

ADAMS FOODS LIMITED
STATEMENT OF ACCOUNTS
31ST DECEMBER 1977

PEAT, MARWICK, MITCHELL & CO.,
CHARTERED ACCOUNTANTS,
CHURCHILL HOUSE,
REGENT ROAD,
STOKE-ON-TRENT.



ADAMS FOODS LIMITED

Directors

J.H. Adams, chairman

B.A. Joyce, managing director

A. Boardman, deputy managing director

J.M. Paterson

P.M. Macielinski

SECRETARY AND REGISTERED OFFICE

J.M. Paterson

Springfield Road,

Leek,

Staffordshire,

ST13 6EN

AUDITORS

Peat, Marwick, Mitchell & Co.,

Chartered Accountants,

Churchill House,

Regent Road,

Stoke-on-Trent,

ST1 3RG

BANKERS

National Westminster Bank Limited

ADAMS FOODS LIMITED

NOTICE OF MEETING

Notice is hereby given that the annual general meeting of the company will be held at the registered office, Springfield Road, Leek, Staffordshire on 10th April 1978 for the following purposes:

1. To receive the directors' report and accounts for the period ended 31st December 1977;
2. To elect a director;
3. To re-appoint auditors and to authorise the directors to fix their remuneration.

BY ORDER OF THE BOARD


J.M. PATERSON

Secretary

Springfield Road,
Leek,
Staffordshire, ST13 6EN
23rd March 1978

ADAMS FOODS LIMITED

1.

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report, together with the audited accounts of the company for the 18 months ended 31st December 1977.

Activities

The principal activities of the group are the production, packaging, marketing and distribution of food products.

Results

The following is a summary of the group profit and loss account.

	£
Loss attributable to ordinary shareholders	(597,681)
Retained profit brought forward	2,551,196
Retained profit carried forward	1,953,515

Directors and directors' interests

The table below shows the persons who were directors during the financial period and their beneficial and other interests in the ordinary share capital of the company. The directors have no interest in the preference share capital of the company.

	31st December 1977		3rd July 1976	
	Beneficial	Other	Beneficial	Other
J.H. Adams	-	-	471,490	350,500
J.C. McGough (resigned 14th February 1978)	-	-	-	-
B.A. Joyce	-	-	-	-
A. Boardman	-	-	-	-
P.M. Macielinski	-	-	-	-
J.M. Paterson (appointed 1st February 1977)	-	-	-	-
A.K. Brochwicz-Lewinski (resigned 26th May 1977)	-	-	1,500	-
K. Ahmed (resigned 9th September 1976)	-	-	-	-

Mr. J.M. Paterson was appointed a director on 1st February 1977 and in accordance with the Articles of Association retires and, being eligible, offers himself for election.

None of the directors were interested in any significant contract to which the company was a party during the period, nor are any schemes in being to benefit directors by enabling them to acquire shares in the company.

Acquisitions

During the period the company acquired the whole of the issued share capital of Broadhurst & Company (Gadbrook) Limited, a company engaged in the production of cakes and biscuits. The acquisition was made for cash and loan stock, which was subsequently redeemed. On 1st January 1978 this company's activities were transferred into a division of Adams Foods Limited.

Shareholders

The company is a wholly owned subsidiary of An Bord Baine Co-operative Limited, a company incorporated in the Republic of Ireland.

Fixed assets

Details of movements of fixed assets are shown in note 7 of the notes to the accounts.

The company has granted an option whereby one of its freehold properties may be purchased by the tenant at the termination of the current three year lease for a consideration of £120,000 as compared with its book value at 31st December 1977 of £328,000.

It is the directors' opinion that the current value of the group's freehold properties is in excess of book value at 31st December 1977.

REPORT OF THE DIRECTORS (CONTINUED)

Export sales

The value of goods exported by the group during the period amounted to £4,102,666 (£1,293,222 in 1976).

Employees

The average number of persons employed by the group during the period was 2,104 (2,290 in 1976) and their aggregate remuneration amounted to £8,613,155 (£5,549,182 in 1976).

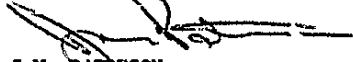
Charitable and political contributions

During the period the company made charitable contributions of £444 (£961 in 1976). No political contributions were made (£nil in 1976).

Auditors

A resolution for the re-appointment of Peat, Marwick, Mitchell & Co. as auditors of the company is to be proposed at the annual general meeting.

BY ORDER OF THE BOARD



J.M. PATERSON

Secretary

Springfield Road,
Leek,
Staffordshire, ST13 6EN
23rd March 1978

REPORT OF THE AUDITORS TO THE MEMBERS OF

ADAMS FOODS LIMITED

We have examined the accounts set out on pages 4 to 13, which have been prepared under the historical cost convention as modified by the revaluation of certain assets.

In our opinion they give, under that convention, a true and fair view of the state of affairs of the company and of the group at 31st December 1977 and of the loss and source and application of funds for the period to that date and comply with the Companies Acts 1948 and 1967.

Churchill House,
Regent Road,
Stoke-on-Trent.
23rd March 1978

PEAT, MARWICK, MITCHELL & CO.,

Chartered Accountants

ADAMS FOODS LIMITED

4.

AND ITS SUBSIDIARY COMPANIES

GROUP PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31ST DECEMBER 1977

<u>Notes</u>		<u>1977</u> <u>18 months</u> <u>£</u>	<u>1976</u> <u>12 months</u> <u>£</u>
<u>1</u>	Turnover	142,616,804	86,489,377
<u>2</u>	Trading (loss)/profit before taxation	(616,271)	539,957
<u>6</u>	Taxation credit	23,490	73,240
	(Loss)/profit after taxation	(592,781)	603,197
	Preference dividends paid	(4,900)	(4,900)
	(Loss)/profit attributable to ordinary shareholders	(597,681)	598,297
<u>18</u>	Ordinary dividends	-	(31,905)
		(597,681)	566,392
	Proportion of 1975 final dividend waived	-	74,287
	Retained (loss)/profit of the period	(597,681)	640,679

STATEMENT OF RETAINED PROFIT

	<u>1977</u>		<u>1976</u>	
	<u>Group</u> <u>£</u>	<u>Company</u> <u>£</u>	<u>Group</u> <u>£</u>	<u>Company</u> <u>£</u>
Retained profit at the beginning of the period	1,299,386	1,322,700	911,517	629,158
Marketing and development costs relating to prior year	(129,600)	(129,600)	-	-
Discounts receivable related to prior year arising out of change in accounting policy	27,749	27,749	17,760	17,760
Change in accounting policy for deferred taxation (note 1 to the accounts)	1,353,661	1,353,661	981,240	896,240
	2,551,196	2,574,510	1,910,517	1,543,158
Retained (loss)/profit for the period	(597,681)	(793,243)	640,679	1,031,352
	1,953,515	1,779,267	2,551,196	2,574,510

The attached notes form part of these accounts.

ADAMS FOODS LIMITED

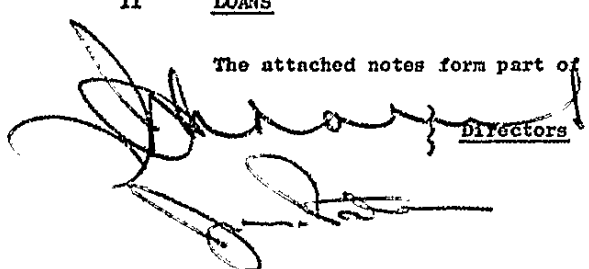
5.

AND ITS SUBSIDIARY COMPANIES

GROUP BALANCE SHEET AS AT 31ST DECEMBER 1977

<u>Notes</u>		<u>£</u>	<u>3rd July 1976</u> <u>£</u>
7	<u>FIXED ASSETS</u>	7,735,945	7,033,958
13	<u>TRADE INVESTMENT</u>	27,600	13,800
	<u>CURRENT ASSETS</u>		
5	Stocks	11,440,115	9,507,691
	Debtors	7,431,267	7,716,323
	Cash at bank and in hand	11,340	12,934
		18,882,722	17,236,948
	<u>LESS CURRENT LIABILITIES</u>		
	Creditors	3,390,009	4,286,820
	Amount due to parent company	15,255,847	6,564,185
	Bank overdraft	135,107	1,612,049
11	Short term loans	2,000,000	5,100,000
	Taxation	-	16,987
	Dividend proposed	-	15,937
		20,780,963	17,595,978
	<u>NET CURRENT LIABILITIES</u>	(1,898,241)	(359,030)
	<u>NET ASSETS</u>	5,865,304	6,688,738
	<u>CAPITAL EMPLOYED:</u>		
9	<u>SHARE CAPITAL</u>	1,805,792	1,805,792
10	<u>CAPITAL RESERVES</u>	1,355,997	1,299,750
	<u>RETAINED PROFIT</u>	1,953,515	2,551,196
	<u>'SHAREHOLDERS' INTEREST</u>	5,115,304	5,656,738
11	<u>LOANS</u>	750,000	1,032,000

The attached notes form part of these accounts.


Directors

5,865,304

6,688,738

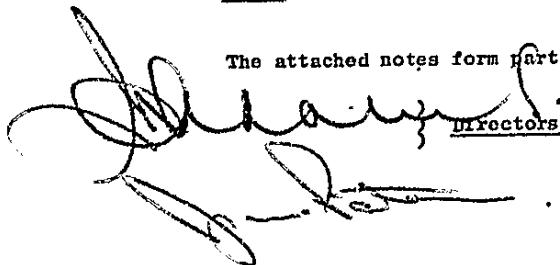
ADAMS FOODS LIMITED

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BALANCE SHEET AS AT 31ST DECEMBER 1977

<u>Notes</u>		<u>£</u>	<u>3rd July 1976</u> <u>£</u>
7	<u>FIXED ASSETS</u>	6,890,286	7,033,968
12	<u>INVESTMENT IN SUBSIDIARY COMPANIES</u>	695,868	208,651
13	<u>TRADE INVESTMENT</u>	27,600	13,800
	<u>CURRENT ASSETS</u>		
5	Stocks	10,859,165	9,507,691
	Debtors	7,180,498	7,716,323
	Cash at bank and in hand	11,340	12,934
		18,051,003	17,236,948
	<u>LESS CURRENT LIABILITIES</u>		
	Creditors	2,643,740	4,286,820
	Amount due to parent company	15,257,099	6,564,185
	Bank overdraft	-	1,012,049
11	Short term loans	2,000,000	5,100,000
	Taxation	-	16,987
	Dividend proposed	-	15,937
		19,900,839	17,595,978
	<u>NET CURRENT LIABILITIES</u>	<u>(1,849,836)</u>	<u>(359,030)</u>
	<u>NET ASSETS</u>	<u>5,763,916</u>	<u>6,897,389</u>
	<u>CAPITAL EMPLOYED:</u>		
9	<u>SHARE CAPITAL</u>	1,805,792	1,805,792
10	<u>CAPITAL RESERVES</u>	1,428,857	1,485,087
	<u>RETAINED PROFIT</u>	<u>1,779,267</u>	<u>2,574,510</u>
	<u>SHAREHOLDERS' INTEREST</u>	<u>5,013,916</u>	<u>5,865,389</u>
11	<u>LOANS</u>	750,000	1,022,000

The attached notes form part of these accounts.


Directors

5,763,916

6,897,389

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE PERIOD ENDED 31ST DECEMBER 1977

	<u>1977</u> <u>18 months</u>		<u>1976</u> <u>12 months</u>	
	£	£	£	£
<u>SOURCE OF FUNDS</u>				
(Loss)/profit before tax		(616,271)		589,957
Adjustments for items not involving the movement of funds:-				
Depreciation adjusted for disposals		<u>1,299,180</u>		<u>800,911</u>
<u>TOTAL GENERATED FROM OPERATIONS</u>		682,909		1,130,868
Sale proceeds of fixed assets	642,428		49,933	
Capital reserve/(goodwill) arising on consolidation	112,477		(194,152)	
Proceeds of issue of ordinary shares less costs	-		1,552,394	
Taxation balance acquired from subsidiary companies	<u>54,187</u>		<u>91,200</u>	
		<u>809,092</u>		<u>1,490,375</u>
		1,492,001		2,630,243
<u>APPLICATION OF FUNDS</u>				
Purchase of fixed assets	1,876,010		3,202,678	
Acquisition of fixed assets in subsidiary at book value	767,575		269,571	
Increased holding in trade investment	13,800		13,800	
Dividends paid	20,837		38,135	
Premiums on repayment of loan stock	56,230		-	
Tax paid	<u>39,103</u>		<u>18,345</u>	
		<u>2,773,555</u>		<u>3,540,329</u>
		(1,281,554)		(910,086)
<u>MOVEMENT IN WORKING CAPITAL</u>				
(Increase) in stock	(1,932,424)		(1,804,198)	
(Increase)/decrease in debtors	308,654		(3,433,622)	
Increase/(decrease) in creditors	(953,589)		950,693	
Increase in amount due to parent company	<u>8,716,261</u>		<u>2,205,291</u>	
		<u>6,138,902</u>		<u>(2,081,836)</u>
		<u>4,857,348</u>		<u>(2,991,922)</u>
<u>MOVEMENT IN NET LIQUID FUNDS</u>				
(Decrease) in cash at bank and in hand		(1,594)		(15,907)
Decrease/(increase) in bank overdraft		1,476,942		(93,015)
Decrease/(increase) in loans		<u>3,382,000</u>		<u>(2,882,000)</u>
		<u>4,857,348</u>		<u>(2,991,922)</u>

AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST DECEMBER 1977

1. Accounting policies

The following paragraphs describe the main accounting policies of the group.

a) Consolidation principles

The group accounts include the results of the parent company and its subsidiaries from the dates of acquisition. Goodwill or capital reserves arising on consolidation are taken to group capital reserves.

b) Turnover

This represents amounts invoiced by the group in respect of goods and services provided during the period excluding inter-company transactions.

c) Depreciation

Fixed assets are depreciated at varying rates, the principle being as follows:-

Freehold buildings	-	Nil to 4% per annum on cost or valuation
Long leaseholds	-	Written off over the term of the lease
Plant and machinery	-	Between 10% and 20% per annum based on written down value
Motor vehicles	-	Between 10% and 33.1/3% per annum based on cost or written down value

d) Government grants

Regional development grants are credited to profit and loss account in proportion to the depreciation charged.

e) Stocks

Raw materials, finished goods and sundry stocks are stated at the lower of cost and net realisable value. Direct identification and the first-in, first-out methods of valuation are used in determining cost. Storage costs and production overheads where applicable are included.

f) Deferred tax

In previous years it has been the group policy to provide fully for deferred tax arising from timing differences between tax allowances and the related accounting treatment. It has, however, been decided to follow the provisions of Exposure Draft 19 of the Accounting Standards Committee of the accounting bodies in the United Kingdom and to write back provisions previously made since it is not considered likely that liability will arise in the foreseeable future. The effect of this change in policy has been shown in the summary of reserves brought forward on the profit and loss account. In order to facilitate a fair comparison with the current period's results, all comparative figures have been adjusted to reflect the change in accounting policy.

2. Trading loss/profit

This is arrived at after charging the following:

	1977 18 months £	1976 12 months £
Depreciation	1,083,331	595,650
Loss on disposal of fixed assets	215,849	5,261
Interest on bank loans and overdrafts	1,155,679	654,501
Loan stock interest	87,498	-
Hire of plant and equipment	219,331	99,544
Hire purchase interest	4,869	4,565
Auditors' remuneration	51,000	29,500
Marketing and development costs (new operations)	-	225,450
Directors' emoluments	125,086	76,472
And after crediting:		
Temporary employment subsidy	169,300	-
Interest received	3,805	15,373

ADAMS FOODS LIMITED

9.

AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (CONTINUED)

3. Directors' emoluments

Directors' emoluments in accordance with section 6(3) Companies Act 1967.

	<u>1977</u>		<u>1976</u>	
	<u>18 months</u>		<u>12 months</u>	
	£		£	
Chairman	18,375		12,250	
Highest paid director	23,667		15,650	
Other directors' emoluments:-	<u>1977</u>		<u>1976</u>	
	<u>18 months</u>	<u>12 months</u>	<u>18 months</u>	<u>12 months</u>
	Number	Number		
Nil to £2,500	2	1		
£5,001 to £7,500	0	1		
£7,501 to £10,000	0	1		
£10,001 to £12,500	0	2	70,656	40,166
£12,501 to £15,000	1	0		
£15,001 to £17,500	1	0		
£17,501 to £20,000	2	0		
	<u>=====</u>	<u>=====</u>		
Contributions under pension scheme			12,388	8,406
			<u>=====</u>	<u>=====</u>
			125,086	76,472
			<u>=====</u>	<u>=====</u>

4. Employees' emoluments

Employees' emoluments (excluding pension contributions) in accordance with section 8, Companies Act 1967.

	<u>1977</u>		<u>1976</u>	
	<u>18 months</u>		<u>12 months</u>	
	Number		Number	
£10,001 to £12,500	5		0	
£12,501 to £15,000	4		0	
	<u>=====</u>		<u>=====</u>	

5. Stocks

	<u>The group</u>		<u>The company</u>	
	<u>1977</u>	<u>1976</u>	<u>1977</u>	<u>1976</u>
	£	£	£	£
Raw materials and bulk stocks	10,093,256	8,272,816	9,793,032	8,272,816
Finished goods	1,080,171	996,335	799,445	996,335
Sundry stocks	266,688	238,540	266,688	238,540
	<u>11,440,115</u>	<u>9,507,691</u>	<u>10,859,165</u>	<u>9,507,691</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

6. Taxation

	<u>Group</u>		<u>The company</u>	
	<u>1977</u>	<u>1976</u>	<u>1977</u>	<u>1976</u>
	£	£	£	£
Transfer from deferred taxation account	-	91,200	-	91,200
Corporation tax provision no longer required	56,295	-	-	-
Corporation tax recoverable in respect of prior years	-	1,495	-	1,495
Advance corporation tax written off	(32,805)	(19,455)	(11,217)	(19,455)
	<u>23,490</u>	<u>73,240</u>	<u>(11,217)</u>	<u>73,240</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (CONTINUED)

7. Fixed assets

<u>Group</u>	<u>Land and buildings</u>		<u>Plant,</u>	<u>Total</u>
	<u>Freehold</u>	<u>Long leasehold</u>	<u>machinery and vehicles</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost or valuation at 3rd July 1976	3,451,657	441,272	5,469,160	9,362,089
On acquisition of subsidiary company	294,054	-	923,152	1,217,206
Additions	683,808	22,207	1,169,995	1,876,010
Disposals	-	-	(1,531,826)	(1,531,826)
At 31st December 1977	4,429,519	463,479	6,030,481	10,923,479
<u>Representing items at:</u>				
Cost	3,859,744	378,729	5,046,530	9,285,003
Valuation in 1969	-	84,750	-	84,750
Valuation in 1971	-	-	386,108	386,108
Valuation in 1972	569,775	-	597,843	1,167,618
	4,429,519	463,479	6,030,481	10,923,479
<u>Depreciation</u>				
At 3rd July 1976	-	25,138	2,302,983	2,328,121
On acquisition of subsidiary company	47,533	-	402,098	449,631
For the period	10,478	8,594	1,064,259	1,083,331
On disposals	-	-	(673,549)	(673,549)
At 31st December 1977	58,011	33,732	3,095,791	3,187,534
<u>Net book value</u>				
At 31st December 1977	4,371,508	429,747	2,934,690	7,735,945
At 3rd July 1976	3,451,657	416,134	3,166,177	7,033,968
<u>Parent company</u>				
Cost or valuation at 3rd July 1976	3,451,657	441,272	5,469,160	9,362,089
Additions	683,358	22,207	1,040,412	1,745,977
Disposals	-	-	(1,452,306)	(1,452,306)
Group transfers	-	-	(112,927)	(112,927)
At 31st December 1977	4,135,015	463,479	4,944,339	9,542,833
<u>Representing items at:</u>				
Cost	3,565,240	378,729	4,346,496	8,290,465
Valuation in 1969	-	84,750	-	84,750
Valuation in 1972	569,775	-	597,843	1,167,618
	4,135,015	463,479	4,944,339	9,542,833
<u>Depreciation</u>				
At 3rd July 1976	-	25,138	2,302,983	2,328,121
For the period	-	8,594	962,160	970,754
On disposals	-	-	(609,697)	(609,697)
On group transfers	-	-	(36,631)	(36,631)
At 31st December 1977	-	33,732	2,618,815	2,652,547
<u>Net book value</u>				
At 31st December 1977	4,135,015	429,747	2,325,524	6,890,286
At 3rd July 1976	3,451,657	416,134	3,166,177	7,033,969

AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (CONTINUED)

8. Capital commitments

	<u>1977</u>	<u>1976</u>
	<u>£</u>	<u>£</u>
Capital expenditure for which contracts have been placed:		
The group	61,847	60,000
The company	54,347	60,000
	=====	=====
Capital expenditure authorised but not contracted for:		
The group	257,222	1,187,000
The company	239,722	1,187,000
	=====	=====

9. Share capital

	<u>1977</u>		<u>1976</u>	
	<u>Authorised</u>	<u>Issued and fully paid</u>	<u>Authorised</u>	<u>Issued and fully paid</u>
7% (now 4.9% plus tax credit) cumulative preference shares of £1 each	100,000	100,000	100,000	100,000
Ordinary shares of 10p each	2,000,000	1,705,792	1,800,000	1,705,792
	2,100,000	1,805,792	1,900,000	1,805,792
	=====	=====	=====	=====

By a resolution of the company passed at an extraordinary general meeting held on 13th December 1976, the authorised share capital of the company was increased to £2,100,000.

10. Capital reserves

	<u>Group</u>	<u>The company</u>
	<u>£</u>	<u>£</u>
At 3rd July 1976	1,299,750	1,485,087
Premium on redemption of loan stock	(56,230)	(56,230)
Capital reserve arising on consolidation of subsidiary company	112,477	-
	1,355,997	1,428,857
	=====	=====

11. Loans

	<u>1977</u>	<u>1976</u>
	<u>£</u>	<u>£</u>
Short term bank loans - unsecured	1,750,000	2,600,000
Short term bank loans - secured	250,000	2,500,000
	2,000,000	5,100,000
	=====	=====
Medium term loan repayable in four equal annual instalments, the first falling due on 30th June 1978 (included above), secured against freehold property	750,000	1,032,000
	750,000	1,032,000
	=====	=====

12. Investments in subsidiary companies

	<u>1977</u>	<u>1976</u>
	<u>£</u>	<u>£</u>
Shares at cost	2,155,168	1,281,548
Amounts due to subsidiary companies	(1,459,302)	(1,072,897)
	695,866	208,651
	=====	=====

AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (CONTINUED)

12. The subsidiary companies, all of which are wholly owned, are:-Trading

Broadhurst & Company (Gadbrook) Limited

Non-trading

Adams Butter Limited

Adams Biscuits Limited

Adams Dairies Limited

Elkes Staff Stores Limited

Elkes Foods Limited

Elkes Biscuits Limited

Lloyds Dairies Limited

Kerrygold Fresh Foods Limited

R. & W. Davidson Limited (registered in Scotland)

Anglo Continental Produce Company (1968) Limited (registered in Scotland)

13. Trade investments

	<u>1977</u>	<u>1976</u>
	<u>£</u>	<u>£</u>
Shares at cost in Smailebhia (Eire) Teo (registered in Eire)	27,600	13,800
	=====	=====

It is the directors' opinion that the current value of this investment is equal to its cost.

14. Holding company

The company is a wholly owned subsidiary of An Bord Bainne Co-operative Limited, a company incorporated in the Republic of Ireland, which is regarded as the ultimate holding company.

15. Loan to an officer

A loan of £15,000 is due from a director of the subsidiary company acquired during the period.

16. Deferred taxation

If the group had not altered its policy in accounting for deferred taxation (see accounting policies statement) the estimated deferred taxation liability would be as follows at the balance sheet dates:-

	<u>Group</u>		<u>The company</u>	
	<u>1977</u>	<u>1976</u>	<u>1977</u>	<u>1976</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Taxation deferred in respect of:				
Stock appreciation relief	4,658,598	3,806,142	4,483,370	3,806,142
Accelerated capital allowances	2,419,259	2,008,436	2,092,557	2,008,436
Other timing differences	(20,887)	(20,800)	(17,896)	(20,800)
Available tax losses carried forward	(5,588,040)	(4,329,778)	(5,588,040)	(4,329,778)
	1,469,000	1,464,000	970,000	1,464,000
	=====	=====	=====	=====

17. Contingent liability

There is a contingent liability in respect of a subsidiary company which has given a guarantee to the bankers of Winton Smith (Foods) Limited to a maximum of £30,000.

ADAMS FOODS LIMITED

13.

AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (CONTINUED)

18. <u>Ordinary dividends</u>	<u>1977</u>		<u>1976</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Interim of 0.578p per share		-		98,595
<u>Less</u> Amounts waived		-		<u>82,627</u>
		-		15,968
Final of 0.5769p per share	-		98,407	
<u>Less</u> Amounts waived	-		<u>82,470</u>	
		-		<u>15,937</u>
		-		<u>31,905</u>
		=====		=====

19. Preference dividends

The holding company, which owns all the preference shares of the company, has waived its right to a dividend in October 1977 which would have amounted to £2,450 plus tax credit.