

REGISTRAR'S

COPY

R. GRIGGS & CO. LIMITED AND ITS SUBSIDIARIES.

494207

ANNUAL REPORT

for the year ended 31st March, 1988.

GRANT THORNTON,

Chartered Accountants,

Brooke House,

Queen Street,

Wellingborough,

Northants.

COMPANIES HOUSE

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R. Griggs & Co. Limited.

ANNUAL REPORT for the year ended 31st March, 1988.

<u>Contents</u>	<u>Pages</u>
1. Notice of Meeting.	2
2. Directors and Officers.	3
3. Summary of Results.	4
4. Report of the Directors.	5 - 6
5. Report of the Auditors.	7
6. Subsidiary Companies in the Group.	8
7. Accounting Policies.	9 - 10
8. Group Profit and Loss Account.	11
9. Group Balance Sheet.	12
10. Balance Sheet of R. Griggs & Co. Limited	13
11. Group Source and Application of Funds Statement.	14
12. Notes to the Financial Statements.	15 - 23

R. Griggs & Co. Limited.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of R. Griggs & Co. Limited will be held at Brooke House, Queen Street, Wellingborough, Northants on Thursday, 1st December, 1988 at 11.00 a.m. for the following purposes:-

1. To receive the Report of the Directors together with the Financial Statements for the year ended 31st March, 1988 and the Report of the Auditors thereon.
2. To declare a dividend on the Ordinary Shares of the Company for the year ended 31st March, 1988.
3. To re-appoint Grant Thornton as Auditors and to authorise the Directors to fix their remuneration.
4. To transact any other ordinary business.

By Order of the Board -

J. STUBBS

Secretary.

Cobbs Lane,
Wollaston.

1st December, 1988.

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

R. Griggs & Co. Limited.

Directors

W.M. Griggs	-	Chairman
P.T. Griggs	-	Managing Director
S.W. Griggs		
J.M. Clissold	F.C.A.	

Secretary

J. Stubbs, F.C.A.

Executive Directors

J. McCall
R.C. Shelton B.A.

Registered Office

Cobbs Lane, Wollaston, Wellingborough,
Northamptonshire. NN9 7SW

Auditors

Grant Thornton, Chartered Accountants,
Brooke House, Queen Street, Wellingborough,
Northamptonshire. NN8 4RW

Bankers

Midland Bank PLC,
Market Street, Wellingborough,
Northamptonshire. NN8 1AE

Lloyds Bank PLC,
Market Street, Wellingborough,
Northamptonshire. NN8 1AG

Solicitors

Smith Chamberlain,
Regent House, 61 & 62 Oxford Street,
Wellingborough, Northamptonshire.
NN8 4JL

GROUP SUMMARY OF RESULTS

for the year ended 31st March, 1988.

	<u>1988</u>	<u>1987</u>
	<u>£'000</u>	<u>£'000</u>
<u>Turnover, Profit and Dividends</u>		
Turnover	31,994	28,754
Group profit before taxation	4,009	2,469
Group profit after taxation	2,597	1,595
Dividends	1	1
Profit attributable to members of the company, retained in the business	2,596	1,594
Net assets employed	15,465	12,868

REPORT OF THE DIRECTORS

The Directors present their report together with Financial Statements for the year ended 31st March, 1988.

1. Principal activities

The group is principally engaged in the footwear industry and as general engineers.

2. Review of the business

The Directors are pleased to report a successful year's trading for the group with both turnover and profits showing substantial increases. Although penetrations of imported footwear are continuing to have influence upon our industry, we have with the co-operation of our workforce become more competitive which is essential if we are to maintain our growth in the future. We are constantly seeking to expand into new markets whilst continuing to develop in our traditional areas.

The Directors consider the financial position at the balance sheet date to be satisfactory.

The profit for the year after taxation amounted to £2,597,115. The Directors recommend dividends absorbing £643, leaving £2,596,472 retained.

3. Directors

The Directors in office at the end of the year are listed below. All served on the Board throughout the year.

The interests of the Directors and their families in the shares of the company and its subsidiaries at 1st April, 1987 and at 31st March, 1988, as recorded in the register maintained by the company in accordance with the provisions of the Companies Act 1985, were as follows:-

	<u>1988 and 1987</u>	
	<u>Ordinary</u>	<u>Preference</u>
<u>The company</u>		
Mr. W.M. Griggs	29,934	956
Mr. P.T. Griggs	39,131	956
Mr. S.W. Griggs	24,732	2,407

On 4th November, 1988 Mr. J.M. Clissold was appointed a Director of the company.

4. Fixed assets

Group additions during the year were as follows:-

	£
Freehold Property	615,040
Plant and Machinery	1,510,886
Motor Vehicles	<u>207,799</u>
	<u>£2,333,725</u>
	=====

The net book amount of fixed assets sold during the year was £192,996.

The Directors are of the opinion that in aggregate the market value of Group Freehold Properties exceed the book value.

5. Employee involvement

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the group.

6. Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies, having regard to their particular aptitudes and abilities.

In the event of employees becoming disabled, every effort is made to retain them in order that their employment with the company may continue.

It is the policy of the company that training, career development and promotion opportunities should be available to all employees.

7. Charitable and political contributions

Donations to charitable organisations amounted to £14,893.

8. Auditors

Grant Thornton offer themselves for re-appointment as auditors in accordance with Section 384 (1) of the Companies Act 1985.

On behalf of the Board -



W.M. GRIGGS

.....
Chairman.

Cobbs Lane,
Wollaston,
Northants.

1st December, 1988.

Report of the Auditors to the Members to R. Griggs & Co. Limited.

We have audited the Financial Statements on pages 8. to 23. in accordance with approved Auditing Standards.

In our opinion the Financial Statements, which have been prepared under the historical cost convention, give a true and fair view of the stated of affairs of the company and the group at 31st March, 1988 and of the profit and source and application of funds of the group for the year then ended and comply with the Companies Act 1985.

Wellingborough.

GRANT THORNTON

1st December, 1988.

Chartered Accountants.

R. Griggs & Co. Limited.

SUBSIDIARY COMPANIES at 31st March, 1988.

All companies are registered in England.

100% of the ordinary share capital is held by R. Griggs & Co. Limited or its nominees in all companies.

All companies are engaged in the footwear industry with the exception of G.E.M. Co. (Wollaston) Limited which is engaged in general engineering.

Bulldog Sports Limited,
Cobbs Lane,
Wollaston, Wellingborough,
Northamptonshire.

Phillips Bros. (Wollaston) Limited,
Unit 4, Raymond Close,
Wollaston, Wellingborough,
Northamptonshire.

G.B. Footwear Limited,
Station Road,
Irthlingborough,
Northamptonshire.

John Pick & Co. Limited,
Victoria Road, Whetstone,
Leicestershire.

G.E.M. Co. (Wollaston) Limited,
Cobbs Lane,
Wollaston,
Wellingborough,
Northamptonshire.

G.W. & R. Shelton Limited,
Park Street,
Wollaston, Wellingborough,
Northamptonshire.

G & P Closers Limited,
Station Road, Irthlingborough,
Northamptonshire.

The Tower Boot Company Limited,
Wellingborough Road, Finedon,
Northamptonshire.

Kids & Co. (Footwear) Limited,
Cobbs Lane,
Wollaston, Wellingborough,
Northamptonshire.

Arthur Whittle & Co. Limited,
Nelson Way, Boston,
Lincolnshire.

Luther Austin and Sons Limited,
Eastfield Road,
Wollaston, Wellingborough,
Northamptonshire.

Wollaston Vulcanizing Company Limited,
Hinwick Road, Wollaston,
Wellingborough,
Northamptonshire.

M. & F. Jinks Limited,
Gold Street, Wellingborough,
Northamptonshire.

ACCOUNTING POLICIES

for the year ended 31st March, 1988.

The Financial Statements have been prepared under the historical cost convention.

The principal accounting policies of the group have remained unchanged from the previous year and are set out below.

(a) Basis of consolidation

The group Financial Statements consolidate the Financial Statements of the company and of its subsidiaries (see Page 8.). The Financial Statements of each company in the group have been prepared to 31st March, 1988. All intra-group profits are eliminated on consolidation.

(b) Turnover

Turnover is the total amount receivable by the group in the ordinary course of business with outside customers for goods supplied as a principal and for services provided.

(c) Investment income

Investment income comprises dividends and interest received on listed investments and rents receivable.

(d) Depreciation

Depreciation is calculated to write down the cost of tangible fixed assets over their expected useful lives.

Freehold Buildings are depreciated by equal annual instalments, whilst all other assets with the exception of Freehold Land are depreciated by the reducing balance method.

The periods generally applicable are:

Freehold Buildings	22 and 50 years
Leasehold Premises	Period of lease
Plant and Machinery	8 and 14 years
Motor Vehicles	8 years

(e) Investment property

Investment property is to be revalued every five years and the aggregate surplus or deficit transferred to revaluation reserve. At the balance sheet date the Directors are of the opinion that open market value of such property was not materially different to that shown in these Financial Statements.

(f) Investments

Investments are included at cost.

ACCOUNTING POLICIES (CONTINUED)

for the year ended 31st March, 1988.

(g) Goodwill

Purchased goodwill is stated at cost less amounts written off. It is group policy to write off goodwill, whether arising on consolidation or purchased, direct to profit and loss account.

(h) Stock and work in progress

Stock and work in progress is stated at the lower of cost and net realisable value.

In the case of raw materials, cost means purchase price including transport and handling costs, less trade discounts, calculated on a first in first out basis. In the case of work in progress and finished goods, cost consists of direct materials, direct labour and attributable production overheads.

Net realisable value means estimated selling price (less trade discounts) less all further costs to completion and all costs to be incurred in selling and distribution.

(i) Deferred tax

Deferred tax is the tax attributable to timing differences between profits or losses as computed for tax purposes and results as stated in Financial Statements.

Deferred tax is provided to the extent that it is probable that a liability or asset will crystallise and not provided to the extent that it is probable that a liability or asset will not crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Deferred tax is calculated at the rate(s) at which it is estimated that the tax/group relief will be paid (or recovered) when the timing differences reverse.

(j) Contributions to pension funds

Contributions are charged against profit to cover the cost of benefits arising from the current service of employees. Adjustments relating to past service are charged to profit and loss account over the remaining working life of employees.

R. Griggs & Co. Limited and its Subsidiaries.

GROUP PROFIT AND LOSS ACCOUNT
for the year ended 31st March, 1988.

	<u>Note</u>	£	<u>1988</u>	£	£	<u>1987</u>	£
Turnover	1		31,994,384			28,754,174	
Operating charges	1		<u>28,359,280</u>			<u>26,581,088</u>	
			3,635,104			2,173,086	
Income from fixed asset investments	2		<u>310,360</u>			<u>264,974</u>	
			3,945,464			2,438,060	
Interest receivable and other similar income			<u>63,714</u>			<u>30,950</u>	
Profit on ordinary activities before taxation	1		4,009,178			2,469,010	
Tax on profit on ordinary activities	4		<u>1,412,063</u>			<u>874,280</u>	
Profit on ordinary activities after taxation			2,597,115			1,594,730	
Dividends:	6						
Preference		231			231		
Ordinary		<u>412</u>	<u>643</u>		<u>412</u>	<u>643</u>	
Profit retained	16		<u>£2,596,472</u>			<u>£1,594,087</u>	
By the company		£1,199,283			£749,273		
By subsidiaries		<u>£1,397,189</u>			<u>£844,814</u>		

The Accounting Policies and Notes on pages 9. and 10. and 15. to 23.
form part of these Financial Statements.

R. Griggs & Co. Limited and its Subsidiaries.

GROUP BALANCE SHEET at 31st March, 1988.

	Note	£	1988	£	1987	£
<u>FIXED ASSETS</u>						
<u>TANGIBLE ASSETS</u>	7		7,753,611		6,362,645	
<u>INVESTMENTS</u>	8		1,024,163		1,231,390	
			8,777,774		7,594,035	
<u>CURRENT ASSETS</u>						
Stocks	9	7,269,608		5,299,559		
Debtors	10	3,585,855		2,984,585		
Cash at bank and in hand		<u>2,452,921</u>		<u>2,682,856</u>		
		13,308,384		10,967,000		
<u>CREDITORS: amounts falling due within one year</u>	11	<u>5,367,750</u>		<u>4,370,664</u>		
<u>NET CURRENT ASSETS</u>			<u>7,940,634</u>		<u>6,596,336</u>	
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			16,718,408		14,190,371	
<u>CREDITORS: amounts falling due after more than one year</u>	12	176,500		194,450		
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	13	<u>1,077,700</u>	<u>1,254,200</u>	<u>1,128,185</u>	<u>1,322,635</u>	
			<u>£15,464,208</u>		<u>£12,867,736</u>	
<u>CAPITAL AND RESERVES</u>						
<u>CALLED UP SHARE CAPITAL</u>	15		123,740		123,740	
<u>OTHER RESERVES</u>	16		252,553		252,553	
<u>PROFIT AND LOSS ACCOUNT</u>	16		<u>15,087,915</u>		<u>12,491,443</u>	
			<u>£15,464,208</u>		<u>£12,867,736</u>	

The Financial Statements were approved by the Board of Directors on 1st December, 1988.

W.M. GRIGGS

P.T. GRIGGS

Directors

The Accounting Policies and Notes on pages 9. to 10. and 15. to 23. form part of these Financial Statements.

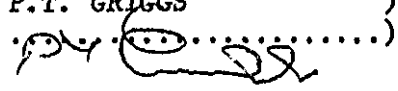
R. Griggs & Co. Limited.

BALANCE SHEET at 31st March, 1988.

	<u>Note</u>	<u>1988</u>	<u>1987</u>
		£	£
<u>FIXED ASSETS</u>			
<u>TANGIBLE ASSETS</u>	7	4,557,884	3,931,129
<u>INVESTMENTS</u>	8	2,511,540	2,727,607
		7,069,424	6,658,736
<u>CURRENT ASSETS</u>			
Stocks	9	3,220,871	1,685,839
Debtors	10	3,285,716	2,193,030
Cash at bank and in hand		<u>596,383</u>	<u>1,038,276</u>
		7,102,970	4,917,195
<u>CREDITORS: amounts falling due within one year</u>	11	<u>3,368,563</u>	<u>2,291,382</u>
<u>NET CURRENT ASSETS</u>		<u>3,734,407</u>	<u>2,625,813</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		10,803,831	9,284,549
<u>CREDITORS: amounts falling due after more than one year</u>	12	2,008,901	1,658,902
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	13	<u>710,000</u>	<u>740,000</u>
		<u>£ 8,084,930</u>	<u>£6,885,647</u>
<u>CAPITAL AND RESERVES</u>			
<u>CALLED UP SHARE CAPITAL</u>	15	123,740	123,740
<u>PROFIT AND LOSS ACCOUNT</u>	16	<u>7,961,190</u>	<u>6,761,907</u>
		<u>£8,084,930</u>	<u>£6,885,647</u>

The Financial Statements were approved by the Board of Directors on 1st December, 1988.


W.M. GRIGGS


P.T. GRIGGS

Directors

The Accounting Policies and Notes on pages 9. and 10. and 15. to 23.
form part of these Financial Statements.

R. Griggs & Co. Limited and its Subsidiaries.

GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the year ended 31st March, 1988.

<u>Source/(outflow) of funds</u>	£	<u>1988</u>	£	£	<u>1987</u>	£
<u>From operations</u>						
Profit on ordinary activities before taxation			4,009,178		2,469,010	
Adjustments for items not involving the movement of funds:-						
Depreciation and amounts written off fixed assets	749,763			558,746		
Losses on sale of fixed assets	21,324			36,218		
Profits on disposal of fixed asset investments	(25,267)	<u>745,820</u>		-	<u>594,964</u>	
		4,754,998			3,063,974	
<u>From other sources</u>						
Proceeds of disposals of tangible fixed assets	171,672			175,391		
Proceeds of disposal of fixed asset investments	<u>300,000</u>	<u>471,672</u>		-	<u>175,391</u>	
		5,226,670			3,239,365	
<u>Goodwill written off</u>		-			<u>2,020</u>	
		5,226,670			3,237,345	
<u>Application of funds</u>						
Dividends paid	643			643		
Taxation paid	651,064			567,575		
Purchase of tangible fixed assets	2,333,725			1,311,457		
Purchase of fixed asset investments	<u>67,506</u>	<u>3,052,938</u>		-	<u>1,879,675</u>	
<u>Net inflow of funds</u>		<u>£2,173,732</u>			<u>£1,357,670</u>	
<u>Increase/(decrease) in working capital</u>						
Stock		1,970,049			(280,155)	
Debtors		601,270			433,352	
Creditors: amounts falling due within one year		<u>12,036</u>			<u>(300,986)</u>	
		2,583,355			(147,789)	
Net liquid funds:-						
Cash at bank and in hand	(229,935)			1,567,077		
Bank overdrafts	<u>(179,688)</u>	<u>(409,623)</u>		<u>(61,618)</u>	<u>1,505,459</u>	
<u>Net increase in working capital</u>		<u>£2,173,732</u>			<u>£1,357,670</u>	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March, 1988.

1. Turnover and profit on ordinary activities before taxation

	<u>Turnover</u>		<u>Profit before taxation</u>	
	<u>1988</u>	<u>1987</u>	<u>1988</u>	<u>1987</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Footwear manufacturing	31,623	28,439	4,008	2,468
General engineering	<u>371</u>	<u>315</u>	<u>1</u>	<u>1</u>
	<u>£31,994</u>	<u>£28,754</u>	<u>£4,009</u>	<u>£2,469</u>

Operating charges:-

	<u>1988</u>	<u>1987</u>
	<u>£</u>	<u>£</u>
Change in stocks of finished goods and work in progress	(730,177)	(102,384)
Raw materials and consumables	13,325,882	12,702,199
Other external charges	3,010,104	2,624,179
Staff costs	9,628,339	8,720,245
Depreciation	749,763	558,746
Auditors' remuneration	34,350	32,565
Hire of plant and machinery	116,344	123,488
Other operating charges	<u>2,224,675</u>	<u>1,922,050</u>
	<u>£28,359,280</u>	<u>£26,581,088</u>

2. Income from fixed asset investments

External rent receivable	244,634	223,595
Listed investments	<u>65,726</u>	<u>41,379</u>
	<u>£310,360</u>	<u>£264,974</u>

R. Griggs & Co. Limited and its Subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

3. Directors and employees

	<u>1988</u>	<u>1987</u>
Staff costs during the year:	<u>£</u>	<u>£</u>
Wages and salaries	7,810,201	7,237,411
Social security	661,207	599,469
Pension costs	1,126,463	755,798
Other staff costs	<u>30,468</u>	<u>127,567</u>
	<u>£9,628,339</u>	<u>£8,720,245</u>

The average number of employees of the group during the year was 1,099 (1987 1,012).

Directors' emoluments were payable as follows:-

Management remuneration	<u>£1,140,616</u>	<u>£1,078,154</u>
-------------------------	-------------------	-------------------

The emoluments of the directors, excluding pension contributions, were as follows:-

The chairman	<u>£113,950</u>	<u>£243,658</u>
--------------	-----------------	-----------------

The highest paid director	<u>£123,158</u>	<u>£253,008</u>
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All directors:	<u>Number</u>	<u>Number</u>
£35,001 to £40,000	1	1
£110,001 to £115,000	1	-
£120,001 to £125,000	1	-
£240,001 to £245,000	-	1
£250,001 to £255,000	-	1
	=	=

The number of employees of the company receiving more than £30,000 during the year, excluding pension contributions, fell in the following bands:-

£35,001 to £40,000	2	-
£45,001 to £50,000	-	1
£50,001 to £55,000	-	1
	=	=

R. Griggs & Co. Limited and its Subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

4. Tax on profit on ordinary activities

The taxation charge is based on the profit for the year and is made up as follows:-

	<u>1988</u> £	<u>1987</u> £
Corporation tax @ 35%	1,464,081	988,669
Deferred tax @ 35%	<u>(57,815)</u>	<u>(99,877)</u>
	1,406,266	888,792
Adjustments in respect of prior year	<u>5,797</u>	<u>(14,512)</u>
	<u>£1,412,063</u>	<u>£874,280</u>

5. Profit for the financial year

The company has taken advantage of Section 258 (5) of the Companies Act 1985 and has not included its own profit and loss account in these Financial Statements. £1,199,926 (1987 £749,916) of the group profit for the year is dealt with in the Financial Statements of the parent company.

6. Dividends

	<u>1988</u> £	<u>1987</u> £
Preference dividend of 3.85p per share	231	231
Ordinary shares:		
Proposed final dividend of 0.35p per share (1987 0.35p)	<u>412</u>	<u>412</u>
	<u>£643</u>	<u>£643</u>

R. Griggs & Co. Limited and its Subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

7. Tangible fixed assets

The group

	<u>Land and Buildings</u>				
	<u>Total</u>	<u>Investment</u>	<u>Freeholds</u>	<u>Plant and</u>	<u>Motor</u>
	<u>£</u>	<u>Properties</u>	<u>£</u>	<u>Machinery</u>	<u>Vehicles</u>
		<u>£</u>		<u>£</u>	<u>£</u>
Cost					
At 1st April, 1987	10,437,542	1,684,679	2,974,826	5,303,966	474,071
Additions	2,333,725	-	615,040	1,510,886	207,799
Disposals	(591,708)	-	-	(411,626)	(180,082)
At 31st March, 1988	<u>£12,179,559</u>	<u>£1,684,679</u>	<u>£3,589,866</u>	<u>£6,403,226</u>	<u>£501,788</u>
Depreciation					
At 1st April, 1987	4,074,897	34,586	424,981	3,399,043	216,287
Provided in the year	749,763	-	68,961	584,469	96,333
Disposals	(398,712)	-	-	(299,475)	(99,237)
At 31st March, 1988	<u>£4,425,948</u>	<u>£34,586</u>	<u>£493,942</u>	<u>£3,684,037</u>	<u>£213,383</u>
Net book amount					
At 31st March, 1988	<u>£7,753,611</u>	<u>£1,650,093</u>	<u>£3,095,924</u>	<u>£2,719,189</u>	<u>£288,405</u>
Net book amount					
At 31st March, 1987	<u>£6,362,645</u>	<u>£1,650,093</u>	<u>£2,549,845</u>	<u>£1,904,923</u>	<u>£257,784</u>

The gross amount of Freehold Land and Buildings on which depreciation is being provided is £3,190,868.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

7. Tangible fixed assets (continued)

The company	<u>Land and Buildings</u>				
	<u>Total</u>	<u>Investment</u>	<u>Freeholds</u>	<u>Plant and</u>	<u>Motor</u>
	<u>£</u>	<u>Properties</u>	<u>£</u>	<u>Machinery</u>	<u>Vehicles</u>
		<u>£</u>		<u>£</u>	<u>£</u>
Cost					
At 1st April, 1987	5,271,878	1,684,679	2,039,603	1,351,953	195,643
Additions	990,909	-	394,252	489,077	107,580
Disposals	(109,711)	-	-	(11,472)	(98,239)
Group transfers	(45,614)	-	-	(43,014)	(2,600)
At 31st March, 1988	<u>£6,107,462</u>	<u>£1,684,679</u>	<u>£2,433,855</u>	<u>£1,786,544</u>	<u>£202,384</u>
Depreciation					
At 1st April, 1987	1,340,749	34,586	204,071	1,008,776	93,316
Provided in the year	277,572	-	45,945	189,792	41,835
Disposals	(61,785)	-	-	(5,294)	(56,491)
Group transfers	(6,958)	-	-	(5,180)	(1,778)
At 31st March, 1988	<u>£1,549,578</u>	<u>£34,586</u>	<u>£250,016</u>	<u>£1,188,094</u>	<u>£76,882</u>
Net book amount					
At 31st March, 1988	<u>£4,557,884</u>	<u>£1,650,093</u>	<u>£2,183,839</u>	<u>£598,450</u>	<u>£125,502</u>
Net book amount					
At 31st March, 1987	<u>£3,931,129</u>	<u>£1,650,093</u>	<u>£1,835,532</u>	<u>£343,177</u>	<u>£102,327</u>

The gross amount of land and buildings on which depreciation is being provided is £2,298,657.

8. Fixed asset investments

The group	£
Cost	
At 1st April, 1987	1,231,390
Additions	67,506
Disposals	(274,733)
At 31st March, 1988	<u>£1,024,163</u>

Listed investments

Investments at cost include:	<u>1988</u>	<u>1987</u>
Investments listed on a recognised stock exchange	<u>£1,024,143</u>	<u>£1,231,370</u>

The aggregate market value of these investments at 31st March, 1988 was £1,168,250 (1987 £1,359,712).

R. Griggs & Co. Limited and its Subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

8. Fixed asset investments (continued)

The company	<u>Total</u> £	<u>Listed</u> <u>Securities</u> £	<u>Shares in</u> <u>group companies</u> £
Cost			
At 1st April, 1987	3,257,491	1,230,307	2,027,184
Additions	67,506	67,506	-
Disposals	<u>(303,295)</u>	<u>(274,733)</u>	<u>(28,562)</u>
At 31st March, 1988	<u>£3,021,702</u>	<u>£1,023,080</u>	<u>£1,998,622</u>
Amounts written off			
At 1st April, 1987	529,884	-	529,884
Disposals	<u>(19,722)</u>	-	<u>(19,722)</u>
At 31st March, 1988	<u>£510,162</u>	<u>£-</u>	<u>£510,162</u>
Net book amount			
At 31st March, 1988	<u>£2,511,540</u>	<u>£1,023,080</u>	<u>£1,488,460</u>
Net book amount			
At 31st March, 1987	<u>£2,727,607</u>	<u>£1,230,307</u>	<u>£1,497,300</u>

The aggregate market value of listed securities at 31st March, 1988 was £1,167,719 (1987 - £1,359,297).

9. Stocks

	<u>The group</u>		<u>The company</u>	
	<u>1988</u> £	<u>1987</u> £	<u>1988</u> £	<u>1987</u> £
Raw materials	4,079,994	2,840,122	1,931,061	1,065,188
Work in progress	1,471,234	1,111,268	1,038,861	525,336
Finished goods for resale	1,713,380	1,343,169	245,949	90,365
Racehorse	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
	<u>£7,269,608</u>	<u>£5,299,559</u>	<u>£3,220,871</u>	<u>£1,685,889</u>

10. Debtors

Amounts falling due within one year:

Trade debtors	3,145,316	2,524,992	1,330,535	868,126
Amounts owed by group companies	-	-	1,303,304	836,605
Other debtors	326,352	352,770	137,570	119,961
Prepayments	<u>100,778</u>	<u>82,014</u>	<u>45,820</u>	<u>33,330</u>
	<u>£3,572,446</u>	<u>£2,959,776</u>	<u>£2,817,229</u>	<u>£1,858,022</u>

R. Griggs & Co. Limited and its Subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

10. Debtors (continued)

Amounts falling due after more than one year:

	<u>The group</u>		<u>The company</u>	
	<u>1988</u>	<u>1987</u>	<u>1988</u>	<u>1987</u>
	£	£	£	£
Amounts owed by group companies	-	-	455,078	310,199
Other debtors	<u>13,409</u>	<u>24,809</u>	<u>13,409</u>	<u>24,809</u>
	<u>£13,409</u>	<u>£24,809</u>	<u>£468,487</u>	<u>£335,008</u>
	<u>£3,585,855</u>	<u>£2,984,585</u>	<u>£3,285,716</u>	<u>£2,193,030</u>

11. Creditors - amounts falling due within one year

Bank overdrafts	834,531	654,843	432,172	337,617
Trade creditors	1,268,118	1,310,399	439,062	289,978
Amounts owed to group companies	-	-	1,026,268	604,905
Current taxation	1,810,595	981,161	1,000,000	440,000
Social security and other taxes	553,454	612,966	166,277	353,636
Proposed dividends	643	643	643	643
Other creditors	569,695	382,547	163,667	167,424
Accruals and deferred income	<u>330,714</u>	<u>428,105</u>	<u>140,474</u>	<u>97,179</u>
	<u>£5,367,750</u>	<u>£4,370,664</u>	<u>£3,368,563</u>	<u>£2,291,382</u>

12. Creditors - amounts falling due after more than one year

Amounts owed to group companies	-	-	2,008,901	1,658,902
Taxation	<u>176,500</u>	<u>194,450</u>	-	-
	<u>£176,500</u>	<u>£194,450</u>	<u>£2,008,901</u>	<u>£1,658,902</u>

13. Provisions for liabilities and charges

<u>The group</u>	<u>Deferred taxation (Note 14.)</u>
	£
At 1st April, 1987	1,128,185
Released during the year	<u>(50,485)</u>
At 31st March, 1988	<u>£1,077,700</u>

R. Griggs & Co. Limited and its Subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

13. Provisions for liabilities and charges (continued)

	Deferred taxation (Note 14.) £
The company	
At 1st April, 1987	740,000
Released during the year	<u>(30,000)</u>
At 31st March, 1988	<u>£710,000</u>

14. Deferred taxation

Deferred taxation provided in the financial statements is set out below:

	<u>The group</u>		<u>The company</u>	
	<u>1988</u> £	<u>1987</u> £	<u>1988</u> £	<u>1987</u> £
Accelerated capital allowances	1,077,700	1,134,909	710,000	740,000
<u>Less</u> Trading losses	<u>-</u>	<u>6,724</u>	<u>-</u>	<u>-</u>
	<u>£1,077,700</u>	<u>£1,128,185</u>	<u>£710,000</u>	<u>£740,000</u>

15. Called up share capital

	<u>1988 and 1987</u>	
	<u>Authorised</u> £	<u>Allotted, called up and fully paid</u> £
6,000 Cumulative preference of £1 each 3.85% plus tax credit (formerly 5.5% gross)	6,000	6,000
'A' Redeemable preference shares of £1 each	2,300	-
5% 'B' Redeemable preference shares of £1 each	6,700	-
Ordinary shares of £1 each	<u>985,000</u>	<u>117,740</u>
	<u>£1,000,000</u>	<u>£123,740</u>

R. Griggs & Co. Limited and its Subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31st March, 1988.

16. Reserves

The group	Capital reserve arising on consolidation £	Profit and loss account £
At 1st April, 1987	252,573	12,491,443
Retained profit for the year	-	2,596,472
At 31st March, 1988	<u>£252,553</u>	<u>£15,087,915</u>
The company		
At 1st April, 1987		6,761,907
Retained profit for the year		<u>1,199,283</u>
At 31st March, 1988		<u>£7,961,190</u>

17. Capital commitments

	<u>The group</u>		<u>The company</u>	
	<u>1988</u> £	<u>1987</u> £	<u>1988</u> £	<u>1987</u> £
Contracted for but not provided for in these financial statements	151,375	623,000	65,000	300,000
Authorised by the directors but not contracted for	<u>1,000,000</u>	<u>7,000</u>	<u>1,000,000</u>	<u>-</u>
	<u>£1,151,375</u>	<u>£630,000</u>	<u>£1,065,000</u>	<u>£300,000</u>

18. Contingent liabilities

Customs and Excise guarantee given by the bank	150,000	75,000	150,000	75,000
N.C.C. Surety Bond given by the bank	<u>21,150</u>	<u>-</u>	<u>21,150</u>	<u>-</u>
	<u>£171,150</u>	<u>£75,000</u>	<u>£171,150</u>	<u>£75,000</u>

In addition to the above, there are contingent liabilities in respect of machinery rentals.

19. Pension commitments

The group has a number of pension schemes designed to provide retirement benefits based on final salary for its directors and senior employees. An actuarial valuation established that funding arrangements were satisfactory and adequate to meet the future liabilities of the schemes.