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**ALAN DICK & COMPANY LIMITED**

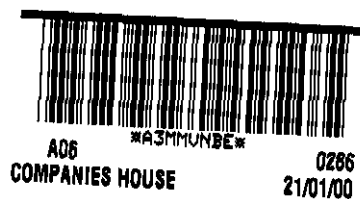
**REPORT AND ACCOUNTS**

**For the year ended 31st March 1999**

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**Richards & Co.  
Chartered Accountants  
Bristol**

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**ALAN DICK & COMPANY LIMITED**

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**DIRECTORS**

M.B. Anders  
R.P. Bevan  
A.W. Dick  
C.A.J. Dick  
C.M. Figgitt  
C.J. Mearns  
W.S. Thorneycroft

**SECRETARY**

C.M. Figgitt

**REGISTERED OFFICE**

The Barlands, London Road,  
Cheltenham, Glos., GL52 6UT

**BANKERS**

Midland Bank plc  
ABN AMRO Bank N.V.  
Barclays Bank plc  
National Westminster Bank plc  
The British Bank of the Middle East Limited  
The Hong Kong and Shanghai Banking  
Corporation Limited  
The Royal Bank of Scotland plc

**AUDITORS**

Richards & Co.

## ALAN DICK & COMPANY LIMITED

### REPORT OF THE DIRECTORS

The directors submit their report and accounts for the year ended 31st March 1999.

#### RESULTS AND DIVIDENDS

The group trading loss for the year, after taxation, amounted to £170,219. The directors do not recommend the payment of a dividend.

#### REVIEW OF THE BUSINESS

The group's principal activities during the year were antennae engineering, civil engineering and contract structuring. The directors are satisfied that the accounts as set out give an adequate review of the group's activities during the year and of its position at the year end. The directors do not anticipate any change in the group's activities.

#### STATEMENT OF DIRECTORS RESPONSIBILITIES

in respect of the preparation of financial statements.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate; and
- prepare the financial statements in accordance with applicable accounting standards.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### DIRECTORS AND THEIR INTERESTS

The directors at 31st March 1999 and their interests in the share capital of the company were as follows:-

	Ordinary £1 shares at 31.3.99	at 1.4.98
M.B. Anders	-	-
R.P. Bevan (appointed 1st April 1998)	-	-
A.W. Dick	51,000	51,000
C.A.J. Dick	4,800	4,800
C.M. Figgitt	-	-
C.J. Mearns	-	-
W.S. Thorneycroft	-	-

In addition Mrs E.R. Dick served as a director until 30th January 1999 when she retired.

continued.....

**ALAN DICK & COMPANY LIMITED****REPORT OF THE DIRECTORS continued**

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**CHARITABLE DONATIONS**

During the year the company made charitable donations amounting to £251.

**AUDITORS**

The auditors, Messrs. Richards & Co., have indicated their willingness to accept re-appointment under Section 384 (1) of the Companies Act 1985.

**By order of the Board**



**C.M. FIGGITT**

**Secretary**

2nd September 1999

**ALAN DICK & COMPANY LIMITED****REPORT OF THE AUDITORS**

to the members of Alan Dick & Company Limited

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We have audited the financial statements on pages 5 to 19 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

**Respective responsibilities of directors and auditors**

As described on page 2 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.

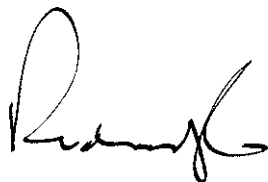
**Basis of opinion**

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 judgements made by the directors in the preparation of the financial statements, and 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 the group at 31st March 1999 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**RICHARDS & CO.**

Registered Auditors,  
Chartered Accountants,  
Bristol.

2nd September 1999

**ALAN DICK & COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES**

**GROUP PROFIT AND LOSS ACCOUNT**

**For the year ended 31st March 1999**

	Notes	1999 £	1998 £
<b>TURNOVER</b>	2	29,047,716	30,213,847
Cost of sales		(23,586,609)	(23,928,322)
<b>GROSS PROFIT</b>		5,461,107	6,285,525
Administrative expenses		(5,351,705)	(4,564,283)
<b>OPERATING PROFIT</b>	3	109,402	1,721,242
Interest receivable	4	32,296	28,325
Interest payable and similar charges	5	(329,392)	(179,636)
<b>PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(187,694)	1,569,931
Taxation	6	17,475	(583,068)
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>		<u>(170,219)</u>	<u>986,863</u>
Profit (loss) for the year retained in:			
The company		3,308	1,227,467
Subsidiary companies		(173,527)	(240,604)
		<u>(170,219)</u>	<u>986,863</u>

All of the group's operations are classified as continuing.

**ALAN DICK & COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**For the year ended 31st March 1999**

	<b>Company</b>		<b>Group</b>	
	<b>1999</b>	<b>1998</b>	<b>1999</b>	<b>1998</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Profit (loss) for the financial year	3,308	1,227,467	(170,219)	986,863
Unrealised movements in provisions for investment in and loans to subsidiary companies	(169,061)	(247,571)	-	-
	<u>(165,753)</u>	<u>979,896</u>	<u>(170,219)</u>	<u>986,863</u>
Currency translation differences on foreign currency net investments	-	-	4,466	(6,967)
Total recognised gains and losses relating to the year	<u>(165,753)</u>	<u>979,896</u>	<u>(165,753)</u>	<u>979,896</u>

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS**

Profit (loss) for the financial year	3,308	1,227,467	(170,219)	986,863
Other recognised gains and losses relating to the year	(169,061)	(247,571)	4,466	(6,967)
Net addition to (reduction of) shareholders funds	(165,753)	979,896	(165,753)	979,896
Opening shareholders funds	<u>5,034,825</u>	<u>4,054,929</u>	<u>5,034,745</u>	<u>4,054,849</u>
Closing shareholders funds	<u>4,869,072</u>	<u>5,034,825</u>	<u>4,868,992</u>	<u>5,034,745</u>

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## BALANCE SHEETS AT 31ST MARCH 1999

		Company		Group	
	Notes	1999 £	1998 £	1999 £	1998 £
<b>FIXED ASSETS</b>					
Tangible assets	7	3,146,542	2,959,115	3,193,696	2,997,533
Intangible assets	8	20,000	25,000	20,000	25,000
Investments	9	4,064	4,064	-	-
		<u>3,170,606</u>	<u>2,988,179</u>	<u>3,213,696</u>	<u>3,022,533</u>
<b>CURRENT ASSETS</b>					
Stocks	10	5,375,269	4,141,868	5,459,450	4,192,347
Debtors	11	8,675,068	6,926,440	8,695,643	6,928,130
Cash at bank and in hand		428,366	1,225,969	431,540	1,229,718
		<u>14,478,703</u>	<u>12,294,277</u>	<u>14,586,633</u>	<u>12,350,195</u>
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(12,258,307)</u>	<u>(9,635,059)</u>	<u>(12,402,190)</u>	<u>(9,725,411)</u>
<b>NET CURRENT ASSETS</b>		<u>2,220,396</u>	<u>2,659,218</u>	<u>2,184,443</u>	<u>2,624,784</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,391,002	5,647,397	5,398,139	5,647,317
<b>CREDITORS: amounts falling due after more than one year</b>					
Bank loans	13	(180,745)	(256,654)	(180,745)	(256,654)
Obligations under finance leases and hire purchase contracts	14	(183,530)	(202,233)	(190,747)	(202,233)
		<u>5,026,727</u>	<u>5,188,510</u>	<u>5,026,647</u>	<u>5,188,430</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>					
Deferred taxation	15	(157,655)	(153,685)	(157,655)	(153,685)
		<u>4,869,072</u>	<u>5,034,825</u>	<u>4,868,992</u>	<u>5,034,745</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16	100,000	100,000	100,000	100,000
Profit and loss account	17	4,769,072	4,934,825	4,768,992	4,934,745
		<u>4,869,072</u>	<u>5,034,825</u>	<u>4,868,992</u>	<u>5,034,745</u>

Signed on behalf of the Board

A.W. DICK )

) Directors

C.M. FIGGITT )

Dated: 2nd September 1999



## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## CASH FLOW STATEMENT

For the year ended 31st March 1999

	Notes	1999		1998	
		£	£	£	£
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES</b>	24		(83,521)		(48,387)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
Interest received		32,296		28,325	
Interest paid		(308,780)		(164,360)	
Interest element of finance lease and hire purchase payments		<u>(20,612)</u>		<u>(15,276)</u>	
			(297,096)		(151,311)
<b>TAXATION PAID</b>			(541,627)		(494,745)
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>					
Payments to acquire tangible fixed assets		(674,583)		(683,878)	
Receipts from disposal of tangible fixed assets		<u>18,398</u>		<u>14,868</u>	
			<u>(656,185)</u>		<u>(669,010)</u>
<b>NET CASH INFLOW (OUTFLOW) BEFORE FINANCING</b>			(1,578,429)		(1,363,453)
<b>FINANCING</b>					
Repayment of bank loans		(79,463)		(103,154)	
Finance lease and hire purchase advances		274,780		373,673	
Capital element of finance lease and hire purchase payments		<u>(214,329)</u>		<u>(124,150)</u>	
			<u>(19,012)</u>		<u>146,369</u>
<b>INCREASE (DECREASE) IN CASH</b>	25		<u><u>(1,597,441)</u></u>		<u><u>(1,217,084)</u></u>

**ALAN DICK & COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES****NOTES TO THE ACCOUNTS**

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**1. ACCOUNTING POLICIES****Basis of Accounts**

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

**Consolidation**

The consolidated accounts incorporate the accounts of the company and its subsidiary companies. In accordance with Section 230 of the Companies Act 1985, a separate profit and loss account of Alan Dick & Company Limited is not presented, as the results of the company are included in the consolidated profit and loss account. The associated company is dealt with in the accounts by way of the equity method of valuation.

**Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the profit and loss account.

The net investments in the Group's overseas subsidiary and associated companies are translated into sterling at rates of exchange ruling at the balance sheet date. Exchange differences resulting from the translation of such net investments at rates ruling at the beginning and end of the year are dealt with in the Statement of Total Recognised Gains and Losses.

**Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost, based on bringing each product to its present location and condition, is calculated as follows:-

- Raw materials - purchase cost on a first-in, first-out basis
- Work in progress - cost of direct materials and labour plus attributable overheads based on normal level of activity.

Net realisable value is calculated as the estimated selling price less further costs expected to be incurred to completion.

**Depreciation**

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:-

- Freehold buildings - over fifty years
- Leasehold buildings - over the period of the lease
- Plant and equipment - over three to ten years
- Motor vehicles - over three to four years
- Office equipment - over three to ten years

# ALAN DICK & COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

### 1. ACCOUNTING POLICIES continued

#### Research and development

Research and development expenditure is written off to the profit and loss account in the year it is incurred.

#### Deferred taxation

Deferred taxation is provided on the liability method on all timing differences.

#### Goodwill

Goodwill, being the amount paid in connection with the acquisition of businesses is being written off evenly over its estimated economic life of twenty years.

#### Leasing

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations net of future finance charges are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

#### Pensions

Pension costs which are relative to defined contribution schemes are charged to the profit and loss account on the basis of contributions payable for the year.

### 2. TURNOVER

Turnover represents the value of work done and services provided, stated net of value added tax, outside the group during the year.

An analysis of turnover by geographical market is given below:-

	1999	1998
	£	£
United Kingdom and Europe	20,355,431	18,758,580
Asia and Pacific	998,070	2,549,735
Middle East, Indian Ocean and Africa	6,981,555	8,109,936
North and South America	712,660	795,596
	<u>29,047,716</u>	<u>30,213,847</u>

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

	1999 £	1998 £
<b>3. OPERATING PROFIT</b>		
This is stated after accounting for:		
Auditors remuneration - audit services	14,250	13,750
- accountancy and taxation services	12,970	6,828
Depreciation - owned assets	314,516	327,635
- assets held under finance leases and hire purchase contracts	170,041	69,008
Amortisation of goodwill	5,000	5,000
Operating lease rentals - plant and machinery	96,242	63,332
- land and buildings	41,931	40,196
(Profit) on disposal of tangible fixed assets	<u>(7,268)</u>	<u>(10,457)</u>
Directors emoluments		
Aggregate emoluments	496,898	487,490
Aggregate contributions to defined contribution pension schemes	<u>51,339</u>	<u>45,628</u>
	<u>548,237</u>	<u>533,118</u>
Retirement benefits are accruing to seven directors under defined contributions schemes		
The above details include the following amounts in respect of the highest paid director:		
Aggregate emoluments	140,930	135,931
Aggregate contributions to defined contribution pension schemes	<u>22,625</u>	<u>22,625</u>
	<u>163,555</u>	<u>158,556</u>
<b>4. INTEREST RECEIVABLE</b>		
Bank deposit interest	<u>32,296</u>	<u>28,325</u>
<b>5. INTEREST PAYABLE AND SIMILAR CHARGES</b>		
Bank loans and overdraft	308,780	164,360
Finance leases and hire purchase contracts	<u>20,612</u>	<u>15,276</u>
	<u>329,392</u>	<u>179,636</u>
<b>6. TAXATION</b>		
Taxation based on the profit for the year		
U.K. taxation		
Corporation tax	102,000	529,914
Deferred taxation	3,970	(8,985)
Interest on taxation	<u>2,412</u>	<u>-</u>
	<u>108,382</u>	<u>520,929</u>
Overseas taxation	<u>(125,857)</u>	<u>62,139</u>
	<u>(17,475)</u>	<u>583,068</u>

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

## 7. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
<b>COMPANY</b>					
<b>Cost:</b>					
At 1st April 1998	2,360,081	1,109,194	1,422,224	604,073	5,495,572
Additions	23,172	301,479	262,769	59,380	646,800
Disposals	-	-	(17,143)	(98,126)	(115,269)
Exchange adjustment	5,085	3,874	2,582	9,334	20,875
At 31st March 1999	<u>2,388,338</u>	<u>1,414,547</u>	<u>1,670,432</u>	<u>574,661</u>	<u>6,047,978</u>
<b>Depreciation:</b>					
At 1st April 1998	501,038	909,706	775,752	349,961	2,536,457
Provided during the year	46,594	108,423	199,661	109,883	464,561
Disposals	-	-	(17,143)	(86,996)	(104,139)
Exchange adjustment	842	2,125	(1,251)	2,841	4,557
At 31st March 1999	<u>548,474</u>	<u>1,020,254</u>	<u>957,019</u>	<u>375,689</u>	<u>2,901,436</u>
<b>Net book value</b>					
at 1st April 1998	<u>1,859,043</u>	<u>199,488</u>	<u>646,472</u>	<u>254,112</u>	<u>2,959,115</u>
<b>Net book value at</b>					
31st March 1999	<u>1,839,864</u>	<u>394,293</u>	<u>713,413</u>	<u>198,972</u>	<u>3,146,542</u>
<b>GROUP</b>					
<b>Cost:</b>					
At 1st April 1998	2,360,081	1,208,860	1,494,702	604,073	5,667,716
Additions	23,172	326,158	265,873	59,380	674,583
Disposals	-	(16,587)	(17,143)	(98,126)	(131,856)
Exchange adjustment	5,085	6,334	4,373	9,334	25,126
At 31st March 1999	<u>2,388,338</u>	<u>1,524,765</u>	<u>1,747,805</u>	<u>574,661</u>	<u>6,235,569</u>
<b>Depreciation:</b>					
At 1st April 1998	501,038	985,807	833,377	349,961	2,670,183
Provided during the year	46,594	119,553	208,527	109,883	484,557
Disposals	-	(16,587)	(17,143)	(86,996)	(120,726)
Exchange adjustment	842	4,306	(130)	2,841	7,859
At 31st March 1999	<u>548,474</u>	<u>1,093,079</u>	<u>1,024,631</u>	<u>375,689</u>	<u>3,041,873</u>
<b>Net book value</b>					
at 1st April 1998	<u>1,859,043</u>	<u>223,053</u>	<u>661,325</u>	<u>254,112</u>	<u>2,997,533</u>
<b>Net book value at</b>					
31st March 1999	<u>1,839,864</u>	<u>431,686</u>	<u>723,174</u>	<u>198,972</u>	<u>3,193,696</u>

The cost of depreciable assets included in land and buildings for the company and the group at 31st March 1999 was £1,841,595 (1998 : £1,822,042).

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

## 7. TANGIBLE FIXED ASSETS continued

	Company £	Group £
The net book value of land and buildings comprises:		
Freehold	1,654,563	1,654,563
Short leasehold	185,301	185,301
	<u>1,839,864</u>	<u>1,839,864</u>

Included above are the following amounts relating to assets acquired under finance leases and hire purchase contracts:

	Plant and machinery and office equipment		Motor vehicles	
	Company £	Group £	Company £	Group £
<b>Cost:</b>				
At 1st April 1998	<u>305,046</u>	<u>305,046</u>	<u>233,108</u>	<u>233,108</u>
At 31st March 1999	<u>532,494</u>	<u>555,738</u>	<u>252,402</u>	<u>252,402</u>
<b>Accumulated depreciation:</b>				
At 1st April 1998	<u>59,019</u>	<u>59,019</u>	<u>37,993</u>	<u>37,993</u>
At 31st March 1999	<u>109,233</u>	<u>109,233</u>	<u>126,704</u>	<u>126,704</u>

## 8. INTANGIBLE FIXED ASSETS

	Goodwill	
	Company £	Group £
<b>Cost:</b>		
At 1st April 1998	<u>100,000</u>	<u>100,000</u>
At 31st March 1999	<u>100,000</u>	<u>100,000</u>
<b>Amortisation:</b>		
At 1st April 1998	75,000	75,000
Provided during the year	<u>5,000</u>	<u>5,000</u>
At 31st March 1999	<u>80,000</u>	<u>80,000</u>
<b>Net book value at 1st April 1998</b>	<u>25,000</u>	<u>25,000</u>
<b>Net book value at 31st March 1999</b>	<u>20,000</u>	<u>20,000</u>

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

## 9. FIXED ASSET INVESTMENTS

COMPANY	Shares in subsidiary companies £	Shares in associated companies £	Total £
<b>Cost:</b>			
At 1st April 1998	73,257	33,185	106,442
Additions	100	-	100
At 31st March 1999	<u>73,357</u>	<u>33,185</u>	<u>106,542</u>
<b>Provisions</b>			
At 1st April 1998	69,193	33,185	102,378
Provided during the year	100	-	100
At 31st March 1999	<u>69,293</u>	<u>33,185</u>	<u>102,478</u>
<b>Net book value at 1st April 1998</b>	<u>4,064</u>	<u>-</u>	<u>4,064</u>
<b>Net book value at 31st March 1999</b>	<u>4,064</u>	<u>-</u>	<u>4,064</u>

The companies in which the company's interest is more than 10% are as follows:-

	Country of incorporation	Activity	Class and percentage of shares held
<b>SUBSIDIARY COMPANIES</b>			
Alan Dick (Canada) Inc.	Canada	Dormant	100% of ordinary shares
Alan Dick & Co. (USA) Inc.	U.S.A.	Antennae engineering	100% of ordinary shares
Alan Dick & Company (Composites) Ltd	England	Design, supply and installation of dielectric structures.	100% of ordinary shares
<b>ASSOCIATED COMPANY</b>			
Alan Dick and Company (Nigeria) Limited	Nigeria	Civil engineering	40% of ordinary shares

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

	Company		Group	
	1999	1998	1999	1998
	£	£	£	£
<b>10. STOCKS</b>				
Work in progress	3,815,967	3,421,867	3,845,716	3,421,867
Payments on account	(1,005,525)	(1,635,635)	(1,020,165)	(1,635,635)
	<u>2,810,442</u>	<u>1,786,232</u>	<u>2,825,551</u>	<u>1,786,232</u>
Raw materials and consumables	2,564,827	2,355,636	2,633,899	2,406,115
	<u>5,375,269</u>	<u>4,141,868</u>	<u>5,459,450</u>	<u>4,192,347</u>
<b>11. DEBTORS</b>				
Trade debtors	8,275,131	6,374,078	8,169,291	6,436,150
Amount due from subsidiary companies	34,491	70,947	-	-
Amount due from associated company	28,344	45,104	28,344	45,104
Prepayments and accrued income	337,102	436,311	498,008	446,876
	<u>8,675,068</u>	<u>6,926,440</u>	<u>8,695,643</u>	<u>6,928,130</u>
Included in trade debtors are amounts of £30,675 (1998 : £30,675) not due within one year.				
<b>12. CREDITORS: Amounts falling due within one year</b>				
Current instalments on loans (see note 13)	99,600	103,154	99,600	103,154
Obligations under finance leases and hire purchase contracts (see note 14)	230,026	163,183	235,120	163,183
Bank overdraft (see below)	2,659,242	1,859,979	2,659,242	1,859,979
Trade creditors	7,686,438	5,707,366	7,758,462	5,755,361
Amount due to subsidiary companies	21,733	10,607	-	-
Current corporation tax	13,072	475,528	13,072	475,528
Other taxes and social security costs	529,106	499,566	529,106	499,566
Accruals	893,785	724,112	982,283	777,076
Other creditors	125,305	91,564	125,305	91,564
	<u>12,258,307</u>	<u>9,635,059</u>	<u>12,402,190</u>	<u>9,725,411</u>

The bank overdraft is secured by charges over the assets of the company



## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

	Company		Group	
	1999	1998	1999	1998
	£	£	£	£
<b>13. BANK LOANS</b>				
Amounts repayable within one year	99,600	103,154	99,600	103,154
Amounts repayable after more than one year but not more than two years	99,600	103,154	99,600	103,154
Amounts repayable after more than two years but not more than five years	81,145	128,500	81,145	128,500
Amounts repayable in more than five years	-	25,000	-	25,000
	<u>280,345</u>	<u>359,808</u>	<u>280,345</u>	<u>359,808</u>
Amounts repayable within one year (see note 12)	<u>(99,600)</u>	<u>(103,154)</u>	<u>(99,600)</u>	<u>(103,154)</u>
	<u>180,745</u>	<u>256,654</u>	<u>180,745</u>	<u>256,654</u>

The loans are secured by charges over the assets of the company.

	Company	Group
<b>14. OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS</b>		
Year ending 31st March 2000	253,926	259,020
Year ending 31st March 2001	160,474	167,691
Year ending 31st March 2002	44,043	44,043
	<u>458,443</u>	<u>470,754</u>
less: Finance charges allocated to future periods	<u>(44,887)</u>	<u>(44,887)</u>
	<u>413,556</u>	<u>425,867</u>
Hire purchase contracts shown as:		
Current obligations (see note 12)	230,026	235,120
Non-current obligations	183,530	190,747
	<u>413,556</u>	<u>425,867</u>

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

	Company		Group	
	1999	1998	1999	1998
	£	£	£	£
<b>15. DEFERRED TAXATION</b>				
Balance attributable to:				
Excess capital allowances	156,865	152,895	156,865	152,895
Deferred capital gain	790	790	790	790
	<u>157,655</u>	<u>153,685</u>	<u>157,655</u>	<u>153,685</u>
<b>16. SHARE CAPITAL</b>				
Authorised, allotted, called up and fully paid				
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<b>17. PROFIT AND LOSS ACCOUNT</b>				
Balance brought forward	4,934,825	3,954,929	4,934,745	3,954,849
Total recognised gains and losses relating to the year	(165,753)	979,896	(165,753)	979,896
	<u>4,769,072</u>	<u>4,934,825</u>	<u>4,768,992</u>	<u>4,934,745</u>
<b>18. CAPITAL COMMITMENTS</b>				
Authorised and contracted for	<u>-</u>	<u>95,046</u>	<u>-</u>	<u>95,046</u>
			1999	1998
			£	£
<b>19. STAFF COSTS</b>				
Wages and salaries			5,984,619	5,507,032
Social security costs			548,255	512,159
Other pension costs			98,905	101,501
			<u>6,631,779</u>	<u>6,120,692</u>

The average monthly number of employees during the year was made up as follows:-

	No.	No.
Office and management	121	120
Manufacture and contracting	126	120
	<u>247</u>	<u>240</u>

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE ACCOUNTS continued

**20. CONTINGENT LIABILITIES****Performance bonds**

As part of its trading practices the company arranges bank guarantees for performance bonds given to customers. At 31st March 1999 the contingent liability of the company and the group under these bonds amounted to £746,261 (1998 : £779,507). The contingent liability to the bank under these bonds is secured by charges over the assets of the company.

**Bid bonds**

As part of its trading practices the company arranges bank guarantees for bid bonds given to customers. At 31st March 1999 the contingent liability of the company and the group under these bonds amounted to £20,214 (1998 : £21,184). The contingent liability to the bank under these bonds is secured by charges over the assets of the company.

**21. LEASING COMMITMENTS**

At 31st March 1999 the company and group had annual commitments under non-cancellable operating leases as detailed belows:-

	Company		Group	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Operating leases which expire:				
Within one year	-	24,872	-	24,872
Within two to five years	-	66,909	32,991	66,909
After more than five years	<u>8,403</u>	<u>-</u>	<u>8,403</u>	<u>-</u>

**22. PENSION COSTS**

The company operates defined contribution pension schemes and contributions are charged in the profit and loss account as they accrue. The charge for the year was £98,905.

**23. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS**

In accordance with the provisions of Financial Reporting Standard 8 it is disclosed that A.W. Dick controls the majority of the voting rights of the ordinary share capital of the company.

The amount owed to directors of £125,305 included in other creditors is attributable to A.W. Dick.

## ALAN DICK &amp; COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

## NOTES TO THE CASH FLOW STATEMENT

	1999 £	1998 £
<b>24. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES</b>		
Operating profit	109,402	1,721,242
Depreciation	484,557	396,643
Amortisation of goodwill	5,000	5,000
(Profit) on sale of fixed assets	(7,268)	(10,457)
Effect of foreign exchange rates changes	(12,801)	(48,670)
(Increase) decrease in stocks	(1,267,103)	(708,471)
(Increase) decrease in debtors	(1,666,897)	(1,646,081)
Increase (decrease) in creditors	2,271,589	242,407
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<u>(83,521)</u>	<u>(48,387)</u>

<b>25. RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS (DEBT)</b>		
Increase (decrease) in cash	(1,597,441)	(1,217,084)
Cash (inflow) outflow from (increase) reduction in debt and lease financing	19,012	(146,369)
Change in net funds (debt)	(1,578,429)	(1,363,453)
Net funds (debt) at 31st March 1998	(1,355,485)	7,968
Net funds (debt) at 31st March 1999	<u>(2,933,914)</u>	<u>(1,355,485)</u>

**26. ANALYSIS OF CHANGES IN NET FUNDS (DEBT)**

	At 31st March 1998 £	Cash flows £	Other changes £	At 31st March 1999 £
Cash at bank and in hand	1,229,718	(798,178)	-	431,540
Bank overdraft	(1,859,979)	(799,263)	-	(2,659,242)
	(630,261)	(1,597,441)	-	(2,227,702)
Debt due within one year	(266,337)	242,646	(311,029)	(334,720)
Debt due after more than one year	(458,887)	(223,634)	311,029	(371,492)
	<u>(1,355,485)</u>	<u>(1,578,429)</u>	-	<u>(2,933,914)</u>