

WALLOP HOLDINGS LIMITED

(Registered Number 1564807)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1993



WALLOP HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors have pleasure in submitting their Annual Report together with the audited financial statements for the year ended 31 March 1993.

PRINCIPAL ACTIVITIES

The principal activity of the Company continues to be that of an intermediate holding company. None of the undertakings of the Company carries on any trade.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The results of the Company for the year are given in the Profit and Loss account on page 5 and in the accompanying notes.

DIVIDENDS

The Directors do not recommend the payment of a dividend (1992 £4.67 per share).

TRANSFER TO RESERVES

Movements in reserves are set out in note 11 of the accounts. The amount to be transferred from reserves is £123,917 (1992 £185,500).

DIRECTORS AND DIRECTORS' INTERESTS

The members of the Board during the year and their interests, including family interests, in the issued share capital of the Company's ultimate holding company are as detailed below.

	Beneficial interest shares of 5p each		* Options for shares of 5p each		
	31 March and 22 June 1993	1 April 1992 or date of appointment	22 June 1993	31 March 1993	1 April 1992 or date of appointment
J D Loveridge	1,500	500	4,984	119,285	119,285
I Pickering ***	***	-	***	50,000	50,000
J M Bryson ***	**	**	**	**	**

* These options were granted in June and December 1987, July 1988, February and July 1989, February and July 1990, July 1991 and February and March 1992 under the Executive Share Option Scheme and Employees Savings Related Share Option Scheme and have been adjusted to reflect the effects of the Rights Issues in February 1988 and March 1993.

Options surrendered: Mr Loveridge - January 1993 (60,000) and April 1993 (63,978).

** Mr J M Bryson is also a Director of ML Holdings PLC, the Company's ultimate holding company and his interests including family interests, in the issued share capital of the Company's ultimate holding company are disclosed in the financial statements of that company.

*** On 30 July 1992 Mr I Pickering resigned as a director and Mr J M Bryson was appointed as a director.

No director had any interest in the issued share capital of the Company or any of its subsidiary undertakings.

WALLOP HOLDINGS LIMITED

DIRECTORS' REPORT

(Continued)

INSURANCE FOR OFFICERS

The Company maintains Directors' and Officers' Insurance.

TAX STATUS

The Company is not a close company within the terms of the Income and Corporation Taxes Act 1988

AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Peat Marwick as auditors of the Company is to be proposed at the forthcoming Annual General Meeting

By order of the Board



J D Loveridge
Secretary
22 June 1993

WALLOP HOLDINGS LIMITED

AUDITORS' REPORT

REPORT OF THE AUDITORS, KPMG PEAT MARWICK, TO THE MEMBERS OF WALLOP HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 9 in accordance with Auditing Standards

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 March 1993 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985

KPMG Peat Marwick

KPMG Peat Marwick
Chartered Accountants
Registered Auditors
London

22 June 1993

WALLOP HOLDINGS LIMITED

Profit and Loss Account for the year ended 31 March 1993

	Note	1993 £	1992 £
Other external charges		(79,526)	-
Other income	2	-	725,127
Exceptional item	4	-	(558,467)
Interest payable and similar charges	5	(44,750)	-
(Loss)/profit on ordinary activities before taxation		(124,276)	166,660
Tax on (loss)/profit on ordinary activities	6	359	-
(Loss)/profit on ordinary activities after taxation		(123,917)	166,660
Proposed dividend		-	(352,210)
Retained loss for the year	11	(123,917)	(185,550)

The notes on pages 7 to 9 form part of these financial statements


WALLOP HOLDINGS LIMITED

Balance Sheet

as at 31 March 1993

	Note	1993 £	1992 £
Fixed assets			
Investments	7	113,010	113,010
		113,010	113,010
Current assets			
Debtors	8	-	725,127
Creditors amounts falling due within one year	9	(162,200)	(763,416)
Net current liabilities		(162,200)	(38,283)
Total assets less current liabilities		(48,581)	75,336
Net (liabilities)/assets		(48,581)	75,336
Capital and reserves			
Called up share capital	10	75,336	75,336
Profit and loss account	11	(123,917)	-
		(48,581)	75,336

These financial statements were approved by the Directors on 22 June 1993 and signed on their behalf by


J.D. Loveridge
Director

The notes on pages 7 to 9 form part of these financial statements

WALLOP HOLDINGS LIMITED

Notes to the Financial Statements

for the year ended 31 March 1993

1 Accounting Policies

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

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

(b) Financial reporting standard number 1

In accordance with Financial Reporting Standard number 1, the Company, being a wholly owned subsidiary of ML Holdings PLC, has not included a cash flow statement as part of these financial statements

(c) Consolidation

Consolidated accounts have not been prepared as the Company is a wholly owned subsidiary of a company incorporated in England

2 Other Income

Other income relates wholly to dividends receivable from subsidiary undertakings

3 Directors and employees

**Directors
Emoluments**

No directors received any emoluments from the Company during the year (1992: Nil).

Employees

The company has no employees (1992: None)

4 Exceptional item

	1993	1992
	£	£
Amounts written off investments	-	558,467
	-	558,467

The exceptional charge arose from the write down of the value of investments in subsidiary undertakings to the net assets of those subsidiary undertakings after taking into account any dividends proposed by those companies

5 Interest payable

	1993	1992
	£	£
Payable to group undertakings	44,750	-
	44,750	-

WALLOP HOLDINGS LIMITED

Notes to the Financial Statements continued

6 Tax on (loss)/profit on ordinary activities

	1993	1992
	£	£
Adjustments re prior year	350	-
	350	-

7 Investments

	£
Shares in subsidiaries at cost less provisions	
At 1 April 1992	113,619
At 31 March 1993	113,619

The investments comprise the whole of the issued share capital of the following subsidiary companies which are registered in England

Company	Activity
ML Wallop Defence Systems Limited	Dormant
Wallop Avionics Limited	Dormant
Wallop SES Limited	Dormant
Walloptronics Limited	Dormant
Wallop Systems Limited	Dormant
Wallop Gimbrow Limited	Dormant
Civil Protection Limited	Dormant

8 Debtors

	1993	1992
	£	£
Dividends receivable from subsidiary undertakings	-	725,127
	-	725,127

9 Creditors: amounts falling due within one year

	1993	1992
	£	£
Amounts due to group undertakings	182,200	411,200
Dividends payable	-	352,210
	182,200	763,410

10 Share capital

	Authorised		Issued, called up & fully paid	
	1993	1992	1993	1992
	£	£	£	£
Ordinary shares of £1 each	1,000,000	1,000,000	75,336	75,336

WALLOP HOLDINGS LIMITED

Notes to the Financial Statements continued

11 Reserves

	Profit and loss account £
At 1 April 1992	-
Retained loss for the year	(123,817)
At 31 March 1993	(123,817)

12 Guarantees and financial commitments

Guarantees

Throughout the year there were limited upstream guarantees in operation in respect of all monies due to the Company bankers.

On 7 August 1992 the Company entered into a debenture and Guarantee with the Group's bankers to secure the borrowings of the ultimate holding company. The Debenture includes a legal mortgage over the property which the Company entered into a contract to sell to a group undertaking in the year ended 31 March 1991.

Capital commitments

At the balance sheet date capital expenditure of £ nil (1992 £ nil) had been contracted for but not provided for in the financial statements.

13 Ultimate holding company

The Company's ultimate holding company is ML Holdings PLC, a company registered in England and Wales. Copies of this Group's financial statements can be obtained from:-

ML Holdings PLC
844 Ajax Avenue
Slough
Berkshire
SL1 4BQ