

LENTORN HOLDINGS LIMITED AND ITS SUBSIDIARIES

REPORT AND ACCOUNTS
YEAR ENDED 31ST MARCH 1982

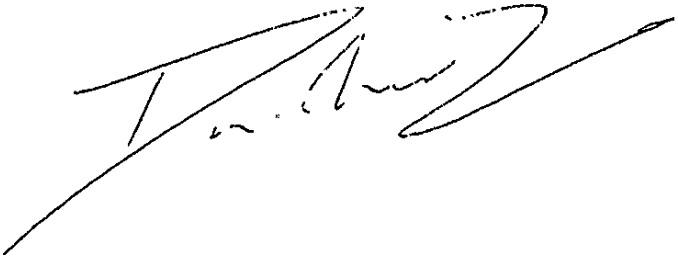
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REPORT OF THE AUDITORS TO THE MEMBERS OF
LENTORN HOLDINGS LIMITED

We have audited the financial statements on pages 2 to 8
in accordance with approved Auditing Standards.

In our opinion the financial statements, which have been
prepared under the historical cost convention, give a true and
fair view of the affairs of the company and the group at
31st March, 1982 and of the profit and source and application
of funds of the group for the year ended on that date and
comply with the Companies Acts 1948 to 1981.



DIXON WALSH
Chartered Accountants,
10 Hammet Street,
Taunton,
Somerset.

18th January, 1983.

INTORN HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

31ST MARCH 1982

| <u>1981</u> | | <u>Note</u> | <u>1982</u> |
|------------------|----------------------------------|-------------|------------------|
| | <u>Fixed Assets</u> | <u>2</u> | |
| 384,220 | Freehold Property | | 406,158 |
| 177,244 | Plant and Machinery | | 183,775 |
| <u>23,965</u> | Motor Vehicles | | <u>27,047</u> |
| 585,429 | | | 616,980 |
| <u>15,500</u> | <u>Goodwill</u> | | <u>15,500</u> |
| | <u>Current Assets</u> | | |
| 524,640 | Stocks and Work in Progress | <u>3</u> | 633,553 |
| 236,927 | Debtors and Prepayments | | 323,613 |
| <u>152,467</u> | Bank Balances | | <u>183,042</u> |
| 914,034 | | | <u>1,140,208</u> |
| | <u>Less Current Liabilities</u> | | |
| 402,712 | Creditors and Accrued Expenses | | 562,827 |
| 356,925 | Bank Overdraft | | 407,056 |
| <u>78,612</u> | Taxation | | <u>1,219</u> |
| 838,249 | | | <u>971,102</u> |
| <u>75,785</u> | | | <u>169,106</u> |
| 676,714 | | | 801,586 |
| <u>1,965,000</u> | <u>Goodwill on Consolidation</u> | | <u>1,965,000</u> |
| 2,641,714 | | | <u>2,766,586</u> |
| | <u>Financed by:</u> | | |
| 2,025,000 | <u>Share Capital</u> | <u>4</u> | 2,025,000 |
| <u>332,877</u> | <u>Reserves</u> | <u>5</u> | <u>444,389</u> |
| 2,357,877 | | | 2,469,389 |
| 247,709 | <u>Deferred Taxation</u> | <u>6</u> | 253,397 |
| <u>36,128</u> | <u>Directors Accounts</u> | | <u>43,800</u> |
| <u>2,641,714</u> | | | <u>2,766,586</u> |

ALZ X *[Signature]* X
 ESF X *[Signature]* X
 Directors

ORN HOLDINGS LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST MARCH 1982

| <u>1981</u> | | <u>Note</u> | <u>1982</u> |
|------------------|--|-------------|------------------|
| <u>2,510,221</u> | <u>Turnover</u> | 7 | <u>2,648,147</u> |
| 132,730 | <u>Consolidated Net Profit for the</u> Year after charging: | | 53,068 |
| 41,719 | Depreciation | 8 | 42,435 |
| 169,369 | Directors Remuneration | 9 | 183,608 |
| 3,850 | Auditors Remuneration | | 4,100 |
| 29,922 | Interest Payable | 10 | 15,916 |
| | | | <u></u> |
| (86,376) | <u>Taxation</u> | 11 | <u>58,444</u> |
| 46,354 | <u>Consolidated Net Profit after Taxation</u> | | 111,512 |
| 276,523 | <u>Retained Profits brought forward</u> | | 322,877 |
| 322,877 | <u>Retained Profits carried forward</u> | 5 | <u>434,389</u> |

JOHN HOLDINGS LIMITED AND ITS SUBSIDIARIES
SOURCE AND APPLICATION OF FUNDS STATEMENT
YEAR ENDED 31ST MARCH 1982

| <u>1981</u> | | | <u>1982</u> |
|-------------|---------|------------------------------------|-------------|
| | | <u>Application of Funds</u> | |
| | 23,623 | Capital Expenditure | |
| | 81,686 | Freehold Property | 21,938 |
| | 9,534 | Plant and Machinery | 50,470 |
| | | Motor Vehicles | 17,642 |
| 114,843 | | | 90,050 |
| - | | Increase in Stocks | 108,913 |
| - | | Increase in Debtors | 86,686 |
| 127,793 | | Increase in Bank Balances | 30,575 |
| 17,438 | | Debenture and Loan Repaid | - |
| 141,891 | | Decrease in Creditors | - |
| - | | Taxation Paid | 13,261 |
| 401,965 | | | 329,485 |
| | | <u>Source of Funds</u> | |
| | 3,866 | Reduction in Stocks | - |
| | 90,042 | Decrease in Debtors | - |
| | - | Increase in Creditors | 160,115 |
| | 62,569 | Increase in Bank Overdraft | 50,131 |
| | 39,859 | Proceeds from Sale of Fixed Assets | 16,064 |
| | 31,180 | Increase in Directors Accounts | 7,672 |
| (227,516) | | | (233,982) |
| 174,449 | | | 95,503 |
| | | <u>Balance financed by:</u> | |
| | 132,730 | Net Profit for the Year | 53,068 |
| - | 41,719 | Depreciation | 42,435 |
| 174,449 | | | 95,503 |

LENTORN HOLDINGS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 1982

1. SUBSIDIARIES

The wholly owned subsidiary companies, all of which are incorporated in England, that have been included in these accounts are:

Air Control Installations (Chard) Limited
 Ilchester Cheese Company Limited
 Chedington Farms Limited
 Fascograde Limited
 Chedington Estates Limited

The Consolidated Profit and Loss Account includes the results of the six group companies for the year ended 31st March 1982 having excluded from the accounts all inter-group trading.

The excess of the net assets acquired over the nominal value of the shares issued upon acquisition of the subsidiaries has been recorded as a reserve.

2. FIXED ASSETS

| | <u>Freehold Property</u> | <u>Plant & Machinery</u> | <u>Motor Vehicles</u> | <u>Total</u> |
|-------------------------|------------------------------|----------------------------------|---------------------------|----------------|
| <u>Cost</u> | | | | |
| Balance at 1.4.81 | 390,470 | 280,475 | 49,175 | 720,120 |
| Additions | 21,938 | 50,470 | 17,642 | 90,050 |
| Disposals | - | (11,074) | (21,299) | (32,373) |
| | <u>412,408</u> | <u>319,871</u> | <u>45,518</u> | <u>777,797</u> |
| <u>Depreciation</u> | | | | |
| Balance at 1.4.81 | 6,250 | 103,231 | 25,210 | 134,691 |
| Charge for the Year | - | 36,033 | 10,036 | 46,069 |
| Disposals | - | (3,168) | (16,775) | (19,943) |
| | <u>6,250</u> | <u>136,096</u> | <u>18,471</u> | <u>160,817</u> |
| <u>Net Book Amounts</u> | | | | |
| 31st March 1982 | <u>406,158</u> | <u>183,775</u> | <u>27,047</u> | <u>616,980</u> |
| 31st March 1981 | <u>384,220</u> | <u>177,244</u> | <u>23,965</u> | <u>585,429</u> |

LENTORN HOLDINGS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 1982

3. STOCK AND WORK IN PROGRESS

The stocks and work in progress have been valued at the lower of cost and estimated realisable value. In the case of work in progress and finished stock cost consists of direct materials, labour and work overheads.

4. SHARE CAPITAL

Lentorn Holdings Limited

| | <u>1982</u> | <u>1981</u> |
|---|-------------|-------------|
| Authorised 3,000,000 Ordinary Shares of £1 each | 3,000,000 | 3,000,000 |
| Issued and Fully Paid 2,025,000 Ordinary Shares of £1 each | 2,025,000 | 2,025,000 |

5. RESERVES

| | <u>Mill Repairs Reserve Fund</u> | <u>Retained Profits</u> | <u>Total</u> |
|--|--------------------------------------|-----------------------------|----------------|
| Balance at 1st April 1981 | 10,000 | 322,877 | 332,877 |
| Retained Profits for the year ended 31st March 1982 | - | 111,512 | 111,512 |
| | <u>10,000</u> | <u>434,389</u> | <u>444,389</u> |

6. DEFERRED TAXATION

| | <u>1982</u> | <u>1981</u> |
|---|----------------|----------------|
| Balance at 1st April, 1981 | 247,709 | 234,145 |
| Transfer from Profit and Loss Account | 5,688 | 13,564 |
| Balance at 31st March 1982 | <u>253,397</u> | <u>247,709</u> |
| Represented by: | | |
| (i) Accelerated Depreciation Allowances Claimed | 95,741 | 89,711 |
| (ii) Stock Relief Claimed | 157,656 | 157,998 |
| | <u>253,397</u> | <u>247,709</u> |

Deferred taxation represents the taxation attributable at the rate of Corporation Tax in force at the end of the financial period:

- (i) On the excess of the net book value per these accounts of the assets eligible for tax allowances over their corresponding tax written down values.
- (ii) On allowances for increases in stock values after adjusting for losses carried forward into the next accounting period.

LENTORN HOLDINGS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 1982

7. TURNOVER

The Group turnover represents the total amounts receivable for goods supplied to third parties in the ordinary course of business during the year.

8. DEPRECIATION

Depreciation is calculated to write down the cost of the assets by equal annual instalments over their expected useful lives. It is not the Groups policy to provide depreciation on the Freehold Property.

| | |
|---------------------|---------------|
| Plant and Machinery | over 10 years |
| Motor Vehicles | over 4 years |
| Farm Equipment | over 5 years |

The charge for depreciation in the accounts is made up as follows:

| | | |
|-------------------------------------|--------------|--------|
| Charge for the Year per Note 2 | | 46,069 |
| Over provision on Fixed Assets Sold | | |
| | Proceeds | 16,064 |
| | Depreciation | 19,943 |
| | | <hr/> |
| | | 36,007 |
| | Cost | 32,373 |
| | | <hr/> |
| | | 3,634 |
| | | <hr/> |
| | | 42,435 |
| | | <hr/> |

9. DIRECTORS REMUNERATION

The total emoluments of the Directors of the Subsidiary Companies, who were not Directors of the Holding Company, were £21,654 (1981 £25,888).

The emoluments of the Directors of the Holding Company were £161,954 (1981 £143,000).

The emoluments of the Directors, excluding pension contributions, were:

| | <u>1982</u> | <u>1981</u> |
|--|-------------|-------------|
| Chairman | 36,222 | 32,750 |
| Highest Paid Director | 21,072 | 17,400 |
| And the other Directors were in the following range: | | |
| £15,001 to £17,500 | - | 1 |
| £17,501 to £20,000 | 1 | - |

LENTORN HOLDINGS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 1982

10. INTEREST PAYABLE

| | <u>1982</u> | <u>1981</u> |
|-----------------------------|---------------|---------------|
| Interest on Bank Overdrafts | <u>15,916</u> | <u>29,922</u> |

11. TAXATION

The charge for taxation in the Profit and Loss Account is based on the profits for the Year and is made up as follows:

| | <u>1982</u> | <u>1981</u> |
|---|-----------------|---------------|
| Corporation Tax at 40% | - | 70,600 |
| Deferred Taxation | 5,688 | 13,564 |
| (Over)/Under provision in previous year | (64,132) | 2,212 |
| | <u>(58,444)</u> | <u>86,376</u> |

LENTORN HOLDINGS LIMITED AND ITS SUBSIDIARIES
DIRECTORS REPORT

The Directors submit their Report together with Audited Consolidated Accounts for the year ended 31st March 1982.

Activities

The principal activities of the Group are the manufacture of small fans and blowers; the manufacture of specialist cheeses; property development, and the management of a mixed farm.

Results and Dividends

The Group realised a profit for the year of £111,512 after taxation. When this is added to the reserves brought forward this gives total reserves to carry forward of £434,389.

The Directors do not recommend the payment of a dividend for the year.

Directors and Their Interests

The Directors of the Holding Company who have served throughout the year and their interest in the shares of the Holding Company are listed below:

| | <u>31. 3. 1982</u> | <u>31. 3. 1981</u> |
|----------------|--------------------|--------------------|
| A. L. Zaiger | 209,025 | 209,025 |
| E. S. Forknall | 258,675 | 1,309,800 |
| D. J. Davidge | 258,675 | 498,675 |

D. J. Davidge retires by rotation and being eligible offers himself for re-election.

Exports

The value of goods exported during the year was £226,541 (1981 £269,663).

Auditors

The Auditors Messrs. Dixon Walsh have indicated their willingness to continue in office, and therefore a resolution proposing their re-appointment will be put to the annual general meeting.

On behalf of the Board,
E. S. FORKNALL,
Secretary