



WADSWORTH & COMPANY LTD.

ANNUAL REPORT

and

ACCOUNTS

for the year ended

30th September, 1980



WADWORTH AND COMPANY LIMITED

NINETY-FIRST ANNUAL REPORT

Directors:

JOHN C. BARTHOLOMEW, *Chairman and Joint Managing Director*
 CHARLES J. E. BARTHOLOMEW, *Joint Managing Director*
 W. G. BERTWISTLE
 P. L. WILSON
 E. J. HAWKINS
 N. H. McNAUGHT

REPORT

The Directors present their Report and Statement of Accounts for the year ended 30th September, 1980.

1979			1980
604886		The profit for the year, after providing for all interest payable and taxation amounted to	625743
		Out of which has been paid:	
97555	66036	Dividends on the Preference Shares	66036
	31519	Interim Dividend on the Ordinary Shares	36772
507331			102808
		Leaving a balance of	522935
		The Directors recommend:—	
	447500	A transfer to the Reserve fund of	450000
		Payment of a Final Dividend of 6.5p per share on the Ordinary Shares, making a total of 10.0p per share for the year	
505547	58047		68290
			518290
1784		Leaving a balance of	4645
57359		Add amount brought forward from the previous year	59143
59143		Balance to be carried forward	63788

Principal Activities:

Brewing of Beers, and the distribution of Beers, Wines, Spirits and Mineral Waters.

Employees:

The average weekly number of employees was 199, and the total cost of wages and salaries during the year was £1109162.

Exports:

There were no exports during the year.

Donations:

Charitable donations amounted to £350. Political donations did not exceed £200.

Board of Directors:

The Directors are listed above. Mr. W. G. Bertwistle and Mr. E. J. Hawkins retire by rotation and offer themselves for re-election.

Directors' Interests:

The Directors' holdings and their emoluments are shown in note number 13.

Northgate Brewery,
Devizes.
17th November, 1980.

By order of the Board,
R. E. FRY,
Secretary.

WADWORTH AND COMPANY LTD.

Balance Sheet as at 30th September, 1980

1979					Notes	£	£
£	£						
		SHAREHOLDERS' FUNDS:					
1710997		Share Capital	...	...	(2)		1710997
1914143		Retained Profits	...	...	(3)		2368788
							<u>4079785</u>
<u>3625140</u>							
		EMPLOYMENT OF SHAREHOLDERS' FUNDS:					
		Fixed Assets					
2351038		Freehold Property	...	...	(4)		2389352
60034		Leasehold Property	...	...	(5)		68639
1075651		Plant and Machinery	...	...	(6)		1104373
							<u>3562364</u>
<u>3486723</u>		Goodwill as at 1st October, 1947	...	...			<u>1</u>
1							
		CURRENT ASSETS:					
1183472		Stock-in-trade	...	...	(1c)	1438916	
822694		Debtors and Prepayments	...	...	(7)	1095011	
371440		Loans and Unquoted Investments	...	...		683850	
813510		Cash at Bank and in Hand	...	...		605019	
						<u>3822796</u>	
<u>3191116</u>							
		CURRENT LIABILITIES					
2027273		Creditors	...	...		2011160	
53228		Loans and Deposits	...	...		52608	
303044		Taxation	...	...	(8)	562210	
58047		Proposed Dividends	...	...		68290	
						<u>2694268</u>	
<u>2441592</u>							
		NET CURRENT ASSETS					
749524							1128528
<u>4236248</u>							<u>4690893</u>
		DEFERRED LIABILITIES:					
611108		Debenture and Mortgage Stock	...	...	(9)		611108
<u>3625140</u>							<u>4079785</u>

J. C. BARTHOLOMEW

W. G. BERTWISTLE

Directors

J. C. Bartholomew
W. G. Bertwistle

The attached notes form part of these Accounts

NOTES TO THE ACCOUNTS

1. Accounting Policies

- (a) There has been no change in the accounting policies of the Company, and the accounts continue to be prepared under the historical cost convention.
- (b) No depreciation has been taken on the Company's Freehold Properties as the Directors consider that the present market value exceeds the book value.
- (c) Stock-in-trade continues to be valued on the basis of the lower of cost or net realisable value.

2. Share Capital

	Authorised	Issued
Ordinary Shares of £1 each ...	1065000	1050623
10% Cumulative Preference Shares of £1 each ...	660374	660374
Unclassified Shares of £1 each ...	524626	—
	<u>2250000</u>	<u>1710997</u>

3. Retained Profits

a) Revenue Reserve	1855000
Balance brought forward from previous years ...	450000
Add transfer from Profit and Loss Account ...	2305000
	<u>63788</u>
b) Profit and Loss Account as page 9 ...	<u>2368788</u>

4. Freehold Property

Book Value, being cost less sales, as at 1st October 1967 ...	621022
Additions and improvements at cost ...	1068330
11 Properties as per Valuation dated November, 1969 ...	165000
29 Properties as per Valuation dated February, 1970 ...	535000
	<u>2389352</u>

5. Leasehold Property

	Total	2 Long	3 Short
Cost ...	89012	64552	24460
Less Depreciation ...	20373	9289	11084
	<u>68639</u>	<u>55263</u>	<u>13376</u>

6. Plant and Machinery

At cost less depreciation							
Balance as at 1st October, 1979	...	...	...	...	...	...	1075651
Additions during year	...	...	...	...	...	...	241691
							<hr/>
							1317342
Less Sales	...	...	...	...	...	8445	
Depreciation	...	...	...	...	...	204524	212969
							<hr/>
							1104373
							<hr/>

Depreciation is on a basis consistent with previous years. Rates are applied on bases varying between 15% and 25% on the reducing balance.

7. Debtors and Prepayments

These are stated net, after making provision for doubtful debts and contingencies of £115417 (1979 £65526).

8. Taxation

Corporation Tax payable 1/1/1981	...	...	...	...	...	141148
Corporation Tax payable 1/1/1982	...	...	...	...	...	421062
						<hr/>
						562210
						<hr/>

9. Debenture and Mortgage Stock

4½% Debenture Stock	...	...	...	...	...	23000
4 % Mortgage Stock	...	...	...	...	...	38108
6½% Debenture Stock 1985/88	...	...	...	...	...	200000
10½% 1st Mortgage Debenture Stock 1995/2000	...	...	...	...	...	350000
						<hr/>
						611108
						<hr/>

10. Deferred Taxation

No provision has been made for tax deferred by first year allowances, other timing differences or stock relief. The Directors believe that no liability is likely to arise as a result of reversal of these items in the foreseeable future.

11. Turnover

This is the value of sales after deducting Value Added Tax, returns and allowances.

12. Capital Commitments

At 30th September, 1980 there were Capital Commitments authorised by the Board amounting to £46000. (1979 £84000).

13. Directors' Emoluments

The Chairman's Emoluments amounted to £19563. (1979 £16563).

The number of Directors whose Emoluments fell within the following ranges were:

							1980	1979
£7501—£10000	...	...	...	...	...	...	1	5
£10001—£12500	...	...	...	...	...	...	4	—
£12501—£15000	...	...	...	...	...	...	—	—
£15001—£17500	...	...	...	...	...	...	—	1
£17501—£20000	...	...	...	...	...	...	1	—

DIRECTORS' INTERESTS

Directors' Ordinary Share Holdings

						30/9/80	30/9/79
J. C. Bartholomew	Beneficial	...	...	...	...	140051	140051
	As Trustee	...	...	...	...	173372	173372
C. J. E. Bartholomew	Beneficial	...	...	...	...	20560	20560
W. G. Bertwistle	Beneficial	...	...	...	...	2000	2000
	As Trustee	...	...	...	...	15267	15267
P. L. Wilson	...	...	...	...	...	—	—
E. J. Hawkins	...	...	...	...	...	—	—
N. H. McNaught	...	...	...	...	...	—	—

DIRECTORS' HOLDINGS OF PREFERENCE SHARES, MORTGAGE AND DEBENTURE STOCK

	1980			1979		
	4% m.s.	4½% d.s.	Pref.	4% m.s.	4½% d.s.	Pref.
J. C. Bartholomew						
Beneficial	441	565	66143	441	565	66143
As Trustee	34		114224	34		114224
C. J. E. Bartholomew						
Beneficial			3936			3936
W. G. Bertwistle						
Beneficial	2994	5809	7370	2882	5809	7290
As Trustee			9160			9160

WADSWORTH AND COMPANY LTD.

Profit and Loss Account for the year ended 30th September, 1980

1979							
£	£				Notes	£	£
					(11)		
9352704		Turnover for the year	...	...	...		10731800
1016431		Profit on Trading	...	...	...		1375997
51047		Investment Income	...	...	...		90231
64789		Profit on Sales of Properties	...	...	...		60265
<u>1132267</u>							<u>1526493</u>
		LESS:					
	63630	Directors' Emoluments	...	...	...	(13) 77630	
		Depreciation of Leasehold Properties, Plant and					
	202225	Machinery	...	...	...	206159	
	6219	Audit and Accountancy Fees	...	...	...	7230	
	53184	Debenture and Mortgage Stock Interest	...	...	...	53184	
324899	<u>(359)</u>	Increase Provision for Doubtful Debts and	...	...	...	53539	397742
		Contingencies	...	...	...
<u>807368</u>		Profit before Taxation	...	...	...		<u>1128751</u>
		CORPORATION TAX:					
	200000	Provision for year	...	...	...	490000	
202482	<u>2482</u>	Adjustments for previous years	...	...	...	13008	503008
<u>604886</u>		Net Profit after Taxation	...	...	...		<u>625743</u>
57359		Add balance brought forward for last year	...	...	...		59143
<u>662245</u>							<u>684886</u>
		LESS:					
	66036	Preference Dividends	...	...	...	66036	
		Ordinary Dividends:					
	31519	Interim paid of 3.5p per share	...	...	...	36772	
	58047	Final proposed of 6.5p per share	...	...	...	68290	
603102	<u>447500</u>	Transfer to Reserve Account	...	...	...	450000	621098
<u>59143</u>		Balance carried forward	...	...	...		<u>63788</u>
<u>51.29p</u>		Earnings per £1 Ordinary Share	...	...	...		<u>53.27p</u>

The attached notes form part of these Accounts

WADWORTH AND COMPANY LTD.

SOURCE AND APPLICATION OF FUNDS

SOURCE					Year ended 30th September, 1980	Year ended 30th September, 1979
Profit before Taxation	...	...	...	...	1128751	807368
Add Depreciation of Fixed Assets				...	206159	202225
Funds generated	...	...	...	(a)	<u>1334910</u>	<u>1009593</u>
APPLICATION						
Increase in Fixed Assets, less disposals	...	...	...	...	281800	457331
Dividends paid	...	...	...	...	160855	152713
Tax paid	...	...	...	...	243842	232132
					<u>686497</u>	<u>842176</u>
Increase / (Decrease) in working capital:					- - -	- - -
Increase in Stocks	...	...	...	...	255444	319805
Increase in Debtors	...	...	...	...	584727	164870
(Increase)/Decrease in Creditors	...	...	...	...	16733	(681624)
					<u>856904</u>	<u>(196949)</u>
Funds utilised	...	...	...	(b)	<u>1543401</u>	<u>645227</u>
Net movement in funds	...	...	...	(a - b)	<u>(208491)</u>	<u>364366</u>
Movement in net liquid funds:						
Cash balances	...	...	...	...	<u>(208491)</u>	<u>364366</u>

REPORT OF THE AUDITORS TO THE MEMBERS OF
WADWORTH & COMPANY LTD.

We have examined the accounts for the year ended 30th September, 1980, prepared under the historical cost convention.

In our opinion, they give under that convention a true and fair view of the state of affairs of the Company at 30th September, 1980, and of the Profit and the Source and Application of Funds of the Company for the year ended on that date, and comply with the Companies Acts, 1948 to 1976.

17 MARKET PLACE,
DEVIZES.
14th November, 1980.

DAVID OWEN & Co.,
Chartered Accountants.