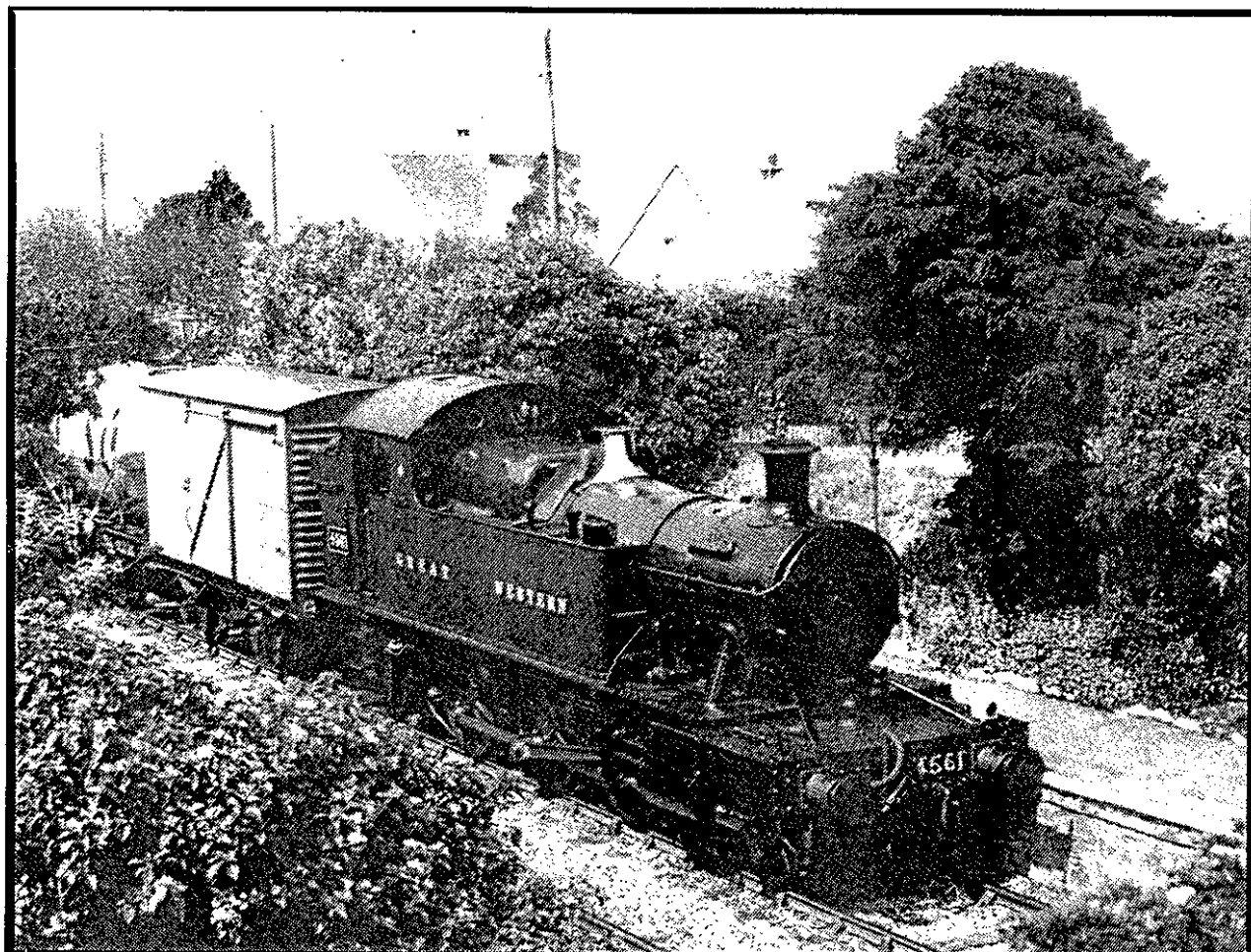


# **West Somerset Railway**

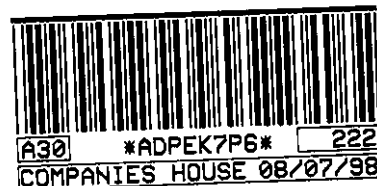
**Public Limited Company**



**REPORT  
AND**

**FINANCIAL STATEMENTS**

**for the year ended 31st December 1997**



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# Company Information

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## DIRECTORS

#D. H. Taylor F.C.I.S., F.Inst.Mgt., F.Inst. Pet., Chairman

~M.L. Smith, Managing Director

\*+~D.T. Morgan T.D., M.C.I.T., Deputy Chairman

C.W.J. Dowrick A.C.I.B.

+R.L. Lizars A.C.I.B., Secretary

\*Mrs. A.M. Short F.C.A. (W.S.R.A. Representative)

\*+J.M. Donner

\*~C.A. Austin M.A., M.C.I.T.

\*~B.J. Crudge (W.S.R.A. Representative)

\*+~P.T. Swan F.C.A.

N.I. Lowther F.C.A.

\*H.R. Davies I.Eng., M.I.B.F. (W.S.R.A. Representative)

\*+R.S. Savill F.C.A.

Appointed 22.2.97

\* Non Executive Director

+ Member of Audit Committee

# Member of Remuneration Committee

~ Member of Safety Audit Committee

## REGISTERED OFFICE

The Railway Station

Minehead

Somerset TA24 5BG

Telephone 01643 704996

## AUDITORS

Deloitte & Touche

Queen Anne House

69-71 Queen Square

Bristol BS1 4JP

## BANKERS

Lloyds Bank Plc

19 The Parade

Minehead

Somerset TA24 5LU

# Notice of Meeting

NOTICE IS HEREBY GIVEN of the twenty sixth Annual General Meeting of the Company which will be held at The Hobby Horse Inn, Sea Front, Minehead on Saturday 27th June 1998 at 2.30pm to transact the following business:

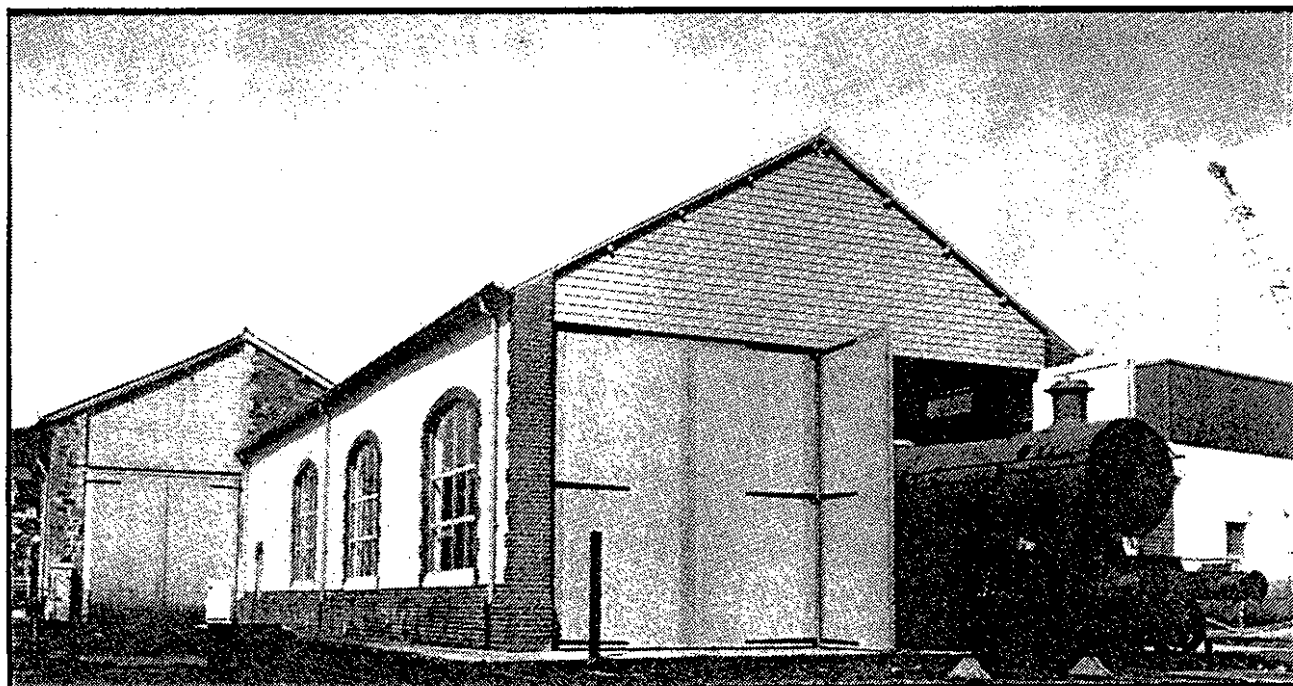
1. To consider the Company's financial statements and the Reports of the Directors and Auditors for the year ended 31st December 1997.
2. To elect Directors (see Directors' Report).
3. To reappoint Messrs. Deloitte & Touche as Auditors to the Company and to authorise the Directors to agree their remuneration.
4. To transact any other business which may be properly transacted at an Annual General Meeting.



By Order of the Board  
R.L. Lizars A.C.I.B.  
Secretary  
28th March 1998

The Railway Station, Minehead, Somerset TA24 5BG

**NOTE:** Any member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, vote on his behalf. A proxy need not be a member of the Company.



# Chairman's Report

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When I wrote last year of a successful 1996, I could not have anticipated that our success would be crowned by 'The Independent Railway of the Year Award for 1997'. A credit to all concerned with the Railway.

A small increase in the number of passengers to a new record figure of 146,883 was reflected in the increase of passenger revenue during 1997. This was reflected in the continuing success of our retail operations, both shop and buffet.

1997 was an unusual year in as much as we were fortunate to secure a contract with E. W. & S. Railway to haul stone required for the new Coastal defences at Minehead. Whilst we had to face additional costs in facilitating the passage of the stone trains, there was a considerable nett benefit to your Company.

The increase in passenger income together with the stone traffic income resulted in a nett profit of £55,732 before taxation. The nett worth of the Company at 31st December 1997 was £973,860. Again we were faced with considerable costs maintaining and improving the infrastructure, and these costs will continue to mount in the future. All the bridges over roads must be completely renovated in the short term rather than the long.

In so many other ways 1997 was a memorable year. The improvements to Bishops Lydeard Station as such, to which I referred in last year's report, were completed. On behalf of the Board I would express our sincere thanks to the Somerset County Council, the Taunton Deane Borough Council and the Rural Development Commission for their enormous help with the work.

Secondly, the response to our appeal for extra funding from you, to enable the new Engine Shed at Minehead to be built, was a great success and work started last year and is now fully complete. We now have a comprehensive repair facility at Minehead that will prove extremely advantageous, both operationally and, we expect, financially.

I have to say the work of the volunteers over the past year has been exceptional. In addition to the great work undertaken by the Association volunteers along the line, we have seen a very successful first year for the Friends of Minehead Station, who were congratulated on their floral displays. In addition an enormous amount of renovation of Minehead Station has been undertaken including new platform lighting, painting, hedging to the Market Car Park and other works. It has to be remembered that each station has its own volunteer Stationmaster and team, and it was particularly rewarding for the team at Dunster that they received the 'Ian Allan Railway Heritage Premier Award' and a cheque for £1,500. We owe every volunteer a great debt of gratitude. Repetition, I accept, but the Railway only operates successfully consequent on the army of volunteers who help out. We could never afford a fully paid staff.

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# Chairman's Report (continued)

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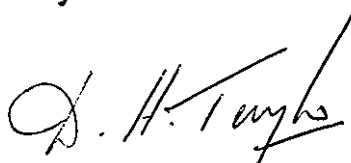
The need for maintaining a healthy cash balance in the Company is more than justified when one has to bear in mind we never know what unforeseen problems and expenses lie round the corner. I alluded to this last year, and whilst we know the detail of the costs of the work on '88' that we will face this year, we still do not know how much we will have to contribute to the essential coastal protection work at Donniford on which we hope work will start shortly. We have been alerted to the possibility of further coastal protection problems between Dunster and Blue Anchor and other essential work will be necessary in the future merely to maintain our line to the necessary standards. I have in the past referred to the desirability of purchasing a steam locomotive and this search continues.

I cannot, as I write, comment further on the necessary works to enable Main Line operators to bring trains to Minehead. The response of the funding partnership to the completed Railtrack study is still awaited.

During the year we welcomed to the Board Roger Savill F.C.A. whose appointment you ratified last year. I did not officially welcome Roger whose financial experience will prove of great benefit to your Company. He has kindly agreed to join the Audit Committee as a Non Executive Director.

Your Board anticipate the future with optimism. The first stage of improved signalling facilities is underway at Bishops Lydeard together with the platform extension at Stogumber. I have produced a separate paper on the proposed second stage of the signalling at Bishops Lydeard and the cost that will be incurred in carrying out the work. The need for ensuring that passenger numbers continue to increase is recognised. Considerable efforts have been made to improve our marketing and selling and the benefits of this work should be seen in future years.

In conclusion I would, both on behalf of myself and the Board, thank you, the Shareholders, for your continued support and indeed all the staff and again the volunteers for their unstinting service during the year under review.



Dennis H. Taylor  
Chairman  
28th March 1998

# Directors' Report

The Directors present their report and the audited financial statements for the year ended 31st December 1997.

## Activities

The principal activity of the Company is to operate the West Somerset Railway between Minehead and Bishops Lydeard in the county of Somerset.

## Results and Dividends

The profit for the year is as stated in the profit and loss account. The Directors do not recommend the payment of a dividend.

## Issue of Shares

The Company issued a further 482,700 10p ordinary shares at par for cash consideration in order to provide additional capital.

## Review of Developments and Future Prospects

A review of activities for the year and likely future developments is included in the Chairman's report on page 3 which is deemed to form part of this report.

## Directors

The Directors and their interests in the Share Capital of the Company on 1st January 1997 (or the date of appointment\*) and 31st December 1997 were as follows:

	Ordinary Shares of 10p each	
	31st December 1997	1st January 1997*
D.H. Taylor	7,700	7,000
D.T. Morgan	4,050	3,000
C.W.J. Dowrick	16,750	15,750
R.L. Lizars	21,800	21,800
M.L. Smith	14,000	13,000
Mrs. A.M. Short	12,000	12,000
J.M. Donner	50,000	50,000
C.A. Austin	7,500	7,500
B.J. Crudge	50	50
P.T. Swan	10,000	10,000
N.I. Lowther	1,000	1,000
H.R. Davies	1,000	1,000
R.S. Savill (Appointed 22.2.97)	7,800	2,800

In accordance with the Articles of Association Messrs Donner, Dowrick & Lizars retire from office and, being eligible, offer themselves for re-election.

# Directors' Report (continued)

## **Corporate Governance**

The Cadbury Committee's report on the financial aspects of corporate governance contained a Code of Best Practice. Whilst there is no requirement on the Company to do so, the Directors have reviewed the Company's practices in respect of those recommendations contained in the Code which they believe to be most relevant to the Company. The following information is presented as voluntary disclosures for the benefit of the shareholders. The Company has not complied with, and has not attempted to comply with, the full requirements of the Code.

### *Board of Directors:*

The Company has a Board of Directors of five executive and eight non-executive Directors which the Board believes is appropriate for the Company at the current time. The Board meets formally on a regular basis, normally each month. Written procedures have been approved by the Board covering matters which require specific Board approval. Similarly there are written procedures enabling Board members to seek independent professional advice in furtherance of their duties.

### *Remuneration Committee:*

The Remuneration Committee consists of one Non-Executive Director and one Executive Director. The remuneration of the one paid Executive Director is decided by the Remuneration Committee.

### *Audit Committee:*

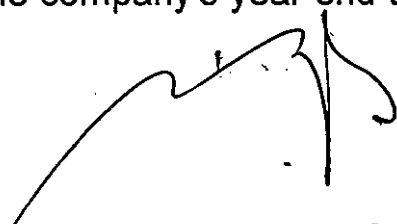
The Audit Committee consists of four Non-Executive Directors and the Company Secretary who is also secretary of the Audit Committee. Other Board members also have the right to attend. However, at least once each year, the Committee will meet with the external auditors without Executive Board members being present, except by invitation.

### *Safety Audit Committee:*

It is the Board's policy to oversee the safe operation of the railway and it has appointed a committee of three Non-Executive Directors and the Managing Director to supervise all matters relating to safety concerns.

### *Payment Policy:*

It is Company policy to comply with the terms of payment agreed with a supplier. Where terms are not negotiated the company endeavours to adhere to the supplier's standard terms. The company's year end trade creditors correspond to 22 days of credit purchases.



Approved by the Board of Directors  
and signed on behalf of the Board  
R. L. Lizars A.C.I.B., Secretary  
28th March 1998

# West Somerset Railway Public Limited Company

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## Statement of Directors' Responsibilities

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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 as at the end of the financial year 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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

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## Auditors' Report

to the members of the West Somerset Railway Public Limited Company

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We have audited the financial statements on pages 8 to 13 which have been prepared under the accounting policies set out on page 10.

### Respective responsibilities of directors and auditors

As described above 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

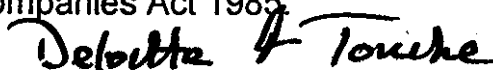
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and 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 company's affairs as at 31st December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

DELOITTE & TOUCHE  
Chartered Accountants and Registered Auditors  
31st March 1998



Queen Anne House  
69-71 Queen Square  
Bristol BS1 4JP



West Somerset Railway Public Limited Company

# Profit and Loss Account

for the year ended 31st December 1997

	Note	1997 £	1996 £
Turnover		1,160,876	944,762
Staff costs	(2)	(284,472)	(236,429)
Depreciation		(45,507)	(42,634)
Amortisation of government grant		1,388	-
Other operating charges		(808,710)	(680,598)
Interest receivable		32,157	21,649
Profit on ordinary activities before taxation	(3)	55,732	6,750
Taxation	(4)	(12,023)	(2,398)
Profit on ordinary activities after taxation	(13)	43,709	4,352

The company has no recognised gains or losses other than those included in the Profits above and therefore no separate statement of total recognised gains and losses has been presented. All items relate to continuing operations.

## Balance Sheet

as at 31st December 1997

	Note	1997 £	1996 £
<b>Fixed Assets</b>			
Tangible Assets	(5)	491,253	376,160
<b>Current Assets</b>			
Stocks	(7)	61,562	65,536
Debtors & prepayments	(8)	111,674	38,941
Cash at bank and in hand		586,484	559,413
		<u>759,720</u>	<u>663,890</u>
<b>Creditors Amounts Falling Due Within One Year</b>	(9)	<u>143,148</u>	<u>113,319</u>
<b>Net Current Assets</b>		616,572	550,571
<b>Total Assets Less Current Liabilities</b>		1,107,825	926,731
<b>Provisions for Liabilities and Charges</b>	(10)	(100,642)	(44,850)
<b>Accruals and Deferred Income</b>	(11)	(33,323)	-
		<u>973,860</u>	<u>881,881</u>
<b>Capital and Reserves</b>			
Called up share capital	(12)	975,497	927,227
Profit and loss account	(13)	(1,637)	(45,346)
<b>Equity Shareholders' Funds</b>		<u>973,860</u>	<u>881,881</u>

The financial statements on pages 8 to 13 were approved by the Board of Directors on 28th March 1998. Signed on behalf of the Board of Directors

D.H. Taylor  
M. L. Smith

Directors

*D. H. Taylor*  
*D. H. Taylor*

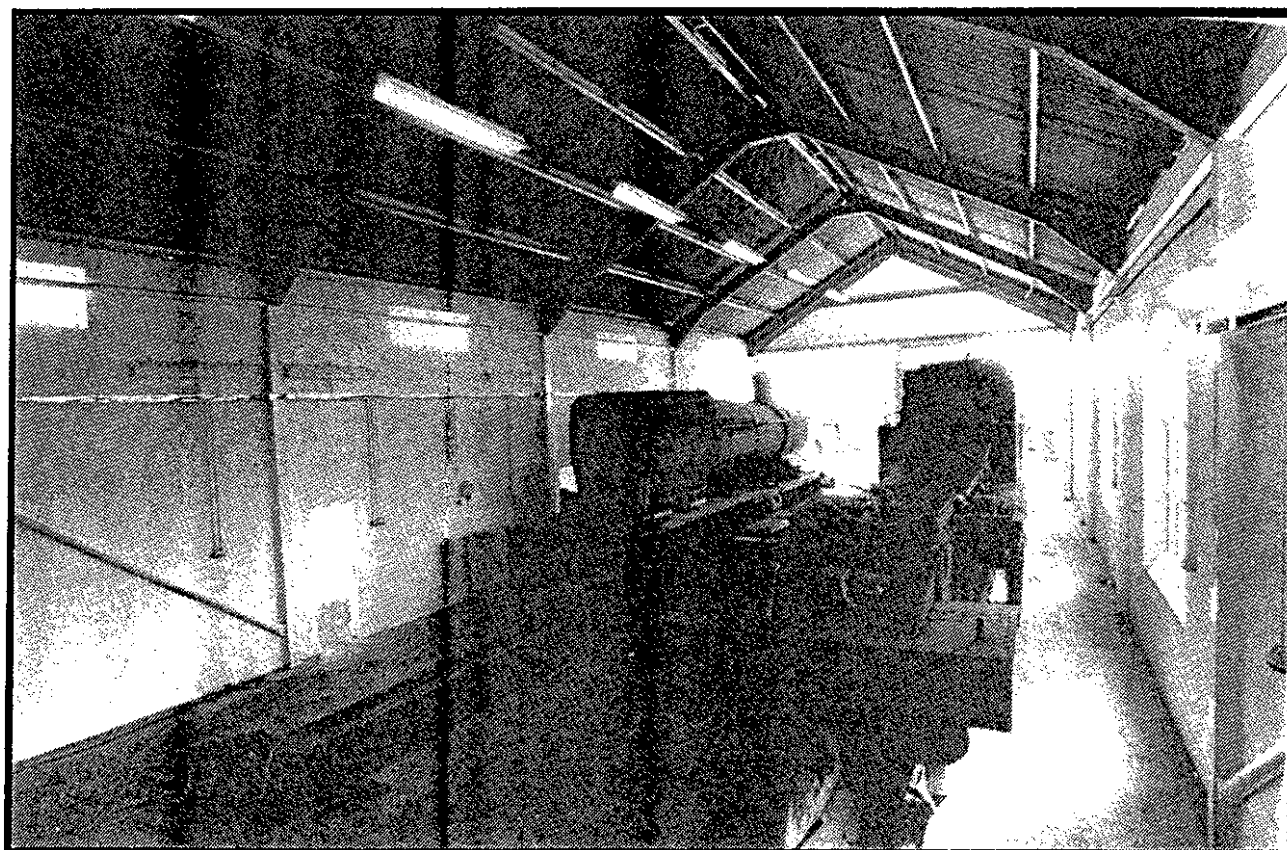
*M. L. Smith*

*M. L. Smith*

# Statement of Cash Flows

for the year ended 31st December 1997

	Note	£	1997 £	£	1996 £
<b>Net cash inflow from operating activities</b>	(17)		110,083		35,845
<b>Returns on investments &amp; servicing of finance</b>					
Interest received			32,157		21,649
<b>Taxation</b>					
Corporation tax paid		(3,640)		(226)	
Corporation tax repaid		245	(3,395)	-	(226)
<b>Capital Expenditure</b>					
Purchase of tangible fixed assets		(160,602)		(44,026)	
Proceeds from sale of tangible fixed assets		558	(160,044)	463	(43,563)
			(21,199)		13,705
<b>Financing</b>					
Issue of ordinary share capital			48,270		37,260
<b>Increase in cash</b>	(18)		<u>27,071</u>		<u>50,965</u>



# Notes to the Financial Statements

for the year ended 31st December 1997

## 1. Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

### ACCOUNTING CONVENTION

- The financial statements are prepared under the historical cost convention

### TANGIBLE FIXED ASSETS

Depreciation is provided on cost in equal annual instalments over the estimated lives of the assets. The rates of depreciation are as follows:

Long leasehold land and buildings	2% per annum
Rolling stock	13-30% per annum
Plant and machinery	10-33% per annum
Fixtures and fittings	20-50% per annum
Motor vehicles	33-40% per annum
Track & pointwork	10-13% per annum
Leasehold improvements	4% per annum

### DEFERRED TAXATION

Deferred taxation is provided at the anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

### STOCKS

Stocks are valued at the lower of cost and net realisable value.

### GOVERNMENT GRANTS

Government grants made as a contribution towards expenditure on fixed assets are recognised in the balance sheet as deferred income and amortised to the profit and loss account in equal annual instalments over the estimated lives of the assets to which they relate.

## 2. Information Regarding Directors and Employees

	1997 £	1996 £
Director's emoluments (as employees):		
Remuneration (including benefits in kind)	26,330	25,200
Contributions to defined contribution pension scheme	2,583	2,514
	<u>28,913</u>	<u>27,714</u>
One director is a member of the pension scheme		
Employee costs during the year:		
Wages and salaries	254,726	214,230
Social security costs	17,541	13,249
Pension costs	12,205	8,950
	<u>284,472</u>	<u>236,429</u>
Average number of persons employed:	No.	No.
Railway	24	22
Shop	3	4
Total (full time equivalents)	<u>27</u>	<u>26</u>

## 3. Profit on Ordinary Activities Before Taxation

	1997 £	1996 £
Profit on ordinary activities before taxation is after charging:		
Rolling stock hire	136,569	128,444
Auditors' remuneration - audit fee	3,200	3,000
non audit services	1,075	1,175
Rental under operating leases	<u>7,833</u>	<u>7,833</u>

# Notes to the Financial Statements

(cont.) for the year ended 31st December 1997

4. Taxation	1997 £	1996 £
United Kingdom Corporation Tax at 21.75% (1996 24.25%) based on the profit for the year	13,250	3,620
Deferred taxation	(203)	(964)
Adjustment in respect of prior years - Corporation tax	(245)	180
- Deferred tax	(779)	(438)
	<u>12,023</u>	<u>2,398</u>

The tax charge is disproportionately high in relation to the profit for the year because of the incidence of depreciation on assets not qualifying for capital allowances.

## 5. Tangible Fixed Assets

	Total	Long Leasehold Land & Buildings	Fixtures & Fittings	Leasehold Improve- ments	Plant & Machinery	Rolling Stock	Motor Vehicles	Track & Point Work
<b>COST</b>	£	£	£	£	£	£	£	£
As at 1.1.97	682,393	210,000	26,482	129,470	58,858	87,761	2,592	167,230
Additions	160,602	-	2,400	132,238	4,362	7,250	7,777	6,575
Less Disposals	(2,656)	-	-	-	(64)	-	(2,592)	-
As at 31.12.97	<u>840,339</u>	<u>210,000</u>	<u>28,882</u>	<u>261,708</u>	<u>63,156</u>	<u>95,011</u>	<u>7,777</u>	<u>173,805</u>
<b>ACCUMULATED DEPRECIATION</b>								
As at 1.1.97	306,233	31,500	22,239	37,774	52,379	73,683	2,590	86,068
Charge for year	45,507	4,200	3,247	9,456	3,417	3,645	2,593	18,949
	<u>351,740</u>	<u>35,700</u>	<u>25,486</u>	<u>47,230</u>	<u>55,796</u>	<u>77,328</u>	<u>5,183</u>	<u>105,017</u>
Less Disposals	(2,654)	-	-	-	(64)	-	(2,590)	-
As at 31.12.97	<u>349,086</u>	<u>35,700</u>	<u>25,486</u>	<u>47,230</u>	<u>55,732</u>	<u>77,328</u>	<u>2,593</u>	<u>105,017</u>
<b>NET BOOK VALUE</b>								
As at 31.12.97	<u>491,253</u>	<u>174,300</u>	<u>3,396</u>	<u>214,478</u>	<u>7,424</u>	<u>17,683</u>	<u>5,184</u>	<u>68,788</u>
As at 31.12.96	<u>376,160</u>	<u>178,500</u>	<u>4,243</u>	<u>91,696</u>	<u>6,479</u>	<u>14,078</u>	<u>2</u>	<u>81,162</u>

## 6. Investments

The company holds one £500 share in 5542 Limited which was given to the company and therefore has a nil cost.

7. Stocks	1997 £	1996 £
Raw materials and consumables	25,074	26,763
Goods for resale	36,488	38,773
	<u>61,562</u>	<u>65,536</u>

# Notes to the Financial Statements

(cont.) for the year ended 31st December 1997

<b>8. Debtors</b>	1997	1996	
	£	£	
Trade debtors	52,635	16,188	
Value Added Tax	15,130	1,336	
Other debtors	41,091	18,120	
Other debtors due after one year	-	574	
Prepayments	2,818	2,723	
	<u>111,674</u>	<u>38,941</u>	
<b>9. Creditors</b>	1997	1996	
	£	£	
Trade creditors	64,950	39,975	
Tax & social security	22,931	7,956	
Other creditors	20,550	29,372	
Accruals	34,717	36,016	
	<u>143,148</u>	<u>113,319</u>	
<b>10. Provisions for Liabilities and Charges</b>	Balance at 1st January 1997	Charged/(Credited) to profit and loss account	Balance at 31st December 1997
	£	£	£
Deferred maintenance provision	37,500	56,774	94,274
Deferred taxation	7,350	(982)	6,368
	<u>44,850</u>	<u>55,792</u>	<u>100,642</u>
<b>Deferred Taxation</b>	1997	1996	
	£	£	
The amount of deferred taxation provided in the accounts is as follows:			
Excess of capital allowances over depreciation	6,368	7,968	
Short term differences	-	(618)	
	<u>6,368</u>	<u>7,350</u>	
There were no unprovided amounts			
<b>11. Accruals and Deferred Income</b>	1997	1996	
	£	£	
Government grant			
Receivable during the year	34,711	-	
Amortised to profit and loss account	1,388	-	
Balance at 31 December 1997	<u>33,323</u>	<u>-</u>	
<b>12. Called Up Share Capital</b>	1997	1996	
	No.      £	No.      £	
Authorised ordinary shares of 10p each	15,000,000      1,500,000	15,000,000      1,500,000	
Allotted and fully paid:			
Balance at beginning of year	9,272,270      927,227	8,899,670      889,967	
Ordinary shares issued in year	482,700      48,270	372,600      37,260	
Balance at end of year	<u>9,754,970      975,497</u>	<u>9,272,270      927,227</u>	

During the year a further 482,700 Ordinary Shares were issued at par for cash to provide additional capital

# Notes to the Financial Statements

(cont.) for the year ended 31st December 1997

## 13. Combined reconciliation of movement in Shareholders' Funds and movements in Reserves

	Called Up share capital £	Profit and loss account £	Total £	1996 Total £
Balance as at 1st January	927,227	(45,346)	881,881	840,269
Shares issued in year	48,270	-	48,270	37,260
Retained profit for year	-	43,709	43,709	4,352
Balance at 31st December	<u>975,497</u>	<u>(1,637)</u>	<u>973,860</u>	<u>881,881</u>

## 14. Operating Lease Commitments

At 31st December 1997, the Company was committed to payments of £7,000 p.a. for the next 5 years under a land lease.

## 15. Contingent Liabilities

No provision has been made for any costs which might arise if the Company were required to contribute to any sea defence work in the Watchet area.

## 16. Capital Commitments

Capital expenditure of £65,120 has been contracted for but not provided at 31st December 1997 (1996 nil).

## 17. Reconciliation of Operating Profit (Loss) to Net Cash Inflow from Operating Activities

	1997 £	1996 £
Profit before tax	55,732	6,750
less Interest receivable	(32,157)	(21,649)
Operating profit (loss) before interest	23,575	(14,899)
Profit on sale of fixed assets	(556)	(463)
Depreciation less amortisation of grant	44,119	42,634
Provisions created	56,774	15,000
Decrease/(increase) in stock	3,974	(12,944)
Decrease/(increase) in debtors	(38,022)	11,660
Increase/(decrease) in creditors	20,219	(5,143)
Net cash inflow from operating activities	<u>110,083</u>	<u>35,845</u>

## 18. Analysis of Changes in cash during the year

	1997 £	1996 £
Balance at 1st January	559,413	508,448
Net cash inflow	27,071	50,965
Balance at 31st December	<u>586,484</u>	<u>559,413</u>

West Somerset Railway Public Limited Company

# Detailed Profit and Loss Account

for the year ended 31st December 1997

Revenue	1997 £	1996 £
Fares from service trains	708,379	643,768
Freight income	117,701	-
Wine and dine haulage	11,615	9,470
Driver training	16,801	21,123
Rent and wayleaves	7,846	6,794
Shop and buffet	219,609	222,200
Ticket printing sales	8,811	7,079
Other trading income	70,114	34,328
Interest receivable	32,157	21,649
Profit on sale of fixed assets	556	463
	<u>1,193,589</u>	<u>966,874</u>
<b>Expenditure</b>		
Salary and related costs	272,267	227,479
Pension costs	12,205	8,950
Operating:		
Fuel	96,615	84,879
Water and sewerage	11,221	11,959
Stock hire	136,569	128,444
Stock maintenance	131,945	92,485
Coach hire	5,643	6,473
Track maintenance	116,415	79,572
Bridge, road and building maintenance	21,115	5,755
Signal and telegraph	5,730	7,766
Driver training	717	980
Other operating cost	16,452	13,726
Establishment:		
Rent and rates	12,749	13,597
Light and heat	11,315	12,462
Insurance	22,453	20,389
Depreciation, less amortisation of grant	44,119	42,634
Shop and buffet supplies	144,965	141,519
Administration:		
Post and telephone	10,940	7,772
AGM and audit	7,742	7,638
Legal and professional	4,271	2,470
Other administration	27,531	21,952
Publicity	24,878	21,223
	<u>1,137,857</u>	<u>960,124</u>
<b>Profit Before Taxation</b>	55,732	6,750
Taxation	(12,023)	(2,398)
<b>Profit After Taxation</b>	<u>43,709</u>	<u>4,352</u>

## Directors' Statement

The additional information on this page has been prepared from the accounting records of the company. While it does not form part of the statutory financial statements, it should be read in conjunction with them and the Auditors' Report thereon.

