

COMPTON BUILDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

Registration Number: 614734



**PANNELL
KERR
FORSTER**
CHARTERED ACCOUNTANTS

COMPTON BUILDINGS LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 1994

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DIRECTORS' REPORT**YEAR ENDED 31 DECEMBER 1994**

The directors have pleasure in submitting their report and the audited financial statements of the company for the year ended 31 December 1994.

RESULTS AND DIVIDENDS

The results for the year are shown in the profit and loss account on page 5.

The directors do not recommend the payment of a dividend.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

The company's principal activity was supplying prefabricated buildings in both the domestic and industrial sectors, mainly through a nationwide network of agents displaying and selling the products to the public. The company expects to continue operations in these markets.

DIRECTORS

The following directors served throughout the year:

Westminster Securities Limited
Williams Management Services Limited
A R Parrish
J P Woodville
M R Nickalls

DIRECTORS' INTERESTS

None of the directors had any interest in the share capital of the company or any other subsidiary of Williams Holdings PLC.

The directors' interests in the share capital of the company's ultimate holding company are:

	Ordinary share of 25p each			
	At 1 January 1994		At 31 December 1994	
	Shares	Options	Shares	Options
A R Parrish	-	169,816	-	227,122
J P Woodville	-	-	-	-
M R Nickalls	-	7,853	-	7,982

DIRECTORS' INTEREST IN CONTRACTS

During the year, none of the directors had any material interest in any contract of significance in relation to the company's business.

FIXED ASSETS

The movements in fixed assets are shown in notes 8 and 9 to the financial statements.

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 1994

RESEARCH AND DEVELOPMENT

The company continues to commit resources to research and development where this activity is necessary to the evolution of the business and in order to keep it technologically in the forefront of the market.

HEALTH AND SAFETY

The company's policy is to ensure that, as far as is reasonably practicable, there is a working environment which will minimise the risk to the health and safety of its employees or persons on its premises.

EMPLOYMENT OF DISABLED PERSONS

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person.

EMPLOYEE INVOLVEMENT

Regular meetings are held with employees' representatives, at which the position of the company is fully discussed.

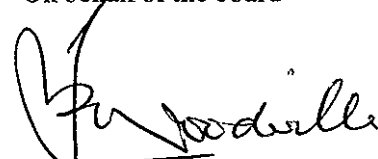
DONATIONS

The company has not made any political donations during the year. Charitable donations were nominal in amount.

AUDITORS

An elective resolution has been passed dispensing with the obligation to appoint auditors annually. Therefore, the duly appointed auditors, Pannell Kerr Forster, will continue in office until further notice.

On behalf of the board


J P WOODVILLE
Director

10th May 1995

DIRECTORS' RESPONSIBILITIES
For the preparation of financial statements

YEAR ENDED 31 DECEMBER 1994

The following statement, which should be read in conjunction with the auditors' statement of auditors' responsibilities set out on page 4, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the financial statements on a going concern basis, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

We have audited the financial statements on pages 5 to 13 which have been prepared under the accounting policies set out on page 7.

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. 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 judgements 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 as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Cardiff

11 May 1995



Pannell Kerr Forster
Chartered Accountants
Registered Auditors

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 1994

	Notes	1994 £'000	1993 £'000
Turnover	2	8,444	6,483
Cost of sales		<u>(6,015)</u>	<u>(4,668)</u>
Gross profit		2,429	1,815
Net operating expenses	3	<u>(2,368)</u>	<u>(1,826)</u>
OPERATING PROFIT/(LOSS) AND PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAX	6	61	(11)
Tax on profit/(loss) on ordinary activities	7	<u>-</u>	<u>29</u>
RETAINED PROFIT AFTER TAX ATTRIBUTABLE TO EQUITY SHAREHOLDERS	16	<u>61</u>	<u>18</u>

All amounts relate to continuing operations.

The reported profit for the year is not materially different from the profit on an unmodified historical cost basis.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Profit for the financial year	61	18
Unrealised surplus on revaluation of properties	<u>25</u>	<u>-</u>
Total recognised gains and losses relating to the year	<u>86</u>	<u>18</u>

BALANCE SHEET AT 31 DECEMBER 1994

	Notes	1994 £'000	1993 £'000
FIXED ASSETS			
Tangible assets	8	1,801	1,646
Investments	9	171	171
		<u>1,972</u>	<u>1,817</u>
CURRENT ASSETS			
Stocks	10	730	557
Debtors:			
Falling due within one year	11	500	523
Falling due after more than one year	11	204	22
Cash at bank and in hand		381	369
		<u>1,815</u>	<u>1,471</u>
CREDITORS: amounts falling due within one year	12	<u>(1,934)</u>	<u>(1,609)</u>
NET CURRENT LIABILITIES		<u>(119)</u>	<u>(138)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,853	1,679
CREDITORS: amounts falling due after more than one year	13	(169)	-
PROVISIONS FOR LIABILITIES AND CHARGES	14	<u>(219)</u>	<u>(300)</u>
NET ASSETS		<u>1,465</u>	<u>1,379</u>
CAPITAL AND RESERVES			
Called up share capital	15	19,900	19,900
Revaluation reserve	16	25	-
Profit and loss account	16	<u>(18,460)</u>	<u>(18,521)</u>
SHAREHOLDERS' FUNDS	17	<u>1,465</u>	<u>1,379</u>
ANALYSIS OF CAPITAL AND RESERVES			
Equity		1,390	1,304
Non equity		75	75
		<u>1,465</u>	<u>1,379</u>

Approved by the board of directors on 10th May 1995 and signed on its behalf by:

J P WOODVILLE

M A NICKALLS

Director

Director

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

1 ACCOUNTING POLICIES**Basis of Accounting**

The financial statements have been prepared in accordance with the historical cost convention adjusted for the revaluation of properties, and comply with applicable accounting standards.

Turnover

Turnover is the invoice value of goods and services supplied, excluding VAT.

Tangible Fixed Assets

Certain tangible fixed assets are subject to periodic revaluation by qualified surveyors and valuers on an appropriate basis. Depreciation on fixed assets is calculated to write off their cost or valuation over their expected useful lives at the following annual rates using the straight line method.

Freehold buildings	2%
Plant, equipment and vehicles	10% - 33 1/3rd%

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes attributable overheads where appropriate. Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution.

Research and Development

Expenditure on research and development is written off in the year in which it is incurred.

Deferred Taxation

Deferred taxation is provided in respect of timing differences except where the liability is not expected to arise in the foreseeable future.

Foreign Exchange

Assets and liabilities denominated in overseas currencies are translated into sterling at the rates ruling at the balance sheet date. Individual transactions are translated into sterling at the rate of exchange ruling on the date of the transaction. All exchange differences are included in the profit and loss account.

Pension Costs

The majority of the company's employees are members of the Williams Holdings Pension Plan. This plan is funded by contributions partly from the employees and partly from the company at rates determined by an independent actuary. These contributions are invested separately from the company's assets. The pension costs comprise regular cost less variations calculated in accordance with Statement of Standard Accounting Practice No. 24.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

2 TURNOVER

	1994 £'000	1993 £'000
By geographical destination		
United Kingdom	8,403	6,475
Rest of Europe	41	8
	<u>8,444</u>	<u>6,483</u>

3 NET OPERATING EXPENSES

Distribution costs	2,069	1,551
Administrative expenses	299	275
	<u>2,368</u>	<u>1,826</u>

4 EMPLOYEES

Average number of employees by activity:

	Number	Number
Production	78	65
Selling and distribution	22	22
Administration	9	9
	<u>109</u>	<u>96</u>

Employment costs:

	£'000	£'000
Wages and salaries	1,723	1,337
Social security costs	164	129
Other pension costs	-	42
	<u>1,887</u>	<u>1,508</u>

5 DIRECTORS' EMOLUMENTS

Directors' emoluments including pension contributions	<u>102</u>	<u>78</u>
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Directors' emoluments excluding pension contributions:

Chairman	-	-
Highest paid director	<u>63</u>	<u>59</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

5 DIRECTORS' EMOLUMENTS (continued)

	1994 Number	1993 Number
Other directors' emoluments:		
£ nil to £5,000	2	2
£10,001 to £15,000	-	1
£35,001 to £40,000	1	-
	<u>3</u>	<u>3</u>

6 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	£'000	£'000
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Depreciation of tangible fixed assets	165	157
Operating lease rentals - plant and machinery	127	178
Auditors' remuneration	9	9
Non audit fees paid to Pannell Kerr Forster	2	2
Research and development expenditure	1	3
	<u>304</u>	<u>339</u>

7 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

Adjustments in respect of previous years - corporation tax	-	29
	<u>-</u>	<u>29</u>

No provision for taxation is required, because of the availability of tax losses.

8 FIXED ASSETS - TANGIBLE

	Freehold Land and Buildings £'000	Plant, Equipment and Vehicles £'000	Total £'000
Cost or valuation			
At 1 January 1994	1,255	1,414	2,669
Additions	-	295	295
Disposals	-	(4)	(4)
Revaluations	(91)	-	(91)
	<u>1,164</u>	<u>1,705</u>	<u>2,869</u>
At 31 December 1994			
Depreciation			
At 1 January 1994	101	922	1,023
Charge for the year	17	148	165
Eliminated on disposal	-	(4)	(4)
Revaluations	(116)	-	(116)
	<u>2</u>	<u>1,066</u>	<u>1,068</u>
At 31 December 1994			
Net book value			
At 31 December 1994	<u>1,162</u>	<u>639</u>	<u>1,801</u>
At 1 January 1994	<u>1,154</u>	<u>492</u>	<u>1,646</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

8 FIXED ASSETS - TANGIBLE (continued)

Depreciation is provided on all fixed assets, except on freehold land of £500,000 at the rates shown in note 1.

On an historical cost basis freehold land and buildings would be included at cost of £1,255,000 less depreciation of £118,000.

The freehold property has been revalued during the year on a depreciated replacement cost basis for existing use purposes in accordance with the Statement of Asset Valuation Practice and Guidance notes issued by the Royal Institution of Chartered Surveyors. The valuation has been undertaken internally by qualified chartered surveyors.

9 FIXED ASSETS - INVESTMENTS

Investment in subsidiary undertakings at net book value:

£'000

At 1 January 1994 and 31 December 1994

171

At 31 December 1994, the company owned the whole of the equity share capital of Banbury Garages Limited and British Garden and Leisure Buildings Limited. Both subsidiaries are registered in England and were dormant at the balance sheet date.

The company is a wholly owned subsidiary of Williams Holdings PLC, a company registered in England, and, as permitted by S 228 of the Companies Act 1985, group financial statements have not been prepared.

10 STOCKS

	1994 £'000	1993 £'000
Raw materials and consumables	328	312
Work in progress	67	39
Finished goods	335	206
	<u>730</u>	<u>557</u>

11 DEBTORS

Amounts falling due within one year:

Trade debtors	347	379
Amounts owed by group undertakings	-	36
Prepayments and accrued income	124	79
ACT recoverable	29	29
	<u>500</u>	<u>523</u>

Amounts falling due after more than one year:

Amounts owed by group undertakings	204	22
	<u>704</u>	<u>545</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

12 CREDITORS: Amounts falling due within one year

	1994 £'000	1993 £'000
Payments received on account	499	368
Trade creditors	1,165	812
Amounts owed to group undertakings	16	191
Other taxation and social security	126	102
Other creditors	110	113
Accruals and deferred income	18	23
	<u>1,934</u>	<u>1,609</u>

13 CREDITORS: Amounts falling due after more than one year

Amount owed to subsidiary undertaking	<u>169</u>	<u>-</u>
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14 PROVISIONS FOR LIABILITIES AND CHARGES

	Rationalisation and redundancy costs £'000
At 1 January 1994	300
Utilised	<u>(81)</u>
At 31 December 1994	<u>219</u>

Deferred taxation

The company had no actual liability for deferred taxation at 31 December 1994 (1993 £nil), but had a potential liability at that date of £82,000 (1993 £nil).

Further potential liabilities exist in relation to unrealised surpluses on revaluation. Such liabilities cannot be accurately quantified due to the incidence of indexation and other reliefs which might be available at the time of realisation.

15 SHARE CAPITAL

	1994 £'000	1993 £'000
Authorised:		
75,000 0.7% non-cumulative preference shares of £1 each	75	75
19,925,000 ordinary shares of £1 each	<u>19,925</u>	<u>19,925</u>
	<u>20,000</u>	<u>20,000</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

15 SHARE CAPITAL (continued)

	1994 £'000	1993 £'000
Allotted, called up and fully paid:		
75,000 0.7% non-cumulative preference shares of £1 each	75	75
19,825,100 ordinary shares of £1 each	19,825	19,825
	<u>19,900</u>	<u>19,900</u>

The preference shares are entitled to a fixed 0.7% dividend. However, the Articles of Association do not specify any further rights attaching to these shares. As such, it is considered that the rights are the same as those attaching to the ordinary shares of the company except that preference shares would be expected to be redeemed at par on a winding up. Accordingly, non-equity shareholders' interests amount to £75,000.

Subsequent to the year end on 28 April 1995, a special resolution was passed whereby the 75,000 preference shares of £1 each were converted into 75,000 ordinary shares of £1 each ranking pari-passu with the existing ordinary shares.

16 RESERVES

	Revaluation reserve £'000	Profit and loss account £'000
At 1 January 1994	-	(18,521)
Profit for the year	-	61
Revaluations	25	-
	<u>25</u>	<u>(18,460)</u>
At 31 December 1994		

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994 £'000	1993 £'000
Profit for the financial year	61	18
Unrealised surplus on revaluations	25	-
	<u>86</u>	<u>18</u>
Opening shareholders' funds	1,379	1,361
	<u>1,465</u>	<u>1,379</u>
Closing shareholders' funds		

18 COMMITMENTS

Capital

Amounts contracted but not provided for in the financial statements	13	-
Amounts authorised but not contracted for	-	9
	<u>13</u>	<u>9</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

18 COMMITMENTS (continued)

Operating Leases

Operating lease rentals are expensed as the payments become due. The annual commitments under non-cancellable operating leases for plant, equipment and vehicles are:

	1994 £'000	1993 £'000
Expiring within one year	12	42
Expiring between two and five years	13	18
	<u>25</u>	<u>60</u>

19 CONTINGENT LIABILITIES

The company is a party to a group arrangement with its bankers whereby it has guaranteed the overdraft of Williams Holdings PLC to a maximum amount of its bank balance from time to time.

20 PENSIONS

The majority of the company's employees are members of the Williams Holdings Pension Plan, which is the principal pension plan operated for employees of the Williams Holdings PLC group. This plan is of the defined benefit type, and costs are assessed with the advice of a qualified actuary using the projected unit method.

The contributions made by the company are based on pension costs across the Williams Holdings PLC group as a whole.

The actuarial method used, the description of the main actuarial assumptions, and the results of the most recent formal valuation including the level of funding are included in the financial statements of Williams Holdings PLC for the year ended 31 December 1994.

21 ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Williams Holdings PLC, a company registered in England. Copies of the Williams Holdings PLC group financial statements may be obtained from:

The Secretary,
Williams Holdings PLC,
Pentagon House,
Sir Frank Whittle Road,
Derby.