

Ega Limited  
C.O. Regn. No. 847077

8

(previously called Egatube Limited)

Signed COPY 22 pages 1,224

EGATUBE LIMITED

ACCOUNTS  
for the year ended  
27 MARCH 1982

Coopers  
& Lybrand



847277

EGATUBE LIMITED

REPORT OF THE DIRECTORS

1 The directors submit their report and accounts for the 52 weeks ended 27 March 1982.

Principal activity

2 The principal activity of the company is the production of plastic conduit and trunking.

Results for the year and dividends

3 The accounts show a profit after tax of £970,975 (1981 £978,911). An interim dividend of £707,000 has been paid: no final dividend is proposed.

Fixed assets

4 Movements in fixed assets are detailed in note 4 to the accounts.

Directors

5 The directors of the company during the period ended 27 March 1982 were:

R M Hutchins (Managing)	(resigned 26 February 1982)
E Race	
W A Fletcher	
A M Scott	
D Heeley	

All the above directors are also directors of the intermediate holding company. Accordingly, under Section 29 of the Companies Act 1967, as amended, no disclosure is necessary in these accounts of the directors' interests in the shares of group companies.

Employment of disabled persons

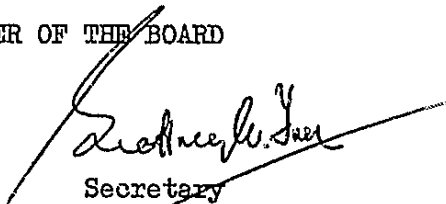
6 The company's policy and practice is to encourage and assist the employment of disabled people, their recruitment, training, career development and promotion, and the retention of employees who become disabled. The operation of this policy is reviewed regularly.

Auditors

7 A resolution to re-appoint Coopers & Lybrand as auditors will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

ST ASAPH, 25 May 1982

  
Secretary



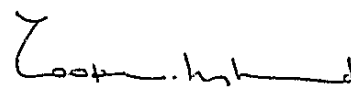
AUDITORS' REPORT TO THE MEMBERS OF

EGATUBE LIMITED

We have audited the accounts on pages 3 to 10 in accordance with approved Auditing Standards. The accounts have been prepared under the historical cost convention as modified to allow the inclusion of certain fixed assets at a valuation.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 27 March 1982 and of the profit and source and application of funds for the 52 weeks then ended and comply with the Companies Acts 1948 to 1981.

LIVERPOOL, 25 May 1982

  
Chartered Accountants

EGATUBE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 27 MARCH 1982

	<u>Notes</u>	<u>1982</u> £	<u>1981</u> £
TURNOVER		£10,102,681	£9,460,896
PROFIT BEFORE TAXATION	1	1,252,795	1,473,679
TAXATION	2	281,820	494,768
PROFIT AFTER TAXATION		970,975	978,911
DIVIDEND	3	707,000	978,911
		£263,975	£NIL

STATEMENT OF RESERVES AT 27 MARCH 1982

OPENING RESERVES	1,197,566	1,033,585
RETAINED PROFIT FOR THE PERIOD	263,975	-
SURPLUS ON REVALUATION OF PROPERTY	-	163,981
	£1,461,541	£1,197,566

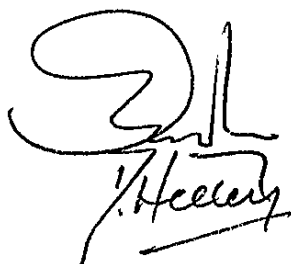
The policies and notes on pages 6 to 10 form part of these accounts

Auditors' report - page 2

## EGATUBE LIMITED

## BALANCE SHEET AT 27 MARCH 1982

	<u>Notes</u>	<u>1982</u>		<u>1981</u>	
		£	£	£	£
<u>ASSETS EMPLOYED</u>					
FIXED ASSETS	4		1,860,409		1,402,359
ASSOCIATED COMPANY	5		452,000		-
GROUP COMPANY BALANCES	6		(3,764,763)		(918,210)
DEFERRED ASSET	7		29,000		-
CURRENT ASSETS					
Stock	8	1,990,125		2,079,010	
Debtors		2,166,522		1,386,236	
Cash balances		1,443		1,782	
Taxation recoverable	9	264,803		-	
		<u>4,422,893</u>		<u>3,467,028</u>	
CURRENT LIABILITIES					
Creditors		1,161,998		1,276,601	
Taxation payable	10	326,000		448,099	
Dividend		-		978,911	
		<u>1,487,998</u>		<u>2,703,611</u>	
NET CURRENT ASSETS			2,934,895		763,417
			<u>£1,511,541</u>		<u>£1,247,566</u>
<u>FINANCED BY</u>					
SHARE CAPITAL	11		50,000		50,000
RESERVES	12		1,461,541		1,197,566
SHAREHOLDERS' FUNDS			<u>£1,511,541</u>		<u>£1,247,566</u>



} Directors

The policies and notes on pages 6 to 10 form part of these accounts.

Auditors' report - page 2

## EGATUBE LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE 52 WEEKS ENDED 27 MARCH 1982

SOURCE OF FUNDS	<u>1982</u> £	<u>1981</u> £
Profit before taxation	1,252,795	1,473,679
Adjustments for items not involving the movement of funds:		
Depreciation	267,825	234,273
TOTAL GENERATED FROM OPERATIONS	<u>1,520,620</u>	<u>1,707,952</u>
OTHER SOURCES		
Fixed asset disposals	68,321	44,060
Regional Development Grants	23,930	65,552
	<u>1,612,871</u>	<u>1,817,564</u>
APPLICATION OF FUNDS		
Fixed asset additions	(818,127)	(428,504)
Dividends paid	(1,685,911)	-
Taxation paid	(430,721)	(384,525)
Investments purchased	(719,000)	-
	<u>(3,653,759)</u>	<u>(813,029)</u>
(INCREASE)/DECREASE IN WORKING CAPITAL		
Stocks	88,885	(725,745)
Debtors	(780,286)	631,292
Creditors	(114,603)	(27,126)
	<u>(806,004)</u>	<u>(121,579)</u>
(DECREASE)/INCREASE IN NET LIQUID FUNDS	<u>(£2,846,892)</u>	<u>£882,956</u>
GROUP COMPANY BALANCES	(2,846,553)	882,292
CASH BALANCES	(339)	664
	<u>(£2,846,892)</u>	<u>£882,956</u>

The policies and notes on pages 6 to 10 form part of these accounts.

Auditors' report - page 2

ACCOUNTING POLICIESHistorical cost convention

1 The accounts are prepared under the historical cost convention, with the exception that certain fixed assets are included at a valuation.

Fixed assets and government grants

2 Freehold property and property held on long lease are revalued professionally on the existing use basis at five yearly intervals, and the surplus on revaluation credited to reserves. The first such revaluation took place as at 28 March 1981. Plant and other fixed assets are shown at cost. Regional development grants receivable on capital expenditure are credited to fixed assets.

Depreciation

3 The straight line method of depreciation is adopted as being that by which the cost of assets is most fairly allocated over the periods during which they are in use, commencing with the month of acquisition. Depreciation is provided on all fixed assets apart from land. The average life expectancies used in computing depreciation charges for the main categories of assets are as follows:-

	<u>Years</u>
Freehold buildings	50
Property held on long lease	50
Plant and machinery	10

Deferred taxation

4 Provision is made for deferred taxation at the rates of corporation tax ruling at the period end, except in respect of any tax reduction which is reasonably expected to continue for the foreseeable future. The amounts provided, and the full potential liability, are set out in note 13. The tax reduction referred to above is based on the extent to which management projections for the next three years give the reasonable expectation that in each year capital allowances on plant and other fixed assets will exceed the charge for depreciation.

Stocks

5 The basis of stock valuation is the lower of cost computed on the "first in first out" basis and net realisable value. In the case of finished stocks and work in progress, cost comprises material and direct labour costs with an appropriate addition for manufacturing overheads.

Turnover

6 Turnover represents net sales to customers excluding value added tax.

Pension funding

7 Contributions to the group's pension schemes, the M K Pension Fund, and the Ega Group Pension and Life Assurance Scheme, in respect of current service and the cost of augmenting existing pensions, are charged against profits. The schemes are reviewed regularly by actuaries and the rates of contribution are adjusted in accordance with their advice.

ECATUBE LIMITEDNOTES TO THE ACCOUNTS - 27 MARCH 1982Profit before taxation

1 Profit before taxation is stated after charging:-

	<u>1982</u>	<u>1981</u>
	£	£
Depreciation (note 4)	267,825	234,273
Hire of plant	Nil	4,186
Auditors' remuneration	13,000	9,000
Management fees payable	510,000	550,000
Loss on disposal of fixed assets	11,635	-
and after crediting:-		
Profit on disposal of fixed assets	-	20,000

No director received emoluments from the company during the period (1981 Nil).

Taxation charge

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

	<u>1982</u>	<u>1981</u>
	£	£
U K corporation tax/group relief at 52% (1981 52%)	310,000	500,000
Adjustment in respect of prior year	(28,180)	(5,232)
	<u>£281,820</u>	<u>£494,768</u>

The tax charge has been reduced by £341,000 (1981 : £310,000) as a result of accelerated capital allowances and stock relief.

Dividend

	<u>1982</u>	<u>1981</u>
	£	£
3		
Dividend paid (1981 proposed)	<u>£707,000</u>	<u>£978,911</u>



NOTES TO THE ACCOUNTS - 27 MARCH 1982 (CONTINUED)Fixed assets

4	<u>Total</u>	<u>Freehold property</u>	<u>Property on long lease</u>	<u>Plant, machinery and equipment</u>
	£	£	£	£
Valuation at 28 March 1981	240,000	-	240,000	-
Cost:				
At 28 March 1981	2,152,066	27,573	-	2,124,493
Additions	664,215	3,685	13,251	647,279
Transfer from group companies	253,296	-	-	253,296
Disposals	(165,456)	(3,643)	-	(161,813)
Regional development grants	(51,679)	-	-	(51,679)
At 27 March 1982:				
At cost	2,852,442	27,615	13,251	2,811,576
At valuation	240,000	-	240,000	-
	<u>£3,092,442</u>	<u>£27,615</u>	<u>£253,251</u>	<u>£2,811,576</u>
Depreciation:				
At 28 March 1981	989,707	-	-	989,707
Disposals	(97,135)	-	-	(97,135)
Charge for year	267,825	-	4,833	262,992
Transfer from group companies	71,636	-	-	71,636
At 27 March 1982	<u>1,232,033</u>	<u>-</u>	<u>4,833</u>	<u>1,227,200</u>
Net book value at 27 March 1982	<u>£1,860,409</u>	<u>£27,615</u>	<u>£248,418</u>	<u>£1,584,376</u>

Leasehold property was revalued on 28 March 1981, by Henry Butcher & Co, members of the Institute of Valuers, on the existing use basis.

Associated company

5	<u>1982</u>	<u>1981</u>
	£	£
This comprises:-		
Investment in WEMK at cost	719,000	-
Amounts owed to consortium	(267,000)	-
	<u>£452,000</u>	<u>-</u>

The company acquired a 49% investment in the Westinghouse-MK (WEMK) consortium in May 1981. Consolidated accounts are not prepared as the company is itself a wholly owned subsidiary of another company incorporated in Great Britain. It is the company's intention to transfer the investment to another group company at cost and so no provision has been made in these accounts for any diminution in the value of the investment.

EGATUBE LIMITED

9

NOTES TO THE ACCOUNTS - 27 MARCH 1982 (CONTINUED)

Group company balances

	<u>1982</u> £	<u>1981</u> £
6		
Amounts owed by fellow subsidiaries	123,550	1,525,667
Amounts owed to fellow subsidiaries	(3,888,313)	(2,443,877)
	<u>(£3,764,763)</u>	<u>(£918,210)</u>

Deferred asset

	<u>1982</u> £	<u>1981</u> £
7		
ACT available to reduce the mainstream corporation tax liability of the subsequent accounting period	£29,000	-
	<u>£29,000</u>	<u>-</u>

Stocks

	<u>1982</u> £	<u>1981</u> £
8		
These are made up of:-		
Raw materials and consumable stores	617,381	678,378
Work in progress	105,198	263,702
Finished goods	1,267,546	1,136,930
	<u>£1,990,125</u>	<u>£2,079,010</u>

Taxation recoverable

	<u>1982</u> £	<u>1981</u> £
9		
This comprises:-		
Corporation tax recoverable in respect of prior years	10,803	-
ACT recoverable	254,000	-
	<u>£264,803</u>	<u>-</u>

Taxation payable

	<u>1982</u> £	<u>1981</u> £
10		
This comprises:-		
Corporation tax payable on 1 January 1983	23,000	465,000
Corporation tax in respect of prior years	-	(16,901)
ACT payable	303,000	-
	<u>£326,000</u>	<u>£448,099</u>

Share capital

	<u>1982 and 1981</u>
11	
Authorised, issued and fully paid 50,000 ordinary shares of £1 each	<u>£50,000</u>

EGATUBE LIMITEDNOTES TO THE ACCOUNTS - 27 MARCH 1982 (CONTINUED)Reserves

12

	<u>1982</u>	<u>1981</u>
	£	£
Distributable Retained profits	1,297,560	1,033,585
Non-distributable Surplus on revaluation of property	163,981	163,981
	<u>£1,461,541</u>	<u>£1,197,566</u>

Deferred taxation

13

	<u>1982</u>		<u>1981</u>	
	<u>Provision made</u>	<u>Full potential liability</u>	<u>Provision made</u>	<u>Full potential liability</u>
	£	£	£	£
On the excess of capital allowances over depreciation	-	870,640	-	638,820
Stock appreciation relief	-	-	-	587,180
On revalued property	-	49,195	-	49,195
	<u>-</u>	<u>£919,835</u>	<u>-</u>	<u>£1,275,195</u>

Outstanding capital expenditure

14

	<u>1982</u>	<u>1981</u>
	£	£
The position is summarised as follows:-		
Contracted but not provided for	26,000	37,350
Authorised but not yet contracted for	1,085,000	188,000
	<u>£1,111,000</u>	<u>£225,350</u>

Holding company

15 M K Electric Group plc, a company incorporated in the United Kingdom is the ultimate holding company.