

**Touche
Ross**



Company Registration No. 2311487

DELCAM INTERNATIONAL PLC

Report and Financial Statements

31 December 1992

Touche Ross & Co.

**Colmore Gate
2 Colmore Row
Birmingham
B3 2BN**

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REPORT AND FINANCIAL STATEMENTS 1992

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REPORT AND FINANCIAL STATEMENTS 1992

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

T R Kinsey (Chairman)
H R O Humphreys (Managing Director)
E B Lambourne (Technical Director)

SECRETARY

K Singh

REGISTERED OFFICE

Talbot Way
Small Heath Business Park
Birmingham
B10 0HJ

BANKERS

Midland Bank plc
113 New Street
Birmingham
B2 4JU

SOLICITORS

Wragge & Co.
55 Colmore Row
Birmingham
B3 2AS

AUDITORS

Touche Ross & Co.
Chartered Accountants
Colmore Gate
2 Colmore Row
Birmingham
B3 2BN



CHAIRMAN'S REPORT

Results

The slow down in the world economy during 1992 impacted upon the level of growth of our world-wide sales.

In the UK despite the continuing recession UK Systems activity showed a marked improvement over 1991 and Precision Machining reduced losses over the latter half of the year. Overall sales and profit continued to improve.

Dividend

To conserve cash resources it is recommended that a dividend is not paid in respect of 1992. Provided we have reasonable results in the next year it is expected that a dividend payment will be made in respect of the year ending 1993.

Review

1992 proved to be a good year for UK Systems with sales increasing by 17% and the loss suffered in 1991 was converted into a reasonable profit. Demand for our Precision Machining activity while still weak showed a consistent improvement throughout the year.

Sales in overseas markets increased only marginally in 1992 but it is expected that the marketing investments made during the year will result in improved sales in 1993. The company's track record in overseas sales has been recognised by the award of Midlands Exporter of the Year.

During the year the decision was taken to move the Cambridge based staff to Birmingham in order to improve the integration of the development work. This resulted in considerable disruption and in additional cost of moving staff. The total cost for 1992 was £65,220 with a further £76,000 expected in 1993. I would like to thank the staff concerned and their families for their co-operation and understanding during the difficult time.

I would also like to thank Mr Will Rogers of the Economic Development Department for his continuing support and his contribution at our board meetings.

Enhancement of existing products and the development of new ones is the life blood of the company and investment in this area continued to increase. In 1992 the company was particularly successful in winning valuable collaborative research contracts. These will allow us to expand further our R & D effort. Collaboration is a somewhat inefficient process but it enables our R & D staff to make useful contacts and to maintain knowledge of latest developments.

Substantial steps were made during the year to integrate our draughting and modelling products. This work will be completed during 1993 and will include a solid modelling capability. This package of capabilities will provide our customers with a product which has unique advantages.

Our policy of being more closely linked to our sales offices continued with Spain, St Petersburg and Taiwan being added to the growing list of Joint Venture companies.

Prospects

The UK remains in recession as do the majority of major world economies but it does appear that there will be some improvement in 1993.

We are now established in our new facility and we should now begin to benefit from cost reductions consequent upon our relocation. We have good products respected world-wide and dedicated staff committed to maintaining that position and confidently expect that our profits will now begin to move forward.

T R KINSEY

Chairman

25 March 1993

Touche
Ross



DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 1992.

ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company are the supply of CAD/CAM systems and services for the design of products with complex shapes and their manufacture with tooling. The Chairman's report provides a detailed review of activities, development and progress of the company.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend (1991 - £Nil). Profits transferred to reserves are £34,280 (1991 - £62,355).

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and the beneficial and family interests of those serving at the end of the year in the share of the company are as follows:

	Ordinary shares of 10p each	
	1992	1991
T R Kinsey	20,000	20,000
H R O Humphreys	557,850	550,000
E B Lambourne	557,850	550,000

AUDITORS

Touche Ross & Co. have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

K SINGH

Secretary

25 March 1993

**Touche
Ross**



Chartered Accountants

Touche Ross & Co
Colmore Gate
2 Colmore Row
Birmingham B3 2BN

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DELCAM INTERNATIONAL PLC

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 20 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 December 1992 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and
Registered Auditor

25 March 1993

**Deloitte Touche
Tohmatsu
International**

Aberdeen, Bath, Belfast, Birmingham, Bolton, Bournemouth, Bracknell, Bristol, Cambridge, Cardiff,
Coleraine, Crawley, Dartford, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London,
Manchester, Milton Keynes, Newcastle upon Tyne, Nottingham and Southampton

Principal place of business at which a list of partners' names is available:
Peterborough Court, 133 Fleet Street, London EC4A 2TR

Authorized by the Institute of Chartered Accountants in England and Wales to carry on
investment business



PROFIT AND LOSS ACCOUNT
Year ended 31 December 1992

	Note	1992 £	1991 £
TURNOVER	2	5,284,104	5,002,855
Cost of sales		(2,883,418)	(2,377,449)
Gross profit		2,400,686	2,625,406
Distribution costs		(938,325)	(973,176)
Administrative expenses		(1,207,182)	(1,426,661)
Other operating income	4	54,000	-
OPERATING PROFIT	5	309,178	225,569
Other interest receivable	6	5,985	33,378
Interest payable and similar charges	7	(171,387)	(131,136)
PROFIT ON ORDINARY ACTIVITIES BEFORE EXCEPTIONAL ITEM		143,776	127,811
Exceptional item	8	(76,458)	(89,807)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		67,318	38,004
Tax on profit on ordinary activities	9	(33,038)	24,351
RETAINED PROFIT FOR THE YEAR	18	34,280	62,355



BALANCE SHEET
31 December 1992

	Note	£	1992 £	£	1991 £
FIXED ASSETS					
Tangible assets	10		2,118,809		2,211,999
Investments	11		175,082		96,083
			<u>2,293,891</u>		<u>2,308,082</u>
CURRENT ASSETS					
Stocks	12	61,989		62,269	
Debtors	13	1,451,852		1,817,530	
Cash at bank and in hand		263,424		-	
		<u>1,777,265</u>		<u>1,879,799</u>	
CREDITORS: amounts falling due within one year	14	(1,901,161)		(1,965,587)	
NET CURRENT LIABILITIES			<u>(123,896)</u>		<u>(85,788)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,169,995		2,222,294
CREDITORS: amounts falling due after more than one year	15		(1,095,381)		(1,242,460)
DEFERRED CREDIT	20		<u>(217,300)</u>		<u>(156,800)</u>
			<u>857,314</u>		<u>823,034</u>
CAPITAL AND RESERVES					
Called up share capital	17		375,100		375,100
Profit and loss account	18		265,377		226,580
Revaluation reserve	19		216,837		221,354
			<u>857,314</u>		<u>823,034</u>

These financial statements were approved by the Board of Directors on 25 March 1993.

Signed on behalf of the Board of Directors

E B LAMBOURNE

Director



CASH FLOW STATEMENT
Year ended 31 December 1992

	1992	1991
	£	£
Net cash inflow/(outflow) from operating activities	831,045	(92,376)
Returns on investments and servicing of finance		
Interest received	5,985	33,378
Interest paid	(171,387)	(131,136)
Net cash outflow from returns on investments and servicing of finance	(165,402)	(97,758)
Taxation		
Corporation tax paid (including advance corporation tax)	(28,307)	(75,885)
Investing activities		
Payments to acquire investments	(78,999)	(96,031)
Payments to acquire tangible fixed assets	(135,261)	(1,096,925)
Receipts from sales of tangible fixed assets	15,625	10,500
Net cash outflow from investing activities	(198,635)	(1,173,953)
Net cash inflow/(outflow) before financing	438,701	(1,433,972)
Financing		
Issue of ordinary share capital	-	75,000
Grants received during year	85,000	160,000
Loan repayments	-	(24,175)
Increase in long term borrowings	-	800,000
Capital element of finance lease repayments	(137,028)	(128,242)
Net cash (outflow)/inflow from financing	(52,028)	882,583
Increase/(decrease) in cash and cash equivalents	386,673	(557,389)



NOTES TO THE CASH FLOW STATEMENT
Year ended 31 December 1992

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	1992 £	1991 £
Operating profit	309,178	225,569
Depreciation charges	380,939	347,063
(Profit)/loss on sale of tangible fixed assets	(4,120)	15,359
Exceptional item	(76,458)	(89,807)
Release of government grants	(24,500)	(3,200)
Provision against carrying value of investment	-	25,172
Decrease in stocks	280	35,722
Decrease/(increase) in debtors	360,947	(593,809)
Decrease in creditors	(115,221)	(54,445)
Net cash inflow/(outflow) from operating activities	<u>831,045</u>	<u>(92,376)</u>

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	£
Balance at 1 January 1992	(123,249)
Net cash inflow	<u>386,673</u>
Balance at 31 December 1992	<u>263,424</u>

3. ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1992 £	1991 £	Change in year £
Cash at bank and in hand	263,424	-	263,424
Bank overdrafts	-	(123,249)	123,249
	<u>263,424</u>	<u>(123,249)</u>	<u>386,673</u>



NOTES TO THE CASH FLOW STATEMENT
Year ended 31 December 1992

4. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Finance lease obligations £
Balance at 1 January 1992	177,859
Cash outflow from financing	(137,028)
Inception of finance lease contracts	<u>163,993</u>
Balance at 31 December 1992	<u>204,824</u>

5. MAJOR NON-CASH TRANSACTIONS

During the year the company entered into finance lease arrangements in respect of assets with a total capital value at the inception of the leases of £163,993

NOTES TO THE ACCOUNTS
Year ended 31 December 1992

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of land and buildings.

Turnover

Turnover is the total amount, excluding value added tax of sales invoices by the company to third parties during the year.

Maintenance income invoiced in advance for fixed periods is taken to income in equal monthly instalments over the period of the contract.

Tangible fixed assets

Depreciation is provided to write off the cost, less estimated residual value, of all fixed assets, over their expected useful lives. The rates used are as follows:

Long leasehold buildings	2% straight line
Plant and machinery	15% straight line
Computer equipment	20% - 33% straight line
Fixtures and fittings	20% straight line
Motor vehicles	25% straight line
Ownership of software	10% straight line

Investments

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

Stock and work in progress

Stock and work-in-progress are valued at the lower of cost and net realisable value. Cost is calculated as follows:

Work in progress and finished goods - Direct cost of production-plus attributable overheads according to stage of completion.

Grants

Income from revenue grants are credited to the profit and loss account in order to be matched against the related expenditure.

Grants relating to job creation and capital expenditure are credited to profit and loss account over 10 years.

Research and development expenditure

Expenditure on research and development is charged against profits in the year in which it is incurred.

Deferred taxation

Deferred taxation is provided at the anticipated rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future.

NOTES TO THE ACCOUNTS
Year ended 31 December 1992

1. ACCOUNTING POLICIES (continued)

Leased assets

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 leases. The amounts by which the lease payments exceed 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 obligation.

Rental charges for operating leases are written off in the period to which they relate.

Pension costs

The company operates a defined benefit pension scheme covering the majority of its employees. The scheme is in the form of a trustee administered scheme held completely independent from the company's finances. The cost of the pension scheme is charged to the profit and loss account over the expected service lives of participating employees.

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

2. TURNOVER

Turnover is analysed as follows:

	1992 £	1991 £
United Kingdom	2,950,074	2,691,036
Exports	2,334,030	2,311,819
	<u>5,284,104</u>	<u>5,002,855</u>

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	1992 £	1991 £
Directors' emoluments		
Fees	6,508	6,275
Management remuneration	91,319	90,560
	<u>97,827</u>	<u>96,835</u>
 Remuneration of the chairman	 6,508	 6,275
Remuneration of the highest paid director	43,189	42,487
	<u>43,189</u>	<u>42,487</u>



NOTES TO THE ACCOUNTS
Year ended 31 December 1992

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

	1992 No	1991 No
Scale of other directors' remuneration £40,001 - £45,000	<u>1</u>	<u>1</u>
Average number of persons employed		
Production staff	81	79
Sales and distribution staff	20	20
Administration staff	<u>9</u>	<u>9</u>
	<u>110</u>	<u>108</u>
	£	£
Staff costs during the year (including directors)		
Wages and salaries	1,898,072	1,868,978
Social security costs	152,510	153,542
Pension costs	<u>98,004</u>	<u>89,202</u>
	<u>2,148,586</u>	<u>2,111,722</u>

4. OTHER OPERATING INCOME

	1992 £	1991 £
Rental income	<u>54,000</u>	<u>-</u>

5. OPERATING PROFIT

	1992 £	1991 £
Operating profit is after charging:		
Depreciation and amortisation		
Owned assets	228,285	219,981
Leased assets	152,654	127,082
Rentals under operating leases		
Hire of plant and machinery	92,493	104,091
Land and buildings	60,999	155,046
Auditors' remuneration	<u>6,500</u>	<u>6,200</u>
and crediting the following:		
Government grants released to profit and loss account	<u>24,500</u>	<u>3,200</u>



NOTES TO THE ACCOUNTS
Year ended 31 December 1992

6. OTHER INTEREST RECEIVABLE

	1992 £	1991 £
Bank interest	<u>5,985</u>	<u>33,378</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	1992 £	1991 £
Bank overdraft interest	6,462	-
Other loans:		
Repayable within five years	46,575	66,337
Repayable after five years	82,712	37,209
Finance charges payable - finance leases	<u>35,638</u>	<u>27,590</u>
	<u>171,387</u>	<u>131,136</u>

8. EXCEPTIONAL ITEM

	1992 £	1991 £
Relocation costs	<u>76,458</u>	<u>89,807</u>

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1992 £	1991 £
United Kingdom corporation tax at 25% (1991 - 25%) based on the profit for the year	33,038	31,813
Adjustments to prior years' tax provisions	-	(56,164)
Corporation tax	<u>33,038</u>	<u>(24,351)</u>

The taxation charge is disproportionate to the accounting profit for the year principally as a result of the non-provision of deferred taxation.



NOTES TO THE ACCOUNTS
Year ended 31 December 1992

10. TANGIBLE FIXED ASSETS

	Long leasehold buildings £	Ownership of software £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 1992	1,296,000	600,000	455,960	1,125,373	28,720	3,506,053
Additions	-	-	1,864	250,707	46,683	299,254
Disposals	-	-	-	(97,595)	(18,960)	(116,555)
At 31 December 1992	1,296,000	600,000	457,824	1,278,485	56,443	3,688,752
Accumulated depreciation						
At 1 January 1992	-	180,000	354,284	736,288	23,482	1,294,054
Charge for the year	25,920	60,000	29,993	257,068	7,958	380,939
Disposals	-	-	-	(86,090)	(18,960)	(105,050)
At 31 December 1992	25,920	240,000	384,277	907,266	12,430	1,569,943
Net book value						
At 31 December 1992	<u>1,270,080</u>	<u>360,000</u>	<u>73,547</u>	<u>371,219</u>	<u>43,963</u>	<u>2,118,809</u>
At 31 December 1991	<u>1,296,000</u>	<u>420,000</u>	<u>101,676</u>	<u>389,085</u>	<u>5,238</u>	<u>2,211,999</u>

Land and buildings were revalued in 1991 at open market value on the basis of existing use at £1,285,000. If the property had not been revalued long leasehold land and buildings would have been carried in the balance sheet at 31 December 1992 at £1,053,243 (1991 - £1,070,129).

Leased assets

Included in tangible assets are assets held under finance leases with a net book value of £218,148 (1991 - £206,662).

NOTES TO THE ACCOUNTS
Year ended 31 December 1992

11. INVESTMENTS HELD AS FIXED ASSETS

	Shares in group undertakings £	Shares in associated undertakings £	Loans to associated undertakings £	Total £
Cost				
At 1 January 1992	2	44,806	77,242	122,050
Additions in year	-	60,242	18,757	78,999
Loans converted to shares	-	24,572	(24,572)	-
At 31 December 1992	2	129,620	71,427	201,049
Provisions				
At 1 January 1992 and 31 December 1992	-	8,394	17,573	25,967
Net book value				
At 31 December 1992	2	121,226	53,854	175,082
At 31 December 1991	2	36,412	59,669	96,083

(a) Group undertakings

The company directly owns the entire share capital of Delcam Systems Limited, a dormant company which is registered in England and Wales. The company has not produced consolidated accounts because, in the opinion of the directors, the inclusion of the subsidiary undertaking is not material for the purpose of giving a true and fair view.

(b) Associated undertakings

The company has shareholdings in the following active companies:

Associated undertaking	Shareholding	Country of incorporation and operation	Investment value £
Delimex Limited	50%	Bulgaria	29,864
Delcam Singapore PTE	50%	Singapore	6,548
Delcam Italia SRL	60%	Italy	24,572
Hankook Delcam	30%	Korea	40,242
Toolroom Technology	10%	England	20,000
			121,226

The company also owns 100% (1991 - 100%) of the equity share capital of Delcam GmbH a company incorporated in Germany. Delcam GmbH has ceased trading, with the operational activity being performed by the three distributors who were previous partners in the company. The carrying value of this investment at the balance sheet date was £Nil.

Each of the associated undertakings carry on the business of agents supplying CAD/CAM systems to overseas markets.



NOTES TO THE ACCOUNTS
Year ended 31 December 1992

12. STOCKS

	1992 £	1991 £
Work in progress	42,500	24,300
Finished goods and goods for resale	19,489	37,969
	<u>61,989</u>	<u>62,269</u>

13. DEBTORS

	1992 £	1991 £
Trade debtors	1,169,753	1,582,982
Amounts owed by undertakings in which the company has a participating interest	176,371	-
Other debtors	10,309	55,090
Prepayments and accrued income	94,202	173,510
Corporation tax recoverable	1,217	5,948
	<u>1,451,852</u>	<u>1,817,530</u>

Included under trade debtors are amounts of £22,076 due after more than one year.

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1992 £	1991 £
Bank loans (note 23)	15,000	-
Bank overdraft (note 23)	-	123,249
Payments received on account	72,220	104,500
Trade creditors	318,232	533,680
Amounts owed to undertakings in which the company has a participating interest	77,645	37,267
Other taxation and social security	121,514	44,337
Other creditors (note 15 (b))	493,617	150,000
Accruals and deferred income	688,365	864,720
Finance lease obligations	114,568	107,834
	<u>1,901,161</u>	<u>1,965,587</u>



NOTES TO THE ACCOUNTS
Year ended 31 December 1992

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1992 £	1991 £
Bank loans (note 23)	785,000	800,000
Other creditors	220,125	372,435
Finance lease obligations - due within two to five years	90,256	70,025
	<u>1,095,381</u>	<u>1,242,460</u>

(a) Bank loans

	1992 £	1991 £
Loan 1	500,000	500,000
Loan 2	285,000	300,000
	<u>785,000</u>	<u>800,000</u>

The first loan is repayable by four equal annual instalments commencing on or before 23 October 1995 and interest is charged at 11% per annum.

The second loan is repayable by monthly instalments over a five year period commencing 12 October 1993 and interest is charged at 2% above Midland Bank plc base rate.

(b) Other creditors

Other creditors includes an amount of deferred consideration:

	1992 £	1991 £
Due within one year	150,000	150,000
Due within two to five years	217,230	367,230
	<u>367,230</u>	<u>517,230</u>

The deferred consideration is secured by a charge on the rights to the DUCT software and bears interest at 1% above bank base rate.



NOTES TO THE ACCOUNTS
Year ended 31 December 1992

16. PROVISION FOR LIABILITIES AND CHARGES

Deferred taxation

The balance on the deferred taxation account and the amounts not provided are as follows:

	Provided 1992 £	Provided 1991 £	Not provided 1992 £	Not provided 1991 £
Capital allowances in excess of depreciation	-	-	(7,500)	(10,500)
Other timing differences	-	-	(40,000)	(17,500)
Taxation on valuation surplus	-	-	70,000	75,000
	<u>-</u>	<u>-</u>	<u>22,500</u>	<u>47,000</u>

17. CALLED UP SHARE CAPITAL

	1992 £	1991 £
Authorised		
4,000,000 'A' Ordinary shares of 10p each	400,000	400,000
750,000 'B' Ordinary shares of 10p each	75,000	75,000
	<u>475,000</u>	<u>475,000</u>
Called up, allotted and fully paid		
3,001,000 'A' Ordinary shares of 10p each	300,100	300,100
750,000 'B' Ordinary shares of 10p each	75,000	75,000
	<u>375,100</u>	<u>375,100</u>

18. PROFIT AND LOSS ACCOUNT

	£
At 1 January 1992	226,580
Retained profit for the year	34,280
Transfer from revaluation reserve	4,517
At 31 December 1992	<u>265,377</u>

19. REVALUATION RESERVE

	£
At 1 January 1992	221,354
Transfer to profit and loss account	(4,517)
At 31 December 1992	<u>216,837</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 1992

20. DEFERRED GRANT RESERVE

	£
At 1 January 1992	156,800
Capital expenditure grants received during the year	85,000
Transfer to profit and loss account	(24,500)
At 31 December 1992	<u>217,300</u>

Grants amounting to £170,000 are repayable if target numbers of employees in future period are not attained.

21. FINANCIAL COMMITMENTS

	1992 £	1991 £
Capital commitments		
Contracted for but not provided	-	-
Authorised but not yet contracted for	<u>30,000</u>	-

Operating lease commitments

At 31 December 1992 the company has annual commitments under non-cancellable operating leases as set out below:

	1992		1991	
	Land and buildings £	Other £	Land and buildings £	Other £
Leases which expire:				
Within one year	-	6,685	-	17,914
Within 2 to 5 years	20,000	58,764	-	35,760
After 5 years	50,000	-	50,000	-
	<u>70,000</u>	<u>65,449</u>	<u>50,000</u>	<u>53,674</u>

Other commitments

At 31 December 1992 the company has other annual commitments as set out below:

	1992 £	1991 £
Amounts due:		
Within one year	76,150	-
Within 2 to 5 years	<u>40,000</u>	<u>40,000</u>



NOTES TO THE ACCOUNTS
Year ended 31 December 1992

22. PENSION COSTS

The contribution paid to the defined benefit scheme amounted to £79,026 (1991 - £89,202). Contributions outstanding at the year end were £18,978 (1991 - £Nil).

In the opinion of the actuary, the scheme is adequately funded and with the current contribution rate will be able to fully meet its liabilities. An interim actuarial valuation has been performed on the projected scheme position at 5 April 1991 using the attained age method. The main actuarial assumption was that the investment returns would exceed the rate of salary increases by 1.5%.

That valuation showed that the actuarial value of the scheme's assets was £877,000 which represented 93.5% of the benefits accrued to members at the valuation date after allowing for future increases in earnings.

23. BANK LOANS AND OVERDRAFT

The bank loans and overdraft facility are secured by fixed and floating charges over the company's assets.