

Thurgar Bolle Limited

Report and Accounts

31 December 1994



Thurgar Bolle Limited

Registered No. 1009431

DIRECTORS

M H Tarran-Jones
M R Broadhead
R E Hinchliffe
N C E Tongue
A W D Cox
M C Hankins
T J Martin
R H Mayes
V Harris
A Maxwell

SECRETARY

I Barron

AUDITORS

Ernst & Young
PO Box 61
Cloth Hall Court
14 King Street
Leeds
LS1 2JN

REGISTERED OFFICE

Waverley
Edgerton Road
Huddersfield
HD3 3AR

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 1994.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company continues to be the manufacture and sale of plastic injection moulded products. Trading conditions in 1994 were extremely competitive and are expected to continue to be so in 1995.

RESULTS AND DIVIDENDS

The results for the year are shown in the profit and loss account on page 6.

The directors do not recommend the payment of a dividend, and thus the retained profit of £177,849 has been taken to reserves.

FIXED ASSETS

Movements in fixed assets are summarised in note 8 to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors during the year were those noted on page 1.

In addition, S C Jones and G V Cruse were directors of the company until resignation on 23 March 1994 and 28 April 1995 respectively. V Harris was appointed a director on 27 April 1994 and A Maxwell on 28 April 1995.

The directors' interests in the share capital of the ultimate parent undertaking, Heywood Williams Group PLC were as follows:

	<i>At 1 January 1994 or subsequent date of appointment</i>	<i>Options granted/ (exercised) during year</i>
	<i>At 31 December 1994 Ordinary shares of 25p</i>	<i>Ordinary shares of 25p</i>
A W D Cox	-	-
G V Cruse	-	-
M C Hankins	-	-
V Harris	-	-
R H Mayes	-	-

The interests of M H Tarran-Jones in the share capital of the ultimate parent undertaking, Heywood Williams Group PLC are disclosed in the accounts of the intermediate parent undertaking Heywood William Plastics Limited.


The interests of R E Hinchliffe, M R Broadhead, T J Martin and N C E Tongue are disclosed in the accounts of the ultimate parent undertaking.

There are no directors' interests in Thurgar Bolle Limited requiring disclosure under the Companies Act 1985.

ELECTIVE RESOLUTIONS

Resolutions excluding the company from the obligation to hold annual general meetings and to re-elect auditors annually have been passed by the company.

By order of the board


I Barron
Secretary
30 May 1995

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by United Kingdom company law to prepare accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year.

In preparing the accounts of the company the directors confirm that they have

- selected and consistently applied appropriate accounting policies
- made reasonable and prudent estimates and judgements where appropriate
- followed applicable accounting standards
- prepared the accounts on a going concern basis.

The directors are responsible for ensuring that the company keeps accounting records which disclose, with reasonable accuracy, the financial position of the company and which enable them to ensure that the accounts comply with the United Kingdom Companies Act 1985. They also have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The above statement, which should be read in conjunction with the statement of the auditors' responsibilities in the Report of the Auditors, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the accounts.

REPORT OF THE AUDITORS
to the members of Thurgar Bolle Limited

We have audited the accounts on pages 6 to 15, which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young
Chartered Accountants
Registered Auditor
Leeds

31 May 1995

Thurgar Bolle Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1994

	Notes	1994 £	1993 £
TURNOVER	2	7,274,268	8,641,730
Cost of Sales		(5,491,091)	(6,719,369)
GROSS PROFIT		<u>1,783,177</u>	<u>1,922,361</u>
Distribution costs		(320,673)	(506,467)
Administrative expenses		(934,091)	(839,154)
Exceptional item - redundancy costs		-	(59,000)
		<u>1,254,764</u>	<u>1,404,621</u>
OPERATING PROFIT	3	528,413	517,740
Interest	6	(208,073)	(310,267)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>320,340</u>	<u>207,473</u>
Taxation	7	(142,491)	6,824
RETAINED PROFIT FOR THE FINANCIAL YEAR	15	<u><u>177,849</u></u>	<u><u>214,297</u></u>

The company has no recognised gains or losses for 1994 or 1993, other than the profit for the year. Accordingly, a statement of recognised gains and losses has not been presented.

Thurgar Bolle Limited

BALANCE SHEET

at 31 December 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible assets	8	3,709,993	3,857,625
CURRENT ASSETS			
Stocks	9	443,794	295,442
Debtors	10	2,670,580	1,552,457
Cash at bank and in hand		80,756	603,649
		<u>3,195,130</u>	<u>2,451,548</u>
CREDITORS: amounts falling due within one year			
Borrowings - external	11	-	11,104
Other creditors	12	4,576,183	4,151,984
		<u>4,576,183</u>	<u>4,163,088</u>
NET CURRENT LIABILITIES		<u>(1,381,053)</u>	<u>(1,711,540)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,328,940</u>	<u>2,146,085</u>
PROVISIONS FOR LIABILITIES AND CHARGES	13	10,869	5,863
		<u>2,318,071</u>	<u>2,140,222</u>
CAPITAL AND RESERVES			
Called up share capital	14	4,000,000	4,000,000
Share premium account	15	174,431	174,431
Revaluation reserve	15	8,835	43,450
Profit and loss account	15	(1,865,195)	(2,077,659)
		<u>2,318,071</u>	<u>2,140,222</u>



T J Martin - Director

30 May 1995

NOTES TO THE ACCOUNTS

at 31 December 1994

1. ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared under the historical cost convention, modified to include certain fixed assets at valuation, and are prepared in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life. Freehold buildings with over 40 years to run at date of acquisition are depreciated over 40 years from date of acquisition or subsequent revaluation. Freehold land is not depreciated. Plant and equipment is depreciated over periods between 3 and 16 years and vehicles over periods between 3 and 5 years.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historic cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss account.

Stocks

Stocks are stated at the lower of cost, which is incurred in bringing each product to its present location and condition, and net realisable value. Raw materials and goods for resale are included at purchase cost on a first in, first out basis and valuations of work in progress and finished goods include cost of direct materials, labour and appropriate overheads.

Deferred taxation

Provision is made for deferred taxation, using the liability method, in respect of timing differences except where the liability is not expected to arise in the foreseeable future. Advance corporation tax which is expected to be recoverable in the future is deducted from the deferred taxation balance.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease so as to produce a constant periodic rate of change. Rentals paid under operating leases are charged against profits on a straight line basis over the terms of the lease.

Pensions

The employees of the company are eligible for membership of defined benefit and defined contribution pension schemes operated for the UK employees of Heywood Williams Group PLC.

The defined benefit pension schemes are funded and contributions are made in accordance with the recommendations of independent actuaries based on pension cost across the group. An independent valuation of the scheme was performed as at 6 April 1991. Details of the valuation are included in the accounts of Heywood Williams Group PLC.

Contributions to the defined contribution scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Thurgar Bolle Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

Turnover is attributable to one continuing activity, the manufacture and sale of plastic injection moulded products.

An analysis of turnover by geographical market is given below:

	1994 £	1993 £
United Kingdom	6,823,298	8,351,384
Continental Europe	310,772	54,215
Other countries	140,198	236,131
	<u>7,274,268</u>	<u>8,641,730</u>

3. OPERATING PROFIT

This is stated after charging/(crediting):

	1994 £	1993 £
Auditors' remuneration	10,500	10,500
Fees paid to the auditors for non-audit services	2,022	2,558
Depreciation of owned assets	514,565	405,095
Depreciation of assets held under finance leases	-	23,133
Profit on disposal of fixed assets	(61,307)	(27,297)
Hire of plant and equipment	71,093	108,067
Property rentals	18,010	18,000
	<u></u>	<u></u>

4. DIRECTORS' REMUNERATION

	1994 £	1993 £
Fees	-	-
Other emoluments (including pension contributions)	244,540	161,294
	<u>244,540</u>	<u>161,294</u>

Thurgar Bolle Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

4. DIRECTORS' REMUNERATION (continued)

Directors' emoluments, excluding pension contributions, fell within the following ranges:

	1994 No.	1993 No.
£Nil - £ 5,000	6	6
£ 5,001 - £10,000	-	1
£25,001 - £30,000	1	-
£40,001 - £45,000	1	1
£45,001 - £50,000	2	2
£50,001 - £55,000	1	-

The chairman received no emoluments (1993 - £4,400).

The emoluments of the highest paid director, excluding pension contributions, were £53,681 (1993 - £48,426).

5. STAFF COSTS

	1994 £	1993 £
Wages and salaries	1,557,246	1,957,465
Social security costs	140,153	181,024
Other pension costs	72,694	49,761
	<u>1,770,093</u>	<u>2,188,250</u>

The average weekly number of employees during the year was 105 (1993 - 133).

6. INTEREST PAYABLE

	1994 £	1993 £
Interest payable - borrowings repayable within five years		
Parent undertaking	208,073	310,267
Finance charges payable under finance leases	-	6,724
	<u>208,073</u>	<u>316,991</u>
Interest receivable		
Immediate parent undertaking	-	(6,724)
	<u>208,073</u>	<u>310,267</u>

Thurgar Bolle Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

7. TAXATION

	1994 £	1993 £
The taxation (charge)/credit is made up as follows:		
Based on the profit for the year:		
Corporation tax at 33% (1993 - 33%)	(137,485)	(49,431)
Deferred taxation	(5,006)	79,638
	(142,491)	30,207
Corporation tax under-provided in prior year	-	14,529
Deferred taxation over-provided in prior year	-	(37,912)
	(142,491)	6,824

The taxation charge has been increased by £27,000 due to the reversal of timing difference for which no deferred taxation was provided.

8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant, fixtures and vehicles £	Moulds £	Total £
Cost or valuations				
At 1 January 1994	1,938,750	5,219,918	1,842,750	9,001,418
Additions	-	38,505	274,394	312,899
Intra-group transfers in	-	178,944	56,906	235,850
Disposals	-	(844,637)	(320,082)	(1,164,719)
At 31 December 1994	1,938,750	4,592,730	1,853,968	8,385,448
Cost	1,938,750	3,862,230	1,853,968	7,654,948
Valuation 1991	-	730,500	-	730,500
Depreciation				
At 1 January 1994	77,074	3,492,550	1,574,169	5,143,793
Provision for the year	32,062	351,110	131,393	514,565
Intra-group transfers in	-	132,033	23,482	155,515
Disposals	-	(818,336)	(320,082)	(1,138,418)
At 31 December 1994	109,136	3,157,357	1,408,962	4,675,455
Net book amounts				
At 31 December 1994	1,829,614	1,435,373	445,006	3,709,993
At 1 January 1994	1,861,676	1,727,368	268,581	3,857,625

Thurgar Bolle Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

8. TANGIBLE FIXED ASSETS (continued)

The net book value of plant and vehicles above includes an amount of £Nil (1993 - £133,286) in respect of assets held under finance leases and hire purchase contracts.

The original cost of plant, fixtures and vehicles included at valuation is as follows:

	£
At 1 January 1994	2,061,860
At 31 December 1994	1,987,493
Cumulative depreciation based on cost	
At 1 January 1994	1,722,486
At 31 December 1994	1,833,781

9. STOCKS

	1994 £	1993 £
Raw materials	263,538	131,138
Work in progress	31,126	42,746
Finished goods	149,130	121,558
	<u>443,794</u>	<u>295,442</u>

10. DEBTORS

	1994 £	1993 £
Trade debtors	1,456,651	1,466,314
Other debtors	39,064	31,475
Amounts due from intermediate parent undertaking	1,087,249	253
Amounts due from fellow subsidiary undertakings	38,996	20,593
Prepayments and accrued income	48,620	33,822
	<u>2,670,580</u>	<u>1,552,457</u>

11. BORROWINGS - EXTERNAL

	1994 £	1993 £
Finance leases		
Due within one year	-	11,104
	<u>-</u>	<u>11,104</u>

Thurgar Bolle Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

12. OTHER CREDITORS

	1994 £	1993 £
Trade creditors	943,908	923,830
Corporation tax	-	49,431
Other taxes and social security costs	150,038	175,858
Other creditors	24,947	19,744
Amounts due to fellow subsidiary undertakings	-	912
Amounts due to the ultimate parent undertaking	426,598	123,682
Amounts due to intermediate parent undertaking	2,900,184	2,765,184
Accruals	130,508	93,343
	<u>4,576,183</u>	<u>4,151,984</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
1 January 1994	5,863
Provided in the year	5,006
31 December 1994	<u>10,869</u>

Deferred taxation provided in the accounts and the full potential liability is as follows:

	1994 £	Provided 1993 £	Full potential liability 1994 £	1993 £
Capital allowances in advance of depreciation	10,869	6,804	320,584	343,554
Other timing differences	-	(941)	-	(941)
	<u>10,869</u>	<u>5,863</u>	<u>320,584</u>	<u>342,613</u>

14. CALLED UP SHARE CAPITAL

	1994 No.	Authorised 1993 No.	1994 £	Issued and fully paid 1993 £
Ordinary shares of £1 each	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000,000</u>

Thurgar Bolle Limited

NOTES TO THE ACCOUNTS

at 31 December 1994

15. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 1993	4,000,000	174,431	122,566	(2,371,072)	1,925,925
Profit for the financial year	-	-	-	214,297	214,297
Transfer	-	-	(79,116)	79,116	-
At 1 January 1994	4,000,000	174,431	43,450	(2,077,659)	2,140,222
Profit for the financial year	-	-	-	177,849	177,849
Transfer	-	-	(34,615)	34,615	-
At 31 December 1994	4,000,000	174,431	8,835	(1,865,195)	2,318,071

16. CAPITAL COMMITMENTS

	1994 £	1993 £
Contracted for	75,000	210,000
Authorised by the directors but not contracted for	-	-

17. OTHER FINANCIAL COMMITMENTS

At 31 December 1994, the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	1994 £	1993 £	1994 £	1993 £
Operating leases which expire				
Within one year	-	-	858	39,936
Within two to five years	-	-	44,090	14,840
In over five years	18,010	18,010	-	-
	18,010	18,010	44,948	54,776

18. CONTINGENT LIABILITY

The company, together with its ultimate parent undertaking and certain fellow subsidiary undertakings, has given guarantees and right of set off in respect of bank overdrafts and loans by certain undertakings within the Heywood Williams group. At 31 December 1994, the amounts outstanding under these guarantees totalled £9,309,520 (1993 - £56,712,000).

NOTES TO THE ACCOUNTS

at 31 December 1994

19. ULTIMATE PARENT UNDERTAKING

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Heywood Williams Group PLC, which is registered in England and Wales. Copies of Heywood Williams Group PLC accounts can be obtained from:

Heywood Williams Group PLC
Waverley
Edgerton Road
Huddersfield
HD3 3AR

Heywood Williams Group PLC is also the ultimate parent undertaking.