

J. & F. POOL LIMITED

DATA FORM

A. F. Pool (Chairman) T. J. Newman (Secretary)
H. G. Moore (Managing) G. A. Davies

B. G. Pascoe

REGISTERED OFFICE

HAYLE, CORNWALL.

NOTICE OF MEETING

NOTICE is hereby given that the seventy-sixth annual general meeting of the company will be held at the registered office, Hayle, Cornwall, on 30th September 1982 at 2.10 p.m. to receive the accounts for the fifty-two weeks ended 1st January 1982, and the reports of the Directors and Auditors thereon, and to transact any other business which may properly be transacted at the annual general meeting.

Note: A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member.

BY ORDER OF THE BOARD

T. J. NEWMAN
SECRETARY

7th September 1982
HAYLE, Cornwall.

REPORT OF THE DIRECTORS

1. PERIOD The Directors submit their report with the balance sheet of the company at 1st January 1982 and accounts for the fifty-two weeks ended on that date.
2. BUSINESS OF COMPANY The company is employed in metal perforating and closely related engineering activities based on Hayle.
3. Direct exports in the period under review amounted to some £41,000 but a substantial proportion of the company's products are incorporated by its United Kingdom customers (which cover a wide range of industries) into their exports. An important part of the company's efforts, therefore, contributes to export activity.
4. RESULTS AND APPROPRIATIONS The results for the 52 weeks, together with appropriations are shown on page 2 of the accounts attached.
5. FIXED ASSETS The movements in fixed assets appear in note 3 on page 5 of the accounts.
6. DIRECTORS There were no changes during the year.
7. Directors retiring by rotation are Mr. A. F. Pool and Mr. G. A. Davies, who being eligible, offer themselves for re-election.
8. None of the directors had a beneficial interest in any contract to which the company was a party in the period under review.
9. AUDITORS Messrs. Whitaker and Redfearn having indicated their willingness to continue in office, a resolution that they be re-appointed, and the directors authorised to agree their remuneration, will be proposed at the annual general meeting.

ON BEHALF OF THE BOARD

A. F. POOL
CHAIRMAN

7th September 1982

REPORT OF THE AUDITORS

We have audited the accounts on pages 2 to 6 in accordance with approved auditing standards.

As indicated in notes 1 (d) and 1 (e), the accounting treatment of regional development grants and depreciation are not in accordance with Statements of Standard Accounting Practice Nos. 4 and 12.

With these exceptions, in our opinion the accounts, which have been prepared under the historical cost convention as modified by the revaluation of fixed assets, give a true and fair view of the state of affairs of the company at the 1st January 1982 and of the loss and source of applications of funds for the 52 weeks then ended and comply with the Companies' Acts 1948 to 1961, in as far as the provisions of those Acts apply to those accounts.

ALVERTON MANOR,
PENZANCE, Cornwall.
7th September 1982.

WHITAKER & REDFEARN
Chartered Accountants



J. & F. ROSE LIMITED

PROFIT AND LOSS ACCOUNT for the fifty-two weeks ended 1st January 1982

	Note	1981	1980
	1	£'000's	£'000's
TURNOVER		3,151	4,313
OPERATING PROFIT before items below		6	114
Depreciation		345	300
OPERATING LOSS before interest and exceptional item		(339)	(186)
Interest	2	(197)	216
LOSS before exceptional item		(536)	(402)
Exceptional item	3	100	68
LOSS before taxation	4	(636)	(470)
Taxation credit	5	439	498
(LOSS)/PROFIT after taxation ..		(197)	28

STATEMENT OF SOURCES AND APPLICATIONS OF FUNDS

SOURCES OF FUNDS

Government Grants	75	203
Bank Loan	75	450
Reduction in Working Capital:		
Group Companies	(2)	17
(Increased) reduced stocks	243	424
(Increased) reduced debtors	200	346
Increased (reduced) creditors	337	(451)
TOTAL SOURCES OF FUNDS	903	939

APPLICATION OF FUNDS

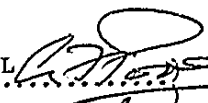
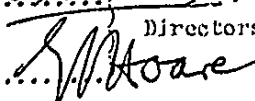
Loss before taxation	636	470
Adjustment for depreciation which does not involve the movement of funds	(245)	(300)
Funds absorbed by operations	291	170
Purchase of Fixed Assets less disposals	344	795
Pensions paid	10	8
Dividend paid	-	101
Taxation paid	-	6
Movement in net liquid funds:		
Reduction (Increase) in overdraft	258	(81)
TOTAL APPLICATION OF FUNDS	903	939

This statement provides actual cash movements and cannot be related directly to the difference between the opening and closing consolidated balance sheets.

I. & F. POOL LIMITED

BALANCE SHEET at 1st January 1982

	Note	1981	£'000's	1980
<u>ASSETS EMPLOYED</u>				
<u>CURRENT ASSETS</u>				
Stock and Work-in-Progress	6	1,173		1,416
Government Grants Receivable		16		70
Debtors		612		812
		<u>1,801</u>		<u>2,298</u>
<u>CURRENT LIABILITIES</u>				
Creditors		1,009		622
Bank Overdraft	7	422		680
		<u>1,431</u>		<u>1,302</u>
NET CURRENT ASSETS		370		996
<u>FIXED ASSETS</u>				
	8	4,412		4,413
		4,782		5,409
LESS: PROVISION FOR PENSIONS		19		24
		<u>4,763</u>		<u>5,385</u>
<u>FINANCED BY:</u>				
SHARE CAPITAL	9	66		66
RESERVES	10	2,965		3,142
DEFERRED TAXATION	11	524		967
BANK LOAN	7	1,100		1,100
GROUP COMPANIES		108		110
		<u>4,763</u>		<u>5,385</u>

A. F. POOL 
 E. G. HOARE 
 Directors

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

- (a) The consolidated accounts incorporate the accounts of the company and are for the 52 weeks ended 1st January 1982. The comparatives are for the 53 weeks ended 2nd January 1981. All amounts are in thousands of pounds.
- (b) The accounts are prepared under the historical cost convention. However, there is incorporated in the accounts a valuation of fixed assets at 30th December 1977.
- (c) Plant and machinery includes some plant which is leased and therefore not owned by the company. A liability has been created for the leasing commitment less finance charges.
- (d) Regional development grants in respect of expenditure on fixed assets have been credited to reserves. In so far as these grants have been received in respect of fixed assets which have not been fully depreciated at the balance sheet date, they should not be regarded as distributable to shareholders.

This accounting treatment does not comply with statement of standard accounting practice No. 4 (The Accounting Treatment of Government Grants) which states that those grants should be credited to profit and loss account over the useful lives of the assets to which they relate. If such a credit had been made in the current year for plant and machinery it would have amounted to approximately £35,000 (£22,000) leaving £294,000 (£300,000) to be credited in future years. A further £112,000 (£110,000) has been received in respect of buildings which are not depreciated.

- (e) Depreciation is provided on the cost or earlier valuation of plant and machinery by equal instalments based on the estimated working life of the assets and beginning with a full year's depreciation in the financial year following introduction into service.

No depreciation provision is considered necessary on freehold buildings and in this respect the accounts are not in accordance with statement of standard accounting practice No. 13 (Accounting for Depreciation) which states that buildings should be depreciated over their estimated useful lives. If such a charge, based on an assumed life of 50 years, had been made in the current year, it would have amounted to approximately £32,000 (£32,000).

- (f) Stock has been valued at cost with provision for obsolete and slow-moving items. Work-in-progress has been valued at the lower of cost, including appropriate works overheads, or net realisable value.
- (g) Provision is made for deferred taxation, using the liability method, on the:

- (i) excess of taxation allowances claimed in respect of qualifying fixed assets over depreciation charged thereon.
- (ii) surplus arising on valuation of plant and machinery.
- (iii) unused stock relief available against future profits.

Advance corporation tax recoverable and corporation tax on losses carried forward are deducted from the provision for deferred taxation.

Provision is not made on chargeable gains which:

- (i) arise from the sale of assets which are carried forward by deduction from the cost of replacement assets (roll over relief).
- (ii) would arise if the freehold land and buildings were sold at their valued amounts.

2. INTEREST

Interest payable on bank loan and overdraft	..	245	276
Interest receivable		(1)	(5)
Interest relief grants received		(47)	(55)
		<u>197</u>	<u>216</u>

J. & F. FOSL LIMITED

3. RETIREMENT BENEFITS

This relates to redundancy and associated costs:

	1981	1980
Paid during the year	25	69
Provision at 1.1.82	75	-
	100	69

The provision is included in Creditors.

4. LOSS BEFORE TAXATION

This is after having charged the following items:

Mile charges for vehicles and equipment	5	5
Directors' emoluments	13	13

5. TAXATION

The credit for taxation assumes a rate of 52% (52%) and is made up thus:

Deferred tax on loss for year:

Corporation Tax loss	(308)	(577)
Pension provision	5	4
Stock relief	67	89
Capital allowances	(39)	251
Redundancy provision	(39)	-
	(314)	(233)

Prior year adjustments:

Deferred tax on stock relief	(125)	(423)
1975 Corporation Tax written off	-	158
	(439)	(498)

The Company is a close company and is therefore potentially liable to income tax on any shortfall of distribution below the required standard.

6. STOCK AND WORK-IN-PROGRESS

Raw materials	668	793
Work-in-progress	235	348
Finished goods	270	275
	1,173	1,416

7. BANK OVERDRAFT AND LOAN

The bank overdraft and loan are secured on the assets of the company.

8. FIXED ASSETS

Cost/Valuation	Total	Freehold Land & Buildings	Plant & Machinery
At 3rd January 1981 (a)	8,190	1,605	6,585
Additions (b)	349	5	344
Disposals	(250)	-	(250)
At 1st January 1982	8,289	1,610	6,679
Cost	2,409	513	1,896
Valuation	5,880	1,097	4,783
Depreciation			
At 3rd January 1981	3,777	-	3,777
Charge	315	-	315
Disposals	(215)	-	(215)
At 1st January 1982	3,877	-	3,877
BOOK VALUE (c)	4,412	1,610	2,802

(a) Fixed Assets were valued on 30th December 1977.

(b) Cost is without deduction of government grants.

(c) The written down value of plant and machinery includes booked depreciation amounting to £313,000 (1980: £123,000).

J. & F. POOL LIMITED

9. SHARE CAPITAL at 1st January 1982 and 2nd January 1981, was:

<u>SHARES AUTHORIZED</u>	<u>SHARES OF 41 EACH</u>	<u>ISSUED</u>
3,000	5% Cumulative Preference	3
63,000	Ordinary	63
84,000	Unclassified	-
<u>150,000</u>		<u>66</u>
		<u>1000</u>

All the Issued Share Capital is held by J. & F. Pool (Holdings) Limited, which is incorporated in England.

10. RESERVES	<u>2nd January 1981</u>	<u>Movement in year</u>	<u>1st January 1982</u>
Surplus on revaluation of fixed assets	1,375	-	1,375
Government Grants	459	20	479
Retained Profit	1,303	(197)	1,111
	<u>3,142</u>	<u>(177)</u>	<u>2,965</u>
	<u>10000</u>	<u>10000</u>	<u>10000</u>

11. DEFERRED TAXATION

Tax on the excess of capital allowance claimed over related depreciation	1,353		1,672
Stock Relief	153		214
	<u>1,516</u>		<u>1,886</u>
Corporation tax losses and advance corporation tax not yet recovered	(992)		(919)
	<u>524</u>		<u>967</u>
	<u>10000</u>		<u>10000</u>

The potential liability in respect of those items for which no provision is made above is:

Roll over relief	7	7
Freehold land and buildings sold at valued amounts	180	180

12. CAPITAL EXPENDITURE

The outstanding commitments for capital expenditure for which provision has not been made in the accounts are £2,000 (1980: £20,000).

Uncommitted capital expenditure sanctioned by the directors at 1st January 1982 was £14,000 (1981 - £1).