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CORRALL-MONTENAY LIMITED  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 MARCH 1990

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CORRALL-MONTENAY LIMITED

REPORT AND FINANCIAL STATEMENTS  
For the year ended 31 March 1990

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## CORRALL-MONTENAY LIMITED

### DIRECTORS' REPORT

To be submitted to the twenty third Annual General Meeting of the Company to be held at Tour Mirabeau, 39-43 Quai André Citroen, Paris on 13 June 1990.

The directors present their report and the audited financial statements for the year ended 31 March 1990.

#### 1. DIRECTORS

The following directors held office during the financial year:

Mr P J W Shuttleworth (Chairman)  
Mr K Small (Managing Director)  
Mr J A Arrowsmith  
Monsieur J P Le Bail  
Monsieur P P Boulin  
Mr J Burrell  
Mlle F A-M Latouille  
Mr J H Pascoe

Secretary: Mr J Burrell

Mr J H Pascoe resigned as a Director of the Company on 31 July 1989.

Mr P J W Shuttleworth was appointed a Director of the Company on 1 August 1989.

#### 2. PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Group comprise the business of the long term operation, maintenance and management of heating and air conditioning systems, including the provision of energy on a comprehensive basis where appropriate, and the servicing of electrical and fire protection systems.

#### 3. DISABLED PERSONNEL

Full and fair consideration is given to the skills and aptitudes of disabled people in recruitment and career development. In pursuit of this policy all practicable measures are taken to place disabled applicants in jobs suited to their individual circumstances and to enable them to share equally with other employees in the opportunities available for training and promotion in the Company.

# CORRAL-L-MONTENAY LIMITED

## DIRECTORS' REPORT

### 4. EMPLOYEE INVOLVEMENT

Employee involvement and consultation is developed through formal and informal channels.

### 5. RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £892,351. It is recommended that this should be dealt with as follows:

	1990 £	1989 £
Proposed ordinary dividend	550,000	450,000
Transfer to reserves	<u>342,351</u>	<u>351,568</u>
	<u>892,351</u>	<u>801,568</u>

### 6. DIRECTORS' SHAREHOLDINGS

None of the directors had interests in shares or debentures required to be recorded in the register kept pursuant to Section 325 of the Companies Act 1985.

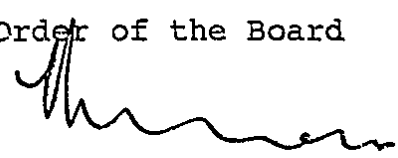
### 7. AUDITORS

Our auditors Deloitte Haskins & Sells have merged their practice with Coopers & Lybrand and now practise in the name of Coopers & Lybrand Deloitte. They have signed their audit report in their new name. A resolution to reappoint Coopers & Lybrand Deloitte as the Company's auditors will be proposed at the Annual General Meeting.

Powell Duffryn House,  
Broad Street,  
Portsmouth PO1 2LB

13 June 1990

By Order of the Board

  
Secretary

AUDITORS' REPORT  
TO THE MEMBERS OF CORRAL-MONTENAY LIMITED

We have audited the financial statements on pages 5 to 20 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the Group at 31 March 1990 and of the profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Cook, Lyland & Co. Ltd*

Chartered Accountants

Southampton

26 June 1990

## CORRALL-MONTENAY LIMITED

### ACCOUNTING POLICIES

- (a) Basis of accounting  
The Group prepares its financial statements on the historical cost basis of accounting and the acquisition basis for consolidation.
- (b) Turnover  
Turnover is based on the delivered price of goods sold and amounts receivable for services, excluding value added tax.
- (c) Purchased goodwill  
Goodwill arising on the acquisition of businesses is capitalised and amortised over twenty years, because the directors believe this period to be the estimated useful life of the acquisitions.
- (d) Tangible fixed assets  
Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis. The main annual rates are:
- |   |           |
|---|-----------|
| Plant                                   | 10% - 33% |
| Office equipment, fixtures and fittings | 15% - 20% |
| Vehicles                                | 33.3%     |
| Leasehold improvements                  | 20%       |
- The rates used are considered to be adequate in relation to the estimated operating lives of the assets concerned.
- (e) Plant hire, leasing  
Where assets are hired or leased on terms that do not contemplate their eventual ownership, the rental and hire charges are written off against trading profits for the year in which they were incurred.
- (f) Deferred taxation  
Deferred taxation is provided only in respect of assets or liabilities that are expected to be receivable or payable in the foreseeable future.
- (g) Stocks and work in progress  
Stocks and work in progress are valued at the lower of cost or net realisable value. Long term contracts are valued to include a prudent proportion of expected profits where this can be reliably foreseen. SSAP9 (revised) was adopted for the first time this year.
- (h) Deferred maintenance provision  
Provision is made for the plant replacement and maintenance cost liabilities under various contracts.
- (i) Pension costs  
Pension contributions are charged to profits when due.

CORFALL-MONTENAY LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT  
For the year ended 31 March 1990

	<u>Notes</u>	<u>1990</u> £	<u>1989</u> £
TURNOVER	1	20,647,916	15,510,958
Cost of sales		<u>15,819,219</u>	<u>11,996,458</u>
GROSS PROFIT		4,828,697	3,514,500
Administrative expenses		<u>3,667,134</u>	<u>2,491,719</u>
OPERATING PROFIT		1,161,563	1,022,781
Investment income and interest receivable	3	<u>358,747</u>	<u>347,960</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS	1	1,520,310	1,370,741
Goodwill amortisation	7	<u>117,959</u>	<u>80,173</u>
PROFIT BEFORE TAXATION		1,402,351	1,290,568
Taxation	4	<u>510,000</u>	<u>489,000</u>
PROFIT FOR YEAR	5	892,351	801,568
Dividend	6	<u>550,000</u>	<u>450,000</u>
RETAINED EARNINGS	19	<u>342,351</u>	<u>351,568</u>



COMPANY BALANCE SHEET  
At 31 March 1990

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CORRALL-MONTENAY LIMITED

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
For the year ended 31 March 1990

	<u>1990</u> £	<u>1989</u> £
SOURCE OF FUNDS		
Profit on ordinary activities before exceptional items and taxation	1,402,351	1,290,568
Items not involving the movement of funds:		
Goodwill amortisation	117,959	80,173
Depreciation	157,278	110,676
Loss on disposal of tangible fixed assets	<u>436</u>	<u>9,560</u>
FUNDS GENERATED FROM OPERATIONS	1,678,024	1,490,977
Proceeds of disposals of tangible fixed assets	1,300	10,817
Receipts (less Expenditure) in plant replacement fund	<u>272,534</u>	<u>106,886</u>
TOTAL SOURCE OF FUNDS	<u>1,951,858</u>	<u>1,608,680</u>
APPLICATION OF FUNDS		
Purchase of intangible fixed assets	-	2,359,186
Purchase of tangible fixed assets	264,292	325,500
Taxation	367,918	327,764
Dividend	<u>450,000</u>	<u>380,000</u>
TOTAL APPLICATION OF FUNDS	<u>1,082,210</u>	<u>3,392,450</u>
NET SOURCE/(APPLICATION) OF FUNDS	<u>869,648</u>	<u>(1,783,770)</u>
THE NET SOURCE/(APPLICATION) OF FUNDS IS REPRESENTED BY THE FOLLOWING INCREASE/(DECREASE) IN WORKING CAPITAL:		
Stocks and work in progress	(479,871)	572,626
Debtors	1,003,123	2,123,155
Creditors: Amounts falling due within one year	(300,753)	(2,728,959)
: Amounts falling due after more than one year	<u>23,287</u>	<u>(261,074)</u>
	<u>245,786</u>	<u>(294,252)</u>
MOVEMENT IN NET LIQUID FUNDS:		
Current asset investments	(248,999)	(303,489)
Short term deposits	553,000	(1,379,176)
Cash at bank and in hand	<u>319,861</u>	<u>193,147</u>
	<u>623,862</u>	<u>(1,489,518)</u>
INCREASE/(DECREASE) IN WORKING CAPITAL	<u>869,648</u>	<u>(1,783,770)</u>

# CORRALL-MONTENAY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

### 1. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEMS AND TAXATION

All the turnover and profit on ordinary activities before exceptional items and taxation arose from the principal activities of the business carried on within the United Kingdom.

Profit on ordinary activities before exceptional items and taxation is stated after charging:

	<u>1990</u> £	<u>1989</u> £
Depreciation of tangible fixed assets	157,278	110,676
Auditors' remuneration	26,350	32,475
Hire of other assets	618,424	454,256

### 2. DIRECTORS AND EMPLOYEES

	<u>1990</u> £	<u>1989</u> £
Staff costs were:		
Wages and salaries	6,430,846	4,343,781
Social security costs	571,369	385,258
Other pension costs	<u>4,507</u>	<u>3,344</u>
	<u>7,006,722</u>	<u>4,732,383</u>

The average weekly number of persons, including directors, employed by the Group during the year was 423 (1989 364). All employees were engaged in the principal activities of the business.

The number of senior employees, other than directors, who received remuneration (excluding pension contributions) in the following range were:

	<u>1990</u> Number	<u>1989</u> Number
£30,001 - £35,000	4	-

# CORRALL-MONTENAY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

### 2. DIRECTORS AND EMPLOYEES (continued)

Staff costs include the following remuneration in respect of directors:

	<u>1990</u> £	<u>1989</u> £
Fees	128,064	113,428
Other emoluments (including pension contributions and benefits in kind)	<u>15,201</u>	<u>9,363</u>
	<u>143,265</u>	<u>122,791</u>
Chairman	Nil	Nil
Highest paid director	52,248	45,922

The number of directors (including Chairman and highest paid director) who received emoluments in the following ranges were:

	<u>1990</u> Number	<u>1989</u> Number
Nil - £ 5,000	5	4
£30,001 - £35,000	-	1
£35,001 - £40,000	1	-
£40,001 - £45,000	1	1
£45,001 - £50,000	-	1
£50,001 - £55,000	1	-

### 3. INVESTMENT INCOME AND INTEREST RECEIVABLE

	<u>1990</u> £	<u>1989</u> £
Income from listed investments	133,857	183,409
Other interest receivable	159,234	88,040
Capital gains on disposal of investments	<u>65,656</u>	<u>76,511</u>
	<u>358,747</u>	<u>347,960</u>

# CORRALL-MONTENAY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

4. <u>TAXATION</u>	<u>1990</u> £	<u>1989</u> £
UK Corporation Tax at: 35%		
Current	478,665	446,593
Deferred	-	(3,000)
Over provision in respect of prior years	(2,129)	(1,223)
Tax credits on franked investment income	<u>33,464</u>	<u>46,630</u>
	<u>510,000</u>	<u>489,000</u>

## 5. PROFIT FOR YEAR

Of the profit for the year of £892,351 (1989 £801,568), £674,072 (1989 £547,094) was dealt with in the accounts of the holding company.

<u>DIVIDEND</u>	<u>1990</u> £	<u>1989</u> £
Dividend proposed	<u>550,000</u>	<u>450,000</u>

## 7. INTANGIBLE FIXED ASSETS

<u>Group</u>	<u>1990</u>	<u>1989</u>
<u>Purchased Goodwill</u>	£	£
<u>Cost</u>		
At 31.3.89	2,359,186	-
Additions- Ellis Tylin	-	1,924,165
- UBH	-	<u>435,021</u>
	<u>2,359,186</u>	<u>2,359,186</u>
<u>Depreciation</u>		
At 31.3.90	80,173	-
Charge for the period	<u>117,959</u>	<u>80,173</u>
	<u>198,132</u>	<u>80,173</u>
<u>Net Book Value</u>		
At 31.3.90	<u>2,161,054</u>	<u>2,279,013</u>

CORRALL-MONTENAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 1990

8. TANGIBLE FIXED ASSETS

<u>Group</u>	<u>Plant</u> £	<u>Office Equipment Fixtures &amp; Fittings</u> £	<u>Vehicles</u> £	<u>Leasehold Improvements</u> £	<u>Total</u> £
<u>Cost</u>					
At 31.3.89	477,064	216,705	17,133	27,366	738,268
Additions	135,793	123,901	-	4,598	264,292
Disposals	(22,447)	(23,468)	-	-	(45,915)
At 31.3.90	<u>590,410</u>	<u>317,138</u>	<u>17,133</u>	<u>31,964</u>	<u>956,645</u>
<u>Depreciation</u>					
At 31.3.89	239,466	62,024	1,578	1,675	304,743
Charge for the year	100,095	43,918	5,580	7,685	157,278
Disposals	(21,886)	(22,293)	-	-	(44,179)
At 31.3.90	<u>317,675</u>	<u>83,649</u>	<u>7,158</u>	<u>9,360</u>	<u>417,842</u>
<u>Net Book Value</u>					
At 31.3.90	<u>272,735</u>	<u>233,489</u>	<u>9,975</u>	<u>22,604</u>	<u>538,803</u>
At 31.3.89	<u>237,598</u>	<u>154,681</u>	<u>15,555</u>	<u>25,691</u>	<u>433,525</u>

<u>Company</u>	<u>Plant</u> £	<u>Office Equipment</u> £	<u>Total</u> £
<u>Cost</u>			
At 31.3.89	430,043	110,750	540,793
Additions	109,191	71,206	180,397
Disposals	(21,759)	(23,285)	(45,044)
At 31.3.90	<u>517,475</u>	<u>158,671</u>	<u>676,146</u>
<u>Depreciation</u>			
At 31.3.89	219,548	55,854	275,402
Charge for the year	72,510	21,573	94,083
Disposals	(21,438)	(22,110)	(43,548)
At 31.3.90	<u>270,620</u>	<u>55,317</u>	<u>325,937</u>
<u>Net Book Value</u>			
At 31.3.90	<u>246,855</u>	<u>103,354</u>	<u>350,209</u>
At 31.3.89	<u>210,495</u>	<u>54,896</u>	<u>265,391</u>

CORRALL-MONTENAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 1990

9. CAPITAL COMMITMENTS

	<u>1990</u> £	<u>1989</u> £
Expenditure contracted for but not provided in the accounts	<u>40,000</u>	<u>-</u>
Expenditure authorised by the directors but not contracted for	<u>262,000</u>	<u>341,000</u>

10. FIXED ASSET INVESTMENTS

	<u>Subsidiary</u> £
<u>Cost</u>	
At 31.3.89	1,800,000
At 31.3.90	<u>1,800,000</u>
<u>Net Book Value</u>	
At 31.3.89 and 31.3.90	<u>1,800,000</u>

11. DEFERRED ASSETS

	<u>1990</u> £	<u>1989</u> £
<u>Group</u>		
Advance corporation tax	183,333	-
Deferred tax - interest receivable		150,000
Corporation tax -		
Plant replacement fund at: 35%	<u>458,423</u>	<u>448,722</u>
	<u>641,756</u>	<u>598,722</u>
<u>Company</u>		
Advance corporation tax	183,333	-
Deferred tax - interest receivable	(27,562)	150,000
Corporation tax -		
Plant replacement fund at: 35%	<u>458,423</u>	<u>448,722</u>
	<u>614,194</u>	<u>598,722</u>

Deferred taxation represents a provision calculated on the liability method for corporation tax on timing differences arising from the treatment of items in the accounts in periods that differ from the treatment for taxation purposes where they are expected to crystallise in the foreseeable future.

The plant replacement fund deferred asset represents corporation tax paid on part of the net receipts and provisions held in the fund and recoverable against future expenditure.

CORRAIL-MONTENAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 1990

12. STOCKS AND WORK IN PROGRESS

<u>Group</u>	<u>1990</u> £	<u>1989</u> £
Raw materials and consumables	367,205	320,575
Work in progress:		
Cost less foreseeable losses	2,875,200	2,132,672
Applicable payments on account	(2,862,182)	(1,593,153)
	<u>13,018</u>	<u>539,519</u>
	<u>380,223</u>	<u>860,094</u>
<u>Company</u>	<u>1990</u> £	<u>1989</u> £
Raw materials and consumables	342,880	295,748
Work in progress	<u>13,018</u>	<u>20,002</u>
	<u>355,898</u>	<u>315,750</u>

13. DEBTORS

<u>Group</u>	<u>1990</u> £	<u>1989</u> £
Due within one year:		
Trade debtors	3,092,556	2,696,353
Other debtors	40,118	120,105
Prepayments and accrued income	173,788	144,630
Amounts recoverable on contracts	<u>649,652</u>	<u>-</u>
	<u>3,956,114</u>	<u>2,961,088</u>
Due after more than one year:		
Prepayment of pension contributions	<u>63,360</u>	<u>55,263</u>
	<u>4,019,474</u>	<u>3,016,351</u>
<u>Company</u>	<u>1990</u> £	<u>1989</u> £
Due within one year:		
Trade debtors	1,220,952	1,003,574
Other debtors	117,868	78,064
Prepayments and accrued income	106,716	88,515
Dividend receivable	<u>50,000</u>	<u>-</u>
	<u>1,495,536</u>	<u>1,170,153</u>
Due after more than one year:		
Prepayment of pension contributions	<u>63,360</u>	<u>55,263</u>
	<u>1,558,896</u>	<u>1,225,416</u>

# CORRALL-MONTENAY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

### 14. INVESTMENTS

	<u>1990</u> £	<u>1989</u> £
Cost of investments listed on a recognised stock exchange	<u>1,102,805</u>	<u>1,351,804</u>
Market value of listed investments	<u>1,091,648</u>	<u>1,558,769</u>

### 15. CREDITORS

<u>Group</u>	<u>1990</u> £	<u>1989</u> £
Due within one year:		
Trade creditors	2,056,630	1,862,511
Proposed dividend	550,000	450,000
Corporation tax	545,544	360,428
Taxation and social security payable	467,949	357,906
Other creditors	285,229	277,664
Accruals and deferred income	828,383	795,016
Payments received on account	<u>833,534</u>	<u>877,875</u>
	<u>5,567,269</u>	<u>4,981,400</u>

<u>Company</u>	<u>1990</u> £	<u>1989</u> £
Due within one year:		
Trade creditors	807,586	665,095
Proposed dividend	550,000	450,000
Corporation tax	194,982	195,428
Taxation and social security payable	238,435	198,584
Other creditors	200,262	189,561
Accruals and deferred income	<u>570,985</u>	<u>610,079</u>
	<u>2,562,250</u>	<u>2,308,747</u>

# CORRALL-MONTENAY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

### 16. PLANT REPLACEMENT FUND

	<u>1990</u> £	<u>1989</u> £
Balance at 31.3.89	1,752,906	1,644,352
Receipts from guarantee customers and provisions	<u>1,172,931</u>	<u>1,084,250</u>
	2,925,837	2,728,602
Expenditure	(900,397)	(977,364)
Corporation tax	<u>(9,701)</u>	<u>1,668</u>
Balance at 31.3.90	2,015,739	1,752,906
Deferred asset (note 11)	<u>458,423</u>	<u>448,722</u>
	<u>2,474,162</u>	<u>2,201,628</u>

### 17. DEFERRED MAINTENANCE PROVISION

<u>Group</u>	<u>1990</u> £	<u>1989</u> £
Balance at 31.5.89	261,074	182,560
Transfer (to)/from profit and loss account	<u>(23,287)</u>	<u>78,514</u>
Balance at 31.3.90	<u>237,787</u>	<u>261,074</u>

### 18. SHARE CAPITAL

	<u>1990</u> £	<u>1989</u> £
Authorised		
'A' Ordinary shares at £1 each	500,000	500,000
'B' Ordinary shares at £1 each	<u>500,000</u>	<u>500,000</u>
	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
'A' Ordinary shares at £1 each	250,000	250,000
'B' Ordinary shares at £1 each	<u>250,000</u>	<u>250,000</u>
	<u>500,000</u>	<u>500,000</u>

# CORRALL-MONTENAY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

### 19. PROFIT AND LOSS ACCOUNT

<u>Group</u>	<u>1990</u> £	<u>1989</u> £
Balance at 31.3.89	991,069	1,039,501
Retained earnings	<u>342,351</u>	<u>351,568</u>
	1,333,420	1,391,069
Capitalisation of reserves	<u>-</u>	<u>400,000</u>
Balance at 31.3.90	<u>1,333,420</u>	<u>991,069</u>
 <u>Company</u>	 <u>1990</u> £	 <u>1989</u> £
Balance at 31.3.89	868,095	1,039,501
Retained earnings	<u>254,010</u>	<u>228,594</u>
	1,122,105	1,268,095
Capitalisation of reserves	<u>-</u>	<u>400,000</u>
Balance at 31.3.90	<u>1,122,105</u>	<u>868,095</u>

### 20. FINANCIAL COMMITMENTS

#### Group

The payments under operating leases payable in the next year are £650,369 split as follows:-

	<u>1990</u> £	<u>1989</u> £
Land and Buildings		
Expiring within one year	8,615	-
Expiring between two and five years inclusive	19,000	22,305
Expiring in over five years	<u>114,830</u>	<u>109,290</u>
	<u>142,445</u>	<u>131,595</u>

# CORRALL-MONTENAY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

### 20. FINANCIAL COMMITMENTS (continued)

<u>Group</u>	<u>1990</u> £	<u>1989</u> £
Other		
Expiring within one year	110,955	82,465
Expiring between two and five years inclusive	<u>396,969</u>	<u>328,840</u>
	<u>507,924</u>	<u>411,305</u>

#### Company

The payments under operating leases payable in the next year are £287,452 split as follows:-

	<u>1990</u> £	<u>1989</u> £
Land and Buildings		
Expiring in over five years	<u>55,430</u>	<u>49,890</u>
Other		
Expiring within one year	65,875	48,655
Expiring between two and five years inclusive	<u>166,147</u>	<u>155,724</u>
	<u>232,022</u>	<u>204,379</u>

The majority of the Group and the Company's leases of land and buildings are subject to rent review periods ranging between three and five years.

### 21. DEFERRED TAXATION

	<u>1990</u> £	<u>1989</u> £
The amount of potential deferred tax calculated on the liability method is as follows:		
Timing differences arising from the excess of tax allowances on fixed assets eligible for such allowances over the depreciation provided in the accounts		
<u>Group</u>	<u>24,215</u>	<u>32,839</u>
<u>Company</u>	<u>22,750</u>	<u>30,450</u>

## CORRALL-MONTENAY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 1990

#### 22. PENSION COSTS

The Company and subsidiary are participants in the Powell Duffryn Pension Plan, which is a funded, defined benefit scheme of the Powell Duffryn plc Group. Contributions to the scheme are based on pension costs across the Group as a whole. There is a surplus in the Group scheme which has resulted in advice from the consulting actuaries, that no company contributions should be paid until at least April 1991.

In these accounts, the Company and subsidiary's cost of participation in the scheme is recognised on the basis of contributions payable, and the net cost for the year ended 31 March 1990 is therefore Nil (1989 Nil). This policy is consistent with UK Statement of Standard Accounting Policy No 24.

Prepaid pension contributions totalling £63,360 are included in the balance sheet in "Prepayments falling due after more than one year".

Full actuarial valuations of the Powell Duffryn Group Scheme are contained in the accounts of Powell Duffryn plc.

#### 23. ULTIMATE HOLDING COMPANY

The Company's ultimate holding companies are Powell Duffryn Plc (incorporated in Great Britain) 50% and Compagnie Générale des Eaux (incorporated in France) 50%.