

SALTER BROS. LIMITED (AND SUBSIDIARY COMPANY)REPORT OF THE DIRECTORS

The Directors submit their Annual Report together with the Audited Accounts of the Company for the year ended 31st December 1976.

Accounts and Dividend

The result of the year and Dividend is shown by the Profit and Loss Account on Page 2. The Directors recommend that no further dividend be paid in respect of the year.

Activities

The principal activities of the Parent Company continue to be operation of passenger transport on inland waterways and to build, repair and hire boats. The Subsidiary Company continues to cater for meals and refreshments for the passengers of the Parent Company.

Significant Changes in Fixed Assets

During the year the Company disposed of the Freehold Property at 85 South Avenue, Kidlington.

State of the Companies Affairs

As at 31st December 1976 the Directors considered that the state of the Companies affairs was satisfactory, and in their opinion the value of the Freehold Property exceeded the figure in the Balance Sheet by over £185,000.

Exports

Exports during the year amounted to £5096.

Directors

The Directors and their interests in the Company were:-

	<u>Ordinary Shares</u>	
	<u>At 1.1.76</u>	<u>At 31.12.76</u>
Mr. A. A. Salter	4526	4526
Mrs. D. E. Sackett	3185	3185
Mr. J. S. E. Salter	250	250

BY ORDER OF THE BOARD

R. S. TANNER  
Secretary

SALTER BROS. LIMITED (AND SUBSIDIARY)CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1976

	1976	1975
	£	£
<u>Turnover</u>		
(Excluding Rents Received £8763)	<u>£406233</u>	<u>£309492</u>
1975 £10333		
<u>Operating Profit</u>	44158	31512
After charging the following:		
Directors Remuneration	11714	8834
Loan and Bank Overdraft Interest	7597	8181
Interest on Mortgage Loans	3943	3631
Depreciation	11668	8431
Amounts written off Lease and Goodwill	240	240
Auditors Remuneration	650	610
	<u>44158</u>	<u>31512</u>
<u>Add Profit on Sale of Property</u>	7643	534
	<u>51801</u>	<u>32046</u>
<u>Less Appropriations:</u>		
Dividend Paid (12.1%)	2730	2482
Balance of A.C.T. due 1976 Dividends	<u>1470</u>	<u>4200</u>
	<u>47601</u>	<u>28784</u>
<u>Less Net (Loss)/Profit applicable to Outside Shareholders Interest in Subsidiary</u>	( 69)	8
	<u>47670</u>	<u>28776</u>
<u>Unappropriated Profits brought forward, 1st January 1976</u>	28507	(269)
	<u>£76177</u>	<u>£28507</u>

SALTER BROS. LIMITED (AND SUBSIDIARY)CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER 1976

	Note	£	1976	£	1975	£
<u>FIXED ASSETS</u>	(1)					
Freehold Property at cost		66635		56543		
Leasehold Property and Goodwill		1031		1271		
Furniture and Fittings		2929		3383		
Plant and Equipment		14775		15358		
Motor Launches, Houseboats and Furnishings		74598		54632		
Motor Vehicles		6715	166683	3059	134246	
<u>UNQUOTE INVESTMENTS</u>						
Trade Investments, at cost			11		11	
			166694		134257	
<u>LESS CURRENT LIABILITIES LESS ASSETS</u>						
Trade Creditors and Accrued Charges		40408		32727		
Hire Purchase Liabilities		12777		22575		
Bank Overdraft (Secured)		46238		65978		
Directors Bonuses and Fees		1280		1280		
		100703		122560		
<u>Less Stock and Work in Progress</u>	(2)	59359		55444		
Debtors and Prepayments		10521		12753		
Cash in Hand		327		360		
		70207	30496	68557	54003	
		<u>£136198</u>		<u>£80254</u>		
<u>FINANCED BY:</u>						
<u>SHARE CAPITAL</u> Ordinary Shares of £1 each Authorised: 25,000 Shares)			22560		22560	
<u>PROFIT AND LOSS ACCOUNT</u>			76177		28507	
			98737		51067	
<u>LESS: GOODWILL ARISING ON CONSOLIDATION</u>			326		326	
			98411		50741	
<u>OUTSIDE SHAREHOLDERS INTEREST IN SUBSIDIARY</u>			480		549	
<u>MORTGAGE LOANS (SECURED)</u>	(7)		37307		28964	
			<u>£136198</u>		<u>£80254</u>	

A. A. SALTER        )  
                          )  
                          ) Directors  
D. E. SACKETT        )

AUDITORS REPORT TO THE MEMBERS OF SALTER BROS. LIMITED

We have examined the accounts set out on pages 2 to 7. These have been prepared under the historical cost convention. In our opinion these accounts give, under the accounting convention stated above, and so far as concerns members of the holding company a true and fair view of the state of affairs of the group at 31st December 1976 and of the profit for the year ended on that date and comply with the Companies Acts 1948 and 1967.

Oxford  
22nd August 1977

Critchley, Ward and Pigott  
Chartered Accountants

SALTER BROS. LIMITEDBALANCE SHEET AS AT 31ST DECEMBER 1976

	Note	1976		1975	
	(1)	£	£	£	£
<u>FIXED ASSETS</u>					
Freehold Property at cost		65430		55338	
Furniture and Fittings		2425		2824	
Plant and Equipment		14775		15358	
Motor Launches, Houseboats and Furnishings		74598		54632	
Motor Vehicles		<u>6598</u>	163826	<u>2902</u>	131054
<u>UNQUOTE INVESTMENTS</u>					
Trade Investments at cost		11		11	
Subsidiary Company, Thames Catering Co. Ltd					
1115 Ordinary Shares 5p paid	(6)	<u>1115</u>	<u>1126</u>	<u>1115</u>	<u>1126</u>
			164952		132180
<u>LESS CURRENT LIABILITIES LESS ASSETS</u>					
Trade Creditors and Accrued Charges	(3)	34143		27591	
Advance Corporation Tax		3653		3294	
Due to Subsidiary Company		9340		7091	
Hire Purchase Liability		12777		22575	
Bank Overdraft (Secured)		38281		59353	
Directors Bonuses and Fees		<u>1280</u>		<u>1280</u>	
		<u>99474</u>		<u>21184</u>	
Less Stock and Work in Progress	(2)	58889		54906	
Debtors and Prepayments		10242		12450	
Cash in Hand		<u>325</u>		<u>300</u>	
		<u>69456</u>	30018	<u>67656</u>	53528
		<u>£134934</u>		<u>£78652</u>	
<u>FINANCED BY:</u>					
<u>SHARE CAPITAL</u> Ordinary Shares of £1 each					
Authorised, 25000 Shares					
Issued and Fully Paid, 22560 Shares			22560		22560
<u>PROFIT AND LOSS ACCOUNT</u>					
			<u>75067</u>		<u>27128</u>
			97627		49688
<u>MORTGAGE LOANS (SECURED)</u>					
	(7)		<u>37307</u>		<u>28964</u>
			<u>£134934</u>		<u>£78652</u>

SALTER LEASE LIMITED (AND SUBSIDIARY)

NOTES TO AND FORMING PART OF THESE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1976

	<u>Parent Company</u>	<u>Consolidated</u>
	<u>£</u>	<u>£</u>
<b>1. Fixed Assets at cost (unless otherwise stated)</b>		
<u>Freehold Property</u>		
As at 1st January 1976	55338	56543
Additions	13328	13328
Sales	(3236)	(3236)
	<u>£65430</u>	<u>£66635</u>
<u>Leasehold Property and Goodwill</u>		
As at 1st January 1976		5056
Less Amortisation to date (1975 £3785)		4025
		<u>£1031</u>
<u>Furniture and Fittings</u>		
As at 1st January 1976	2824	11595
Less Disposals	399	399
Less Depreciation to date (1975 £8212)	-	8267
	<u>£2425</u>	<u>£2929</u>
(Depreciation is not charged on Fixtures and Fittings owned by the Parent Company. Replacements are charged against profits).		
<u>Sawmill, Plant and Equipment</u>		
At 1946 Valuation	1050	1050
At 1st January 1976	19306	19306
Additions	156	156
	<u>20512</u>	<u>20512</u>
Less Depreciation to date (1975 £4998)	5737	5737
	<u>£14775</u>	<u>£14775</u>
<u>Motor Launches, Houseboats and Furnishings</u>		
At 1946 Valuation	4907	4907
At 1st January 1976	106742	106742
Additions	29120	29120
Sales	(3588)	(3588)
	<u>137181</u>	<u>137181</u>
Less Depreciation to date (1975 £57017)	62583	62583
	<u>£74598</u>	<u>£74598</u>
<u>Motor Vehicles</u>		
As at 1st January 1976	8595	9475
Additions	7330	7330
Sales	(3403)	(3403)
	<u>12522</u>	<u>13402</u>
Less Depreciation to date (1975 £6416 and £5692 )	5924	6687
	<u>£6598</u>	<u>£6715</u>

**2. Stock and Work in Progress**

Shown at the cost of materials and labour, or estimated realisable value if lower.

**3. Contingent Liabilities**

The Parent Company has a contingent liability of £1059.25, being the amount uncalled on the 1115 shares in Thames Catering Ltd.

The Parent Company has guaranteed the Bank Overdraft of Thames Catering Ltd., up to a limit of £5000.

**4. Taxation**

As at 31st December 1976 there are estimated tax losses available to carry forward against future profits as follows:

	<u>£</u>
Holding Company	8900
Subsidiary Company	2300

SALTER BROS. LIMITED (AND SUBSIDIARY)NOTES TO AND FORMING PART OF THESE ACCOUNTS FOR THE YEAR ENDED31ST DECEMBER 1976 (CONTINUED)5. Deferred Taxation

At 31st December 1976 £31,000 required for Tax Equalisation, because the capital allowances given exceed the depreciation charged.

6. Subsidiary Company

The Parent Company holds 1115 out of the 1400 Ordinary Shares issued by its Subsidiary Company, Thames Catering Co. Ltd.

7. Mortgage Loans

These are repayable by equal monthly instalments, and bear interest at a variable rate, currently 10½% payable to a Building Society.

	<u>Parent Company</u>	<u>Consolidated</u>
Repayable over a minimum of:-		
4 Years	3164	3164
14 Years	2697	2697
12 Years	6883	6883
16 Years	7554	7554
16 Years	7517	7517
20 Years	9492	9492
	<u>£37307</u>	<u>£37307</u>