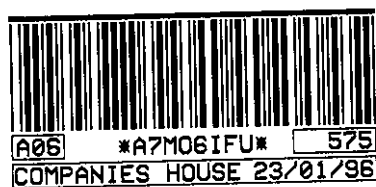


Company Number: 1481054

HOLLAENDER RAINER LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995



DIRECTORS AND OFFICERS

DIRECTORS

R. Clover  
A.M. Clover

SECRETARY

R.E.M. Powell

AUDITORS

Daw White Murrall  
2 Mitre Court  
Lichfield Road  
Sutton Coldfield B74 2LZ

REGISTERED OFFICE

Leamore Close  
Leamore Industrial Estate  
Walsall WS2 7PL

BANKERS

Yorkshire Bank Plc  
8 Peckingham Street  
Halesowen  
West Midlands B63 3BP

COMPANY NUMBER

1481054

## REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the year ended 31st March 1995.

## HOLDING COMPANY

The company is a wholly owned subsidiary of Fox Hollies Properties Limited, a company incorporated in England.

## RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 4.

The directors do not recommend the payment of a dividend.

## REVIEW OF THE BUSINESS

The principal activity of the company during the year was the manufacture and installation of specialist handrail equipment.

The results for the year and the year end financial position were not satisfactory due to difficult market conditions. It is anticipated that performance will improve during the year ending 31st March 1996.

## FIXED ASSETS

Changes in the fixed assets are shown in note 9 to the financial statements.

## DIRECTORS AND THEIR SHARE INTERESTS

A list of directors is given on page 1. There were no changes during the year.

R. Clover retires in accordance with the companys articles of association and, being eligible, offers himself for re-election.

The beneficial interest of directors and their families in the shares of the holding company are shown in the financial statements of that company.

REPORT OF THE DIRECTORS (CONTINUED)

AUDITORS

In accordance with section 385 of the Companies Act 1985 a resolution for the reappointment of Messrs Daw White Murrall as auditors of the company will be proposed at the forthcoming annual general meeting.

BY ORDER OF THE BOARD



R.E.M. Powell

SECRETARY

Leamore Close  
Leamore Industrial Estate  
Walsall WS2 7PL

18th September 1995

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1995

	Notes	1995	1994
Turnover	3	<u>£990,147</u>	<u>£823,456</u>
Loss/profit on ordinary activities before taxation	4	(89,774)	26,976
Tax on ordinary activities	5	<u>-</u>	<u>(266)</u>
Loss/profit on ordinary activities after taxation	6	(89,774)	27,242
Retained profit brought forward		<u>38,554</u>	<u>11,312</u>
Retained loss/profit carried forward		<u>£(51,220)</u>	<u>£38,554</u>

There are no recognised gains and losses other than the loss/profit for the year.

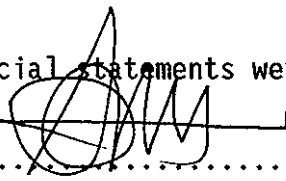
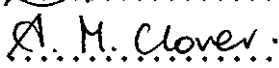
Turnover and operating loss/profit derive wholly from continuing operations.

## BALANCE SHEET

AS AT 31ST MARCH 1995

	Notes	1995	1994
<b>FIXED ASSETS</b>			
Tangible assets	9	47,126	67,789
<b>CURRENT ASSETS</b>			
Stocks	10	79,717	109,069
Debtors	11	133,213	313,163
Cash at bank and in hand		59	298
		212,989	422,530
<b>CREDITORS - Amounts falling due within one year</b>	12	300,511	439,130
<b>NET CURRENT LIABILITIES</b>		(87,522)	(16,600)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(40,396)	51,189
<b>CREDITORS - amounts falling due after more than one year</b>	13	10,724	12,535
<b>NET LIABILITIES/ASSETS</b>		<u>£(51,120)</u>	<u>£38,654</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	100	100
Profit and loss account		(51,220)	38,554
<b>TOTAL CAPITAL AND RESERVES</b>		<u>£(51,120)</u>	<u>£38,654</u>

The financial statements were approved by the directors on 18th September 1995

  
..... } R. Clover  
  
..... } A.M. Clover

DIRECTORS

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1995

## 1 ACCOUNTING POLICIES

- Basis of preparing the financial statements

The company meets part of its day to day working capital requirements through an overdraft facility which, in common with all such facilities, is repayable on demand. The company has an overdraft facility of £100,000 which is due for review and renewal in February 1996.

The company is also dependent on the continued financial support of the holding company and creditors generally to meet the balance of its working capital requirements on a day to day basis.

- The directors consider it reasonable to rely on the continuance of financial support for at least 12 months from the date of approval of the financial statements.

The directors have prepared projected trading and cashflow information for the period ending 30th September 1996. On the basis of this information the directors consider that the company will continue to operate within available financial facilities. However, the margin of facilities over requirements is not large and, inherently, there can be no certainty in relation to these matters. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from the company not meeting its budgeted trading results for the year ending 30th September 1996 or a withdrawal of any of these financial facilities.

- Accounting convention

The financial statements have been prepared under the historical cost convention.

The directors have relied upon the exemption conferred by Financial Reporting Standard 1 to not prepare a cashflow statement.

- Depreciation

Depreciation of fixed assets is provided at rates calculated to write off the cost of the assets over the term of their useful lives. The rates in use for the various classes of assets are as follows :

Fixtures and fittings	20% on a straight line basis
Plant and machinery	written off over 6 years on a straight line basis
Motor vehicles	25% on a straight line basis

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 1 ACCOUNTING POLICIES (CONTINUED)

- Stocks

Stocks, including work in progress, are stated at the lower of cost and net realisable value, after allowing for obsolete and slow moving items.

- Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

- Hire purchase

Additions to fixed assets purchased under hire purchase and lease purchase contracts are capitalised at cost. Interest payable during the accounting period is charged in the trading account.

## 2 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 and profit or loss of the company. In preparing these financial statements the directors were required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- follow applicable accounting standards
- 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also required to safeguard the assets of the company and hence to take reasonable steps for the prevention and detection of fraud and other irregularities.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 3 TURNOVER

Turnover represents the amounts derived from the provision of goods and services within the company's ordinary activities after deducting value added tax.

Turnover arose in the following geographical locations:

	1995	1994
United Kingdom	740,238	299,983
Middle East	239,429	446,433
United States of America	10,480	-
Channel Islands	-	71,889
Africa	-	5,151
	<u>£990,147</u>	<u>£823,456</u>

## 4 LOSS/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1995	1994
Turnover	990,147	823,456
Cost of sales	<u>738,271</u>	<u>516,396</u>
Gross profit	251,876	307,060
Administrative expenses	<u>(332,375)</u>	<u>(270,774)</u>
Operating loss/profit	(80,499)	36,286
Interest receivable and similar income	-	15
Loss/profit before interest and tax	<u>(80,499)</u>	<u>36,301</u>
Interest payable and similar charges	<u>(9,275)</u>	<u>(9,325)</u>
	<u>£(89,774)</u>	<u>£26,976</u>

## 5 TAXATION

	1995	1994
Tax on ordinary activities based on the results for the year:		
Adjustment in respect of previous periods	<u>-</u>	<u>£(266)</u>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 6 LOSS ON ORDINARY ACTIVITIES AFTER TAXATION

	1995	1994
This is stated after the following amounts:		
Depreciation and amortisation	28,806	28,371
Profit on disposals of fixed assets	(409)	-
Auditors remuneration	4,575	5,200
Staff costs:		
Wages and salaries	252,151	233,233
Social Security costs	20,648	23,101
	<u>282,170</u>	<u>286,905</u>

## 7 EMPLOYEE INFORMATION

The average weekly number of employees, including directors, employed by the company during the year was 19 (1994 19), made up as follows:

	1995	1994
Productive	13	13
Administrative	4	4
Directors	2	2
	<u>19</u>	<u>19</u>

## 8 TRANSACTIONS WITH RELATED PARTIES

During the year the company traded under normal commercial terms with companies in which R. Clover had a financial interest as follows:

Purchases from:

Mark Rainer Limited	£33,909
SRD Castings Limited	£12,711
	<u>£46,620</u>

Amounts due to these companies at 31st March 1995 were as follows:

Mark Rainer Limited	£9,289
SRD Castings Limited	£8,129
	<u>£17,418</u>

Other than the above there were no transactions with related parties.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 9 TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
Cost				
At 1st April 1994	45,664	32,128	132,725	210,517
Additions	1,909	1,048	11,751	14,708
Disposals	-	-	(18,112)	(18,112)
At 31st March 1995	<u>47,573</u>	<u>33,176</u>	<u>126,364</u>	<u>207,113</u>
Depreciation				
At 1st April 1994	40,267	16,554	85,907	142,728
Charge for year	1,877	4,098	22,831	28,806
On disposals	-	-	(11,547)	(11,547)
At 31st March 1995	<u>42,144</u>	<u>20,652</u>	<u>97,191</u>	<u>159,987</u>
Net book value				
At 31st March 1995	<u>£5,429</u>	<u>£12,524</u>	<u>£29,173</u>	<u>£47,126</u>
At 31st March 1994	<u>£5,397</u>	<u>£15,574</u>	<u>£46,818</u>	<u>£67,789</u>
The net book value at 31st March 1995 of assets held under hire purchase and finance lease contracts was:	<u>Nil</u>	<u>Nil</u>	<u>£22,009</u>	<u>£22,009</u>
The depreciation charged during the year on assets held under hire purchase and finance lease contracts was:	<u>Nil</u>	<u>Nil</u>	<u>£10,843</u>	<u>£10,843</u>

## 10 STOCKS

	1995	1994
Raw materials	45,542	21,459
Work in progress	34,175	87,610
	<u>£79,717</u>	<u>£109,069</u>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 11 DEBTORS

	1995	1994
Trade debtors	131,163	244,817
Amounts owed by group companies	-	43,569
Other debtors	240	20,624
Prepayments and accrued income	1,810	4,153
	<u>£133,213</u>	<u>£313,163</u>

## 12 CREDITORS:- Amounts falling due within one year

	1995	1994
Bank loans and overdrafts	98,239	95,141
Trade creditors	118,395	266,513
Amounts owed to group companies	48,146	34,564
Other creditors including taxation and Social Security	24,568	21,767
Obligations due under hire purchase and finance leases	7,460	15,707
Accruals and deferred income	3,703	5,438
	<u>£300,511</u>	<u>£439,130</u>

## 13 CREDITORS:- Amounts falling due after more than one year

	1995	1994
Obligations due under hire purchase and finance leases	<u>£10,724</u>	<u>£12,535</u>

## 14 PROVISION FOR LIABILITIES AND CHARGES

There is no liability to deferred tax, potential or otherwise.

## 15 CALLED UP SHARE CAPITAL

	Authorised	Allotted issued and fully paid
Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

## 16 CAPITAL COMMITMENTS

There were no capital commitments at 31st March 1995 (1994 £Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 CONTINGENT LIABILITIES

The company is a member of the Fox Hollies Properties Limited VAT group registration. At 31st March 1995 the joint and several liability was £10,126 (1994 £Nil).

18 SECURED CREDITORS

The debts due to Yorkshire Bank Plc have been secured by the creation of fixed and floating charges over the companys assets and personal guarantees from the directors.



DAW WHITE MURRALL  
CHARTERED ACCOUNTANTS

1-2 GEORGE STREET  
WOLVERHAMPTON  
WV2 4DG

2 MITRE COURT  
LICHFIELD ROAD  
SUTTON COLDFIELD  
B74 2LZ

**AUDITORS REPORT TO THE SHAREHOLDERS OF  
HOLLAENDER RAINER LIMITED**

PAGE 13

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 7 the companys directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial 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 an 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 by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the companys 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.

**GOING CONCERN**

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the uncertainty as to the continuation of existing financial facilities. In view of the significance of this uncertainty we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

**OPINION**

In our opinion the financial statements show a true and fair view of state of affairs of the company as at 31st March 1995 and of the results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITORS

18th September 1995