

**BANHAMS PATENT LOCKS LIMITED**

**Annual report**

**for the year ended 31 December 1995**

Registered no: 457812



**BANHAMS PATENT LOCKS LIMITED**

**Annual report  
for the year ended 31 December 1995**

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**BANHAMS PATENT LOCKS LIMITED**

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**Directors and advisors**

**Directors**

P.F.Banham  
C.R.Hallatt  
Mrs.E.Hallatt  
Mrs.P.A.Rodda  
Mrs.A.Chillag  
Mrs.M.V.Banham  
Mrs.L.Q.Banham  
Mrs.M.J.Hallatt  
B.E.Cowper  
M.A.Herbert  
Mrs.C.M.Banham  
W.F.Banham

**Secretary**

T.J.Ward

**Registered office**

233-235 Kensington High Street  
LONDON  
W8 6SF

**Auditors**

Coopers & Lybrand  
1 Embankment Place  
LONDON  
WC2N 6NN

**Solicitors**

Calvert Smith & Sutcliffe  
Onslow House  
9 The Green  
Richmond  
Surrey TW9 1PU

**Bankers**

Barclays Bank Plc  
National Westminster Bank Plc

**Report of the directors  
for the year ended 31 December 1995**

The directors present their report and the audited consolidated financial statements for the year ended 31 December 1995.

**Principal activities**

The consolidated profit and loss account for the year is set out on page 5.

The principal activity of the group is that of burglary prevention specialists.

**Review of business and future developments**

The directors consider that the group traded satisfactorily during the year in a period of difficult economic conditions. Turnover increased from £10.9m to £11.3m.

Operating profit remained stagnant at 1.96m (1995 - 1.97m) due mainly to the fact that price increases were held in some departments, most notably alarm installations.

The directors are confident that an increased level of trading can be achieved next year whilst maintaining the net profit percentage.

**Directors and their interests**

The directors of the company at 31 December 1995, all of whom have been directors for the whole of the year ended on that date, and their interests in the shares of the company, according to the register required to be kept under Section 325 of the Companies Act 1985, were as follows:-

	Ordinary shares of 5p each			
	31 December 1995		31 December 1994	
	Number	Amount £	Number	Amount £
P.F.Banham	16,164	808	16,164	808
C.R.Hallatt	9,500	475	9,500	475
Mrs.E.Hallatt	1,827	91	1,827	91
Mrs.P.A.Rodda	12,077	604	13,327	666
Mrs.P.A.Rodda trust	8,750	437	7,500	375
Mrs.A.Chillag	5,828	291	5,828	291
W.F.Banham	4,254	213	4,254	213
Mrs.C.M.Banham	33	2	33	2
Mrs.M.V.Banham	14,664	733	14,664	733
G.M & M.V.Banham trust	9,000	450	9,000	450
Mrs.L.Q.Banham	-	-	-	-
Mrs.M.J.Hallatt	-	-	-	-
B.E.Cowper	-	-	-	-
M.A.Herbert	-	-	-	-

**Dividends and transfers to reserves**

The directors have paid an interim ordinary dividend of £229,376 in respect of the year ended 31 December 1995 (1994: £200,704). The directors do not propose the payment of a final dividend. The retained profit for the financial year of £1,533,928 (1994: £1,438,003) has been transferred to reserves.

**Directors' responsibilities**

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1995. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Changes in fixed assets**

The movements in tangible fixed assets during the year, are set out in notes 11 and 12 to the financial statements.

**Close company provisions**

The company is a close company as defined by the provisions of the income and Corporation Taxes Act 1988, as amended. There has been no change in this respect since the end of the financial year.

**Auditors**

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

By order of the board



T J Ward  
Company Secretary

27th September 1996

**Report of the auditors to the members of  
BANHAMS PATENT LOCKS LIMITED**

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We have audited the financial statements on pages 5 to 19.

**Respective responsibilities of directors and auditors**

As described on page 3 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.

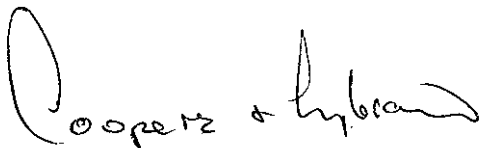
**Basis of opinion**

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 judgments 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 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company and group at 31 December 1995 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Coopers & Lybrand**

Chartered Accountants and Registered Auditors

London

30 Sept 1996

**Consolidated profit and loss account  
for the year ended 31 December 1995**

	Notes	1995 £	1994 £
<b>Turnover</b>	2	11,269,815	10,900,754
Cost of sales		<u>(5,406,211)</u>	<u>(5,217,149)</u>
<b>Gross Profit</b>		5,863,604	5,683,605
Net operating expenses	3	<u>(3,906,911)</u>	<u>(3,712,980)</u>
<b>Operating profit</b>	4	1,956,693	1,970,625
Other income	7	<u>644,231</u>	<u>449,932</u>
<b>Profit on ordinary activities before taxation</b>		2,600,924	2,420,557
Tax on profit on ordinary activities	8	<u>(837,620)</u>	<u>(781,850)</u>
<b>Profit for the financial year</b>	9	1,763,304	1,638,707
Dividends	10	<u>(229,376)</u>	<u>(200,704)</u>
<b>Retained profit for the year</b>		<u>£1,533,928</u> =====	<u>£1,438,003</u> =====
<b>Statement of retained profits</b>			
Retained profit at 1 January 1995		9,021,020	7,583,017
Retained profit for the year	20	<u>1,533,928</u>	<u>1,438,003</u>
<b>Retained profit at 31 December 1995</b>		<u>£10,554,948</u> =====	<u>£9,021,020</u> =====

The above figures relate entirely to continuing operations.

The group has no recognised gains and losses other than those included in the profits above, and, therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

**BANHAMS PATENT LOCKS LIMITED**

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**Balance sheets - 31 December 1995**

	Notes	Group 1995 £	1994 £	Company 1995 £	1994 £
<b>Fixed assets</b>					
Tangible assets	11	1,423,399	1,330,219	1,423,399	1,330,219
Investments	12	<u>-</u>	<u>-</u>	<u>6</u>	<u>2</u>
		<u>1,423,399</u>	<u>1,330,219</u>	<u>1,423,405</u>	<u>1,330,221</u>
<b>Current assets</b>					
Stocks	13	859,711	807,147	858,911	806,347
Debtors	14	1,422,127	1,198,860	1,390,921	1,142,698
Investments	15	650	650	650	650
Cash at bank and in hand		<u>10,727,055</u>	<u>9,727,249</u>	<u>10,400,605</u>	<u>9,581,035</u>
		<u>13,009,543</u>	<u>11,733,906</u>	<u>12,651,087</u>	<u>11,530,730</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(3,870,680)</u>	<u>(4,035,791)</u>	<u>(3,848,239)</u>	<u>(4,055,769)</u>
<b>Net current assets</b>		<u>9,138,863</u>	<u>7,698,115</u>	<u>8,802,848</u>	<u>7,474,961</u>
<b>Total assets less current liabilities</b>		<u>10,562,262</u>	<u>9,028,334</u>	<u>10,226,253</u>	<u>8,805,182</u>
<b>Provisions for liabilities and charges</b>	17	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>£10,562,262</u>	<u>£9,028,334</u>	<u>£10,226,253</u>	<u>£8,805,182</u>
		=====	=====	=====	=====
<b>Capital and reserves</b>					
Called up					
share capital	19	5,734	5,734	5,734	5,734
Capital Redemption Reserve	20	1,580	1,580	1,580	1,580
Profit and loss account	20	<u>10,554,948</u>	<u>9,021,020</u>	<u>10,218,939</u>	<u>8,797,868</u>
<b>Equity shareholders' funds</b>	21	<u>£10,562,262</u>	<u>£9,028,334</u>	<u>£10,226,253</u>	<u>£8,805,182</u>
		=====	=====	=====	=====

The financial statements on pages 5 to 19 were approved by the board of directors on *27th September* and were signed on its behalf by:


**C.R. Hallatt**

Director



**BANHAMS PATENT LOCKS LIMITED**

**Consolidated cash flow statement**

**for the year ended 31 December 1995**

	Notes	1995 £	1994 £
<b>Net cash inflow from operating activities</b>	23	<u>1,790,577</u>	<u>2,416,133</u>
<b>Returns on investments and servicing of finance</b>			
Interest received		644,120	449,828
Dividends received from investments		111	104
Dividends paid		<u>(229,376)</u>	<u>(200,704)</u>
<b>Net cash inflow from returns on investments and servicing of finance</b>		<u>414,855</u>	<u>249,228</u>
<b>Taxation</b>			
UK corporation tax paid		<u>(832,063)</u>	<u>(671,379)</u>
<b>Tax paid</b>		<u>(832,063)</u>	<u>(671,379)</u>
<b>Investing activities</b>			
Purchase of tangible fixed assets		<u>(405,621)</u>	<u>(382,023)</u>
Sale of tangible fixed assets		<u>32,058</u>	<u>16,637</u>
<b>Net cash outflow from investing activities</b>		<u>(373,563)</u>	<u>(365,386)</u>
<b>Increase in cash and cash equivalents</b>	24	<u>£999,806</u> =====	<u>£1,628,596</u> =====

**Notes to the financial statements  
for the year ended 31 December 1995**

**1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

**Basis of consolidation**

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertaking made up to 31 December 1995. Intra-group sales and profits are eliminated fully on consolidation.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values over the expected useful economic lives of the assets concerned, using the following bases:

Freehold buildings	2% straight line
Freehold improvements	20% net book value
Leasehold improvements	25% net book value
Plant and machinery	10% net book value
Motor vehicles	25% net book value
Fixtures and fittings	10% net book value
Electronic equipment	20% net book value

## Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs; in the case of manufactured products costs include all direct expenditure and production overheads based on the normal level of activity. Provision is made where necessary for obsolescent, slow moving and defective stocks.

## Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied.

## Deferred taxation

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Deferred taxation has been provided at the full potential amount in respect of accelerated capital allowances and other timing differences at the rate of corporation tax likely to prevail.

## Pension costs

Up to 31st March 1994 the company operated a defined benefit pension scheme which was not contracted out of the state scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The amount charged to the profit and loss account is equal to the contributions payable by the company to the scheme for the year.

During the year the company successfully negotiated a grouped personal pension scheme for its employees which is operated independently from the company. The amount charged to the profit and loss account is equal to the contributions held up to 31st March 1995 paid into the scheme by the company together with subsequent contributions to the scheme as they became payable.

## 2 Turnover

Turnover is attributable to one activity, that of being burglary prevention specialists and is confined to the United Kingdom.

## 3 Net operating expenses

Net operating expenses are made up as follows:

	1995 £	1994 £
Selling and distribution costs	1,111,351	976,054
Administrative expenses	<u>2,795,560</u>	<u>2,736,926</u>
	<u>£3,906,911</u>	<u>£3,712,980</u>
	=====	=====

**4 Operating profit**

Operating profit is stated after charging/(crediting):

	1995 £	1994 £
Profit on disposal of tangible fixed assets	(2,266)	(2,048)
Depreciation of owned tangible fixed assets	282,649	250,034
Operating lease rentals - non plant & machinery	96,693	80,500
Auditors' remuneration	31,500	27,500
	=====	=====

(Company £30,000 ; 1994 £26,000)

In addition amounts paid to the company's auditors in respect of non audit services amounted to £47,000 (1994 : £12,835) for the year. These amounts are in respect of taxation and general financial advice provided.

**5 Directors' emoluments**

	1995 £	1994 £
Remuneration as executives	1,190,200	1,211,057
Pension contributions	<u>50,142</u>	<u>148,040</u>
	<u>£1,240,342</u>	<u>£1,359,097</u>
	=====	=====

Directors' emoluments, excluding pension contributions include:

	1995 £	1994 £
Emoluments of the chairman and highest paid director	<u>£403,381</u>	<u>£334,422</u>
	=====	=====

The number of directors including the chairman who received emoluments in the following ranges was:

	1995	1994
£ 25,001 to £ 30,000	2	4
£ 35,001 to £ 40,000	-	1
£ 40,001 to £ 45,000	2	1
£ 45,001 to £ 50,000	2	2
£ 55,001 to £ 60,000	2	-
£ 60,001 to £ 65,000	-	1
£ 80,001 to £ 85,000	-	1
£ 90,001 to £ 95,000	1	-
£100,001 to £105,000	1	-
£220,001 to £225,000	-	2
£250,001 to £255,000	1	-
£330,001 to £335,000	-	1
£400,001 to £405,000	1	-
	=====	=====

## 6 Employee information

The average weekly number of persons employed by the company including executive directors during the year is analysed below:

	1995 Number	1994 Number
Factory	24	24
Motor mechanics	3	3
Despatch Riders	6	-
Fitters	87	83
Surveyors	3	6
Administration	50	51
Directors	12	13
	<u>185</u>	<u>180</u>
	===	===

Employment costs - all employees including directors:

	1995 £	1994 £
Wages and salaries	4,384,294	4,286,509
Social security costs	451,548	390,054
Other pension costs	<u>79,825</u>	<u>202,133</u>
Total direct costs of employment	<u>£4,915,667</u>	<u>£4,878,696</u>
	=====	=====

## 7 Other income

	1995 £	1994 £
Bank interest receivable	644,120	449,828
Income from listed investments	<u>111</u>	<u>104</u>
	<u>£644,231</u>	<u>£449,932</u>
	=====	=====

**BANHAMS PATENT LOCKS LIMITED****8 Taxation**

	1995 £	1994 £
<b>Tax on profit on ordinary activities</b>		
United Kingdom corporation tax at 33%	853,406	831,964
Over provision in respect of prior years	<u>(15,786)</u>	<u>-</u>
Deferred taxation	837,620 <u>-</u>	831,964 <u>(50,114)</u>
	<b>£837,620</b> =====	<b>£781,850</b> =====

**9 Profit for the financial year**

As permitted by Section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	1995 £	1994 £
Dealt with in the financial statements of the holding company	1,650,447	1,531,934
Retained by subsidiary company	<u>112,857</u>	<u>106,773</u>
	<b>£1,763,304</b> =====	<b>£1,638,707</b> =====

**10 Dividends**

	1995 £	1994 £
Interim dividends paid: at £2.00 per share (1994: £1.75)	229,376	200,704
	=====	=====

## 11 Tangible fixed assets - Group &amp; Company

	Freehold Land and buildings	Improvements to Freehold	Improvements to Leasehold	Plant and machinery	Motor vehicles	Fixtures and fittings	Electronic equipment	Total
<b>Cost</b>								
At 1st January 1995	492,956	540,573	24,961	261,539	818,651	188,888	429,320	2,756,888
Additions	-	25,783	28,041	23,853	281,935	19,642	26,367	405,621
Disposals	-	-	-	-	(192,269)	-	-	(192,269)
At 31st December 1995	492,956	566,356	53,002	285,392	908,317	208,530	455,687	2,970,240
<b>Depreciation</b>								
At 1st January 1995	117,877	201,634	15,688	143,958	532,050	128,050	287,412	1,426,669
Eliminated on disposal	-	-	-	-	(162,477)	-	-	(162,477)
Provision for the year	9,860	72,945	9,328	14,144	134,669	8,048	33,655	282,649
At 31st December 1995	127,737	274,579	25,016	158,102	504,242	136,098	321,067	1,546,841
<b>Net book value</b>								
At 31 December 1995	365,219	291,777	27,986	127,290	404,075	72,432	134,620	1,423,399
At 31 December 1994	375,079	338,939	9,273	117,581	286,601	60,838	141,908	1,330,219

Capital Commitments At 31st December 1995 commitments authorised but not contracted for amounted to Nil (1994: 16,000).

	Company	
	1995 £	1994 £
Cost		
As at 1st January 1995	2	2
Additions	<u>4</u>	<u>-</u>
As at 31st December 1995	<u>6</u>	<u>2</u>
	===	===

Fixed asset investments relate to subsidiaries in which Banhams Patent Locks Limited owns 100% of the issued £1 ordinary shares and which are all incorporated in England and Wales:-

<u>Company</u>	<u>Activity</u>		
Banham Security Limited (incorporated 18.4.1995)	Dormant	2	-
Banham Alarms Limited (incorporated 18.4.1995)	Dormant	2	-
Central Monitoring Services Limited	Keyholding & Central Station Facility	2	2

The financial statements of the above subsidiary companies have been consolidated. Banham Security Ltd and Banham Alarms Ltd did not trade in the year to 31st December 1995.

Operations are based in the country of incorporation.

### 13 Stocks

The amounts attributable to different categories are as follows:

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
Raw materials and consumables	224,347	191,265	223,547	190,465
Finished goods and goods for resale	<u>635,364</u>	<u>615,882</u>	<u>635,364</u>	<u>615,882</u>
	<b>£859,711</b>	<b>£807,147</b>	<b>£858,911</b>	<b>£806,347</b>
	=====	=====	=====	=====

### 14 Debtors

	Group		Company	
	1995 £	1994 £	1995 £	1994 £
<b>Amounts falling due within one year</b>				
Trade debtors	923,063	838,766	891,857	818,877
Accrued income	346,496	213,914	346,496	213,914
Other debtors	22,444	16,989	22,444	16,989
Prepayments	<u>130,124</u>	<u>129,191</u>	<u>130,124</u>	<u>92,918</u>
	<b>£1,422,127</b>	<b>£1,198,860</b>	<b>£1,390,921</b>	<b>£1,142,698</b>
	=====	=====	=====	=====



## 15 Investments

	Group and Company	
	1995	1994
	£	£
Listed investments - cost	£650	£650
- market value	£1,838	£1,875

## 16 Creditors: amounts falling due within one year

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
Trade creditors	257,957	281,517	257,957	270,548
Other creditors including:				
Taxation and social security costs	1,308,731	1,321,698	1,252,695	1,275,010
Pensions and similar obligations	250,000	250,000	250,000	250,000
Accruals and deferred income	2,053,992	2,182,576	1,923,248	2,084,063
Amount owed to group undertaking		-	164,339	176,148
	<u>£3,870,680</u>	<u>£4,035,791</u>	<u>£3,848,239</u>	<u>£4,055,769</u>

Taxation and social security costs are made up as follows:

	Group		Company	
	1995	1994	1995	1994
	£	£	£	£
United Kingdom corporation tax payable	795,019	796,653	751,857	754,322
Advance corporation tax	57,344	50,153	57,344	50,153
PAYE and social security	157,194	192,612	157,194	192,612
VAT	<u>299,174</u>	<u>282,280</u>	<u>286,300</u>	<u>277,923</u>
	<u>£1,308,731</u>	<u>£1,321,698</u>	<u>£1,252,695</u>	<u>£1,275,010</u>

## 17 Provisions for liabilities and charges

## Group and company

## (a) Deferred taxation

Analysis of provision and potential liability  
calculated at 33% (1994: 33%)

	Amount provided		Full potential liability	
	1995 £	1994 £	1995 £	1994 £
Accelerated capital allowances	82,500	19,456	91,359	19,456
Other timing differences	<u>(82,500)</u>	<u>(19,456)</u>	<u>(82,500)</u>	<u>(19,456)</u>
	£ - =====	£ - =====	£ 8,859 =====	£ - =====

Movements on the provision for deferred taxation are as follows:

	1995 £	1994 £
At 1 January	-	50,114
Transferred to profit and loss account	<u>-</u>	<u>(50,114)</u>
At 31 December	£ Nil =====	£ Nil =====

**18 Pensions and similar obligations**

Up to 31st March 1994 the group operated a defined benefit pension scheme in the United Kingdom. The assets of that scheme are held in a separate trustee administered fund. Funds from the scheme are held on behalf of the trustees by London and Manchester (Pensions) Limited.

On 31st March 1994 the company discontinued this defined benefit pension in favour of a grouped personal pension plan with Legal and General. The company's contributions range from 2% to 6% depending on the age of the employee.

Were the London & Manchester policy to be wound-up at 31st March 1994 it would have given rise to a deficit of approximately £250,000 which has been provided for in these Accounts. This apparent underfunding is due to the fact that the fund is primarily invested in a weak gilts market.

The company is currently considering methods of transferring the fund into the new pension plan.

The total pension cost for the group in respect of these schemes was £31,283 (1994: £63,491). In addition £50,142 (1994: £138,642) was paid into private schemes of the directors.

**19 Called up share capital**

	1995 £	1994 £
<b>Authorised</b>		
Ordinary shares of 5p each - 150,000	7,500	7,500
Ordinary shares of £1 each - 5,000	<u>5,000</u>	<u>5,000</u>
	<b>£12,500</b>	<b>£12,500</b>
	=====	=====
<b>Allotted, called up and fully paid</b>		
Ordinary shares of 5p each - 114,688	<b>£5,734</b>	<b>£5,734</b>
	=====	=====

**BANHAMS PATENT LOCKS LIMITED****20 Reserves**

	Capital redemption reserve £	Profit and loss account £
<b>Group</b>		
At 1 January 1995	1,580	9,021,020
Retained profit for the year	<u>-</u>	<u>1,533,928</u>
<b>At 31 December 1995</b>	<u>1,580</u> =====	<u>10,554,948</u> =====
<b>Company</b>		
At 1 January 1995	1,580	8,797,868
Retained profit for the year	<u>-</u>	<u>1,421,071</u>
<b>At 31 December 1995</b>	<u>£1,580</u> =====	<u>£10,218,939</u> =====

**21 Reconciliation of movements in shareholders' funds**

	1995 £	1994 £
Profit for the financial year	1,763,304	1,638,707
Dividends	<u>(229,376)</u>	<u>(200,704)</u>
Net addition to shareholders funds	1,533,928	1,438,003
Opening shareholders' funds	<u>9,028,334</u>	<u>7,590,331</u>
	<u>£10,562,262</u> =====	<u>£9,028,334</u> =====

**22 Financial commitments**

At 31 December 1995 the group had annual commitments under non-cancellable operating leases as follows:

	1995 £	1994 £
	<b>Land and Buildings</b>	<b>Land and Buildings</b>
Expiring within one year	75,000	-
Expiring between two and five years inclusive	-	75,000
Expiring in over five years	<u>23,500</u>	<u>-</u>
	<u>£98,500</u> =====	<u>£75,000</u> =====

## BANHAMS PATENT LOCKS LIMITED

## 23 Reconciliation of operating profit to net cash inflow from operating activities

	1995 £	1994 £
Operating profit	1,956,693	1,970,625
Depreciation on tangible fixed assets	282,649	250,034
Gain on sale of tangible fixed assets	(2,266)	(2,048)
(Increase)/Decrease in stocks	(52,564)	5,425
Increase in trade debtors	(84,297)	(27,043)
Increase in accrued income	(132,582)	(9,199)
(Increase)/Decrease in other debtors	(5,455)	2,568
(Increase)/Decrease in prepayments	(933)	29,930
(Decrease)/Increase in trade creditors	(23,560)	75,109
(Decrease)/Increase in other taxation and social security	(18,524)	48,678
(Decrease)/Increase in accruals and deferred income	<u>(128,584)</u>	<u>72,054</u>
<b>Net cash inflow from operating activities</b>	<b>£1,790,577</b> =====	<b>£2,416,133</b> =====

## 24 Cash and cash equivalents

	1995 £	1994 £	
<b>Changes during the year</b>			
At 1 January	9,727,249	8,098,653	
Net cash inflow	<u>999,806</u>	<u>1,628,596</u>	
<b>At 31 December</b>	<b>10,727,055</b> =====	<b>9,727,249</b> =====	
	1995	1994	Change in year
	£	£	£
<b>Analysis of balances</b>			
Cash at bank and in hand	<u>10,727,055</u>	<u>9,727,249</u>	<u>999,806</u>
<b>At 31 December</b>	<b>10,727,055</b> =====	<b>9,727,249</b> =====	<b>999,806</b> =====