

**HALL & TAWSE MIDLANDS LIMITED**  
**(FORMERLY HALL & TAWSE EASTERN LIMITED)**

**COMPANY NUMBER 1197246**

**REGISTERED IN ENGLAND**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 1996**



## **HALL & TAWSE MIDLANDS LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 1996**

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 30 June 1996.

#### **Principal activity and business review**

On 1st July 1995, consequent to the reorganisations within Hall & Tawse Group Limited, the company changed its name to Hall & Tawse Midlands Limited (formerly Hall & Tawse Eastern Limited), acquired the businesses of Hall & Tawse Western Limited and Hall & Tawse East Anglia Limited and subsequently transferred the trade and assets of those two companies to Hall & Tawse Midlands Limited.

The principal activity of the company is that of building contracting, design and build, and building maintenance.

The company has traded satisfactorily during the year.

The retained profit for the financial year is £674,976 (1995: loss of £892,437).

#### **Dividends**

Dividends provided during the year amounted to £330,000 (1995: £904,487).

#### **Directors and their interests**

The directors of the company who served during the year were:

R F Barton	
I S Beck	(Resigned 30 November 1995)
Mrs W A Courtman	
N W Davies	(Appointed 1 July 1995)
R G Dudgeon	(Appointed 1 July 1995, Resigned 26 April 1996)
E J Howard	(Appointed 1 July 1995)
D S Hurcomb	(Appointed 1 July 1995)
R J Irving	(Appointed 1 July 1995)
B Slater	(Resigned 1 July 1995)
J M Smith	(Appointed 1 July 1995, Resigned 30 June 1996)
Mrs J M P Thomas	(Resigned 1 July 1995)
D S Vincent	

The directors had no beneficial interest in the shares of the company as it is a wholly-owned subsidiary of Raine plc.

## **HALL & TAWSE MIDLANDS LIMITED**

### **DIRECTORS REPORT** (continued)

#### **Directors and their interests** (continued)

The directors had the following interests (including family interests) in the shares of Raine plc according to the register kept under Section 325, Companies Act 1985.

	At 30 June 1995 or later date of appointment			At 30 June 1996			
	<u>Shares</u>	<u>Options</u>	<u>Options granted</u>	<u>Shares</u>	<u>Options</u>	<u>Exercise Price</u>	<u>Exercise Dates</u>
R F Barton	15,125	45,070	-	15,125	45,070	19,715 @ 82.17p 10,817 @ 81.19p 135 @ 94.90p 14,403 @ 75.50p	Dec 1990 - Dec 1997 Dec 1991 - Dec 1998 Dec 1992 - Dec 1999 Dec 1997 - May 1998
W A Courtman	-	26,980	-	-	26,980	11,682 @ 82.17p 5,696 @ 94.90p 9,602 @ 75.50p	Dec 1990 - Dec 1997 Dec 1992 - Dec 1999 Dec 1997 - May 1998
E J Howard	4,161	24,403	-	6,889	24,403	10,000 @ 75.50p 14,403 @ 75.50p	Nov 1995 - Nov 2002 Dec 1997 - May 1998
R J Irving	-	30,047	-	10,810	30,047	17,524 @ 81.19p 2,921 @ 94.90p 9,602 @ 75.50p	Dec 1991 - Dec 1998 Dec 1992 - Dec 1999 Dec 1997 - May 1998

D S Hurcomb and J M Smith are directors of Hall & Tawse Group Limited, D S Vincent is a director of Raine plc ; their interest in the shares of Raine plc are disclosed in the directors' report for those respective companies.

During the year, options granted to Mrs J M P Thomas and Mr I S Beck lapsed on their resignation and termination of employment.

The year end share price was 13.5p and the price ranged from 13.5p to 32p during the year.

No director had any interest in a contract with the company or any other fellow subsidiary company of Raine plc in the course of the year.

#### **Employees**

It is the company's policy to employ, within the limitations of its trading activities, disabled persons on equal terms. Every effort is made to retain employees who become disabled during the period of their employment by arranging retraining. Promotional opportunities are open to all employees irrespective of disablement.

The directors recognise the importance of good communications and good relations with employees, including the provision of information to personnel and obtaining their views. The company maintains employee relations appropriate to its own particular needs and environment and encourages awareness of financial and economic circumstances, reinforced by the use of a savings-related share option scheme.

#### **Payment of creditors**

It is the company's policy, for the year ending 30 June 1997, that it will place orders with suppliers on certain terms and conditions, which include terms of payment. Suppliers will then be paid accordingly, where goods and services have been provided in accordance with the relevant terms and conditions of contract.

#### **Charitable donations**

There were no charitable or political donations during the year.

# HALL & TAWSE MIDLANDS LIMITED

## DIRECTORS REPORT (continued)

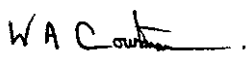
### **The "Elective Regime"**

At the Annual General Meeting held on 15 November 1990, the company adopted a resolution under the terms of Section 379A, Companies Act 1985 (as amended) to take advantage of the full range of procedural relaxations permitted by that provision. Accordingly, no Annual General Meeting is to be held and the financial statements will not be laid before the members.

### **Auditors**

Our auditors, KPMG, have indicated to the directors that a limited liability company, KPMG Audit plc, is principally to undertake the audit business of UK listed companies and their subsidiaries. Accordingly, they have indicated their intention to resign and the directors intend to appoint KPMG Audit plc as auditors of the company.

By order of the Board

  
W A Courtman  
Secretary

This report was approved by the Board on 8 October 1996.

## HALL & TAWSE MIDLANDS LIMITED

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit for the period.

The directors are responsible for ensuring that the financial statements are prepared using suitable accounting policies, which are consistently applied and judgements and estimates which are reasonable and prudent. They are required to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

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

### REPORT OF THE AUDITORS, KPMG TO THE MEMBERS OF HALL & TAWSE MIDLANDS LIMITED

We have audited the financial statements on pages 5 to 16.

#### **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 state of the affairs of the company as at 30 June 1996 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG*

*8 October 1996*

Nottingham

KPMG  
Chartered Accountants  
Registered Auditors

**HALL & TAWSE MIDLANDS LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 JUNE 1996**

	Notes	1996 £	1996 £	1995 £
<b>Turnover</b>	1			
Continuing operations		39,345,893		41,986,758
Acquisitions		<u>53,980,058</u>		-
			93,325,951	
 Cost of sales	2		<u>(87,994,992)</u>	<u>(39,940,680)</u>
 <b>Gross profit</b>			5,330,959	2,046,078
Administrative expenses	2		<u>(5,062,053)</u>	<u>(2,376,561)</u>
 <b>Operating profit/(loss)</b>				
Continuing operations		(182,444)		(330,483)
Acquisitions		<u>451,350</u>		-
			268,906	<u>(330,483)</u>
 Net interest receivable	3		888,547	356,845
 <b>Profit on ordinary activities before taxation</b>	4		<u>1,157,453</u>	<u>26,362</u>
Tax on profit on ordinary activities	7		(365,771)	(14,312)
 <b>Profit on ordinary activities after taxation</b>			<u>791,682</u>	<u>12,050</u>
Dividends	8		(330,000)	(904,487)
 <b>Retained profit/(loss) for the financial year</b>	17		<u><u>461,682</u></u>	<u><u>(892,437)</u></u>

All amounts relate to continuing operations.

The company has had no recognised gains or losses other than the retained profit/(loss) for the years as indicated above.

The retained profit for the year has been derived on an unmodified historical cost basis.

Movements on reserves are set out in note 17 to the financial statements.

**HALL & TAWSE MIDLANDS LIMITED****BALANCE SHEET****AT 30 JUNE 1996**

	Notes	1996 £	1995 £
<b>Fixed assets</b>			
Tangible assets	9	351,974	129,285
Investments	10	<u>2,822,131</u>	<u>-</u>
		<u>3,174,105</u>	<u>129,285</u>
<b>Current assets</b>			
Stocks	11	460,197	-
Debtors	12	20,410,440	8,808,398
Cash at bank and in hand		<u>13,595,983</u>	<u>5,003,410</u>
		34,466,620	13,811,808
<b>Creditors: amounts falling due within one year</b>	13	(28,906,224)	(10,527,907)
<b>Net current assets</b>		<u>5,560,396</u>	<u>3,283,901</u>
<b>Total assets less current liabilities</b>		8,734,501	3,413,186
<b>Creditors: amounts falling due after more than one year</b>	14	(709,965)	(544,599)
<b>Net assets</b>		<u>8,024,536</u>	<u>2,868,587</u>
<b>Capital and reserves</b>			
Called up share capital	16	4,822,231	2,000,100
Capital contribution reserve	17	1,872,136	-
Profit and loss account	17	1,330,169	868,487
<b>Equity shareholders' funds</b>	18	<u>8,024,536</u>	<u>2,868,587</u>

These financial statements were approved by the Board on 8 October 1996 and signed on its behalf by:



R F Barton  
Director

## **HALL & TAWSE MIDLANDS LIMITED**

### **ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material to the company's financial statements.

#### **Basis of preparation**

The financial statements are prepared on a going concern basis, using the historical cost convention and in accordance with applicable Accounting Standards.

#### **Turnover**

Turnover represents the invoiced value of goods and services supplied together with the value of contracting work executed during the year. No credit is taken for claims until there is firm agreement with the customer. Turnover is exclusive of VAT.

#### **Stocks**

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

#### **Long term contracts**

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts represents the value of work done in the year. Full provision is made for any losses which are foreseen.

Long term contract balances are stated at costs incurred, less those transferred to the profit and loss account, after deducting payments on account not matched with turnover and any foreseeable losses. Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

#### **Depreciation**

Depreciation is calculated on a straight line basis to write off the cost or valuation less the estimated residual value of tangible assets over their expected useful lives as follows:-

Plant and equipment	- 10% to 33% per annum
Motor vehicles	- 25% per annum

#### **Pension schemes**

Contributions are made to the defined benefit pension schemes operated by the Group in accordance with the recommendations of independent actuaries.

Pension contributions are charged to the profit and loss account so as to spread the cost of pensions over the expected average remaining service lives of the scheme members.



## **HALL & TAWSE MIDLANDS LIMITED**

### **ACCOUNTING POLICIES** (Continued)

#### **Deferred taxation**

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will become payable in the foreseeable future.

#### **Leased assets**

Operating lease rentals are charged to the profit and loss account in the year to which they relate.

#### **Cash flow statements**

The ultimate parent undertaking, Raine plc, has adopted Financial Reporting Standard No.1, thus exempting the company from the requirement to prepare a cash flow statement.

#### **Group accounts**

The company is exempt from preparing group accounts under section 228 of the Companies Act 1985. The results are included in the consolidated financial statements of its parent undertaking, Raine plc.

**HALL & TAWSE MIDLANDS LIMITED****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 30 JUNE 1996**

	1996		1996	1995
	Continuing operations		Total	Total
	"Ongoing"	"Acquisitions"		
	£	£	£	£
<b>1 Turnover</b>				
All attributable to contracting				
Analysis by geographic origin:				
United Kingdom	39,345,893	53,960,758	93,306,651	41,986,758
Other Europe	-	19,300	19,300	-
	<u>39,345,893</u>	<u>53,980,058</u>	<u>93,325,951</u>	<u>41,986,758</u>
<b>2 Cost of sales and net operating expenses</b>				
	£	£	£	£
Cost of sales	37,474,268	50,520,724	87,994,992	39,940,680
Administrative expenses	2,054,069	3,007,984	5,062,053	2,376,561
	<u>39,528,337</u>	<u>53,528,708</u>	<u>93,057,045</u>	<u>42,317,241</u>
<b>3 Interest</b>			1996	1995
Payable:			£	£
On bank loans and overdrafts			(21,126)	-
On finance leases			(1,668)	-
			<u>(22,794)</u>	<u>-</u>
Receivable:				
On bank balances			194,680	343,468
Group loans			716,661	13,377
			<u>888,547</u>	<u>356,845</u>
<b>4 Profit on ordinary activities before taxation</b>			£	£
Profit is principally attributable to contracting activities in the UK			<u>1,427,453</u>	<u>26,362</u>
Profit on ordinary activities before taxation is stated after charging/(crediting):				
Depreciation			188,199	80,417
Directors' remuneration (see note 5)			453,791	274,949
Auditors' remuneration for audit services			35,500	15,090
Operating lease rentals:				
- plant and machinery			859,080	405,188
- other			264,655	115,155
Profit on disposal of tangible assets			(22,498)	(4,995)
Reorganisation expenses			-	134,000
Exceptional item			<u>270,000</u>	<u>-</u>

The exceptional item (which has been included in administration expenses) relates to the allocation of refinancing costs following the renegotiation of the Raine Group bank facilities.

# HALL & TAWSE MIDLANDS LIMITED

## NOTES TO THE ACCOUNTS (Continued)

### FOR THE YEAR ENDED 30 JUNE 1996

<b>5 Directors' remuneration</b>	1996 £	1995 £
Emoluments in connection with the management of the company	410,498	249,947
Pension contributions	43,293	25,002
Emoluments, excluding pension contributions, of the chairman and highest paid director were:		
Chairman	-	-
Highest paid director	69,964	61,931
The emoluments of the directors, excluding pension contributions, were within the following ranges:		
	Number	Number
£0 - £5,000	4	2
£20,001 - £25,000	1	-
£35,001 - £40,000	1	-
£40,001 - £45,000	-	1
£45,001 - £50,000	1	3
£50,001 - £55,000	1	-
£55,001 - £60,000	2	-
£60,001 - £65,000	1	1
£65,001 - £70,000	1	-
<b>6 Employees</b>	Number	Number
The average number of employees, including directors, during the year was:		
Direct employees	200	70
Administration	347	143
	<u>547</u>	<u>213</u>
The associated employment costs were:	£	£
Wages and salaries	8,675,345	3,324,514
Social security costs	717,176	277,706
Other pension costs	555,407	200,438
	<u>9,947,928</u>	<u>3,802,658</u>

**HALL & TAWSE MIDLANDS LIMITED****NOTES TO THE ACCOUNTS** (Continued)**FOR THE YEAR ENDED 30 JUNE 1996**

<b>7 Tax on profit on ordinary activities</b>	<b>1996</b>	<b>1995</b>
	<b>£</b>	<b>£</b>
UK corporation tax at 33% (1995: 33%)	247,801	3,967
Deferred taxation	125,272	13,311
Adjustments in respect of previous year	(7,302)	(2,966)
	<u>365,771</u>	<u>14,312</u>
Adjustments in respect of previous year consist of:		
Corporation tax	86,854	(2,966)
Deferred tax	(94,156)	-
	<u>(7,302)</u>	<u>(2,966)</u>
<b>8 Dividends</b>	<b>£</b>	<b>£</b>
Dividends proposed and paid on equity shares	<u>330,000</u>	<u>904,487</u>
<b>9 Tangible assets</b>	<b>Plant and equipment</b>	
	<b>£</b>	
Cost at 1 July 1995	670,454	
Acquisition	1,896,731	
Additions	191,997	
Transfers from group undertakings	29,655	
Disposals	(525,057)	
At 30 June 1996	<u>2,263,780</u>	
Depreciation:		
At 1 July 1995	541,169	
Acquisition	1,681,981	
Charge for the year	188,199	
Transfers from group undertakings	22,878	
Disposals	(522,421)	
At 30 June 1996	<u>1,911,806</u>	
<b>Net book value at 30 June 1996</b>	<u>351,974</u>	
Net book value at 30 June 1995	<u>129,285</u>	

# **HALL & TAWSE MIDLANDS LIMITED**

## **NOTES TO THE ACCOUNTS** (Continued)

### **FOR THE YEAR ENDED 30 JUNE 1996**

#### **10 Investments**

On 1 July 1995 the assets and liabilities of two fellow subsidiary undertakings were acquired at book value, and have been accounted for by the acquisition method of accounting.

Net assets acquired:	Book Value & Fair Value		Total
	Hall & Tawse Western Limited £	Hall & Tawse East Anglia Limited £	
Tangible fixed assets	110,776	103,974	214,750
Stocks	137,213	63,000	200,213
Debtors	6,881,896	2,816,045	9,697,941
Cash at bank and in hand	4,349,026	3,273,301	7,622,327
Creditors	(10,156,780)	(4,756,320)	(14,913,100)
Cost of acquisition	<u>1,322,131</u>	<u>1,500,000</u>	<u>2,822,131</u>

Satisfied by an issue of shares : £2,822,131

The investments are directly held and represent 100% of the ordinary share capital of the subsidiary undertakings.

The accounting periods of the acquisitions are conterminous with Hall & Tawse Midlands Limited. The summarised profit and loss accounts of the acquired entities for the year ended 30 June 1995 were:

	Hall & Tawse Western Limited £	Hall & Tawse East Anglia Limited £	Total £
Turnover	31,320,079	14,164,397	45,484,476
Operating (loss)/profit	(308,491)	317,841	9,350
(Loss)/profit after taxation	<u>(92,273)</u>	<u>319,738</u>	<u>227,465</u>

There were no recognised gains or losses in the year shown other than those disclosed above.

#### **11 Stocks**

	1996 £	1995 £
Raw materials and consumables	94,572	-
Work in progress	<u>365,625</u>	-
	<u>460,197</u>	<u>-</u>

**HALL & TAWSE MIDLANDS LIMITED****NOTES TO THE ACCOUNTS** (Continued)**FOR THE YEAR ENDED 30 JUNE 1996**

	1996 £	1995 £
<b>12 Debtors</b>		
Trade debtors	7,757,051	3,168,437
Amounts recoverable on contracts	4,292,346	1,264,545
Retentions	4,006,431	1,584,609
Amounts owed by ultimate parent undertaking	1,948	180
Amounts owed by parent undertaking	4,014,062	2,668,000
Amounts owed by fellow subsidiary undertakings	27,361	1,859
Other debtors	49,156	32,561
Prepayments and accrued income	262,085	88,207
	<u>20,410,440</u>	<u>8,808,398</u>
Included in the above are the following amounts falling due after one year:		
Retentions	908,610	682,894
Deferred taxation (see note 15)	141,379	63,437
	<u>1,049,989</u>	<u>746,331</u>
<b>13 Creditors: amounts falling due within one year</b>	£	£
Payments received on account	594,132	331,321
Trade creditors	22,871,374	8,054,692
Amounts owed to ultimate parent undertakings	469,254	151,623
Amounts owed to parent undertaking	610	1,087
Amounts owed to fellow subsidiary undertakings	101,852	67,901
Amounts owed to subsidiary undertakings	2,822,131	-
Other creditors	452,028	134,259
Corporation tax	449,201	20,417
Other taxes and social security	299,115	509,559
Proposed dividend	90,000	750,000
Accruals and deferred income	756,527	507,048
	<u>28,906,224</u>	<u>10,527,907</u>
<b>14 Creditors: amounts falling due after more than one year</b>	£	£
Retentions	650,778	544,599
Accruals and deferred income	59,187	-
	<u>709,965</u>	<u>544,599</u>

# **HALL & TAWSE MIDLANDS LIMITED**

## **NOTES TO THE ACCOUNTS** (Continued)

### **FOR THE YEAR ENDED 30 JUNE 1996**

#### **15 Provision for liabilities**

Deferred taxation:

	£
At 1 July 1995	(63,437)
Acquisition	(109,058)
Utilised during the year	31,116
At 30 June 1996	<u>(141,379)</u>

	Provided		Full potential liability	
	1996	1995	1996	1995
	£	£	£	£
Accelerated capital allowances	(99,705)	(35,511)	(99,705)	(35,511)
Other timing differences	(41,674)	(27,926)	(41,674)	(27,926)
	<u>(141,379)</u>	<u>(63,437)</u>	<u>(141,379)</u>	<u>(63,437)</u>

#### **16 Share capital**

	Number	£
Authorised		
Ordinary shares of £1 each		
At 1 July 1995	2,500,000	2,500,000
Authorised during the year	2,500,000	2,500,000
At 30 June 1996	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each		
At 1 July 1995	2,000,100	2,000,100
Issued during the the year	2,822,131	2,822,131
At 30 June 1996	<u>4,822,231</u>	<u>4,822,231</u>

The shares were issued at par on 1 July 1995 in consideration for a parent undertaking loan.

#### **17 Reserves**

	Capital contribution reserve	Profit and loss account	Total
	£	£	£
At 1 July 1995	-	868,487	868,487
Retained profit for the year	-	461,682	461,682
Capital contribution	1,872,136	-	1,872,136
At 30 June 1996	<u>1,872,136</u>	<u>1,330,169</u>	<u>3,202,305</u>

# **HALL & TAWSE MIDLANDS LIMITED**

## **NOTES TO THE ACCOUNTS** (Continued)

### **FOR THE YEAR ENDED 30 JUNE 1996**

#### **18 Reconciliation of movements in shareholders' funds**

	1996	1995
	£	£
Profit for the financial year	791,682	12,050
Dividends	(330,000)	(904,487)
	461,682	(892,437)
Capital contribution	1,872,136	-
Shares issued during the year	2,822,131	-
Net addition to shareholders' funds	5,155,949	(892,437)
Opening shareholders' funds	2,868,587	3,761,024
Closing shareholders' funds	8,024,536	2,868,587

All shareholders funds are attributable to equity interests.

#### **19 Commitments and contingent liabilities**

Future capital commitments for which no provision has been made in these financial statements are as follows:

	1996	1995
	£	£
Contracted for but not provided for	Nil	25,000

Operating leases:

Annual commitments in respect of non-cancellable operating leases are as follows:

	1996		1995	
	Land & Bldgs	Other	Land & Bldgs	Other
	£	£	£	£
Expiring within one year	-	138,175	-	38,411
Expiring between two and five years	-	562,630	-	263,939
Expiring after five years	264,655	-	115,155	-
	264,655	700,805	115,155	302,350

Performance bonds amounting to £4,548,320 (1995: £2,415,969) have been entered into by the company in the normal course of business.

The company has a contingent liability in respect of guarantees given to support borrowings and performance bonds of its ultimate parent company, fellow subsidiaries and subsidiary undertakings amounting to £84,290,483 (1995: £76,897,441).



**NOTES TO THE ACCOUNTS (Continued)**

**FOR THE YEAR ENDED 30 JUNE 1996**

**20 Pensions**

The company is a member of the defined benefit pension scheme operated by the ultimate parent undertaking, Raine plc. Contributions are paid in accordance with the recommendations of independent actuaries, based on the regular cost of providing benefits across the group as a whole, without any recognition of fund surpluses or deficits which are dealt with by Raine plc. Particulars of the latest actuarial valuation of the principal schemes which was performed on 1 July 1994 are given in the financial statements of Raine plc.

**21 Parent undertakings**

The immediate parent undertaking is Hall & Tawse Group Limited, a company incorporated in Great Britain and registered in England and Wales.

The ultimate parent undertaking is Raine plc, a company incorporated in Great Britain and registered in England and Wales. Copies of the financial statements of Raine plc can be obtained from Raine House, Ashbourne Road, Mackworth, Derby DE22 4NB.