

**NORTHERN & SHELL PLC**  
**REPORT & FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 1993**



NORTHERN & SHELL PLC

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1993

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NORTHERN & SHELL PLC  
OFFICERS AND PROFESSIONAL ADVISERS

Directors

Mr. R.C. Desmond	- Chairman
Mr. M.S. Ellice	- Managing Director
Mr. P.M. Ashford	- Editorial Director
Miss J.G. Squire	- Commercial Director

Secretary

Mr. M.S. Ellice

Company Number

1633971 ( England )

Auditors

Reed Taylor  
1 Tyburn Lane  
Harrow  
Middlesex HA1 3AG

Bankers

National Westminster Bank Plc  
19 Shaftesbury Avenue  
London W1A 4QQ

Registered Office

The Northern & Shell Tower  
City Harbour  
London E14 9GL

# NORTHERN & SHELL PLC

## Directors' Report

The directors submit their report and financial statements for the year ended 30 June 1993.

### Activities

The Company's principal activity during the year was that of publishing. During the year the business of publishing certain magazine titles were sold to a subsidiary company. The subsidiary company was subsequently disposed of.

### Results and Dividends

The trading profit for the year amounted to £15,934,955 (1992 - profit £1,278,099). The company issued 1,100,000 £1 preferred ordinary shares on 15 March 1993. The total accrued dividend on these shares as at 30 June 1993 was £26,038 (2.37p per share). The directors do not recommend the payment of a dividend on the £1 ordinary share capital.

### Directors

The present membership of the board is set out on page 2. All directors served throughout the year with the exception of Mr. M.S. Ellice and Miss J.G. Squire who were appointed on 25 January and 1 March 1993 respectively. Mr. P.R. Bailey and Mr. B.F. Foxon resigned 25 January and 9 June 1993 respectively.

The directors who held office during the year and their interests in the share capital of the company and the parent company as at 30 June 1992 and 1993 were as follows: -

	<u>Company</u>	<u>Parent</u>
Mr. R.C. Desmond	Nil	Nil
Mr. M.S. Ellice (appointed 25.01.93)	Nil	Nil
Mr. P.M. Ashford	Nil	Nil
Miss J.G. Squire (appointed 01.03.93)	Nil	Nil
Mr. B.F. Foxon (resigned 09.06.93)	Nil	Nil
Mr. P.R. Bailey (resigned 25.01.93)	Nil	Nil

At the beginning and end of the year Mr. R.C. Desmond was beneficially interested in the whole of the issued share capital of the parent company.

### Close Company

In the opinion of the directors the company is a close company under the provisions of the Income & Corporation Taxes Act 1988.


### Charitable Donations

During the year the company made various charitable contributions amounting to £117,376 (1992 - £31,480).

### Auditors

Reed Taylor, Chartered Accountants and Registered Auditor have expressed their willingness to continue in office and offer themselves for re-election in accordance with Section 385 of the Companies Act 1985.

Approved by the Board  
and signed on behalf of the Board

  
Mr. M.S. Ellice  
Secretary

Dated: 29/11/93.

## NORTHERN & SHELL PLC

### DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 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 , subject to any material departures disclosed and explained in the financial statements ;
- 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 .

REPORT OF THE AUDITORS.  
TO THE MEMBERS OF  
NORTHERN & SHELL PLC

We have audited the financial statements on pages 6 to 18 which have been prepared under the historical cost convention and the accounting policies on page 11.

Respective Responsibilities of Directors and Auditors

As described on page 4, the Company's Directors are responsible for the preparation of the 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.

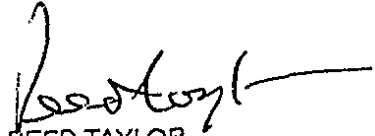
Basis of opinion

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 affairs of the Company as at 30 June 1993 and of the profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

  
REED TAYLOR  
Chartered Accountants and  
Registered Auditor

Dated : 29/11/1993

NORTHERN & SHELL PLC  
PROFIT AND LOSS ACCOUNT

Year ended June 30 1993

	Note	1993 £	1992 £
TURNOVER	2	8,305,715	6,127,878
Cost of sales		<u>5,358,710</u>	<u>2,931,475</u>
GROSS PROFIT		2,947,005	3,196,403
Distribution costs		1,250,854	309,358
Administration expenses		1,257,415	1,625,061
Other operating income		<u>(35,000)</u>	<u>(31,720)</u>
		<u>2,473,269</u>	<u>1,902,699</u>
OPERATING ( LOSS ) / PROFIT		473,736	1,293,704
Exceptional items	5	16,107,569	Nil
Provision for amounts owed by group company		(592,915)	Nil
Other interest receivable and similar income	6	46,319	64,496
Interest payable and similar charges	7	<u>(99,754)</u>	<u>(80,101)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3, 4	15,934,955	1,278,099
Tax on profit on ordinary activities	8	<u>199,608</u>	<u>(384,100)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		16,134,563	893,999
DIVIDENDS	9	<u>26,038</u>	<u>1,958,220</u>
PROFIT TRANSFERRED TO RESERVES		16,108,525	(1,064,221)
Retained profit brought forward		<u>84,301</u>	<u>1,148,522</u>
Retained profit carried forward		<u>16,192,826</u>	<u>84,301</u>

The whole of the turnover and operating profit is attributable to continuing operations .

There were no recognised gains and losses made in the period other than the profit for the period .

The notes on pages 11 to 18 form part of these accounts .

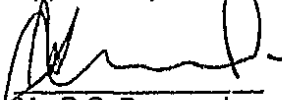
# NORTHERN & SHELL PLC

## BALANCE SHEET

As at 30 June 1993

	Note	£	1993 £	1992 £
<b>FIXED ASSETS</b>				
Intangible fixed assets	10		2,735	4,243
Tangible fixed assets	11		1,294,708	753,237
Investments	12		212	102
			<u>1,297,655</u>	<u>757,582</u>
<b>CURRENT ASSETS</b>				
Stocks	13	354,405		142,264
Debtors	14	16,600,217		4,637,841
Cash at bank and in hand		<u>3,000,249</u>		<u>42,202</u>
			<u>19,954,871</u>	<u>4,822,307</u>
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	15	<u>3,748,013</u>		<u>4,788,082</u>
NET CURRENT ASSETS			<u>16,206,858</u>	<u>34,225</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>17,504,513</u>	<u>791,807</u>
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	16		(111,687)	(607,506)
			<u>17,392,826</u>	<u>184,301</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	19		1,200,000	100,000
Profit and loss account			<u>16,192,826</u>	<u>84,301</u>
			<u>17,392,826</u>	<u>184,301</u>

Approved by the Board of Directors :



Mr. R.C. Desmond

29/11/93  
Dated

The notes on pages 11 to 18 form part of these accounts .



NORTHERN & SHELL PLC

CASH FLOW STATEMENT

Year ended 30 June 1993

	<u>1993</u>	<u>1992</u>
	£	£
NET CASH INFLOW / ( OUTFLOW ) FROM OPERATING ACTIVITIES	(13,141,322)	1,256,013
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	46,319	64,496
Interest paid	(99,754)	(80,101)
Dividends paid	<u>(26,038)</u>	<u>(1,958,220)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(79,473)	<u>(1,973,825)</u>
TAXATION		
Corporation tax paid	(425,493)	<u>(315,368)</u>
INVESTING ACTIVITIES		
Payments to acquire intangible fixed assets	(8,065)	(4,242)
Payments to acquire tangible fixed assets	(888,813)	(195,925)
Payments to acquire investment in subsidiaries	(110)	(98)
Sale proceeds from sale of titles	16,495,000	Nil
Sale proceeds from sale of tangible fixed assets	36,757	Nil
Sale proceeds from sale of intangible fixed assets	<u>9,573</u>	<u>Nil</u>
NET CASH INFLOW / ( OUTFLOW ) FROM INVESTING ACTIVITIES	<u>15,644,342</u>	<u>(200,265)</u>
NET CASH FLOW BEFORE FINANCING	1,998,054	(1,233,445)
FINANCING		
Issue of share capital	1,100,000	Nil
INCREASE / ( DECREASE ) IN CASH EQUIVALENTS	<u>3,098,054</u>	<u>(1,233,445)</u>

The notes on pages 11 to 18 form part of these accounts .

# NORTHERN & SHELL PLC

## NOTES TO THE CASH FLOW STATEMENT

Year ended 30 June 1993

1 . RECONCILIATION OF OPERATING PROFIT TO NET CASH ( OUTFLOW ) / INFLOW FROM OPERATING ACTIVITIES	<u>1993</u> £	<u>1992</u> £
Operating profit	473,736	1,293,704
Exceptional : cost of disposal of subsidiary	(387,431)	Nil
Depreciation charges	255,035	161,062
Loss on sale of tangible fixed assets	55,550	Nil
Provision for group company balances	(592,915)	Nil
Increase in stocks	(212,141)	(9,977)
Increase in debtors excluding taxation	(11,612,376)	(2,540,500)
(Decrease) / Increase in creditors excluding bank overdraft, dividend, and taxation	(1,120,780)	2,351,724
<b>NET CASH ( OUTFLOW ) / INFLOW FROM OPERATING ACTIVITIES</b>	<b><u>(13,141,322)</u></b>	<b><u>1,256,013</u></b>

2 . ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS	<u>1993</u> £	<u>1992</u> £
Balance at 1 July	(175,358)	1,058,087
Net cash inflow / ( outflow )	<u>3,098,054</u>	<u>(1,233,445)</u>
<b>Balance at 30 June</b>	<b><u>2,922,696</u></b>	<b><u>(175,358)</u></b>

3 . ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET	<u>1993</u> £	<u>1992</u> £	<u>Change</u> <u>in year</u> £
Cash at bank and in hand	249	42,202	(41,953)
Bank overdrafts	(77,553)	(217,560)	140,007
Short term investments	<u>3,000,000</u>	<u>Nil</u>	<u>3,000,000</u>
	<b><u>2,922,696</u></b>	<b><u>(175,358)</u></b>	<b><u>3,098,054</u></b>

4 . ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR	<u>Share</u> <u>capital</u> £	<u>Loan</u> <u>finance</u> £
Balance as at 1 July 1992	100,000	Nil
Cash inflow	<u>1,100,000</u>	<u>Nil</u>
<b>Balance as at 30 June 1993</b>	<b><u>1,200,000</u></b>	<b><u>Nil</u></b>

The notes on pages 11 to 18 form part of these accounts .

NORTHERN & SHELL PLC  
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Year ended 30 June 1993

	<u>1993</u> £	<u>1992</u> £
PROFIT FOR THE FINANCIAL YEAR	16,134,563	893,999
DIVIDENDS	(26,038)	(1,958,220)
INCREASE IN SHARE CAPITAL	1,100,000	Nil
OPENING SHAREHOLDERS' FUNDS	<u>184,301</u>	<u>1,248,522</u>
CLOSING SHAREHOLDERS' FUNDS	<u><u>17,392,826</u></u>	<u><u>184,301</u></u>

The notes on pages 11 to 18 form part of these accounts .

# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS

Year ended 30 June 1993

### 1. ACCOUNTING POLICIES

#### (a) Accounting convention

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

#### (b) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Any differences are dealt with through the profit and loss account.

#### (c) Depreciation

No depreciation is provided on intangible fixed assets, which are wholly composed of trademarks, as it is considered that their useful economic lives are not limited.

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

Plant and equipment	- over 3 to 5 years
Fixtures and fittings	- over 4 to 5 years
Motor vehicles	- over 2 to 10 years
Goodwill	- over 10 years

Freehold property is maintained to a standard that preserves likely residual value at a level at least equal to book value. Accordingly no provision has been made for depreciation as the amount would be immaterial.

#### (d) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

#### (e) Obligations under finance leases

Assets obtained under finance leases are capitalised in the balance sheet and depreciated over the lesser of the period of the lease or the estimated useful life of the asset.

Finance costs are charged to profit and loss and allocated to accounting periods during the lease term so as to produce a constant periodic rate of charge on the remaining balance of the obligation for each accounting period.

#### (f) Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

#### (g) Deferred taxation

Deferred tax is provided where in the opinion of the directors it is probable that the asset or liability will crystallise in the future.

#### (h) Turnover

Turnover represents the invoiced amount of goods sold and services provided (stated net of Value Added Tax).

# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS ( continued )

Year ended 30 June 1993

### 2 . TURNOVER

Turnover and profit before tax is attributable to the one principal activity of the company .

### 3 . PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>1993</u>	<u>1992</u>
	<u>£</u>	<u>£</u>
Profit on ordinary activities before taxation is stated after charging :		
Auditors' remuneration	24,600	11,892
Depreciation	255,035	161,062
Hire of other assets - operating leases	19,557	-
Net rental income	<u>(35,000)</u>	<u>(31,720)</u>

### 4 . INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	<u>1993</u>	<u>1992</u>
	<u>£</u>	<u>£</u>
( a ) DIRECTORS		
Directors' emoluments :		
Executive remuneration	222,496	297,022
Other emoluments ( including pension contributions )	1,796,535	839,318
Compensation for loss of office as a director	25,000	Nil
Estimated money value of benefits in kind	<u>30,615</u>	<u>18,461</u>
	<u>2,074,646</u>	<u>1,154,801</u>

Fees and emoluments ( excluding pension contributions ) paid to :

	<u>£</u>	<u>£</u>
The chairman	<u>1,043,892</u>	<u>838,601</u>
The highest paid director	<u>1,043,892</u>	<u>838,601</u>

The number of directors ( including the chairman and highest paid director ) who received fees and other emoluments ( excluding pension contributions ) within the following ranges was :

	<u>1993</u>	<u>1992</u>
	<u>Number</u>	<u>Number</u>
£ 15,001 - £ 20,000	1	Nil
£ 50,001 - £ 55,000	1	1
£ 65,001 - £ 70,000	Nil	1
£ 100,001 - £ 105,000	Nil	1
£ 160,001 - £ 165,000	1	Nil
£ 170,001 - £ 175,000	1	Nil
£ 180,001 - £ 185,000	1	Nil
£ 835,001 - £ 840,000	Nil	1
£ 1,040,001 - £ 1,045,000	1	Nil

# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS ( continued )

Year ended 30 June 1993

### 4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

#### ( b ) STAFF COSTS

	<u>1993</u> £	<u>1992</u> £
Wages and salaries	3,453,803	1,541,147
Social security	192,914	189,526
Pensions	416,940	919
	<u>4,063,657</u>	<u>1,731,592</u>

Average number of people employed :	<u>No.</u>	<u>No.</u>
Office and management ( excluding directors )	<u>102</u>	<u>90</u>

### 5. EXCEPTIONAL ITEMS

The business of sale and publication of a number of titles were sold to Burginhal 677 Limited , a group company on 14 March 1993 . The subsidiary was subsequently disposed of.

	£
i) Profit on sale of titles	16,495,000
ii) Loss on disposal of subsidiary	<u>(387,431)</u>
Total Exceptional Items	<u>16,107,569</u>

### 6. INTEREST RECEIVABLE

	<u>1993</u> £	<u>1992</u> £
Bank deposit	46,319	63,682
Other interest	Nil	814
	<u>46,319</u>	<u>64,496</u>

### 7. INTEREST PAYABLE

	<u>1993</u> £	<u>1992</u> £
Bank loans and overdrafts	3,460	7,036
Other loans wholly repayable within five years	82,794	73,065
Other interest	13,500	Nil
	<u>99,754</u>	<u>80,101</u>

### 8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1993</u> £	<u>1992</u> £
Recoverable in respect of prior years	350,000	Nil
UK corporation tax at 33 % based on the profit for the year	(120,000)	(353,000)
Under provision in previous years	<u>(30,392)</u>	<u>(31,100)</u>
	<u>199,608</u>	<u>(384,100)</u>

The potential deferred taxation liability amounts to approximately £214,000 ( 1992 - £79,000 ) .

# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS ( continued )

Year ended 30 June 1993

### 9. DIVIDENDS

	<u>1993</u>		<u>1992</u>	
	<u>Per share</u>	<u>Total</u>	<u>Per share</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
£1 ordinary shares :				
Interim	Nil	Nil	19.5822	1,958,220
Proposed final	Nil	Nil	Nil	Nil
	<u>Nil</u>	<u>Nil</u>	<u>19.5822</u>	<u>1,958,220</u>
£1 preferred ordinary shares :				
Final	<u>0.0237</u>	<u>26,038</u>	<u>Nil</u>	<u>Nil</u>
Total dividends		<u>26,038</u>		<u>1,958,220</u>

### 10. INTANGIBLE FIXED ASSETS

	<u>GOODWILL</u>	<u>TRADE-MARKS</u>	<u>TOTAL</u>
	<u>£</u>	<u>£</u>	<u>£</u>
COST			
At June 30 1992	57,300	4,242	61,542
Additions	Nil	8,065	8,065
Disposals	<u>(34,000)</u>	<u>(9,573)</u>	<u>(43,573)</u>
At June 30 1993	<u>23,300</u>	<u>2,734</u>	<u>26,034</u>
DEPRECIATION			
At June 30 1992	57,299	Nil	57,299
Charge	Nil	Nil	Nil
Disposals	<u>(34,000)</u>	<u>Nil</u>	<u>(34,000)</u>
At June 30 1993	<u>23,299</u>	<u>Nil</u>	<u>23,299</u>
NET BOOK VALUE			
At June 30 1993	<u>1</u>	<u>2,734</u>	<u>2,735</u>
At June 30 1992	<u>1</u>	<u>4,242</u>	<u>4,243</u>

# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS ( continued )

Year ended 30 June 1993

11. TANGIBLE FIXED ASSETS	LAND & BUILDINGS	MOTOR VEHICLES	EQUIPMENT FURNITURE & FITTINGS	TOTAL
COST	£	£	£	£
As at 30 June 1992	292,043	159,715	1,226,727	1,678,485
Additions	Nil	136,377	752,436	888,813
Disposals	Nil	(80,695)	(104,117)	(184,812)
As at 30 June 1993	<u>292,043</u>	<u>215,397</u>	<u>1,875,046</u>	<u>2,382,486</u>
DEPRECIATION				
As at 30 June 1992	Nil	53,240	872,008	925,248
Charge	Nil	43,812	211,223	255,035
Disposals	Nil	(40,082)	(52,423)	(92,505)
As at 30 June 1993	<u>Nil</u>	<u>56,970</u>	<u>1,030,808</u>	<u>1,087,778</u>
NET BOOK VALUE				
As at 30 June 1993	<u>292,043</u>	<u>158,427</u>	<u>844,238</u>	<u>1,294,708</u>
As at 30 June 1992	<u>292,043</u>	<u>106,475</u>	<u>354,719</u>	<u>753,237</u>

Equipment, furniture and fittings includes assets acquired under finance lease in respect of which, June 30 1993 the net book value was £191,156 ( 1992 - £339,889 ) after charging £157,774 ( 1992 - £123,739 ) depreciation for the period .

Land and buildings represents investment properties from which the company derives rent . In accordance with SSAP 19 the balance sheet values are shown at open market value at 30 June 1993 . Such valuations have been made by Mr. M.S. Ellice , a company director taking into consideration the current rental values for properties in such areas in which they are located together with a yield appropriate to market conditions .



# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS ( continued )

Year ended 30 June 1993

### 12. INVESTMENTS HELD AS FIXED ASSETS

£

Investments in subsidiaries :

Balance as at 1 July 1992	102
Additions during year at cost	<u>110</u>
Balance as at 30 June 1993	<u><u>212</u></u>

Percentage holding of subsidiaries shares :

<u>Company name</u>	<u>Principal activity</u>	<u>£1 ordinary shares</u>
Export Magazine Distributors Limited	Distributor	100%
The Green Magazines Co Limited	Publisher	100%
O.K. Magazines Limited	Publisher	100%
Northern & Shell Distribution Limited	Distributor	100%
Northern & Shell Tower Management Services Limited	Property services	100%
Northern & Shell ( Publications ) Limited	Publisher	100%
Northern & Shell Videos Limited	Catalogue retailer	100%
Sorse Distribution Limited	Distributor	100%

All the above companies are registered in England and Wales .

### 13. STOCKS

1993

1992

£

£

Raw materials , consumables and goods for resale	<u>354,405</u>	<u>142,264</u>
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### 14. DEBTORS

1993

1992

£

£

Trade debtors	263,074	346,446
Other debtors	329,960	1,278,904
Other tax and social security	495,998	Nil
Rental deposit refundable after more than 1 year	1,000,000	Nil
ACT recoverable	7,559	Nil
Corporation Tax Recoverable	350,000	Nil
Prepayments and accrued income	225,700	147,744
Amounts owed by subsidiaries	<u>13,927,926</u>	<u>2,864,747</u>
	<u><u>16,600,217</u></u>	<u><u>4,637,841</u></u>

# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS (continued.)

Year ended 30 June 1993

15. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1993</u> £	<u>1992</u> £
Bank overdraft	77,553	217,560
Trade creditors	944,609	2,747,216
Obligations under finance lease	135,124	153,236
Corporation tax	109,667	384,768
Preferred ordinary dividend	26,038	Nil
ACT payable	7,559	Nil
Amounts owed to group companies	147,142	Nil
Other creditors	847,597	698,073
Accruals	790,877	529,920
Taxation and social security	68,932	57,309
Provision for group company balances	592,915	Nil
	<u>3,748,013</u>	<u>4,788,082</u>

16. CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>1993</u> £	<u>1992</u> £
Obligations under finance leases	111,687	207,506
Contract security receipt	Nil	400,000
	<u>111,687</u>	<u>607,506</u>

17. OBLIGATIONS UNDER FINANCE LEASES	<u>1993</u> £	<u>1992</u> £
Year ending :		
June 30 1993	Nil	186,127
June 30 1994	155,935	141,001
June 30 1995	87,402	72,468
June 30 1996	35,256	17,844
June 30 1997 and later	Nil	Nil
	<u>278,593</u>	<u>417,440</u>
Less finance charges allocated to future periods	31,782	56,698
	<u>246,811</u>	<u>360,742</u>

## 18. OPERATING LEASE COMMITMENTS

At 30 June 1993 the company was committed to making the following payments during the next year in respect of operating leases :

	<u>LAND &amp; BUILDINGS</u> £	<u>OTHER</u> £
Leases which expire :		
Within one year	Nil	13,402
Within 2 to 5 years	Nil	9,870
After 5 years	388,428	Nil
	<u>388,428</u>	<u>23,272</u>

# NORTHERN & SHELL PLC

## NOTES TO THE ACCOUNTS ( continued )

Year ended 30 June 1993

### 19. SHARE CAPITAL

	<u>AUTHORISED</u>		<u>ALLOTTED, CALLED UP AND FULLY PAID</u>	
	<u>1993</u> £	<u>1992</u> £	<u>1993</u> £	<u>1992</u> £
Ordinary shares of £1 each	500,000	500,000	100,000	100,000
Preferred Ordinary shares £ 1	<u>1,100,000</u>	<u>Nil</u>	<u>1,100,000</u>	<u>Nil</u>
	<u>1,600,000</u>	<u>500,000</u>	<u>1,200,000</u>	<u>100,000</u>

During the year 1,100,000 £1 redeemable cumulative preference shares were authorised and allotted . They pay a fixed cumulative preferential dividend at the rate of 8% per annum ( net of advance corporation tax paid by the Company ) .

The shares will be redeemed by the Company on 31 December 2001 . The redemption value being the nominal value of the share together with a sum equal to any dividend arrears . A new share certificate will be issued for those shares not redeemed .

### 20. ULTIMATE HOLDING COMPANY

Equalcentre Limited , registered in England , is the ultimate holding company .