

Whitefriars Group plc CONTENTS



| | |
|---------|--|
| Page 2 | DIRECTORS AND ADVISERS |
| Page 3 | CHAIRMAN'S STATEMENT |
| Page 8 | DIRECTORS' REPORT |
| Page 10 | REPORT OF THE AUDITORS |
| Page 11 | GROUP PROFIT AND LOSS ACCOUNT |
| Page 12 | GROUP BALANCE SHEET |
| Page 13 | COMPANY BALANCE SHEET |
| Page 14 | GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS |
| Page 15 | ACCOUNTING POLICIES |
| Page 16 | NOTES ON THE ACCOUNTS |
| Page 27 | NOTICE OF ANNUAL GENERAL MEETING |



COMPANIES HOUSE
02 NOV 1990
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Whelmar Group plc
**DIRECTORS
AND ADVISERS**



DIRECTORS

L J Jennings (Chairman)
R Smith (Chief Executive)
W Amstrong
I Cassidy
D R Evans
J J U Hayward

SECRETARY

D N Ince

SOLICITORS

MacLay Murray & Spens
Erskine House
68-73 Queen Street
Edinburgh EH2 4NF

Steggles and Mather
Hilliards Court
Wrexham Road
Chester CH4 9QP

AUDITORS

KPMG Peat Marwick McLintock
Richmond House
Rumford Place
Liverpool L3 9QY

BANKERS

Bank of Scotland
The Mound
Edinburgh EH1 1YZ

Midland Bank plc,
1 Wallgate
Wigan, WN1 1LE

COMPANY ADDRESSES

Whelmar Group plc,
Whelmar House,
The Beeches,
Chester CH2 1PE

Whelmar (Chester) Limited,
Whelmar House,
The Beeches
Chester CH2 1PE

Walnhomes Limited,
Bradley Hall Estate,
Bradley Lane,
Standish,
Wigan WN6 0XQ



Whelmar Group plc
**CHAIRMAN'S
STATEMENT**

For the year ended
31 March 1990

I am pleased to report that, despite the trying conditions experienced by the housebuilding industry throughout the last year, Whelmar's turnover rose by 6% to £52m and profit before tax improved by 19% to £8.63m.

High interest rates and uncertainty about the domestic economy have seriously depressed demand in the housing market, putting pressure on house prices and land values. The recent string of corporate failures in the housing sector bear testament to this.

However, by exercising tight control over costs and working capital, we have been able to improve margins; thus sustaining Whelmar's profit growth and strengthening our balance sheet. This has been no mean achievement and I should like to pay tribute to the teamwork and dedication of our directors and employees under the leadership of Ron Smith, who was appointed Group Chief Executive in September 1989.

During the year, new managing directors were appointed to both Whelmar (Chester) Limited and Wainhomes Limited; the latter brought about by the sad loss of John Hardy, who died suddenly in January 1990. All his colleagues miss him greatly.

We have continued to expand our geographic and market spread in the North West of England and North Wales; and have recently started a new division in Bournemouth. We shall continue to identify and investigate areas for growth, though will be suitably cautious about land purchases. Fortunately, we have the resources to take advantage of any exceptional opportunities that may arise.

The rate of Whelmar's growth and the increasing demands made by my business commitments outside the group, led me to decide recently that I should hand over the chairmanship to someone else. I am delighted to tell you that the Board has appointed Bill Ainscough to succeed me with effect from 1st June 1990 and has agreed that I should remain a non-executive director.

Bill Ainscough has an impressive track record in the housebuilding industry and will, I know, be able to devote the time and skills to chairmanship of the group that, increasingly, I cannot. I wish Bill every success and look forward to continuing progress under his stewardship.

The year ahead will, if anything, be more difficult than the year past. Nevertheless, with the disciplines and controls that are in place, coupled with the design, purchasing and marketing skills of our staff, I am confident we are well placed to weather market conditions and strong enough to take advantage of the upturn when it comes.


TREVOR J. HEMMINGS
Chairman



Whelmar Group plc
**BUILDING
BRITAIN'S
HERITAGE**



The Whelmar Group is comprised of Wainhomes and Whelmar (Chester) Limited, two of the most prestigious home builders in today's marketplace. Operating from two centres, Whelmar in Chester and Wainhomes in Wigan, they create a force of tremendous potential for all discerning home buyers, yet each company retains a separate identity allowing each to react to local market conditions. This has undoubtedly contributed to the Group's unrivalled growth and success over the years.

Whelmar Group firmly believe in the products they create and the people they create them for. From a range of

superb designs for the first time buyer, through stylish town mews, luxury detached executive homes and retirement developments, their philosophies centre around the opinions and suggestions of their owners. With a product range of over one hundred and fifty designs, with the number of developments under construction approaching fifty, the Group's expansion plans are fast being accomplished.

Achieving growth in a difficult market place, with fierce but necessary competition throughout the industry, means being both innovative and





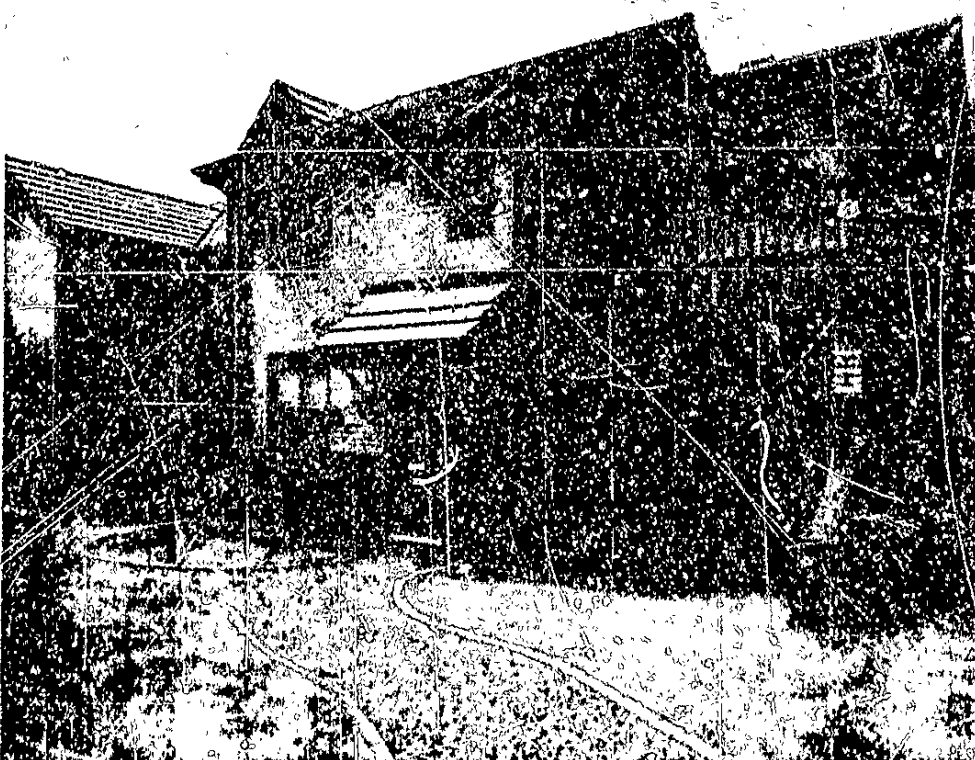
resourceful. Whelmar Group clearly are now one of the largest, most successful quality home builders throughout its traditional operating area of the North West and in the year having further extended its activities into Cumbria and Yorkshire.



Catering for widely diversified regional and local interests is possible with the Group's combined experience. To improve local environments and to

retain naturally occurring landscape features is of paramount importance whether it be in modern, town centre locations, or scenic development in rural areas.

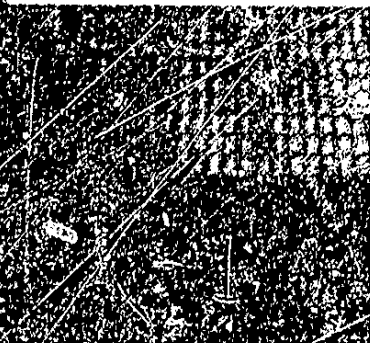
Whelmar Group utilise space wisely in their designs. Houses and bungalows are grouped informally together in tastefully sculptured settings. Mature trees and hedgerows are retained, allowing the landscape to take precedence over development in all its natural glory. In every case creating homes pleasing to the eye and in complete harmony with their surroundings.



WHELMAR GROUP BUILDING BRITAIN'S HERITAGE



Whelmar Group plc
**BUILDING
BRITAIN'S
HERITAGE**



Quality of life and quality of living are therefore two of the most important prerequisites for today's homebuyers who will not accept compromise as an alternative. The personality of a property, of course, reflects that of the developer and Whelmar Group believe their commitment is to provide homes of distinction in a wide range of styles and prices combined with the greatest choice of prime locations.

This belief is reflected in the Group's retirement developments. Retirement is the start of a new way of life, whether it be leisure and relaxation or new interests and discoveries. Certainly

more time will be spent at home so location is vital and here the Group have a proven track record.

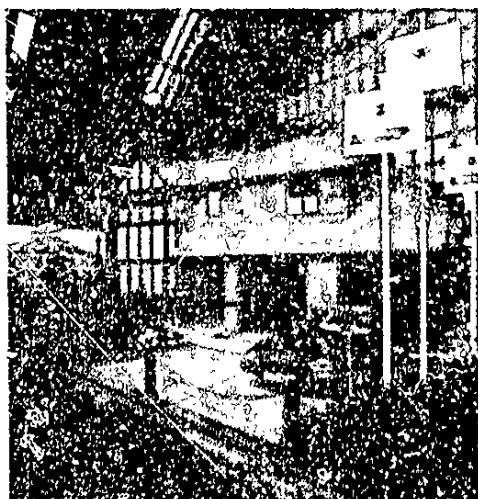
All sites have been painstakingly selected, with development located in communities people want and need to live in. All are developed around gardens, courtyards or features that are tranquil and traffic-free yet convenient for shops and other local amenities.

Highlighting the Group's diverse talents was the prestigious Northern Ideal Home Exhibition, held at G-Mex in Manchester. Here, Whelmar Group were invited to construct the show home





designed to be the centre piece of the exhibition



With a mere one hundred hours allocated for its entire construction, all the Group's building skills were brought

to the fore. Working around the clock with teams of craftsmen, the voluntary exhibition space evolved into one of the most luxurious completely furnished show homes seen. Completed on schedule to become star of the show, again proved that the Whelmar Group lead the field in the industry.

Wainhomes and Whelmar (Chester) Limited are at the very forefront in providing quality homes constructed to the highest standards, a basis upon which to build for further success.

The Whelmar Group plc are truly Building Britain's Heritage.



BUILDING BRITAIN'S HERITAGE



The directors have pleasure in presenting their Report and Accounts for the year to 31st March 1990.

Principal activity and business review

The principal activity of the group is housebuilding.

The profit for the year before tax was £8.63m (1989 £7.25m). The detailed profit and loss account for the year is presented on page 11.

The planning condition of the land at Marlston Kings remain uncertain due to intervention by the Department of the Environment and in view of this a provision has been made.

Dividends

The directors recommend the payment of a final net dividend of £1.56 per ordinary share which with the interim dividend already paid will make a total of £2.56 (1989 - £0.47 in respect of the period from 3rd February 1989 to 31st March 1989) per ordinary share for the year.

Employee policies

It is group policy to keep employees informed on the current status of the group and its future prospects. The group continues to be concerned for the health safety and welfare of its employees and to observe the terms of The Health and Safety at Work Act 1974.

During the forthcoming year the directors intend to seek shareholders' approval for the introduction of an Executive Share Option Scheme and an Employee Savings Related Share Option Scheme.

Fixed assets

Movements on tangible fixed assets are shown in note 10.

Whelmar Group plc.

DIRECTORS' REPORT



Directors and their interests

The directors who have been in office during the year were:

T. J. Hemmings (Chairman)

R. Smith (Chief Executive)

W. Ainscough

J. Cassidy

D. R. Evans

J.J.U. Hayward

Whelmar Group plc

DIRECTORS'

REPORT (continued)

The following directors had beneficial interests in the share capital of the company.

| | Class of Share | 31.03.90 | 31.03.89 |
|---------------|----------------|----------|----------|
| T.J. Hemmings | 'D' Ordinary | 113,333 | 113,333 |
| R. Smith | 'B' Ordinary | 45,000 | 45,000 |
| W. Ainscough | 'C' Ordinary | 220,000 | 220,000 |
| D.R. Evans | 'B' Ordinary | 45,000 | 45,000 |

Tax status

In the opinion of the directors the close company provisions of the Income & Corporation Taxes Act 1988 apply to the company

Auditors

On 1st January 1990, our auditors changed the name under which they practise to KMPG Peat Marwick McLintock, and accordingly have signed their report in their new name. In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KMPG Peat Marwick McLintock as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

D. N. INCE
Secretary



Whelmar Group plc.
**REPORT
OF THE
AUDITORS**
to the members of
Whelmar Group plc.

We have audited the accounts on pages 11 to 26 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and the group at 31st March 1990 and of the profit and source and application of funds of the group for the year then ended and are properly prepared in accordance with the Companies Act 1985.

24th May 1990

KMPG Peat Marwick McLintock
KMPG Peat Marwick McLintock
Chartered Accountants

Richmond House
1 Rumford Place
Liverpool L3 9QY



| | Notes | 1990 \$000 | 1989 \$000 |
|--|-------|---------------|---------------|
| Turnover | | 51995 | 48889 |
| Cost of sales | | (36911) | (36938) |
| Gross profit | | 15084 | 11951 |
| Share of profits of associated companies | | 108 | 146 |
| Net operating expenses | 1 | (5755) | (4532) |
| Operating profit | | 9437 | 7565 |
| Interest | 2 | (915) | (407) |
| Other income | 3 | 108 | 97 |
| Profit on ordinary activities before taxation | 4 | 8630 | 7255 |
| Taxation on profit on ordinary activities | 6 | (3078) | (2648) |
| Profit on ordinary activities after taxation | 7 | 5552 | 4607 |
| Dividends | 8 | (1957) | (1057) |
| Profit retained | | 3595 | 3550 |

Wheelpart Group plc
**GROUP PROFIT
AND LOSS
ACCOUNT**

For the year to
31st March 1990

The notes on pages 15 to 26 form part of these accounts



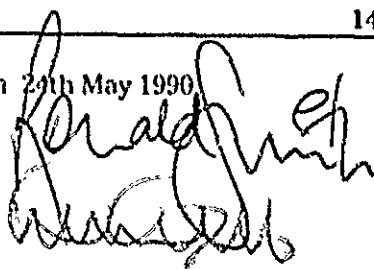
Whelmar Group plc.
GROUP
BALANCE SHEET

At 31st March 1990

| | Notes | 1989 \$000 | 1988 \$000 |
|---|-------|----------------|----------------|
| Fixed assets | | | |
| Intangible fixed assets | 9 | 237 | 192 |
| Tangible fixed assets | 10 | 1296 | 1248 |
| Investments | 11 | 86 | 128 |
| | | 1619 | 1568 |
| Current assets | | | |
| Stocks | 12 | 45236 | 32038 |
| Debtors | 13 | 1393 | 1307 |
| Cash at bank and in hand | | 1 | 4681 |
| | | 46630 | 38026 |
| Creditors : amounts falling due within one year | 14 | (24138) | (22936) |
| Net current assets | | 22492 | 15090 |
| Total assets less current liabilities | | 24111 | 16658 |
| Creditors : amounts falling due after more than one year | 15 | (9238) | (5396) |
| Deferred taxation | 16 | (22) | (23) |
| Net assets | | 14851 | 11239 |
| Share capital and reserves | | | |
| Called up share capital | 17 | 3333 | 3333 |
| Reserves | 18 | 11518 | 7906 |
| Shareholders' funds | | 14851 | 11239 |

Approved by the Board on 29th May 1990

Directors R. Smith
W. Alnsough



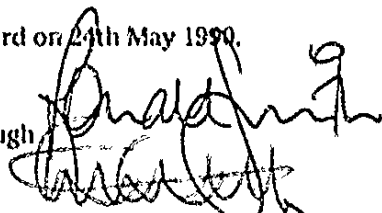
The notes on pages 15 to 26 form part of these accounts



| | Notes | 1990 \$000 | 1989 \$000 |
|---|-------|---------------|---------------|
| Fixed assets | | | |
| Tangible fixed assets | 10 | - | 246 |
| Investments | 11 | 9141 | 9141 |
| | | 9141 | 9387 |
| Current assets | | | |
| Debtors | 13 | 2957 | 1876 |
| Creditors : amounts falling due within one year | 14 | (1879) | (959) |
| Net current assets | | 1078 | 917 |
| Total assets less current liabilities | | 10219 | 10304 |
| Creditors: amounts falling due after more than one year | 15 | (3650) | (3650) |
| Deferred taxation | 16 | - | (2) |
| Net assets | | 6569 | 6652 |
| Share capital and reserves | | | |
| Called up share capital | 17 | 3333 | 3333 |
| Reserves | 18 | 3236 | 3319 |
| Shareholders' funds | | 6569 | 6652 |

Approved by the Board on 24th May 1990.

Directors R. Smith
W. Ainscough



The notes on pages 15 to 26 form part of these accounts

Wm. Gray Group plc

COMPANY BALANCE SHEET

At 31st March 1990

Whelmar Group plc.

GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the year ended

31st March 1990

| | 1990 | | 1989 | |
|--|------|---------------|-------|-------------|
| | £000 | £000 | £000 | £000 |
| Source of funds | | | | |
| Profit on ordinary activities before taxation | | 8630 | | 7255 |
| Adjustments for items not involving the movement of funds: | | | | |
| Depreciation adjusted for loss on disposal of fixed assets | 338 | | 254 | |
| Share of profits of related companies less dividend | (37) | | (146) | |
| Ground rents capitalised | (45) | 256 | (48) | 60 |
| Total generated from operations | | 8886 | | 7315 |
| Funds from other sources | | | | |
| Disposal of investment in associated company | 33 | | | |
| Disposal of tangible fixed assets | 112 | | 178 | |
| Other creditors due after more than one year | 3842 | | - | |
| Release of merger cost provision | 17 | 4005 | - | 178 |
| Total funds from all sources | | 12891 | | 7493 |
| Application of funds | | | | |
| Purchase of tangible fixed assets | 499 | | 578 | |
| Creditors due after more than one year | - | | 1425 | |
| Dividends paid | 1230 | | 657 | |
| Taxation | 2726 | | 1507 | |
| Merger costs | - | (4455) | 336 | (4503) |
| | | 8436 | | 2990 |
| Increase/(decrease) in working capital | | | | |
| Reflected in: | | | | |
| Investment in associated company | | (310) | | 297 |
| Stocks | | 13198 | | 5136 |
| Debtors | | 310 | | (2741) |
| Creditors | | 3652 | | (701) |
| | | 16850 | | 1891 |
| Movement in net liquid funds | | (8414) | | 999 |
| | | 8436 | | 2990 |

The notes on pages 15 to 26 form part of these accounts.



Basis of accounting

The accounts have been prepared under the historical cost convention in accordance with Section 228 (7) of the Companies Act 1985 the company's profit and loss account has not been presented

Basis of consolidation

The consolidated accounts comprise those of the company and all its subsidiaries.

Associated companies

The consolidated profit and loss account includes the group share of associated company profits less losses. The post acquisition profits less losses are added to the cost of the investment in the balance sheet

Turnover

Turnover represents housebuilding sales and excludes sales of undeveloped land and part-exchange properties.

Housebuilding sales are recognised on legal completion of conveyance. Profit is also taken at this time, losses being provided against as identified

Undeveloped land and part-exchange profits and losses are dealt with in cost of sales.

Depreciation

Depreciation is provided on fixed assets at rates estimated to write off the relevant assets over their expected useful lives. The annual rates used are :-

Properties: 2% on a straight line basis.

Plant & equipment : 10% to 25% on a straight line basis.

Stock and work in progress

Stock and work in progress are valued at the lower of cost to the group or net realisable value and include, where appropriate, an element of site overheads.

Deferred taxation

Deferred taxation is provided on significant timing differences if such taxation is expected to become payable in the foreseeable future.

Operating leases

Rentals payable under operating leases are charged to profit and loss over the period of the operating lease.

ACCOUNTING POLICIES



Wheimar Group plc.
**NOTES ON
 THE ACCOUNTS**

For the year to
 31st March 1990

| | 1990 £000 | 1989 £000 |
|---|--------------|--------------|
| 1. Net operating expenses | | |
| Marketing expenses | 2242 | 1451 |
| Administration expenses | 3513 | 3003 |
| | <u>5755</u> | <u>4454</u> |
| 2. Interest | | |
| Interest payable on: | | |
| Bank loans, overdrafts and other loans repayable wholly within five years | 253 | 191 |
| Other loans | 785 | 508 |
| | <u>1038</u> | <u>699</u> |
| | (123) | (292) |
| <u>Less interest receivable</u> | <u>915</u> | <u>407</u> |
| 3. Other income | | |
| Ground rent receivable | 108 | 97 |
| 4. Profit on ordinary activities before taxation | | |
| This is stated after charging: | | |
| Depreciation | 308 | 237 |
| Operating leases | 13 | 13 |
| Hire of plant | 846 | 781 |
| Auditors' remuneration | 23 | 25 |



| | 1990 | 1989 |
|--|-------|-------|
| 3. Employees | | |
| | No. | No. |
| The average number of persons employed by the group excluding subcontractors was | 171 | 185 |
| | \$600 | \$600 |
| Employment costs during the year amounted to : | | |
| Wages and salaries | 2276 | 2239 |
| Social security costs | 194 | 187 |
| Other pension costs | 118 | 99 |
| | 2588 | 2525 |
| Employment costs include the following remuneration of directors : | | |
| Directors fees | 89 | 7 |
| Emoluments for services as directors (including pension contributions) | 223 | 174 |
| Chairman's emoluments | 20 | 20 |
| Highest paid director | 115 | 81 |
| Other directors | No | No |
| \$5,000 - \$10,000 | 1 | 2 |
| \$10,000 - \$15,000 | 1 | - |
| \$25,000 - \$30,000 | 1 | - |
| \$35,000 - \$40,000 | - | - |
| \$60,000 - \$65,000 | - | - |
| \$80,000 - \$85,000 | 1 | 1 |
| Higher paid employees | No | No |
| \$30,000 - \$35,000 | 5 | - |
| \$35,000 - \$40,000 | 1 | 8 |
| \$40,000 - \$45,000 | 2 | - |
| \$45,000 - \$50,000 | 1 | 1 |
| \$50,000 - \$55,000 | - | 1 |

Whitmar Group plc
**NOTES ON
THE ACCOUNTS**
(continued)



Whelmar Group plc.
**NOTES ON
 THE ACCOUNTS**
 (continued)

6. Taxation

The taxation provision comprises:

| | 1990 £000 | 1989 £000 |
|--|--------------|--------------|
| Corporation tax on the profit for the year at 35% | 3032 | 2572 |
| Deferred taxation | - | 24 |
| Associated companies | 46 | 52 |
| | 3078 | 2648 |

7. Profit after taxation

Profit after taxation amounting
 to £1,856,630 (1989: £1,403,235)
 has been dealt with in the accounts
 of the company

8. Dividends

| | | |
|-----------------------------------|-------------|-------------|
| Preference shares 10% (1989: 10%) | 250 | 250 |
| Preferred ordinary shares | - | 75 |
| Participating dividend | - | 368 |
| Ordinary shares | 1707 | 314 |
| On shares in subsidiary | - | 50 |
| | 1957 | 1057 |

9. Intangible assets

| | Group £000 |
|---|---------------|
| At 1st April 1989 | 192 |
| Ground rents capitalised during the year | 45 |
| | 237 |



10. Tangible fixed assets

| Group | Leasehold land & buildings £000 | Freehold land & buildings £000 | Plant & machinery £000 | Total cost £000 |
|---|--|---|------------------------------|-----------------------|
| At 1st April 1989 | 276 | 246 | 1260 | 1722 |
| Additions | - | 70 | 429 | 499 |
| Disposals | - | - | (353) | (353) |
| At 31st March 1990 | 276 | 316 | 1336 | 1868 |
| Depreciation | | | | |
| At 1st April 1989 | 3 | 11 | 460 | 474 |
| Provided during the period | 4 | 7 | 297 | 308 |
| Disposals | - | - | (210) | (210) |
| At 31st March 1990 | 7 | 18 | 547 | 572 |
| Net book value at 31st March 1990 | 269 | 298 | 789 | 1296 |
| Net book value as at 31st March 1989 | 273 | 235 | 800 | 1248 |

Whitaker Group plc

NOTES ON THE ACCOUNTS

(continued)



Whelmar Group plc.
**NOTES ON
 THE ACCOUNTS**
 (continued)

10. (Continued)

Tangible fixed assets

| Company | Leasehold land & buildings £000 | Freehold land & buildings £000 | Plant & machinery £000 | Total cost £000 |
|--|--|---|------------------------------|-----------------------|
| Cost | | | | |
| At 1st April 1988 | - | 246 | 17 | 263 |
| Additions | - | - | - | - |
| Inter group transfer | - | (246) | (17) | (263) |
| At 31st March 1990 | - | - | - | - |
| Depreciation | | | | |
| At 1st April 1989 | - | 11 | 6 | 17 |
| Provided during the period | - | - | - | - |
| Inter group transfer | - | (11) | (6) | (17) |
| At 31st March 1990 | - | - | - | - |
| Net book value at 31st March 1990 | - | - | - | - |
| Net book value at 31st March 1989 | - | 235 | 11 | 246 |



11. Investments

| | Company | | | Group |
|-----------------------------------|--------------------------------|---------------------------------|------------------------|--|
| | Loans to subsidiaries \$000 | Shares in subsidiaries \$000 | Company total \$000 | Shares in & loans to associates \$000 |
| Cost | | | | |
| At 1st April 1989 | 6370 | 2771 | 9141 | 128 |
| Disposals | | | | (33) |
| Share of results | - | - | - | (9) |
| Net book value at 31st March 1990 | 6370 | 2771 | 9141 | 86 |

The loan stock carries interest at 10% and is redeemable at par at the Company's option after 31st March 1989 and at any time by tender or private bargain at the issuer's option.

The principal subsidiaries of the Group are:

| | Country of registration | % of Ordinary shares held |
|----------------------------------|-------------------------|---------------------------|
| Whelmar (Chester) Limited | England | 100 |
| Whelmar (North Wales) Limited * | England | 100 |
| Whelmar (Lancashire) Limited * | England | 100 |
| Whelmar Developments Limited * | England | 100 |
| Wainhomes Limited | England | 100 |
| Wainhomes Group Limited * | England | 100 |
| Coronash Properties Limited * | England | 100 |
| Wainhomes (Lancashire) Limited * | England | 100 |

* These companies are dormant and have not traded in the year. All the above companies are incorporated in the U.K.

The group investments represent the cost of shares plus the post acquisition profits of the following associated companies.

| | Country of registration | % of Ordinary shares held |
|------------------|-------------------------|---------------------------|
| Brentmen Limited | England | 33 1/3 |
| Paycause Limited | England | 33 1/3 |

Whelmar Group plc
NOTES ON
THE ACCOUNTS
(continued)



Whelmar Group plc.
**NOTES ON
 THE ACCOUNTS**
 (continued)

| | Group | | Company | |
|--|-------|------|---------|------|
| | 1990 | 1989 | 1990 | 1989 |
| | £000 | £000 | £000 | £000 |

12. Stocks

The main categories of stocks are:

| | | | | |
|---------------------------------|--------------|--------------|---|---|
| Housebuilding: | | | | |
| Land - with planning permission | 32475 | 19556 | - | - |
| - awaiting planning permission | 457 | 1083 | - | - |
| Construction work in progress | 11959 | 10410 | - | - |
| Part-exchange properties | 345 | 359 | - | - |
| | 45236 | 32038 | - | - |

13. Debtors

| | | | | |
|--------------------------------------|-------------|-------------|-------------|-------------|
| Trade debtors | 714 | 730 | 3 | 23 |
| Amounts owed by subsidiaries | - | - | 2564 | 1853 |
| Amounts owed by associated companies | 71 | 295 | - | - |
| Other debtors | 218 | 282 | - | - |
| Advance corporation tax | 390 | - | 390 | - |
| | 1393 | 1307 | 2957 | 1876 |



Wheatsar Group plc
**NOTES ON
 THE ACCOUNTS**

(Continued)

| | Group | | Company | |
|---|--------------|--------------|--------------|--------------|
| | 1990 £000 | 1989 £000 | 1990 £000 | 1989 £000 |
| 14. Creditors : amounts falling due within one year. | | | | |
| Trade creditors | 3334 | 5508 | - | - |
| Corporation tax | 2942 | 2812 | 128 | 196 |
| Advance corporation tax due | 390 | 213 | 390 | 146 |
| Other taxes and social security costs | 110 | 121 | - | - |
| Proposed dividend | 1166 | 439 | 1166 | 439 |
| Land creditors | 3609 | 7132 | - | - |
| Accruals | 6905 | 6633 | 14 | 147 |
| Bank overdraft | 3765 | 31 | 4 | 31 |
| Related company | 1417 | 39 | - | - |
| Hire purchase obligations | - | 8 | - | - |
| Bank Loan | 500 | - | - | - |
| Due to subsidiaries | - | - | 177 | - |
| | 24138 | 22936 | 1870 | 959 |

15. Creditors : amounts falling due after more than one year

| | | | | |
|------------------------|-------------|-------------|-------------|-------------|
| Land creditors | 4738 | 392 | - | - |
| Bank loans (see below) | 4500 | 5000 | - | - |
| Hire purchase | - | 4 | - | - |
| Due to subsidiaries | - | - | 3650 | 3650 |
| | 9238 | 5396 | 3650 | 3650 |

Borrowings and loans

Fixed term bank loan repayable by instalments :

| | | | | |
|----------------------------|-------------|-------------|----------|----------|
| Between two and five years | 2000 | 2500 | - | - |
| In five years or more | 2500 | 2500 | - | - |
| | 4500 | 5000 | - | - |

Bank loans and overdrafts are secured by debentures and fixed charges over all the assets of the company and of its subsidiaries. The fixed term loan is repayable by instalments over ten years commencing 1st April 1990 at 1 1/4 % above LIBOR.



Whelmar Group plc.
**NOTES ON
 THE ACCOUNTS**
 (continued)

16. Deferred taxation

| | Group \$000 | Company \$000 |
|--|----------------|------------------|
| At 1st April 1989 | 23 | 2 |
| (Credit) for year in profit & loss account | (1) | (2) |
| At 31st March 1990 | 22 | - |

The group has provided in full for deferred taxation, calculated on the balancing method

| | Group | | Company | |
|--|---------------|---------------|---------------|---------------|
| | 1990 \$000 | 1989 \$000 | 1990 \$000 | 1989 \$000 |
| Difference between accumulated depreciation and capital allowances | 22 | 19 | - | 2 |
| Other short term timing differences | - | 4 | - | - |
| | 22 | 23 | - | 2 |

| 1990 | | 1989 | |
|------------------|---------------------------|------------------|---------------------------|
| Authorized \$ | Issued & fully paid \$ | Authorized \$ | Issued & fully paid \$ |

17. Share capital

| | | | | |
|--|-----------|-----------|-----------|-----------|
| Cumulative redeemable preference shares of \$1 each (non voting) | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Ordinary shares of \$1 each | 701,754 | 666,666 | 701,754 | 666,666 |
| Deferred shares of \$1 each | 166,667 | 166,667 | 166,667 | 166,667 |
| At 31st March 1990 | 3,368,421 | 3,333,333 | 3,368,421 | 3,333,333 |

The preference shares are redeemable at par at the Company's option in tranches of £500,000 or more on provision of four weeks notice to shareholders. Any preference shares not so redeemed will be subject to mandatory redemption at par in three equal tranches on 31st March 1991, 1992 and 1993 or earlier if the ordinary shares of the company are listed on the Stock Exchange or traded in the Unlisted Securities Market.



18. Reserves

Group

| | | | |
|-------------------------------|------|------|------|
| As at 1st April 1989: | 1373 | 3656 | 2877 |
| Retained profit for year | - | 3595 | - |
| Share issue provision release | 17 | - | - |

| | | | |
|--|------|------|------|
| | 1390 | 7251 | 2877 |
|--|------|------|------|

| | |
|---------------|---------------|
| Share premium | Profit & loss |
| £000 | £000 |

Company

| | | |
|-------------------------------|------|-------|
| As at 1st April 1989 | 1373 | 1946 |
| Retained profit for the year | - | (100) |
| Share issue provision release | 17 | - |

| | | |
|--|------|------|
| | 1390 | 1846 |
|--|------|------|

White House & Group plc

NOTES ON THE ACCOUNTS

(continued)



Whelmar Group plc
**NOTES ON
THE ACCOUNTS**
(continued)

19. Pension commitments

The group operates a defined benefit pension scheme, the assets of which are held in a separate trustee administered fund

The latest actuarial assessment of the fund was at 1st October 1988. The valuation at this date reflected sufficient assets to cover 93% of the benefits accrued to members after allowing for future increases in earnings. The market value of the assets at the date of the actuarial assessment was \$643,416.

The assumptions which have the most significant effect on the results of the valuation, are those relating to the rate of return on investments and the rates of increase in salaries and pension. It was assumed that investment returns would be 9% per annum and that salary increases would average 7% per annum.

The total pension cost to the group was \$118,300. Pension costs are charged evenly over employees expected working service lives with the group to the profit and loss account and assessed in accordance with the advice of qualified actuaries using the "projected unit" method of valuation.

20. Contingent liabilities

- (i) The group has issued indemnity for performance bonds to an amount of \$3,328,425.
- (ii) A special gross dividend up to a maximum of \$1,500,000 is to be paid to 'A' and 'B' ordinary shareholders upon receipt of planning permission on the land at Marlston Kings.

21. Commitments

The future minimum lease payments relating to a non-cancellable operating lease of property to which the group was committed as at 31st March 1989 amounted to \$156,250, of which \$12,500 is payable within 1 year. Commitments under this operating lease expire in more than five years.



Notice is hereby given that the 4th Annual General Meeting of the Members of the company will be held at:

Whelmar House
The Beeches
Chester

at 12.00 noon on Tuesday 3rd July 1990 for the transacting of the following business.

1. To receive and, if thought fit, to adopt the Report and Accounts for the year ended 31st March 1990.
(Resolution 1)
2. To re-appoint KPMG Peat Marwick McLintock as auditors for the ensuing year and to authorise the Directors to fix their remuneration
(Resolution 2)
3. To transact such other ordinary business as may properly be transacted at the Annual General Meeting

By order of the Board

D NINCE
SECRETARY

Dated: 11th June 1990

REGISTERED OFFICE:
Whelmar House,
The Beeches,
Chester, CH2 1PR.

NOTICE OF
MEETING



Whelmar Group plc.

NOTICE OF MEETING

(continued)

Note.

1)

This notice is being sent to all shareholders of the company. Only ordinary shareholders are entitled to attend or be represented at the meeting and to vote on the resolution. Cumulative redeemable preference shareholders are also entitled to attend or be represented at the meeting but may not vote.

2)

Every holder of ordinary shares entitled to attend and vote at the meeting may appoint a proxy, who need not be a member of the Company, to attend and, on a poll, to vote instead of him or her. Every holder of cumulative redeemable preference shares entitled to attend the meeting may appoint a proxy who need not be a member of the company, to attend instead of him or her. A form of proxy for use at the meeting is enclosed. To be effective, forms of proxy must be deposited at the registered office of the company at Whelmar House, The Beeches, Chester CH2 1PR not less than forty eight hours before the meeting.

