

Company Number: 1479040

**EMLYN CANVAS AND CORDAGE
COMPANY LIMITED**

FINANCIAL STATEMENTS

31 December 1996



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EMLYN CANVAS AND CORDAGE COMPANY LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 1996.

1 PRINCIPAL ACTIVITY

The principal activity of the company is the production of trade canvas goods.

2 DIRECTORS AND INTERESTS IN SHARES

The directors at 31 December 1996, together with their interests, as defined by the Companies Act 1985, in shares of the company at that date and at the beginning of the year were as follows:

	£1 ordinary 1996	£1 ordinary 1995
J A Attwooll	100	100
N P Attwooll	100	100
P H Attwooll	-	-
Mrs S G Attwooll	-	-

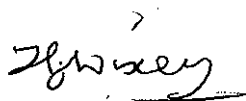
There were no changes during the year.

3 AUDITORS

Hazlewoods have expressed their willingness to continue in office.

In preparing this report advantage has been taken of the exemptions provided by Part II of Schedule 8 to the Companies Act 1985.

By order of the Board



T G WIXEY

Secretary

19 September 1997

EMLYN CANVAS AND CORDAGE COMPANY 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 company and of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT

To the shareholders of

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

We have audited the financial statements on pages 4 to 12.

Respective responsibilities of directors and auditors

As described on page 2 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 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 financial statements are free from material mis-statement, 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 the company's affairs as at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


HAZLEWOODS

Gloucester

Registered Auditors

19 September 1997

EMLYN CANVAS AND CORDAGE COMPANY LIMITED**PROFIT AND LOSS ACCOUNT**
for the year ended 31 December 1996

	Note	1996	1995
TURNOVER		646,623	585,392
Cost of sales		394,046	388,763
		<hr/>	<hr/>
GROSS PROFIT		252,577	196,629
Net operating expenses	2	(157,243)	(157,799)
		<hr/>	<hr/>
OPERATING PROFIT	3	95,334	38,830
Interest	4	40,273	37,696
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		135,607	76,526
Tax on profit on ordinary activities	5	(41,333)	(18,824)
		<hr/>	<hr/>
RETAINED PROFIT FOR YEAR		£ 94,274	£ 57,702
		<hr/> <hr/>	<hr/> <hr/>

All activities of the company are continuing activities, there were no acquisitions in the year.

There were no recognised gains or losses other than the profit for the year as shown above.

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

BALANCE SHEET 31 December 1996

	Note	1996	1995
FIXED ASSETS			
Tangible assets	6	110,070	98,985
CURRENT ASSETS			
Stocks		53,024	50,458
Debtors	7	821,174	628,513
Cash at bank and in hand		47,802	56,741
		922,000	735,712
CREDITORS			
due within one year	8	(209,006)	(107,518)
NET CURRENT ASSETS		712,994	628,194
TOTAL ASSETS LESS			
CURRENT LIABILITIES		823,064	727,179
CREDITORS			
due after more than one year	9	(1,186)	-
PROVISIONS FOR LIABILITIES			
AND CHARGES	11	(4,024)	(3,599)
		£ 817,854	£ 723,580
CAPITAL AND RESERVES			
Called up share capital	12	200	200
Other reserves	13	6,494	6,494
Profit and loss account	13	811,160	716,886
SHAREHOLDERS' FUNDS	14	£ 817,854	£ 723,580

The balance sheet is continued on page 6.

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

BALANCE SHEET (Continued)

31 December 1996

Advantage has been taken, in the preparation of the accounts, of the exemptions conferred by Part I of Schedule 8 to the Act.

In the opinion of the directors the company is entitled to the exemptions conferred by Schedule 8 to that Act on the basis that it qualifies as a small company under Section 247 of the Act.

Approved by the board on 19 September 1997.

P H ATTWOOLL - Director

A handwritten signature in black ink, appearing to be 'P H ATTWOOLL', written in a cursive style.

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1996

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, adopting the following principal accounting policies.

Turnover

Turnover represents the amounts, excluding value added tax, receivable during the year for goods and services supplied.

Depreciation

Depreciation is calculated to write off the cost or valuation less estimated residual value of tangible assets over their estimated useful lives at the following rates:

Leasehold property	2% of cost per annum
Plant and machinery	15% of written down value
Motor vehicles	25% of written down value

Stocks

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

Deferred Taxation

Provision is made for deferred taxation using the liability method (calculated at the rate at which it is estimated that tax will be payable) in respect of timing differences between profits as computed for tax purposes and profits as stated in the financial statements, to the extent that those differences will give rise to tax liabilities in the foreseeable future.

Operating Leases

The cost of an income from operating leases is charged and credited to the profit and loss account on a straight line basis.

Cash Flow Statement

The company has not presented a cash flow statement on the grounds that the company qualifies as a small company within the meaning of Financial Reporting Standard Number 1 and hence is exempt from the requirements thereof. The directors are of the opinion that the costs of preparing such a statement would outweigh the benefits to the company.

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1996

2	NET OPERATING EXPENSES	1996	1995
	Administrative expenses	158,005	158,261
	Other operating income	(762)	(462)
		<u> </u>	<u> </u>
		£ 157,243	£ 157,799
		<u> </u>	<u> </u>
3	OPERATING PROFIT		
	Operating profit is stated after charging (crediting):	£	£
	Depreciation of fixed assets	12,044	6,692
	Auditors' remuneration	2,000	2,000
	Government grants	-	(3,494)
		<u> </u>	<u> </u>
4	INTEREST		
	Interest receivable	£ 40,273	£ 37,696
		<u> </u>	<u> </u>
5	TAX ON PROFIT ON ORDINARY ACTIVITIES		
	The charge for taxation comprises:		
	Corporation tax at 29% (1996: 25%)	38,830	19,663
	Deferred taxation	425	(2,764)
	Under provided in previous year	2,078	1,925
		<u> </u>	<u> </u>
		£ 41,333	£ 18,824
		<u> </u>	<u> </u>

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1996

6 TANGIBLE FIXED ASSETS

	Leasehold property	Plant & machinery	Motor vehicles	Total
Cost				
At 1 January 1996	75,027	75,381	38,085	188,493
Additions	-	1,300	23,476	24,776
Disposals	-	-	(9,250)	(9,250)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1996	75,027	76,681	52,311	204,019
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 1996	8,930	48,152	32,426	89,508
Charge for year	893	4,279	6,872	12,044
Disposals	-	-	(7,603)	(7,603)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1996	9,823	52,431	31,695	93,949
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 1996	£ 65,204	£ 24,250	£ 20,616	£ 110,070
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1995	£ 66,097	£ 27,229	£ 5,659	£ 98,985
	<hr/>	<hr/>	<hr/>	<hr/>

7 DEBTORS	1996	1995
Trade debtors	115,349	91,673
Amounts due from connected company	702,231	532,468
Prepayments and accrued income	3,594	4,372
	<hr/>	<hr/>
	£ 821,174	£ 628,513
	<hr/>	<hr/>

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1996

8 CREDITORS - due within one year	1996	1995
Other borrowings:		
Hire purchase and finance lease obligations	4,743	-
Other creditors:		
Trade creditors	7,867	11,410
Amounts due to connected company	140,316	59,325
Accruals and deferred income	6,838	3,024
Taxation and social security	10,412	12,303
Corporation tax	38,830	19,663
Other creditors	-	1,793
Total creditors due within one year	£ 209,006	£ 107,518

9 CREDITORS - due after more than one year

Borrowings:		
Hire purchase and finance lease obligations	£ 1,186	£ -

10 DETAILS OF BORROWINGS

Amounts borrowed fall due for repayment as follows:

Within one year		
- hire purchase and finance lease obligations	4,743	-
Between one and two years		
- hire purchase and finance lease obligations	1,186	-
	£ 5,929	£ -

Hire purchase and finance lease obligations include £5,929 financed by a connected company.

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1996

11 PROVISIONS FOR LIABILITIES AND CHARGES

	1996	1995
Deferred taxation:		
Balance at beginning of year	3,599	6,363
Transfer from (to) profit and loss account	425	(2,764)
	<hr/>	<hr/>
Balance at end of year	£ 4,024	£ 3,599
	<hr/>	<hr/>
The deferred taxation provision comprises:		
Capital allowances in excess of corresponding charge for depreciation	£ 4,024	£ 3,599
	<hr/>	<hr/>

12 SHARE CAPITAL

Authorised:		
10,000 ordinary shares of £1 each	£ 10,000	£ 10,000
	<hr/>	<hr/>
Allotted and fully paid:		
200 ordinary shares of £1 each	£ 200	£ 200
	<hr/>	<hr/>

13 RESERVES	Profit & loss account	Capital reserve	Total
At beginning of year	716,886	6,494	723,380
Transfer from profit and loss account in year	94,274	-	94,274
	<hr/>	<hr/>	<hr/>
At end of year	£ 811,160	£ 6,494	£ 817,654
	<hr/>	<hr/>	<hr/>

14 SHAREHOLDERS FUNDS

Reconciliation of movements

	1996	1995
Profit for the financial year	94,274	57,702
	<hr/>	<hr/>
NET ADDITION TO SHAREHOLDERS' FUNDS	94,274	57,702
Opening shareholders funds	723,580	665,878
	<hr/>	<hr/>
CLOSING SHAREHOLDERS' FUNDS	£ 817,854	£ 723,580
	<hr/>	<hr/>

EMLYN CANVAS AND CORDAGE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 1996

15 CONTINGENT LIABILITIES

There is an unlimited unutilised cross company guarantee between Attwoolls (Whitminster) Limited, John Attwooll & Company (Tents) Limited and the company.

16 OTHER FINANCIAL COMMITMENTS

Commitments expiring:

After more than five years

£ 220

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