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# Directors' Report and Accounts

IZAL LIMITED

31 October 1975

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Price  
Waterhouse & Co.

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IZAL LIMITED

DIRECTORS' REPORT

The directors submit their report and audited accounts for the year ended 31 October 1975.

DIRECTORS

Mr R Brown	MA (Chairman)
Mr RK Pfister	USA
Mr RP Wright	C Eng MI Mech E MIWM
Mr JPH Dawson	TD FCA
Dr P Brocklehurst	BSc PhD
Mr JA Mycroft	
Mr EJ Dixon	
Mr RHM Hughes	BA ACA
Mr R Shearing	BSc

Mr PH Kent resigned as a director of the company on 31 December 1975. None of the directors had any notifiable interests in the shares or debentures of the company or any other company in the Sterling-Winthrop Group at any time during the financial year.

ACTIVITIES

The principal activities of the company are the manufacture and sale of household consumer and industrial products.

RESULTS AND DIVIDENDS

The profit for the year amounted to £83,056 and the directors have proposed a dividend of £83,000 on the ordinary shares. A balance of £705 will be carried forward.

EXPORTS

Export sales for the year amounted to £492,961.

EMPLOYEES

The average number of persons employed per week by the company in the UK was 1,019 (1974 1,059) and their aggregate remuneration amounted to £1,990,537 (1974 £1,674,112).

AUDITORS

Price Waterhouse & Co have agreed to continue in office.

By Order of the Board,

JPH DAWSON

Secretary

Chapelton  
SHEFFIELD  
S30 4YP

30 January 1976

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DIRECTOR



SECRETARY



20 EAST PARKWAY  
LEEDS LS1 3PA

AUDITORS' REPORT TO THE MEMBERS OF  
IZAL LIMITED

In our opinion the annexed accounts and notes give a true and fair view of the state of the company's affairs at 31 October 1975 and of its profit for the year then ended and comply with the Companies Acts 1948 and 1967.

PRICE WATERHOUSE & CO  
Chartered Accountants

30 January 1976

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A stylized, handwritten signature in dark ink, likely belonging to the Director.

DIRECTOR

A stylized, handwritten signature in dark ink, likely belonging to the Secretary.

SECRETARY

IZAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE  
YEAR ENDED 31 OCTOBER 1975

	Note	1975	1974
TURNOVER	1	<u>£12,415,715</u>	<u>£10,658,669</u>
PROFIT BEFORE TAXATION		374,363	475,649
After charging:			
Amortisation and goodwill	1	184,480	184,480
Depreciation	1 & 3	91,206	63,643
Hire of plant		67,314	92,429
Directors' emoluments	2	79,329	55,797
Auditors' remuneration		<u>8,500</u>	<u>8,000</u>
TAXATION BASED ON THE PROFIT FOR THE YEAR			
Corporation tax at 52%		261,807	368,000
Tax equalisation account	1 & 4	<u>29,500</u>	-
		<u>291,307</u>	<u>368,000</u>
PROFIT AFTER TAXATION		83,056	107,649
ORDINARY DIVIDEND		<u>83,000</u>	<u>107,000</u>
		56	649
BALANCE BROUGHT FORWARD		<u>649</u>	-
BALANCE CARRIED FORWARD		<u>£705</u>	<u>£649</u>

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DIRECTOR



SECRETARY

# IZAL LIMITED

## BALANCE SHEET - 31 OCTOBER 1975

	Note	1975	1974
FIXED ASSETS	3	3,044,924	2,937,605
GOODWILL AT COST LESS AMOUNT WRITTEN OFF	1	7,722,906	7,907,386
INVESTMENT IN SUBSIDIARIES	6	554,097	550,596
UNQUOTED INVESTMENT		-	50
CURRENT ASSETS			
Stocks	1	1,981,662	1,851,377
Debtors		2,811,796	2,517,353
Due from fellow subsidiaries		19,892	4,395
Due from subsidiaries		306,922	254,45
Bank balance and cash		592,200	412,61
		<u>5,712,472</u>	<u>4,840,25</u>
CURRENT LIABILITIES			
Creditors		2,051,680	2,113,089
Corporation tax including £261,000 payable 1 November 1976		629,409	368,000
Due to immediate holding company and fellow subsidiaries including proposed dividend £83,000		914,621	382,667
Due to subsidiaries		<u>371,384</u>	<u>371,385</u>
		<u>3,967,094</u>	<u>3,235,141</u>
NET CURRENT ASSETS		<u>1,745,378</u>	<u>1,605,112</u>
		<u>£13,067,305</u>	<u>£13,000,749</u>
FINANCED BY			
SHARE CAPITAL			
Authorised, issued and fully paid			
Ordinary shares of £1 each		100	100
Deferred shares of £1 each		200	200
		12,999,800	12,999,800
SHARE PREMIUM ACCOUNT		705	649
PROFIT AND LOSS ACCOUNT			
TAX EQUALISATION ACCOUNT	4	<u>66,500</u>	<u>-</u>
		<u>£13,067,305</u>	<u>£13,000,749</u>
DIRECTORS			
R Brown			
JPH Dawson			

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DIRECTOR

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IZAL LIMITED

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

Goodwill

Goodwill represents the excess of purchase consideration for the business acquired from Newton Chambers & Co Limited over the amounts attributed to the fair value of the net assets acquired and is being amortised over 40 years.

Depreciation

Depreciation is provided on fixed assets (other than land) at rates estimated to write off their cost evenly over their anticipated useful lives.

Stocks

Stocks have been valued at the lower of cost and net realisable value; cost in the case of products manufactured consists of direct materials and labour costs, together with the relevant factory overheads.

Tax equalisation

Tax equalisation represents corporation tax on the deferral method as defined in SSAP.11 on the amount by which accumulated capital allowances exceed the corresponding depreciation provisions and on other items not allowable for corporation tax purposes until subsequent accounting periods.

Research and development

Research and development costs are charged to profit and loss account as incurred.

Turnover

Turnover represents the invoices value of goods sold.

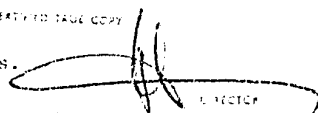
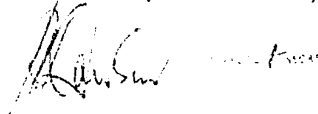
2 DIRECTORS' EMOLUMENTS

The emoluments excluding pension contributions include:

	1975	1974
Chairman	<u>£14,783</u>	<u>£13,107</u>
Other directors	Number	Number
No remuneration	1	2
£5,001 - £7,500	6	4
£7,501 - £10,000	2	2

No fees are paid to the directors.

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DIRECTOR  
  
SECRETARY

IZAL LIMITED

NOTES TO THE ACCOUNTS (continued)

3 FIXED ASSETS

	Freehold land and buildings	Plant and machinery	Total
Cost			
At 31 October 1974	2,910,590	90,658	3,001,248
Additions	10,121	190,913	201,034
Disposals	-	(3,796)	(3,796)
At 31 October 1975	2,920,711	277,775	3,198,486
Depreciation			
At 31 October 1974	55,610	8,033	63,643
Charge for year	55,940	35,266	91,206
Disposals	-	(1,287)	(1,287)
At 31 October 1975	111,550	42,012	153,562
Net			
At 31 October 1975	£2,809,161	£235,763	£3,044,924
At 31 October 1974	£2,854,980	£82,625	£2,937,605

4 TAX EQUALISATION ACCOUNT

Charge for current year to profit and loss account	29,500
Charge for prior years borne by immediate holding company	37,000
At 31 October 1975	£66,500

5 FUTURE CAPITAL EXPENDITURE

	1975	1974
Contract placed but not provided in the accounts	£29,359	£38,017
Authorised by directors but no contracts placed	£18,470	£64,977

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ACTION

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IZAL LIMITED

NOTES TO THE ACCOUNTS (continued)

6 INVESTMENTS IN SUBSIDIARIES

Ordinary shares in the following wholly owned trading subsidiaries are stated at cost.

	<u>Country of registration</u>
Rozalex Limited	England
Izal (Overseas) Limited and its subsidiaries	England
Izal (South Africa) Proprietary Limited	South Africa
Izal (Malaya) Sdn Berhad	Malaysia
Izal (Singapore) Private Limited	Singapore

The company also holds shares in non-trading subsidiaries.

As the company is a wholly owned subsidiary of another company incorporated in Great Britain consolidated accounts are no longer presented.

The profits less tax of the subsidiaries available to the holding company but not dealt with in these accounts are as follows:

Year ended 31 October 1975	42,126
Dividend dealt with in these accounts	<u>2</u>
	42,126
Prior years	<u>28,913</u>
	£71,044

WINDUP OF SUBSIDIARIES

7 HOLDING COMPANY

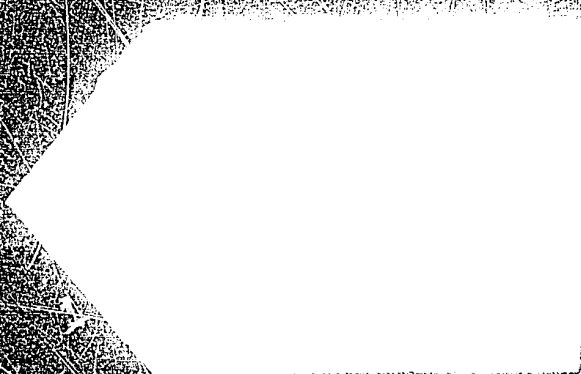
The ultimate holding company is Sterling Drug Inc which is incorporated in the USA.

STERLING DRUG INC

CHARTER

SECRETARY

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