

# Logandene Limited and Subsidiary Companies

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Registered No. 1761921

## **DIRECTORS**

H Meillat  
D McCroskey

## **SECRETARY**

B H Jones

## **AUDITORS**

Ernst & Young  
Becket House  
1 Lambeth Palace Road  
London SE1 7EU

## **BANKERS**

Lloyds Bank Plc  
5 Bridge Street  
Newbury  
Berkshire RG14 5BQ

## **SOLICITORS**

Church Adams Tatham & Co  
Chatham Court  
Lesbourne Road  
Reigate  
Surrey RH2 7FN

Needham & Grant  
14 Lincoln's Inn Fields  
London WC2A 3BP

## **REGISTERED OFFICE**

3 Holmethorpe Avenue  
Redhill  
Surrey RH1 2PA



# Logandene Limited and Subsidiary Companies

## DIRECTORS' REPORT

The directors present their report and audited accounts for the year ended 31 December 1997.

### PRINCIPAL ACTIVITIES

The principal activities of the group are the design, production and distribution of industrial safety equipment.

### REVIEW OF BUSINESS

The group's performance during the year has been very satisfactory following the restructuring programme and the directors anticipate further improvement in the future.

The directors have not paid an interim dividend (6 month period ended 31 December 1996 – £nil) and have not paid a final dividend (6 month period ended 31 December 1996 – £nil). The consolidated retained profit for the year of £1,468,000 (6 month period ended 31 December 1996 – £709,000) will be transferred to reserves.

### RESEARCH AND DEVELOPMENT

It is the group's policy to engage actively in research and development on a continuing basis both to improve current products and to produce new ones. The cost attributed to these activities is written off to the profit and loss account in the year in which it is incurred.

### CHANGES IN FIXED ASSETS

Changes in fixed assets are detailed in notes 10 to 12 to the accounts.

### MARKET VALUE OF LAND AND BUILDINGS

The directors consider that due to the low turnover in the property market they are unable to assess the market value of land and buildings.

### DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the shares of the company were as follows:

	<i>Number of ordinary shares of £1</i>	
	<i>31 December 1997</i>	<i>31 December 1996</i>
M J McKenzie (Resigned 31 October 1997)	–	–
H Meillat	–	–
D McCroskey	–	–

### EVENTS SINCE THE BALANCE SHEET DATE

On 2 January 1998, the entire business, assets and liabilities of the company, with the exception of the investment in Pulsafe Safety Products Limited, were transferred to another group undertaking, Dalloz Safety Limited at book value.

# Logandene Limited and Subsidiary Companies

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## DIRECTORS' REPORT

### CHARITABLE AND POLITICAL CONTRIBUTIONS

The contributions made by the group during the year for charitable purposes was £909 (6 month period ended 31 December 1996 – £nil).

By order of the board



14 OCT 1998

Secretary

## Logandene Limited and Subsidiary Companies

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of group and of the profit or loss of the group for that period. In preparing those accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE AUDITORS**  
to the members of Logandene Limited

We have audited the accounts on pages 6 to 22, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on pages 9 and 10.

**Respective responsibilities of directors and auditors**

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

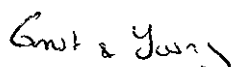
**Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group'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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group as at 31 December 1997 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young  
Registered Auditor  
London

20 October 1998

# Logandene Limited and Subsidiary Companies

## GROUP PROFIT AND LOSS ACCOUNT for the year ended 31 December 1997

		<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
	<i>Notes</i>		
TURNOVER	2	12,300	6,617
Cost of sales		(7,296)	(4,114)
Gross profit		5,004	2,503
Other operating expenses	3	(2,836)	(1,365)
OPERATING PROFIT	4	2,168	1,138
Interest receivable		104	21
Interest payable	7	(93)	(50)
		11	(29)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,179	1,109
Tax on profit on ordinary activities	8	(711)	(400)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,468	709
Dividends paid and payable		—	—
RETAINED PROFIT FOR THE YEAR		1,468	709

## Logandene Limited and Subsidiary Companies

### GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 December 1997

	<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
Profit for the financial year	1,468	709
Currency translation differences on foreign currency net investments	(84)	(58)
Revaluation of trade investment	9	15
Total recognised gains and losses relating to the year	<u>1,393</u>	<u>666</u>

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

# Logandene Limited and Subsidiary Companies

## BALANCE SHEETS

at 31 December 1997

		31 December 1997 £000	Group 31 December 1996 £000	31 December 1997 £000	Company 31 December 1996 £000
	Notes				
<b>FIXED ASSETS</b>					
Intangible assets	10	159	205	—	—
Tangible assets	11	2,483	2,676	—	—
Investments	12	130	121	564	564
		<u>2,772</u>	<u>3,002</u>	<u>564</u>	<u>564</u>
<b>CURRENT ASSETS</b>					
Stocks	13	1,379	1,358	—	—
Debtors	14	2,186	2,405	687	684
Cash at bank and in hand		1,845	992	2	2
		<u>5,410</u>	<u>4,755</u>	<u>689</u>	<u>686</u>
<b>CREDITORS: amounts falling due within one year</b>	15	2,189	2,354	1,120	1,089
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>3,221</u>	<u>2,401</u>	<u>(431)</u>	<u>(403)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,993</u>	<u>5,403</u>	<u>133</u>	<u>161</u>
<b>CREDITORS: amounts falling due after more than one year</b>	16	2	857	—	—
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	17	59	7	—	—
		<u>61</u>	<u>864</u>	<u>—</u>	<u>—</u>
<b>NET ASSETS</b>		<u>5,932</u>	<u>4,539</u>	<u>133</u>	<u>161</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19	85	85	85	85
Capital redemption reserve		7	7	7	7
Share premium account		4	4	4	4
Revaluation reserve	20	126	117	—	—
Capital reserve	20	407	407	—	—
Profit and loss account	20	5,303	3,919	37	65
<b>EQUITY SHAREHOLDERS' FUNDS</b>	21	<u>5,932</u>	<u>4,539</u>	<u>133</u>	<u>161</u>

The accounts were approved by the board of directors on  
and were signed on its behalf by:

14 October 1998

Don McCroskey

Director



# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### *Accounting convention*

The accounts have been prepared under the historical cost convention, modified by the revaluation of certain fixed assets.

#### *Basis of consolidation*

The consolidated accounts incorporate the accounts of the parent undertaking and its subsidiary undertakings. The results of subsidiary undertakings acquired or disposed of during a financial period are included in the consolidated accounts from, or up to, the effective date of acquisition or disposal. Goodwill, being the difference between the cost and attributable fair valued net assets of subsidiaries at the date of acquisition, is dealt with through reserves in the period of acquisition.

#### *Depreciation*

Depreciation of tangible fixed assets is provided in the following manner to write off the cost of assets over their estimated useful lives.

Freehold buildings	-	2 - 4% straight line
Short leasehold	-	over period of lease
Plant and machinery	-	12.5% - 25% straight line
Office equipment	-	10% - 33% straight line
Motor vehicles	-	25% - 33% straight line

Depreciation of intangible fixed assets is provided on a straight line basis, calculated at annual rates estimated to write off assets over the term of their useful life.

Know-how	-	6.7% per annum
Goodwill	-	6.7% per annum

#### *Stocks and work in progress*

Stocks and work in progress are valued on a first-in, first-out basis at the lower of cost and net realisable value after making allowances for any obsolete or slow moving items. Cost includes materials, direct labour and an appropriate proportion of overheads.

#### *Deferred taxation*

Tax deferred or accelerated by the effect of timing differences is accounted for under the liability method to the extent that a liability or asset is expected to crystallise in the near future.

#### *Foreign currencies*

Assets and liabilities of subsidiaries in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period and the results of foreign subsidiaries are translated at the average rate of exchange for the period. The retranslation of the retained earnings of overseas operations to closing rates is dealt with as a movement in reserves.

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 1. ACCOUNTING POLICIES (continued)

#### *Foreign currencies* (continued)

Currency differences arising from the retranslation at closing rates of the net investment in subsidiaries are taken to reserves, together with exchange gains and losses arising on foreign currency borrowings which finance a proportion of foreign currency investments.

#### *Research and development*

Expenditure is charged to the profit and loss account in the period in which it is incurred.

#### *Turnover*

Turnover comprises the value of goods supplied by the company net of value added tax.

#### *Government grants*

Capital grants are credited to deferred income and are amortised in the profit and loss account over the estimated lives of the qualifying assets.

#### *Finance and operating leases*

Tangible fixed assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the lease. The excesses of the lease payments over the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligations.

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the period of the lease.

#### *Cash flow statement*

The company is a wholly owned subsidiary of Christian Dalloz SA and the cash flows of the company are included in the consolidated group cash flow statement of Christian Dalloz SA, whose accounts are publicly available. Consequently the company is exempt under the terms of Financial Reporting Standard No.1 from publishing a cash flow statement.

### 2. TURNOVER

Turnover is attributable to one continuing activity, the sale of industrial safety products. The geographical analysis of turnover, based on destination, is as follows:

	<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
United Kingdom	7,647	3,790
Rest of Europe	4,129	2,485
Rest of World	524	342
	<u>12,300</u>	<u>6,617</u>

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS at 31 December 1997

### 3. OTHER OPERATING EXPENSES

	<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
Distribution costs	1,355	673
Administrative expenses	1,481	692
	<u>2,836</u>	<u>1,365</u>

### 4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
Depreciation charge for the year:		
Intangible fixed assets	24	15
Tangible owned fixed assets	467	239
Tangible fixed assets under finance leases	2	6
Auditors' remuneration – audit fees	18	25
– non audit fees	39	11
Hire of plant and machinery – operating leases	164	75
Hire of other assets – operating leases	60	42
Loss/(profit) on disposals of fixed assets	1	(4)
	<u></u>	<u></u>

### 5. DIRECTORS' EMOLUMENTS

The remuneration paid to the directors of Logandene Limited was as follows:

	<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
Emoluments	64	111
Contributions to defined contribution pension scheme:	–	8
	<u></u>	<u></u>
	<i>No.</i>	<i>No.</i>
Members of defined contribution pension scheme	–	4
	<u></u>	<u></u>

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 6. STAFF COSTS

Employee costs, including directors' emoluments, comprise:

	<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
Wages and salaries	2,861	1,527
Social security costs	295	160
Other pension costs	76	48
	<u>3,232</u>	<u>1,735</u>

The average monthly number of persons (including directors) employed during the year was:

	<i>Year ended 31 December 1997 No.</i>	<i>6 month period ended 31 December 1996 No.</i>
Administrative	85	93
Production	95	103
Selling	12	13
	<u>192</u>	<u>209</u>

### 7. INTEREST PAYABLE

	<i>Year ended 31 December 1997 £000</i>	<i>6 month period ended 31 December 1996 £000</i>
On bank loans and overdrafts	92	49
On finance leases and hire purchase	1	1
	<u>93</u>	<u>50</u>

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS at 31 December 1997

### 8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year ended 31 December 1997 £000	6 month period ended 31 December 1996 £000
United Kingdom corporation tax at 31.5% (1996 – 33%)		
Current	616	330
Deferred	88	70
Over provision in respect of prior years:		
Current	7	–
	<u>711</u>	<u>400</u>

### 9. PROFIT FOR THE FINANCIAL YEAR

As permitted by section 230 of the Companies Act 1985, the parent undertaking's profit and loss account has not been included in these accounts. The loss dealt with in the accounts of the parent undertaking for the year ended 31 December 1997 was £28,000 (loss for the 6 month period ended 31 December 1996 – £36,000).

### 10. INTANGIBLE FIXED ASSETS

Group	Know-how £000	Goodwill £000	Total £000
Cost:			
At 1 January 1997	76	380	456
Exchange differences	–	(41)	(41)
At 31 December 1997	<u>76</u>	<u>339</u>	<u>415</u>
Depreciation:			
At 1 January 1997	74	177	251
Exchange difference	–	(19)	(19)
Provided during the year	1	23	24
At 31 December 1997	<u>75</u>	<u>181</u>	<u>256</u>
Net book value:			
At 31 December 1997	<u>1</u>	<u>158</u>	<u>159</u>
At 31 December 1996	<u>2</u>	<u>203</u>	<u>205</u>

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 11. TANGIBLE FIXED ASSETS

Group	Land and buildings		Plant and machinery	Office equipment	Motor vehicles	Total
	Freehold	Short Leasehold				
	£000	£000	£000	£000	£000	£000
Cost:						
At 1 January 1997	1,764	51	3,383	662	58	5,918
Adjustment to opening balances	(10)	—	74	(12)	—	52
Exchange differences	(57)	—	(73)	(12)	(1)	(143)
Additions	32	—	211	36	64	343
Disposals	—	—	(65)	(11)	(53)	(129)
At 31 December 1997	1,729	51	3,530	663	68	6,041
Depreciation:						
At 1 January 1997	167	37	2,476	526	36	3,242
Adjustments to opening balances	—	—	64	(12)	—	52
Exchange differences	(11)	—	(70)	(13)	(2)	(96)
Provided during the year	31	8	350	67	13	469
Eliminated in respect of disposals	—	—	(65)	(6)	(38)	(109)
At 31 December 1997	187	45	2,755	562	9	3,558
Net book value:						
At 31 December 1997	1,542	6	775	101	59	2,483
At 31 December 1996	1,597	14	907	136	22	2,676

The net book value of plant and machinery includes an amount of £2,500 (31 December 1996 – £5,000) in respect of assets held under finance leases.

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 12. FIXED ASSET INVESTMENTS

*Group*

*Trade  
investment  
£000*

Cost or valuation:

At 1 January 1997

121

Revaluation

9

At 31 December 1997

130

<i>Name of undertaking</i>	<i>Country of registration</i>	<i>Descriptions of shares held where applicable</i>	<i>Proportion of nominal value of ordinary shares held/share of undertaking</i>
BAK Mouldings Limited	England and Wales	4,250 ordinary shares of £1 each	25%

For the year ended 30 June 1997, the undertaking's most recent audited financial period end:

	<i>30 June 1997 £000</i>	<i>30 June 1996 £000</i>
Aggregate capital and reserves	521	487
Profit after tax for the year	34	61

*Company*

*Interests  
in group  
undertakings  
£000*

Cost:

At 1 January 1997 and 31 December 1997

564

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 12. FIXED ASSET INVESTMENTS (continued)

<i>Name of undertaking</i>	<i>Country of incorporation or registration</i>	<i>Descriptions of shares held</i>	<i>Proportion of nominal value of issued shares held</i>	
			<i>Group</i>	<i>Company</i>
Pulsafe Safety Products Limited	England and Wales	6,530 ordinary shares of £1 each	100%	100%
Safety Eyeware Limited	England and Wales	11,488 ordinary shares of £1 each	100%	—
Pulsafe Europe Holding BV	The Netherlands	40 ordinary shares 1000 Dfl each	100%	100%
OPMA Arbeitsschutz GmbH	Germany	50,000 ordinary shares of 1DM each	100%	—

Pulsafe Europe Holdings BV is an investment holding company. The principal business activities of the other subsidiaries are the design, production and distribution of industrial safety equipment.

### 13. STOCKS

	<i>31 December 1997 £000</i>	<i>Group 31 December 1996 £000</i>
Raw materials and consumables	854	737
Work in progress	319	282
Finished goods and goods for resale	206	339
	<u>1,379</u>	<u>1,358</u>

The difference between the historic cost of stock and its replacement cost is not material.



# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 14. DEBTORS

	<i>Group</i>		<i>Company</i>	
	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>1997</i>	<i>1996</i>	<i>1997</i>	<i>1996</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Amounts falling due within one year				
Trade debtors	1,665	2,285	—	—
Amounts owed by subsidiary undertakings	—	—	450	446
Other debtors	58	41	12	13
Prepayments and accrued income	72	79	—	—
Amounts owed by group undertaking	391	—	—	—
	<u>2,186</u>	<u>2,405</u>	<u>462</u>	<u>459</u>
Amounts falling due after more than one year				
Amounts owed by group undertakings	—	—	225	225
	<u>2,186</u>	<u>2,405</u>	<u>687</u>	<u>684</u>

### 15. CREDITORS: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>1997</i>	<i>1996</i>	<i>1997</i>	<i>1996</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£00</i>
Bank loans and overdraft (see note 16)	—	239	—	—
Obligations under finance leases (see note 16)	2	2	—	—
Trade creditors	755	599	—	—
Amounts owed to subsidiary undertakings	—	—	1,108	1,089
Corporation tax	619	757	12	—
Other taxation and social security payable	222	223	—	—
Other creditors	207	119	—	—
Accruals and deferred income	364	406	—	—
Amount owed to group undertaking	20	9	—	—
	<u>2,189</u>	<u>2,354</u>	<u>1,120</u>	<u>1,089</u>

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 16. CREDITORS: amounts falling due after more than one year

	Group		Company	
	31 December	31 December	31 December	31 December
	1997	1996	1997	1996
	£000	£000	£000	£000
Bank loans	—	853	—	—
Obligations under finance leases	2	4	—	—
	<u>2</u>	<u>857</u>	<u>—</u>	<u>—</u>
<i>Bank loans and overdrafts</i>				

	Group		Company	
	31 December	31 December	31 December	31 December
	1997	1996	1997	1996
	£000	£000	£000	£000
Repayable as follows:				
In one year or less	—	239	—	—
Between one and two years	—	91	—	—
Between two and five years	—	320	—	—
In five years or more	—	442	—	—
	<u>—</u>	<u>1,092</u>	<u>—</u>	<u>—</u>

The loans and overdraft are secured by fixed charges on certain freehold properties.

#### Finance Leases

The future minimum lease payments to which the group and the company are committed under finance leases and hire purchase contract are as follows:

	Group		Company	
	31 December	31 December	31 December	31 December
	1997	1996	1997	1996
	£000	£000	£000	£000
In one year or less	2	2	—	—
Between one and two years	2	3	—	—
Between two and five years	—	1	—	—
	<u>4</u>	<u>6</u>	<u>—</u>	<u>—</u>

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 17. PROVISIONS FOR LIABILITIES AND CHARGES

	<i>Restructuring costs</i>	<i>Pensions and similar obligations (see note 18)</i>	<i>Deferred taxation</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
<i>Group</i>				
At 1 January 1997	84	73	(150)	7
Transferred (to)/from profit and loss account	—	(8)	88	80
Utilised in year	(28)	—	—	(28)
At 31 December 1997	56	65	(62)	59
<i>Company</i>	—	—	—	—

Deferred taxation provided in the accounts, and the total potential liability including the amounts for which provision has been made, are as follows:

	<i>Total potential liability and amount provided</i>	
	<i>31 December 1997</i>	<i>31 December 1996</i>
	<i>£000</i>	<i>£000</i>
<i>Group</i>		
Tax effect of timing differences because of:		
Excess of tax allowances over depreciation	53	48
Pension spreading	(48)	(214)
Other short term items	(67)	16
	(62)	(150)
<i>Company</i>	—	—

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 18. PENSION AND SIMILAR OBLIGATIONS

The group operated a defined contribution scheme in the United Kingdom until 31 March 1997. The assets of the scheme were held in separate trustee administered funds, invested with an insurance company. These funds were transferred into personal pension policies for members on 1 April 1997.

The company contributes to employee's personal pension plans. The total pension cost for the group was £76,000 (6 months ended 31 December 1996 – £48,000).

Provision is also made within these accounts for the pension obligations of the group's subsidiary undertaking in Germany (see note 17). The related pension cost for the group was £2,225 (6 months ended 31 December 1996 – £1,250).

### 19. SHARE CAPITAL

	31 December 1997 £000	31 December 1996 £000
<i>Authorised:</i>		
100,000 Ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid:</i>		
85,000 Ordinary shares of £1 each	85	85

### 20. RESERVES

	Capital reserve £000	Revaluation reserve £000	Profit and loss account £000
<i>Group</i>			
At 1 January 1997	407	117	3,919
Currency translation differences on foreign currency net investments	-	-	(84)
Revaluation of trade investment	-	9	-
Retained profit for the year	-	-	1,468
At 31 December 1997	407	126	5,303
			<i>Profit and loss account £000</i>
<i>Company</i>			
At 1 January 1997			65
Retained loss for year			(28)
At 31 December 1997			37

# Logandene Limited and Subsidiary Companies

## NOTES TO THE ACCOUNTS

at 31 December 1997

### 21. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

<i>Group</i>	<i>31 December 1997 £000</i>	<i>31 December 1996 £000</i>
Profit for the financial year after taxation	1,468	709
Currency translation differences on foreign currencies net investments	(84)	(58)
Revaluation of trade investment	9	15
Net additions to shareholders' funds	1,393	666
Opening shareholders' funds	4,539	3,873
Closing shareholders' funds	5,932	4,539

### 22. CAPITAL COMMITMENTS

	<i>Group 31 December 1997 £000</i>	<i>Group 31 December 1996 £000</i>	<i>Company 31 December 1997 £000</i>	<i>Company 31 December 1996 £000</i>
Capital expenditure that has been contracted for but has not been provided for in the accounts	15	128	—	—

### 23. FINANCIAL COMMITMENTS

At 1 January 1997 the group had annual commitment under non-cancellable operating leases as follows:

	<i>1 January 1997</i>		<i>31 December 1996</i>	
	<i>Land and buildings £000</i>	<i>Other £000</i>	<i>Land and buildings £000</i>	<i>Other £000</i>
Expiring within one year	—	50	—	95
Expiring within two and five year inclusive	24	25	24	73
Expiring in over five years	36	—	36	—
	60	75	60	168

## Logandene Limited and Subsidiary Companies

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### NOTES TO THE ACCOUNTS

at 31 December 1997

**24. RELATED PARTY TRANSACTIONS**

The accounts do not include disclosure of transactions between the company and entities that are part of the Christian Dalloz SA group. This is because as a subsidiary whose shares are more than 90% controlled within the group, it is exempt from the requirement to disclose such transactions under Financial Reporting Standard 8 – Related Party Disclosures. There have been no other related party transactions in the year which require disclosure.

**25. EVENTS SINCE THE BALANCE SHEET DATE**

On 2 January 1998, the entire business, assets and liabilities of the company, with the exception of the investment in Pulsafe Safety Products Limited, were transferred to another group undertaking, Dalloz Safety Limited at book value.

**26. ULTIMATE PARENT UNDERTAKING**

The immediate and ultimate parent undertaking is Christian Dalloz SA, a company incorporated in France. Copies of the annual report and accounts can be obtained by writing to BP 155-39206 Saint Claude, Cedex, France.