets and on the basis that all activities have continued throughout the year.

(b) DEPRECIATION

Tangible Fixed Assets other than Freehold Land are depreciated on the reducing balance method over their estimated useful lives -

Freehold Buildings	5%
Plant etc.	10% - 25%

(c) STOCKS

Stocks are valued at the lower of cost, including overhead expenses or market value after making due allowance for slow moving or obsolete items.

(d) DEFERRED TAXATION

Provision is made for Deferred Tax in respect of all material timing differences using the liability method at the rate of tax ruling at the year end, except to the extent that in the opinion of the Directors there is a reasonable probability that the liability will not arise in the near future.

(e) TURNOVER

The turnover and profit is principally attributable to the one main activity of the Company.

(f) PENSION CONTRIBUTIONS

The Company operates defined contribution schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charged represent contributions payable by the company to the funds during the year.

(g) CASH FLOW STATEMENT

The Company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS 1 not to prepare a cash flow statement.

2. INCOME FROM INVESTMENT PROPERTIES

	1995	1994
	£	£
Rents	<u>2,868</u>	<u>4,986</u>

NORMANTON BRICK COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31ST DECEMBER 1995

3.	OTHER INCOME		
		1995	1994
		£	£
	Bank Interest Received	12,280	7,404
	Interest and Dividends from Investments	4,519	4,983
	(Loss)/Profit on Disposal of Investments	<u>(3,107)</u>	<u>4,270</u>
		13,692	16,657
		<hr/>	<hr/>
4.	EXCEPTIONAL ITEM		
	Profit on Sale of Cottage	8,926	-
	Transfer from Revaluation Reserve - realised gain	<u>14,717</u>	<hr/>
		<u>23,643</u>	<hr/>
5.	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
	After Charging -		
	Directors' Emoluments	79,757	56,607
	Directors' Pension Contributions	<u>12,012</u>	<u>11,535</u>
		91,769	68,142
	Bank Interest Payable	37	20
	Auditors' Remuneration	3,300	3,300
	Depreciation of Tangible Fixed Assets	51,602	34,815
	Profit on Disposal of Tangible Fixed Assets	<u>(2,307)</u>	<u>(616)</u>
6.	DIRECTORS' EMOLUMENTS		
	Salaries and Benefits	56,683	44,753
	Pensions	7,633	7,210
	Fees	<u>15,441</u>	<u>4,644</u>
		79,757	56,607
		<hr/>	<hr/>
	Included in the above emoluments were:-		
	Chairman	7,633	7,210
	Highest Paid Director	33,419	24,189
		<hr/>	<hr/>
	Other Directors in the scale -	<u>Number</u>	<u>Number</u>
	£ 0 - £15,000	-	1
	£ 5,000 - £10,000	1	-
	£20,000 - £25,000	-	1
	£30,000 - £35,000	1	
	(Excluding Pension Contributions)		

NORMANTON BRICK COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
31ST DECEMBER 1995

7. STAFF COSTS (INCLUDING DIRECTORS)

	1995	1994
	£	£
Wages, Salaries and Fees	595,052	522,322
Social Security Contributions	57,543	49,657
Pension Contributions	<u>16,530</u>	<u>15,896</u>
	669,125	587,875
	<u> </u>	<u> </u>

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

Corporation Tax on Profit for the year at 25%	16,108	-
Tax Credits on Dividends Received	893	635
Deferred Taxation	5,584	3,060
Over provided in previous years	<u>(103)</u>	<u>(70)</u>
	22,482	3,625
	<u> </u>	<u> </u>

9. DIVIDENDS

Preference	97	97
Interim Ordinary at £4 (1994 £4)	2,000	2,000
Proposed final Ordinary at £8 (1994 £6)	<u>4,000</u>	<u>3,000</u>
	6,097	5,097
	<u> </u>	<u> </u>

10. DIRECTORS' TRANSACTIONS WITH THE COMPANY

Messrs. P.D. Kirk and G.A. Kirk are Directors of Snydale Brickworks Limited, a Company which carries out haulage and repair work for Normanton Brick Company Limited. The total value of that work in the year was £112,062 (1994 - £105,639).

11. TANGIBLE FIXED ASSETS

	Investment Properties	Freehold Land & Buildings	Kilns & Plant	Total
	£	£	£	£
COST/VALUATION				
As at 1.1.95	45,709	97,731	631,866	775,306
Additions	-	-	43,221	43,221
Disposals	<u>(15,179)</u>	<u>-</u>	<u>(16,647)</u>	<u>(31,826)</u>
As at 31.12.95	30,530	97,731	658,440	786,701
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NORMANTON BRICK COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE
YEAR ENDED 31ST DECEMBER 1995

	Investment Properties £	Freehold Land & Buildings £	Kilns & Plant £	TOTAL £
DEPRECIATION				
As at 1.1.95	709	13,392	313,964	328,065
Charge for the year		545	51,057	51,602
Released	(179)		(13,754)	(13,933)
As at 31.12.95	530	13,937	351,267	365,734
NET BOOK VALUE				
As at 31.12.95	30,000	83,794	307,173	420,967
As at 1.1.95	45,000	84,339	317,902	447,241

On 31st December 1995 the Company's investment properties were valued by the Directors based on an open market value, at £30,000. The historical costs of these properties were £1,380.

12. STOCKS

	1995 £	1994 £
Raw Materials and Consumables	35,307	32,240
Work In Progress	28,460	20,300
Finished Bricks and Bricks for resale	<u>233,310</u>	<u>168,470</u>
	297,077	221,010

13. DEBTORS

Trade Debtors	189,691	184,964
Other Debtors	592	1,380
Prepayments	<u>7,768</u>	<u>13,455</u>
	198,051	199,799

14. INVESTMENTS

Quoted Investments at Cost	67,958	81,171
Unsecured Loan Stock	<u>400</u>	<u>400</u>
	<u>68,358</u>	<u>81,571</u>

Market Value 31st December 1995 £115,819 (1994 - £105,876)

NORMANTON BRICK COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
31ST DECEMBER 1995

15. CREDITORS: Amounts falling due within One Year		
Trade Creditors	86,747	83,514
Corporation Tax	15,000	529
Other Taxes and Social Security Costs	33,020	30,525
Proposed Dividend	4,000	3,000
Accruals	<u>40,367</u>	<u>21,995</u>
	<u>179,134</u>	<u>139,563</u>
16. PROVISION FOR LIABILITIES AND CHARGES		
DEFERRED TAX		
Balance Brought Forward	5,502	2,442
Profit and Loss Account	5,584	3,060
Losses now recovered	<u>10,170</u>	<u>-</u>
	21,256	5,502
Less Advance Corporation Tax available	<u>(1,000)</u>	<u>(750)</u>
	20,256	4,752
	<u>20,256</u>	<u>4,752</u>
Represented by:		
Accelerated Capital Allowances	20,776	15,192
Other timing differences	480	480
Less Losses available for set-off	<u>-</u>	<u>(10,170)</u>
	21,256	5,502
	<u>21,256</u>	<u>5,502</u>
INSURANCE PROVISION		
Balance Brought Forward	20,000	20,000
Released in the year	<u>500</u>	<u>-</u>
	19,500	20,000
	<u>19,500</u>	<u>20,000</u>
	39,756	24,752
	<u>39,756</u>	<u>24,752</u>

No deferred tax has been provided in respect of the surplus arising on the revaluation of investment properties.

NORMANTON BRICK COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
31ST DECEMBER 1995

17. PENSION CONTRIBUTIONS

The company operates defined contribution pension schemes. The assets of the Schemes are held separately from those of the company in independently administered funds. The pension cost charged represent contributions payable by the company to the funds and amounted to £16,530 (1994 - £15,896).

18. CALLED UP SHARE CAPITAL

There was no change in the year

	Authorised	Allotted and Fully Paid
	£	£
500 Ordinary Shares of £10 each	5,000	5,000
500 5.5% Cumulative Preference Shares of £10 each	<u>5,000</u>	<u>2,520</u>
	10,000	7,520
	<u> </u>	<u> </u>

19. REVALUATION RESERVE

Balance at 1 January 1995	43,867	43,867
Release on Sale	<u>(14,717)</u>	<u>-</u>
	29,150	43,867
	<u> </u>	<u> </u>

20. STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	1995	1994
	£	£
Profit attributable to Ordinary Shareholders	<u>71,149</u>	<u>6,657</u>
Total recognised gains for the year	71,149	6,657
	<u> </u>	<u> </u>

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Profit for the financial year	77,246	11,754
Dividends	(6,097)	(5,097)
Revaluation Reserve	<u>(14,717)</u>	<u>-</u>
Net addition to Shareholders funds	56,432	6,657
Opening Shareholders funds	<u>940,279</u>	<u>933,622</u>
Closing Shareholders funds	996,711	940,279
	<u> </u>	<u> </u>