

REGISTRAR'S COPY



**BEVAN FUNNELL LIMITED**

REPORT OF THE DIRECTORS  
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 OCTOBER 1996

Company No. 425363

**BEVAN FUNNELL LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 31 October 1996

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# **BEVAN FUNNELL LIMITED**

## **REPORT OF THE DIRECTORS**

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The directors present their report together with financial statements for the year ended 31 October 1996.

### **Principal activities**

The group is principally engaged in the manufacture and sale of traditional English furniture.

### **Results and dividends**

The group loss for the year after taxation amounted to £355,000. The directors do not recommend the payment of a dividend, and the loss has been deducted from reserves.

### **Review of the business and future developments**

The company maintained pressure to reduce stock levels which have now fallen by 8% in monetary value, more in real terms, over the past two years. Cash flow, although not as strong as in 1995, enabled investment in fixed and current assets to increase by £309,000 and cash resources by £61,000. Turnover was unexpectedly low in the second half of the year and margins were damaged by the unusual strength of Sterling although cash flow was heavily buffered by forward contracts. Sterling has continued to strengthen in the current year and, although further steps have been taken to offset this impact, a return to profitability will be delayed.

### **Directors**

The directors in office throughout the year are listed below.

None of the directors in office at the year end had any interests in the shares of the company at 1 November 1995 and 31 October 1996.

J D Cotton (Joint Chairman and Managing Director)  
T G Vermeer (Joint Chairman and Managing Director)  
E W Botting  
D W Bradfield  
P J Braithwaite  
B L E Cheshire  
E Coles  
M J Petry  
A W Wallis

J H Greely was also a director until he resigned on 9 February 1996.

# **BEVAN FUNNELL LIMITED**

## **REPORT OF THE DIRECTORS**

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### **Statement of directors' responsibilities for the 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 the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- \* select suitable accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent;
- \* state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Employee involvement**

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the group by regular meetings between Management and Briefing Groups representatives. The group publishes an in-house magazine on a regular basis.

### **Employment of disabled persons**

The policy of the group within the United Kingdom is to consider all job applications equally and employ disabled persons where appropriate.

**BEVAN FUNNELL LIMITED**

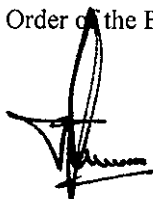
**REPORT OF THE DIRECTORS**

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**Auditors**

Grant Thornton and Norman Ball, Jordan & Co., offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

By Order of the Board



T G VERMEER  
Secretary

*10<sup>th</sup> March 1997*

Registered office:

Reprodux House  
Norton Road  
Newhaven  
East Sussex  
BN9 0BZ

**AUDITORS' REPORT TO THE MEMBERS OF**

**BEVAN FUNNELL LIMITED**

We have audited the financial statements on pages 5 to 20 which have been prepared under the accounting policies set out on pages 5 and 6.

**Respective responsibilities of directors and auditors**

As described on page 2 the 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 of whether the accounting policies are appropriate to the 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 misstatement, 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 affairs of the company and the group at 31 October 1996 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
**GRANT THORNTON**  
**REGISTERED AUDITORS**  
**CHARTERED ACCOUNTANTS**

Brighton

10 March 1997

  
**NORMAN BALL, JORDAN & CO**  
**REGISTERED AUDITORS**  
**CHARTERED CERTIFIED ACCOUNTANTS**

Hove

12 March 1997

## **BEVAN FUNNELL LIMITED**

### **ACCOUNTING POLICIES**

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The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

The principal accounting policies of the group have remained unchanged from the previous year and are set out below.

#### **Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings. All accounting periods terminate on 31 October apart from the two overseas subsidiary undertakings which, for administrative reasons, terminate on 31 July, which is the date to which they are consolidated. All intra-group profits are eliminated on consolidation.

#### **Turnover**

Turnover is the total amount receivable by the group in the ordinary course of business with outside customers for goods supplied excluding VAT and trade discounts.

#### **Depreciation**

Depreciation is calculated to write down the cost of tangible fixed assets, other than UK freehold and long leasehold properties, to their estimated residual value by equal annual instalments over their expected useful lives.

The periods generally applicable are:

Freeholds - overseas properties	10 to 20 years
Short leasehold property	Period of lease
Plant, machinery and vehicles	5 to 20 years

No depreciation is provided on the UK freehold properties and leasehold properties with more than 50 years unexpired term as it is the company's policy to maintain these assets in a continual state of sound repair. The useful economic lives of these assets are thus so long and residual values so high that any depreciation would not be material. Residual values are based on prices prevailing at the date of acquisition or subsequent valuation. Provision is made in the profit and loss account for any permanent diminution in value.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

#### **Deferred tax**

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

# **BEVAN FUNNELL LIMITED**

## **ACCOUNTING POLICIES**

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### **Foreign currencies**

In individual companies, monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date, whereas non monetary assets and liabilities are translated using the rate of exchange ruling at the date of acquisition. Exchange profits or losses arising on trading are accounted for through the profit and loss account.

On consolidation, assets, liabilities and the operating results of overseas subsidiary undertakings are translated into sterling at the rates of exchange ruling at their balance sheet date. Exchange differences arising from the restatement of opening balance sheets of these subsidiary undertakings are dealt with through reserves.

### **Investments**

Fixed asset investments are included at cost less amounts written off.

Current asset investments are included at the lower of cost and net realisable value. Market value is shown by way of note.

### **Goodwill**

Goodwill arising on consolidation is written off in the year in which it arises.

### **Leasing**

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.



# BEVAN FUNNELL LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

For the year ended 31 October 1996

	Note	£'000	1996 £'000	£'000	1995 £'000
Turnover	1		16,367		17,146
Cost of sales			<u>10,174</u>		<u>10,853</u>
Gross profit			6,193		6,293
Distribution costs		3,634		3,513	
Administrative expenses		932		965	
Other charges		<u>1,990</u>		<u>2,019</u>	
			<u>6,556</u>		<u>6,497</u>
Operating loss			(363)		(204)
Interest receivable and similar income		264		382	
Interest payable	2	(50)		(87)	
Loss on exchange		<u>(63)</u>		<u>(171)</u>	
			<u>151</u>		<u>124</u>
Loss on ordinary activities before taxation	1		(212)		(80)
Tax charge on loss on ordinary activities	4		<u>(143)</u>		<u>(57)</u>
Loss sustained on ordinary activities after taxation	5,15 & 16		<u>(355)</u>		<u>(137)</u>
<b>Statement of total recognised gains and losses</b>					
Loss sustained for the financial year			(355)		(137)
Differences on foreign currency net investments			<u>34</u>		<u>836</u>
Total recognised gains and losses for the year	16		<u>(321)</u>		<u>699</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

# BEVAN FUNNELL LIMITED

## BALANCE SHEETS AT 31 OCTOBER 1996

	Note	Group 1996 £'000	Group 1995 £'000	Company 1996 £'000	Company 1995 £'000
Fixed assets					
Tangible assets	6	3,966	4,164	2,625	2,748
Investments	7	-	-	170	154
		<u>3,966</u>	<u>4,164</u>	<u>2,795</u>	<u>2,902</u>
Current assets					
Stocks	8	10,287	10,619	7,105	6,556
Debtors	9	2,528	2,759	3,887	4,766
Investments	10	1,546	1,347	-	-
Bank balances and cash		5,102	5,056	441	397
		<u>19,463</u>	<u>19,781</u>	<u>11,433</u>	<u>11,719</u>
Creditors: amounts falling due within one year					
Bank overdrafts	11	749	793	-	84
Other creditors	12	2,281	2,437	3,156	3,290
		<u>3,030</u>	<u>3,230</u>	<u>3,156</u>	<u>3,374</u>
Net current assets		<u>16,433</u>	<u>16,551</u>	<u>8,277</u>	<u>8,345</u>
Total assets less current liabilities		20,399	20,715	11,072	11,247
Provisions for liabilities and charges					
Deferred tax	13	127	122	136	148
		<u>20,272</u>	<u>20,593</u>	<u>10,936</u>	<u>11,099</u>
Capital and reserves					
Called up share capital	14	468	468	468	468
Profit and loss account	15	19,760	20,081	10,468	10,631
Capital reserve on consolidation		44	44	-	-
Shareholders' funds	16	<u>20,272</u>	<u>20,593</u>	<u>10,936</u>	<u>11,099</u>

The financial statements were approved by the Board of Directors on

J D COTTON

)  
)  
) DIRECTORS  
)  
)

E L E CHESHIRE

The accompanying accounting policies and notes form an integral part of these financial statements.

**BEVAN FUNNELL LIMITED****GROUP CASH FLOW STATEMENT**

For the year ended 31 October 1996

	Note	£'000	1996 £'000	£'000	1995 £'000
<b>Net cash inflow from operating activities</b>	17		377		617
<b>Results on investments and servicing of finance</b>					
Interest received		264		382	
Interest paid		<u>(50)</u>		<u>(87)</u>	
<b>Net cash inflow from returns on investments and servicing of finance</b>			214		295
<b>Taxation</b>					
Corporation and overseas tax paid			(121)		(187)
<b>Investment activities</b>					
Payments to acquire current asset investments		(199)		(730)	
Payments to acquire tangible fixed assets		(170)		(558)	
Receipts from sale of tangible fixed assets		<u>60</u>		<u>33</u>	
<b>Net cash outflow from investment activities</b>			(309)		(1,255)
<b>Net cash inflow/(outflow) before adjustments for the effect of the foreign exchange rate changes</b>			161		(530)
Effect of foreign exchange rate changes			<u>(71)</u>		<u>591</u>
<b>Increase in cash and cash equivalents</b>	18		<u>90</u>		<u>61</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

### 1. Turnover and loss on ordinary activities before taxation

The turnover and loss on ordinary activities are attributable to the principal activity, the manufacture and sale of traditional English furniture.

An analysis of turnover by geographical market is given below:

	1996 £'000	1995 £'000
United Kingdom	6,798	6,784
Europe	5,773	6,548
North America	1,931	2,076
Other	1,865	1,738
	<u>16,367</u>	<u>17,146</u>

Loss on ordinary activities is stated after:-

	1996 £'000	1995 £'000
Operating lease payments - land and buildings	64	48
Auditors' remuneration - audit services	50	46
- non-audit services	6	9
Depreciation	331	342
Severance pay	69	220
	<u>69</u>	<u>220</u>

### 2 Interest payable

	1996 £'000	1995 £'000
On bank loans and overdrafts	<u>50</u>	<u>87</u>

**BEVAN FUNNELL LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 October 1996

**3 Directors and employees**

	1996 £'000	1995 £'000
Wages and salaries	7,979	7,799
Social security	793	772
	<u>8,772</u>	<u>8,571</u>

The average number of employees of the group during the year was:

	Number	Number
Production	372	384
Others	162	169
	<u>534</u>	<u>553</u>

Remuneration in respect of directors was as follows:

	1996 £'000	1995 £'000
Management remuneration	<u>340</u>	<u>342</u>

The emoluments of the directors, excluding pension contributions were as follows:

	1996 £'000	1995 £'000
The Chairmen		
Chairman until 29 March 1995	N/A	4
2 Chairmen from 30 March 1995	<u>89</u>	<u>47</u>
The highest paid director	<u>45</u>	<u>40</u>

# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

### 3 Directors and employees (continued)

The emoluments of the directors, excluding pension contributions fell within the following ranges:-

	1996 Number	1995 Number
£0 to £5,000	-	1
£5,001 to £10,000	1	1
£20,001 to £25,000	1	1
£25,001 to £30,000	-	2
£30,001 to £35,000	2	3
£35,001 to £40,000	3	3
£40,001 to £45,000	3	1

### 4 Tax charge on loss on ordinary activities

The tax charge is based on the group loss for the year and is made up as follows:

	1996 £'000	1995 £'000
UK Corporation tax at 33%	22	8
Deferred tax	5	6
Overseas tax	124	42
	<u>151</u>	<u>56</u>
Adjustment in respect of prior years		
Corporation tax	(8)	1
	<u>143</u>	<u>57</u>

### 5 Loss sustained on ordinary activities after taxation

The company has taken advantage of section 230(2) of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group loss for the year includes a loss of £163,000 (1995: £94,000) which is dealt with in the financial statements of the parent company.

# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

### 6 Tangible fixed assets

#### (a) Group

	Land and buildings				
	Total £'000	Freehold £'000	Long leasehold £'000	Short leasehold £'000	Plant machinery, & vehicles £'000
<b>Cost</b>					
At 1 November 1995	8,556	2,868	272	33	5,383
Exchange differences	(5)	(5)	-	-	-
Additions	170	-	-	-	170
Disposals	(405)	-	-	-	(405)
<b>At 31 October 1996</b>	<u>8,316</u>	<u>2,863</u>	<u>272</u>	<u>33</u>	<u>5,148</u>
<b>Depreciation</b>					
At 1 November 1995	4,392	675	-	32	3,685
Exchange differences	(4)	(3)	-	-	(1)
Provided in the year	331	14	-	1	316
Disposals	(369)	-	-	-	(369)
<b>At 31 October 1996</b>	<u>4,350</u>	<u>686</u>	<u>-</u>	<u>33</u>	<u>3,631</u>
<b>Net book amounts</b>					
<b>At 31 October 1996</b>	<u>3,966</u>	<u>2,177</u>	<u>272</u>	<u>-</u>	<u>1,517</u>
<b>At 31 October 1995</b>	<u>4,164</u>	<u>2,193</u>	<u>272</u>	<u>1</u>	<u>1,698</u>

# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

### 6 Tangible fixed assets (continued)

#### (b) Company

	Land and buildings			Plant machinery, & vehicles
	Total £'000	Freehold £'000	Long leasehold £'000	£'000
<b>Cost</b>				
At 1 November 1995	4,602	1,500	272	2,830
Additions	70	-	-	70
Disposals	(53)	-	-	(53)
<b>At 31 October 1996</b>	<u>4,619</u>	<u>1,500</u>	<u>272</u>	<u>2,847</u>
<b>Depreciation</b>				
At 1 November 1995	1,854	-	-	1,854
Provided in the year	189	-	-	189
Disposals	(49)	-	-	(49)
<b>At 31 October 1996</b>	<u>1,994</u>	<u>-</u>	<u>-</u>	<u>1,994</u>
<b>Net book amounts</b>				
<b>At 31 October 1996</b>	<u>2,625</u>	<u>1,500</u>	<u>272</u>	<u>853</u>
At 31 October 1995	<u>2,748</u>	<u>1,500</u>	<u>272</u>	<u>976</u>

### 7 Fixed asset investments

#### Company

	Shares in subsidiary undertakings £'000
<b>Cost</b>	
At 1 November 1995	167
Additions	16
<b>At 31 October 1996</b>	<u>183</u>
<b>Amounts written off</b>	
At 1 November 1995 and 31 October 1996	<u>13</u>
<b>Net book amounts</b>	
<b>At 31 October 1996</b>	<u>170</u>
At 31 October 1995	<u>154</u>



# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

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### 7. Fixed asset investments (continued)

(b) The subsidiary undertakings, which are all wholly owned, are shown below:

	<u>Country of incorporation</u>	<u>Class</u>	<u>Share capital issued</u>
A K Verity Limited	England and Wales	Ordinary	£4,000
H & A G Alexander & Company Limited	Scotland	Ordinary	£36,000
Shard Stebbing Limited	England and Wales	Ordinary	£25,000
John Lawrence & Co. (Dover) Limited	England and Wales	Ordinary Preference	£100 £1,200
D & S Partners Limited	England and Wales	Ordinary Preference	£290 £290
Bevan Funnell Limited (Reprodux) Inc	USA	Ordinary	* \$25,000
Bevan S A	Switzerland	Ordinary	SF 50,000

\* Bevan S A holds 50% of the ordinary share capital of Bevan Funnell Limited (Reprodux) Inc.

The principal activity of the subsidiary undertakings is the manufacture and/or sale of reproduction furniture, except for John Lawrence & Co. (Dover) Limited, which manufactures brass handles and fittings.

Shard Stebbing Limited ceased trading on 11 October 1996. It transferred its remaining assets and liabilities to Bevan Funnell Limited on 31 October 1996. D & S Partners Limited is dormant.

Goodwill on consolidation of £168,000 was written off in earlier years.

**BEVAN FUNNELL LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 October 1996

**8 Stocks**

	Group 1996 £'000	Group 1995 £'000	Company 1996 £'000	Company 1995 £'000
Raw materials	1,277	1,404	559	587
Work in progress	5,770	5,770	5,062	4,675
Finished goods	3,240	3,445	1,484	1,294
	<u>10,287</u>	<u>10,619</u>	<u>7,105</u>	<u>6,556</u>

**9 Debtors**

	Group 1996 £'000	Group 1995 £'000	Company 1996 £'000	Company 1995 £'000
Amounts falling due within one year:				
Trade debtors	1,929	2,138	1,507	1,608
Amounts owed by group undertakings	-	-	2,074	2,842
Corporation and overseas tax recoverable	46	94	-	-
Prepayments and accrued income	553	527	306	316
	<u>2,528</u>	<u>2,759</u>	<u>3,887</u>	<u>4,766</u>

**10 Current asset investments**

These are listed on a foreign investment exchange. At the year end the market value was £1,582,000 (1995: £1,298,000).

**11 Bank overdrafts**

The overdrafts were secured by a fixed charge over a UK freehold property.

# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

### 12 Other creditors: amounts falling due within one year

	Group 1996 £'000	Group 1995 £'000	Company 1996 £'000	Company 1995 £'000
Trade creditors	775	815	535	544
Amounts owed to group undertakings	-	-	1,690	1,807
Corporation and overseas tax	266	297	-	-
Social security and other taxes	311	321	194	195
Accruals	837	837	668	655
Other creditors	92	167	69	89
	<u>2,281</u>	<u>2,437</u>	<u>3,156</u>	<u>3,290</u>

### 13 Deferred tax

	Group 1996 £'000	Group 1995 £'000	Company 1996 £'000	Company 1995 £'000
<b><u>Provided</u></b>				
At 1 November	122	116	148	148
Provided in year	5	6	(12)	-
<b>At 31 October</b>	<u>127</u>	<u>122</u>	<u>136</u>	<u>148</u>
<b>Representing:</b>				
Accelerated capital allowances	133	94	57	58
Short term timing differences	(6)	28	79	90
	<u>127</u>	<u>122</u>	<u>136</u>	<u>148</u>
<b><u>Not provided</u></b>				
Accelerated capital allowances	440	436	369	366
Overseas stock relief	100	62	-	-
	<u>540</u>	<u>498</u>	<u>369</u>	<u>366</u>

**BEVAN FUNNELL LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 October 1996

**14 Called up share capital**

	1996 £'000	1995 £'000
Authorised 500,000 ordinary shares of £1 each	<u>500</u>	<u>500</u>
Allotted, called up and fully paid 468,000 ordinary shares of £1 each	<u>468</u>	<u>468</u>

**15 Profit and loss account**

	Group £'000	Company £'000
At 1 November 1995	20,081	10,631
Loss sustained for the year	(355)	(163)
Exchange differences	34	-
At 31 October 1996	<u>19,760</u>	<u>10,468</u>

The group reserves in both years include non-distributable reserves in an overseas subsidiary undertaking of £17,000.

**16 Reconciliation of movements in shareholders' funds**

	1996 £'000	1995 £'000
Loss sustained for the financial year	(355)	(137)
Exchange differences	34	836
(Decrease)/increase in shareholders' funds in the year	<u>(321)</u>	<u>699</u>
Shareholders' funds at 1 November	20,593	19,894
Shareholders' funds at 31 October	<u>20,272</u>	<u>20,593</u>

# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

### 17 Net cash inflow from operating activities

	1996 £'000	1995 £'000
Operating loss	(363)	(204)
Depreciation	331	342
Profit on sale of tangible fixed assets	(24)	(18)
Exchange rate movements	43	43
Decrease in stocks	332	557
Decrease in debtors	183	67
Decrease in creditors	(125)	(170)
	<u>377</u>	<u>617</u>

### 18 Analysis of changes in cash and cash equivalents

	1996 £'000	1995 £'000
Change in year	90	61
Balance at 1 November	<u>4,263</u>	<u>4,202</u>
Balance at 31 October	<u>4,353</u>	<u>4,263</u>

Cash and cash equivalents comprise:

	1996 £'000	1995 £'000	1994 £'000
Bank balances and cash	5,102	5,056	5,434
Bank overdrafts	(749)	(793)	(1,232)
	<u>4,353</u>	<u>4,263</u>	<u>4,202</u>

### 19 Capital commitments

The group and the company had no capital commitments at 31 October 1996 or at 31 October 1995.

# BEVAN FUNNELL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 1996

### 20 Contingent liabilities

- a) The company has guaranteed all advances made by National Westminster Bank plc in favour of A K Verity Limited, Shard Stebbing Limited, D & S Partners Limited and John Lawrence & Co. (Dover) Limited. The overdrafts of these subsidiary undertakings at 31 October 1996 totalled £537,000 (1995: £709,000).
- b) There are contingent liabilities for deferred tax not provided (note 13) as follows:

	1996 £'000	1995 £'000
Group	540	498
Company	<u>369</u>	<u>366</u>

### 21 Operating leases

The group and the company are committed to leasing payments of £64,000 (1995: £46,000) and £46,000 (1995: £46,000) respectively on annual commitments under operating leases within the next year. The commitments to make these payments expire during the following years:-

	Group Land and buildings		Company Land and buildings	
	1996 £'000	1995 £'000	1996 £'000	1995 £'000
In 2 to 5 years	24	6	6	6
In 5 years or more	<u>40</u>	<u>40</u>	<u>40</u>	<u>40</u>
	<u>64</u>	<u>46</u>	<u>46</u>	<u>46</u>

### 22 Ultimate holding undertaking

The ultimate holding undertaking of this company is Heatherside Trust Limited, a company incorporated in Guernsey, Channel Islands. Group accounts have only been prepared by Bevan Funnell Limited.

### 23 Post balance sheet events

Due to the continuing strength of Sterling against foreign currencies since the year end and the Swiss Franc in particular, the group incurred an unrealised loss on foreign currency net investments between the balance sheet date and the date of approval of these financial statements of approximately £1,400,000.