

Registered number: 773331

**NUMATIC INTERNATIONAL LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1998**

**STEWART & CO.**  
**CHARTERED ACCOUNTANTS**  
**Camberley**



**NUMATIC INTERNATIONAL LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**for the year ended 31st December 1998**

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**The following pages do not form part of the statutory accounts**

Company only detailed trading and profit and loss account	Appendix 1
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NUMATIC INTERNATIONAL LIMITED

COMPANY INFORMATION

31st December 1998

INCORPORATED	In England on 9th September 1963
NUMBER	773331
DIRECTORS	Mr C R Duncan Mrs A R Duncan
SECRETARY	Mrs A R Duncan
REGISTERED OFFICE	Knoll House Knoll Road Camberley Surrey GU15 3SY
BANKERS	Barclays Bank Plc King George Street Yeovil Somerset BA20 1PX
AUDITORS	Stewart & Co. Chartered Accountants Knoll House Knoll Road Camberley GU15 3SY

## NUMATIC INTERNATIONAL LIMITED

## DIRECTORS' REPORT

31st December 1998

The directors present their report and the audited financial statements of the group and company for the year ended 31st December 1998.

**Principal activity**

The principal activity of the group is that of general engineering and there has been no change in this activity during the year.

**Results and dividends**

The results for the year are shown in the profit and loss account on page 6. The group's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amounting to £18,410,000

**Business review**

The performance of the parent, Numatic International Limited, was in many respects outstanding when one considers that the results presented are after major abnormal expenditure. The pound sterling remained over valued resulting in currency support in excess of £1,000,000 and the complete restructuring of our IT facility from the ground up incurred further one-off expenses close to another £1,000,000.

Although these abnormal expenses have been incurred during 1998 it must be clearly stated that we anticipate similar or greater levels of currency support during the coming years while the pound remains seriously over valued. Equally the IT costs will continue during 1999 and beyond.

South Africa suffered from a continuation of its currency devaluation which not only reflected upon the balance sheet losses but also in the trading conditions and confidence within the country itself. Disregarding the losses for 1998 we are still of the opinion that Numatic South Africa can be profitable and play its part in the future of the group.

France showed improved results but nonetheless are vulnerable to any Euro related problems and to the exceptional burden of the current French social cost structure.

The Chalon operation is most disappointing for such a fine product. Setback after setback produced more negative results which has required a radical re-evaluation of the sales strategy relating to the current operating costs. We have commenced a programme of "Regional Sales Development" in order to provide improved volume and sales diversity in the belief that it will produce profit in good measure by the year 2000.

**Fixed assets**

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 7.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st December 1998 Ordinary Shares of £1 each	31st December 1997 Ordinary shares of £1 each
Mr C R Duncan	4,750,000	4,750,000
Mrs A R Duncan	250,000	250,000

continued .....

**DIRECTORS' REPORT**  
(continued)

31st December 1998

**Employees**

The group involves employees in the business in various ways. Regular meetings are held between managers and the Union Representatives of staff to discuss any issues arising and the Health and Safety Committee liases with staff. Furthermore, wages are based on a productivity scheme, which involves disclosure to staff of sales performance.

It is the group's policy to consider applications for employment from disabled people on the same basis as other potential employees. Ability and aptitude are the determining factors in the selection, training, career development and promotion of all employees. If an employee becomes disabled during the period of employment the company will, if necessary and to the extent possible, retrain the employee for duties suited to that employee's abilities following disablement.

**Research and Development**

The group carries out on going research and development to enhance and improve existing products, to develop new ones and to improve production techniques.


**Auditors**

Stewart & Co. have agreed to offer themselves for re-appointment as auditors of the group and company.

On behalf of the board

Mrs A R Duncan  
Secretary

Knoll House  
Knoll Road  
Camberley  
Surrey GU15 3SY

 25th August 1999

**NUMATIC INTERNATIONAL LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**


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 group and the company 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 apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the group and 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

25<sup>th</sup> August 1999

On behalf of the board



C.R. Duncan  
Chairman

NUMATIC INTERNATIONAL LIMITED

AUDITORS' REPORT

Auditors' report to the members of

Numatic International Limited

We have audited the financial statements on pages 6 to 18 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 and 11.

**Respective responsibilities of directors and auditors**

As described on page 4, 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 of whether the accounting policies are appropriate to the group'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 misstatement, whether caused by fraud or error or other irregularity. 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 group's and the company's affairs as at 31st December 1998 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Camberley  
25<sup>th</sup> August 1999



Stewart & Co.  
Registered Auditor  
Chartered Accountants

**NUMATIC INTERNATIONAL LIMITED**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**for the year ended 31st December 1998**

	Note	1998 £'000	1997 £'000
<b>Turnover</b>	2	49234	47784
Cost of sales		34065	33492
<b>Gross profit</b>		15169	14292
Interest received		74	-
<b>Net operating expenses</b>			
Distribution costs		1226	1169
Administrative expenses		11283	9580
<b>Operating profit</b>	3	2734	3543
Interest payable		122	264
<b>Profit on ordinary activities before taxation</b>		2612	3279
Taxation	5	961	1114
<b>Profit on ordinary activities after taxation</b>	15	1651	2165
<b>retained for the year</b>			

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1997 or 1998 other than the profit for the year.



## NUMATIC INTERNATIONAL LIMITED

## CONSOLIDATED BALANCE SHEET

at 31st December 1998

	Note	£'000	1998 £'000	1997 £'000
<b>Fixed assets</b>				
Tangible assets	6		13005	12411
<b>Current assets</b>				
Stock and work in progress	9	6074		6182
Debtors	10	7670		6989
Cash at bank and in hand		1811		909
			<u>15555</u>	<u>14080</u>
<b>Creditors: amounts falling due within one year</b>	11	8042		7755
			<u>7513</u>	<u>6325</u>
<b>Net current assets</b>				
			<u>20518</u>	<u>18736</u>
<b>Total assets less current liabilities</b>				
<b>Creditors: amounts falling due after more than one year</b>	12		2010	2020
<b>Provision for liabilities and charges</b>	13		98	77
			<u>18410</u>	<u>16639</u>
<b>Net Assets</b>				
			<u>18410</u>	<u>16639</u>
<b>Capital and reserves</b>				
Called up share capital	14		5000	5000
Profit and loss account	15		13410	11639
			<u>18410</u>	<u>16639</u>
<b>Total shareholders' funds</b>				
			<u>18410</u>	<u>16639</u>

The financial statements on pages 6 to 18 were approved by the board of directors on 28 August 1999 and signed on its behalf by:

C R Durcan  
Chairman

## NUMATIC INTERNATIONAL LIMITED

## COMPANY BALANCE SHEET

at 31st December 1998

	Note	£'000	1998 £'000	£'000	1997 £'000
<b>Fixed assets</b>					
Tangible assets	6		11726		11217
Investment in subsidiaries	8		333		333
			<u>12059</u>		<u>11550</u>
<b>Current assets</b>					
Stock and work in progress	9	4948		5288	
Debtors	10	10964		9469	
Cash at bank and in hand		1579		639	
			<u>17491</u>	<u>15396</u>	
<b>Creditors: amounts falling due within one year</b>	11	6359		6478	
			<u>11132</u>		<u>8918</u>
<b>Net current assets</b>					
			<u>23191</u>		<u>20468</u>
<b>Total assets less current liabilities</b>					
<b>Creditors: amounts falling due after more than one year</b>	12		2000		2000
<b>Provision for liabilities and charges</b>	13		98		77
			<u>21093</u>		<u>18391</u>
<b>Net Assets</b>					
<b>Capital and reserves</b>					
Called up share capital	14		5000		5000
Profit and loss account	15		16093		13391
			<u>21093</u>		<u>18391</u>
<b>Total shareholders' funds</b>					

The financial statements on pages 6 to 18 were approved by the board of directors on 25<sup>th</sup> August 1999 and signed on its behalf by:

C R Duncan  
Chairman

**NUMATIC INTERNATIONAL LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**for the year ended 31st December 1998**

	Note	1998 £'000	1997 £'000
<b>Net cash inflow/(outflow) from operating activities</b>	16	3372	4933
<b>Returns on Investment and Servicing of Finance</b>			
Interest paid		(122)	(264)
<b>Taxation</b>			
Corporation tax paid		(1115)	(1370)
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(1314)	(1157)
Sale of tangible fixed assets		42	27
<b>Net cash outflow from investing activity</b>		(1272)	(1130)
<b>Increase in cash</b>	16	863	2169

## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

**1 Accounting policies**

The principal accounting policies of the group are as follows

**Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

**Basis of consolidation**

The consolidated financial statements fully incorporate the financial statements of the company and all of its subsidiaries.

**Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of value added tax.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	0% per annum straight line
Freehold buildings	0% per annum straight line (France 5% straight line)
Leasehold land and buildings	straight line over period of lease
Plant and machinery	on a straight line monthly basis over the first 5 years to 20% of original cost, thereafter its value in use is reassessed on an annual basis
Motor vehicles	20% per annum straight line

No depreciation is provided on freehold property as the depreciation charge in the year and the accumulated depreciation at the balance sheet date which would be required under SSAP 12 are not considered material.

**Leases and hire purchase contracts**

Rentals paid under operating leases are charged to income as incurred.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis and in the case of work in progress and finished goods includes labour and attributable overheads based on normal levels of activity and state of completion. Net realisable value is based on estimated selling price less the estimated cost of disposal.

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**Research and Development expenditure**

Research and development expenditure is written off as incurred.

## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

## 1 Accounting policies (continued)

**Foreign Currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Balances denominated in foreign currencies are restated at the exchange rate ruling as at the balance sheet date, any gain or loss being dealt with in the profit and loss account. Balance sheets and profit and loss accounts of foreign subsidiaries are translated at the rates ruling at the balance sheet date. Differences on translation arising from changes in the sterling value of overseas net assets due to subsequent variations in exchange rates are shown as a movement in reserves and in the statement of total recognised gains and losses. All differences are taken to the profit and loss account.

**Pension schemes**

The parent company operates a defined benefit pension scheme, the assets of which are held in a trustee administered fund. Employees contribute 5% of salary with the balance of required contributions being met by the company (7.3% of salary as at the balance sheet date). Audited accounts are prepared annually the latest set being made up to 31<sup>st</sup> March 1998. The assets and liabilities of the scheme are reviewed on a triennial basis by an actuary for funding purposes, the last valuation being as at 1<sup>st</sup> April 1997.

The actuarial assessment considers the assets and liabilities at the date of calculation and forecasts assets and liabilities in the future according to a set of assumptions, the most important of which are the rate of return on the assets and the rate of increase in remuneration and pensions. The assumptions used at 1<sup>st</sup> April 1997 were

Price inflation	5% per annum
Investment return	9% per annum (4% real rate of return in excess of assumed rate of future price inflation of 5%)
Earnings increases	7.5% per annum (2% real rate of return in excess of assumed rate of future price inflation of 5% plus 0.5% per annum promotional increases)
Pension increases	3% per annum on the GMP element of a members pension accrued after 6 April 1988.  4% for Limited Price Indexation in respect of pensions accrued after 5 April 1997.
Dividend growth	4.5% per annum

At the date of the latest valuation the actuarial valuation of the assets was £4961000 and of the liabilities £5271000 representing a shortfall of £310000. This underfunding is being reduced by the increase in company contributions to the rate of 7.3% operating at the balance sheet date as compared to the projected long term rate for the company of 6.6%. No provision has been made in these financial statements for the underfunding.

The parent company also operates a defined contribution scheme for the directors. No contributions were made during the year (1997 Nil) and there were no outstanding contributions due to the scheme as at the balance sheet date.

## 2 Turnover

The turnover for the year was derived from the group's principal activity. In the opinion of the directors all geographical markets are supplied under similar terms conditions and prices and the products supplied form one class of business. Inter group trading is eliminated on consolidation.

## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

**3 Operating profit**

	1998 £'000	1997 £'000
Operating profit is stated after crediting		
Profit on sale of assets	24	12
and after charging		
Staff costs (note 4)	11638	10609
Auditors' remuneration UK auditors	22	20
Auditors' remuneration overseas auditors	15	11
Research and development expenditure	162	131
Operating leases		
Plant and machinery	143	168
Motor Vehicles	280	255
Land and buildings	220	141
Depreciation of tangible fixed assets (note 6)		
owned assets	702	540

**4 Directors and employees**

	1998 £'000	1997 £'000
<b>Staff costs including directors' emoluments</b>		
Wages and salaries	9872	9162
Social security costs	1307	1036
Pension costs	459	411
	11638	10609
<b>Directors</b>	£'000	£'000
Emoluments	693	537
Company contributions to money purchase pension schemes	0	0
	693	537
<b>Average monthly number employed including executive directors:</b>	<b>Number</b>	<b>Number</b>
Production	474	402
Administration, selling and management	102	104
	576	506

## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

## 5 Taxation

	1998 £'000	1997 £'000
Corporation tax of the group on profit on ordinary activities at 31% (1997 31.5%)	940	1037
Transfer to deferred taxation reserve	21	77
	<u>961</u>	<u>1114</u>

## 6 Tangible fixed assets

## GROUP

Cost	Freehold Property £'000	Plant and Machinery £'000	Motor Vehicles £'000	Furniture and Equipment £'000	Small Tools £'000	Total £'000
1st January 1998	10311	2656	265	785	30	14047
Exchange adjustments	18	3	(10)	(3)	0	8
Additions	78	603	75	548	0	1304
Disposals	0	12	0	8	0	20
31st December 1998	<u>10407</u>	<u>3250</u>	<u>330</u>	<u>1322</u>	<u>30</u>	<u>15339</u>
Depreciation						
1st January 1998	78	1054	64	440	0	1636
Exchange adjustments	4	1	(5)	(2)	0	(2)
Charge for year	25	447	67	172	0	711
Disposals	0	9	0	2	0	11
31st December 1998	<u>107</u>	<u>1493</u>	<u>126</u>	<u>608</u>	<u>0</u>	<u>2334</u>
Net book amount						
31st December 1998	<u>10300</u>	<u>1757</u>	<u>204</u>	<u>714</u>	<u>30</u>	<u>13005</u>
1st January 1998	<u>10233</u>	<u>1602</u>	<u>201</u>	<u>345</u>	<u>30</u>	<u>12411</u>

## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

## 6 Tangible fixed assets

COMPANY	Freehold Property £'000	Plant and Machinery £'000	Motor Vehicles £'000	Furniture and Equipment £'000	Small Tools £'000	Total £'000
Cost						
1st January 1998	9232	2501	211	595	30	12569
Additions	0	580	43	498	0	1121
Disposals	0	0	0	0	0	0
31st December 1998	9232	3081	254	1093	30	13690
Depreciation						
1st January 1998	0	971	37	344	0	1352
Charge for year	0	417	44	151	0	612
Disposals	0	0	0	0	0	0
31st December 1998	0	1388	81	495	0	1964
Net book amount						
31st December 1998	9232	1693	173	598	30	11726
1st January 1998	9232	1530	174	251	30	11217

## 7 Land and buildings

	Group		Company	
	1998 £'000	1997 £'000	1998 £'000	1997 £'000
Freehold	10205	10137	9232	9232
Short leasehold	95	96	0	0
	10300	10233	9232	9232

## 8 Investment in subsidiaries

	1998 £'000	1997 £'000
Cost	333	333
	333	333

Subsidiary	% Holding	Country of incorporation
Numatic International SA	100	France
Numatic International (Pty) Ltd	100	South Africa
Chalon (UK) Ltd	100	England



## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

## 9 Stocks

	Group		Company	
	1998	1997	1998	1997
	£'000	£'000	£'000	£'000
Raw materials	3307	3764	3171	3621
Work in progress	274	218	182	160
Finished goods	2493	2200	1595	1507
	<u>6074</u>	<u>6182</u>	<u>4948</u>	<u>5288</u>

## 10 Debtors

	Group		Company	
	1998	1997	1998	1997
	£'000	£'000	£'000	£'000
Trade debtors	6349	6293	4754	5064
Amounts owed by group undertakings	0	0	5180	3888
Other debtors	131	43	0	0
Prepayments and accrued income	1190	653	1030	517
	<u>7670</u>	<u>6989</u>	<u>10964</u>	<u>9469</u>

## 11 Creditors: amounts falling due within one year

	Group		Company	
	1998	1997	1998	1997
	£'000	£'000	£'000	£'000
Bank loan and overdrafts	411	372	0	0
Obligations under finance leases	7	8	0	0
Trade creditors	5378	5135	4604	4523
Corporation tax	862	1037	862	1037
Other taxation and social security	705	575	307	346
Accruals and deferred income	679	628	586	572
	<u>8042</u>	<u>7755</u>	<u>6359</u>	<u>6478</u>

## 12 Creditors: amounts falling due after more than one year

	Group		Company	
	1998	1997	1998	1997
	£'000	£'000	£'000	£'000
Bank loan	1000	1000	1000	1000
Pension scheme loan	1000	1000	1000	1000
Obligations under finance leases	10	20	0	0
	<u>2010</u>	<u>2020</u>	<u>2000</u>	<u>2000</u>

## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

## 13 Deferred taxation

## Group:

	1998		1997	
	Potential liability £'000	Provision made £'000	Potential liability £'000	Provision made £'000
Corporation tax deferred by:				
Capital allowances in excess of depreciation	626	98	535	77
	<u>626</u>	<u>98</u>	<u>535</u>	<u>77</u>

## Company:

	1998		1997	
	Potential liability £'000	Provision made £'000	Potential liability £'000	Provision made £'000
Corporation tax deferred by:				
Capital allowances in excess of depreciation	626	98	535	77
	<u>626</u>	<u>98</u>	<u>535</u>	<u>77</u>

The potential liability and provision are based on a corporation tax rate of 31% (1997 31%).

The potential liability not provided for relates to claims made for Industrial Buildings allowances. It is anticipated the buildings will be held for long enough that no claw back will be available under tax legislation hence no provision being made.

## 14 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
<b>Authorised</b>				
Ordinary shares of £1 each	<u>5000000</u>	<u>5000000</u>	<u>5000000</u>	<u>5000000</u>
<b>Allotted called up and fully paid</b>				
Ordinary shares of £1 each	<u>5000000</u>	<u>5000000</u>	<u>5000000</u>	<u>5000000</u>
		<u>5000000</u>		<u>5000000</u>

## 15 Profit and loss account

	Group 1998 £'000	Company 1998 £'000
1st January 1998	11639	13391
Retained profit for the year	1651	2702
Exchange difference on foreign subsidiary investment	120	0
31st December 1998	<u>13410</u>	<u>16093</u>

## NUMATIC INTERNATIONAL LIMITED

## NOTES ON FINANCIAL STATEMENTS

31st December 1998

## 16 Notes to the cash flow statement

Reconciliation of operating profit  
to operating cash flows

	1998 £'000	1997 £'000
Operating profit	2734	3543
Depreciation charges	711	540
Exchange differences arising on consolidation	120	(4)
Loss/(profit) on sale of fixed assets	(33)	(12)
Decrease/(Increase) in stocks	108	34
(Increase) in debtors	(681)	(275)
Increase in creditors	413	1107
<b>Net cash inflow/(outflow) from operating activities</b>	<b>3372</b>	<b>4933</b>

## Analysis of changes in net debt

	At start of year £'000	Cash flows £'000	At end of year £'000
Cash in hand, at bank	909	902	1811
Overdrafts	(372)	(39)	(411)
<b>Total</b>	<b>537</b>	<b>863</b>	<b>1400</b>

## 17 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in payments falling due in the following year as follows.

	1998 Land and Buildings £'000	1998 Plant & Other £'000	1997 Land and Buildings £'000	1997 Plant & Other £'000
<b>Group</b>				
Expiring				
Within one year	38	35	-	64
Within two to five years	-	304	38	274
After five years	65	-	72	-
	<u>103</u>	<u>339</u>	<u>110</u>	<u>338</u>
<b>Company</b>				
Expiring				
Within one year	-	33	-	57
Within two to five years	-	219	-	198
After five years	-	-	-	-
	<u>-</u>	<u>252</u>	<u>-</u>	<u>255</u>

**NUMATIC INTERNATIONAL LIMITED****NOTES ON FINANCIAL STATEMENTS****31st December 1998****18 Profit of the parent company**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year after tax amounted to £2,702,000 (1997 £2,686,000).

**19 Related party transactions**

Mr and Mrs Duncan are the trustees and sole beneficiaries of a pension scheme known as the Numatic Executive scheme. The company rents factory premises from the scheme at commercially negotiated rentals which amounted to £111,000 in the year. The scheme also lent the company £1m in September 1995 bearing interest at 1.5% over base. This was for a term of 5 years although the company is entitled to repay this sum earlier provided it gives the scheme 6 months written notice of its intent to do so.

The company is wholly owned by Mr and Mrs Duncan and details of their shareholdings are given in the directors report.