

**RIDLEY, QUINEY & CO LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 1995**

**Company No. 1100207**



**RIDLEY, QUINEY & CO LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 1995

---

Company registration number:

1100207

Registered office:

22 Lamson Road  
Off Ferry Lane  
Rainham  
Essex  
RM13 9YY

Directors:

N E Quiney  
C S Wright  
P Fecher  
D J Harvey  
P C Cotes

Company secretary:

P C Cotes

Bankers:

National Westminster Bank PLC  
116 Fenchurch Street  
LONDON  
EC3M 5AN

3i Plc  
91 Waterloo Road  
LONDON  
SE1 8XP

Solicitors:

Burton Woolf & Turk

Auditors:

Grant Thornton  
Registered auditors  
Chartered accountants  
Grant Thornton House  
Melton Street  
Euston Square  
LONDON  
NW1 2EP

**RIDLEY, QUINEY & CO LIMITED**

**FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 1995

---

<b>INDEX</b>	<b>PAGE</b>
Report of the directors	1 - 3
Report of the auditors	4
Accounting policies	5 - 6
Consolidated profit and loss account	7
Consolidated balance sheet	8
Balance sheet	9
Consolidated cash flow statement	10
Notes to the consolidated cash flow statement	11
Notes to the financial statements	12 - 20

# **RIDLEY, QUINEY & CO LIMITED**

## **REPORT OF THE DIRECTORS**

---

The directors have pleasure in presenting their report and the financial statements of the company and the group for the year ended 31 December 1995.

### **Principal activity**

The principal activity of the group remained unchanged and comprises the wholesale purchasing, processing and sale of paper and other packaging materials.

### **Business review**

There was a profit for the year after taxation of £955,000 (1994: £785,000). The directors recommend a dividend amounting to £160,000 (1994: £130,000) leaving £795,000 (1994: 655,000) to be added to reserves brought forward.

### **Financial results of the group**

The early months of 1995 reflected the continuation of the strong growth of late 1994. As the year progressed trading conditions became more difficult as prices first stabilised and then started to fall. For most products prices are now lower than a year ago and the outlook remains one of price volatility. Our volumes grew throughout the year, each month being an improvement over the same month last year.

Our growth inevitably lead to demands on cash resources and our bank facilities were fully utilised during the year. The overdraft at 31 December although £1 million higher than a year earlier was down from the third quarter peak and we expect the reduction to continue until the next upward raw material cost spurt.

A new Profit Related Pay scheme has been registered for 1996 and we continue to make monthly payments to employees. This practice has lead to difficulties in some companies where poor trading at the year end has caused them to make excessive interim payments. We will try to avoid this problem but with a year on year increase in payments of 30% believe the policy to be more meaningful to our staff.

### **Dividends**

A final dividend of 160p per ordinary share for the year ended 31 December 1995 is proposed.

### **Fixed assets**

Details of changes in tangible fixed assets are shown in note 9.

# RIDLEY, QUINEY & CO LIMITED

## REPORT OF THE DIRECTORS

---

### Directors

The directors who held office during the year and their interest together with that of their families in the shares of the company are as follows:

	Ordinary shares of 50p	
	31 December 1995	31 December 1994
N E Quiney	52,501	52,501
C S Wright	27,501	27,501
P Fecher	7,094	7,094
D J Harvey	-	-
P C Cotes	-	-

In addition, the following directors hold options over ordinary 50p shares in the company under the terms of the Ridley Quiney & Co Limited Employee Share Option Scheme at an exercise price of £15.

	Date option granted	Ordinary 50p shares under option
D J Harvey	21 October 1993	3,000
P C Cotes	21 October 1993	2,000

The above options are exercisable between 21 October 1996 and 21 October 2003 in accordance with the Scheme rules.

### Disabled employees

When a vacancy arises where it is felt that disabled people could be employed, then recognition is given for the need to give full and fair consideration to the employment of such people.

### Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year 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 year. 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.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**RIDLEY, QUINEY & CO LIMITED**

**REPORT OF THE DIRECTORS**

---

**Auditors**

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



P C COTES  
Secretary  
31/1/1996

## **REPORT OF THE AUDITORS TO THE MEMBERS OF**

### **RIDLEY, QUINEY & CO LIMITED**

We have audited the financial statements on pages 5 to 20 which have been prepared under the accounting policies set out on pages 5 and 6.

#### **Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of 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.

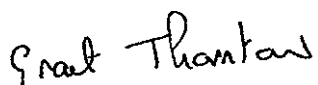
#### **Basis of opinion**

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 and the group as at 31 December 1995 and of the results of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

**LONDON**  
**31/1/ 1996**

# **RIDLEY, QUINEY & CO LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

---

The following policies which have been consistently applied are considered material in relation to the group's financial statements. The principal accounting policies of the group have remained unchanged from the previous year.

### **Basis of accounting**

The financial statements have been prepared under the alternative accounting rules set out in Schedule 4 Companies Act 1985, and in accordance with applicable UK Accounting Standards.

### **Turnover**

Group turnover represents the invoiced value of goods and services supplied during the year, excluding sales between group companies and Value Added Tax.

### **Depreciation**

Depreciation is provided on all tangible fixed assets save for land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life. The estimated useful lives are as follows:

Freehold buildings	50 years
Motor vehicles	4 years
Fixtures and fittings	10 years
Plant and equipment	10 years
Computer equipment	5 years

### **Leasing and hire purchase commitments**

Assets obtained under finance leases and hire purchase contracts are recorded in the balance sheet as tangible fixed assets and are depreciated in accordance with the policy above. Obligations under such agreements are included in creditors net of finance charges allocated to future periods. Rental payments are apportioned between the finance element which is charged to the profit and loss account and the capital element which reduces the outstanding obligation for future instalments.

Rentals paid under operating leases are charged against income on a straight line basis over the lease term.

### **Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost comprises the purchase price of raw materials, plus the labour and appropriate overhead expenses incurred in bringing the stocks to their present location and condition. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

### **Deferred taxation**

Deferred taxation is provided on all material timing differences except that no provision is made on the potential liability arising from the revaluation of freehold land and buildings as there is no proposal to dispose of the property in the foreseeable future and hence crystallise the liability.



## **RIDLEY, QUINEY & CO LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

---

#### **Foreign currency**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. All exchange differences are taken to the profit and loss account.

#### **Consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries at the balance sheet date. None of the subsidiaries traded during the year.

#### **Goodwill**

Goodwill on consolidation is written off directly to reserves in the year it arises.

#### **Company Pension Scheme**

The company operates a defined benefit pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested by Norwich Union Life Insurance Society in Norwich Union mixed fund units. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

**RIDLEY, QUINEY & CO LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT**For the year ended 31 DECEMBER 1995

---

	Note	1995 £'000	1994 £'000
<b>Turnover</b>	1	22,968	17,985
Cost of sales		<u>(18,934)</u>	<u>(14,400)</u>
<b>Gross profit</b>		4,034	3,585
Selling and administrative costs		<u>(2,411)</u>	<u>(2,280)</u>
<b>Operating profit</b>	2	1,623	1,305
Interest payable	6	<u>(185)</u>	<u>(130)</u>
<b>Profit on ordinary activities before taxation</b>		1,438	1,175
Taxation charge	7	<u>(483)</u>	<u>(390)</u>
<b>Profit on ordinary activities after taxation</b>		955	785
Dividend	8	<u>(160)</u>	<u>(130)</u>
<b>Retained profit for the year</b>	17	<u><u>795</u></u>	<u><u>655</u></u>

All of the company's operations are classified as continuing.

All recognised gains and losses are included in the profit and loss account.

The accompanying accounting policies and notes form an integral part of these financial statements.

# RIDLEY, QUINEY & CO LIMITED


## CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 1995

	Note	1995 £'000	1995 £'000	1994 £'000	1994 £'000
<b>Fixed assets</b>					
Tangible assets	9		3,470		3,505
Investments	10		<u>50</u>		<u>50</u>
			3,520		3,555
<b>Current assets</b>					
Stocks	11	3,248		2,490	
Debtors	12	4,258		3,375	
Cash at bank and in hand		<u>19</u>		<u>25</u>	
		7,525		5,890	
<b>Creditors: amounts falling due within one year</b>	13	<u>(3,613)</u>		<u>(2,701)</u>	
<b>Net current assets</b>			<u>3,912</u>		<u>3,189</u>
<b>Total assets less current liabilities</b>			7,432		6,744
<b>Creditors: amounts falling due after more than one year</b>	14	(704)		(809)	
<b>Provision for liabilities and charges</b>	15	<u>(216)</u>		<u>(218)</u>	
			(920)		(1,027)
<b>Net assets</b>			<u>6,512</u>		<u>5,717</u>
<b>Capital and reserves</b>					
Called up share capital	16		50		50
Share premium account			80		80
Profit and loss account	17		5,104		4,299
Revaluation reserve	17		<u>1,278</u>		<u>1,288</u>
<b>Shareholders' funds</b>	18		<u>6,512</u>		<u>5,717</u>

The financial statements were signed on behalf of the Board of Directors on 31 January 1996

N E Quiney

C S Wright



) Directors

The accompanying accounting policies and notes form an integral part of these financial statements.

# RIDLEY, QUINEY & CO LIMITED

## BALANCE SHEET AT 31 DECEMBER 1995

	Note	1995 £'000	1995 £'000	1994 £'000	1994 £'000
<b>Fixed assets</b>					
Tangible assets	9		3,470		3,505
Investments	10		<u>142</u>		<u>142</u>
			3,612		3,647
<b>Current assets</b>					
Stocks	11	3,248		2,490	
Debtors	12	4,258		3,375	
Cash at bank and in hand		<u>19</u>		<u>25</u>	
		7,525		5,890	
<b>Creditors: amounts falling due within one year</b>	13	<u>(3,762)</u>		<u>(2,850)</u>	
<b>Net current assets</b>			<u>3,763</u>		<u>3,040</u>
<b>Total assets less current liabilities</b>			7,375		6,687
<b>Creditors: amounts falling due after more than one year</b>	14	(704)		(809)	
<b>Provision for liabilities and charges</b>	15	<u>(216)</u>		<u>(218)</u>	
			(920)		(1,027)
<b>Net assets</b>			<u>6,455</u>		<u>5,660</u>
<b>Capital and reserves</b>					
Called up share capital	16		50		50
Share premium account			80		80
Profit and loss account	17		5,047		4,242
Revaluation reserve	17		<u>1,278</u>		<u>1,288</u>
<b>Shareholders' funds</b>			<u>6,455</u>		<u>5,660</u>

The financial statements were signed on behalf of the Board of Directors on 31 January 1996

N E Quiney

C S Wright

) Directors

The accompanying accounting policies and notes form an integral part of these financial statements.

**RIDLEY, QUINEY & CO LIMITED****CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 31 DECEMBER 1995

---

	Note	1995 £'000	1995 £'000	1994 £'000	1994 £'000
<b>Net cash inflow from operating activities</b>	A		(135)		1,243
<b>Returns on investments and servicing of finance</b>					
Interest payable		(185)		(130)	
Dividends paid		<u>(130)</u>		<u>(130)</u>	
<b>Net cash outflow from returns on investments and servicing of finance</b>			(315)		(260)
<b>Taxation paid</b>			(393)		(221)
<b>Investing activities</b>					
Payments to acquire tangible fixed assets		(130)		(196)	
Receipts from sales of tangible fixed assets		<u>24</u>		<u>11</u>	
<b>Net cash outflow from investing activities</b>			<u>(106)</u>		<u>(185)</u>
<b>Net cash flow before financing</b>			(949)		577
<b>Financing - Loan repayments</b>	B		<u>(121)</u>		<u>(107)</u>
<b>Movements in cash and cash equivalents</b>	C		<u>(1,070)</u>		<u>470</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

**RIDLEY, QUINEY & CO LIMITED****NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 31 DECEMBER 1995

	1995 £'000	1994 £'000
<b>A. Reconciliation of operating profit to net cash inflow from operating activities</b>		
Operating profit	1,623	1,305
Depreciation charges	154	150
Profit on sale of tangible fixed assets	(13)	(9)
Movement in stock	(758)	(448)
Movement in debtors	(883)	(235)
Movement in creditors	(258)	480
Net cash (outflow)/inflow from operating activities	<u>(135)</u>	<u>1,243</u>
<b>B. Analysis of changes in financing during the year</b>		
Long term loans:		
Balance at 1 January	930	1,037
Loan repayments	(121)	(121)
New loans	-	14
Balance at 31 December	<u>809</u>	<u>930</u>
<b>C. Analysis of changes in cash and cash equivalents during the year</b>		
Balance at 1 January	(88)	(558)
Net cash flow	<u>(1,070)</u>	<u>470</u>
Balance at 31 December	<u>(1,158)</u>	<u>(88)</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

# RIDLEY, QUINEY & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 1995

### 1 TURNOVER

	1995 £'000	1994 £'000
A geographical analysis of turnover is as follows:		
United Kingdom	20,668	16,051
Other EC Countries	2,300	1,934
	<u>22,968</u>	<u>17,985</u>

All turnover arose as a result of the Group's principal activity.

### 2 OPERATING PROFIT

	1995 £'000	1994 £'000
The results are stated after charging/(crediting):		
Depreciation of tangible assets		
- owned assets	134	134
- leased assets	20	16
Hire of plant and machinery	71	98
Auditors' remuneration		
- audit	10	10
- other services	6	8
Profit on sale of tangible assets	<u>(13)</u>	<u>(9)</u>

### 3 DIRECTORS' EMOLUMENTS

	1995	1994
Directors' remuneration was paid in respect of directors of the company as follows:		
Remuneration as executives including pension fund contributions	<u>812,531</u>	<u>744,310</u>
The directors' remuneration shown above (excluding pension fund contributions) included:		
Chairman	<u>-</u>	<u>1,307</u>
Highest paid director	<u>235,280</u>	<u>204,557</u>

# RIDLEY, QUINEY & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 1995

### DIRECTORS' EMOLUMENTS (CONTINUED)

The emoluments of directors, (excluding pension fund contributions), fell in the following bands:

	1995	1994
	Number of directors	
£0 - £5,000	1	2
£45,001 - £50,000	-	1
£110,001 - £115,000	-	1
£125,001 - £130,000	1	-
£130,001 - £135,000	1	-
£155,001 - £160,000	-	1
£180,001 - £185,000	1	-
£200,001 - £205,000	-	2
£235,001 - £240,000	1	-

### 4 EMPLOYEES

The average number of employees during the year was:

	Group and Company	
	1995	1994
Administration, sales and management	39	40
Factory	12	12
Warehouse	13	13
	<u>64</u>	<u>65</u>

The cost of employing the above employees was:

	Group and Company	
	1995	1994
	£'000	£'000
Wages and salaries	1,783	1,712
Social security	135	145
Other pension costs	244	157
	<u>2,162</u>	<u>2,014</u>

### 5 COMPANY PENSION SCHEME

The most recent full valuation of the pension scheme as performed by the actuaries was as at 31 May 1995 and at that date the scheme was fully funded on a continuance basis. The assets of the scheme are held separately from those of the company, being invested by Norwich Union Life Insurance Society in Norwich Union mixed fund units. Their value at 31 May 1995 was £815,000. The actuaries' 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 pensions. It was assumed that the investment return would be 9% per annum, that salary increases would average 8% per annum and that present and future pensions should increase at the rate of 5% per annum compound when in course of payment.



# **RIDLEY, QUINEY & CO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 1995

---

### **COMPANY PENSION SCHEME (CONTINUED)**

The pension charge for the year was £243,670 (1994: £157,000). The contributions made by the company were at a rate recommended by the actuarial advisers.

#### **6 INTEREST PAYABLE**

	1995 £'000	1994 £'000
On bank overdrafts and loans wholly repayable		
- within five years	109	45
- more than five years	76	85
	<u>185</u>	<u>130</u>

#### **7 TAXATION**

	1995 £'000	1994 £'000
Corporation tax based on the profit for the year at 32.9% (1994: 32.5%)	477	390
Deferred taxation - current year at 33% (1994: 33%)	5	-
Corporation tax - prior year	1	-
	<u>483</u>	<u>390</u>

#### **8 DIVIDEND**

	1995 £'000	1994 £'000
A final dividend for the year ended 31 December 1995 is proposed at 160p per share (1994: 130p per share)	<u>160</u>	<u>130</u>

**RIDLEY, QUINEY & CO LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 1995

**9 TANGIBLE FIXED ASSETS**

	Freehold land and buildings £'000	Motor vehicles £'000	Fixtures and fittings £'000	Plant and machinery £'000	Computer equipment £'000	Total £'000
<b>Group and Company</b>						
Cost or valuation:						
1 January 1995	3,385	210	187	352	103	4,237
Additions	-	73	27	30	-	130
Disposals	-	(59)	-	(13)	-	(72)
31 December 1995	<u>3,385</u>	<u>224</u>	<u>214</u>	<u>369</u>	<u>103</u>	<u>4,295</u>
Comprising:						
Valuation	3,000	-	-	-	-	3,000
Cost	<u>385</u>	<u>224</u>	<u>214</u>	<u>369</u>	<u>103</u>	<u>1,295</u>
Depreciation:						
1 January 1995	229	88	140	204	71	732
Charge for year	45	52	11	26	20	154
Disposals	-	(48)	-	(13)	-	(61)
31 December 1995	<u>274</u>	<u>92</u>	<u>151</u>	<u>217</u>	<u>91</u>	<u>825</u>
<b>NET BOOK VALUE</b>						
31 December 1995	<u>3,111</u>	<u>132</u>	<u>63</u>	<u>152</u>	<u>12</u>	<u>3,470</u>
31 December 1994	<u>3,156</u>	<u>122</u>	<u>47</u>	<u>148</u>	<u>32</u>	<u>3,505</u>

Included in the above are assets held under Finance Leases as follows:

	£'000
Motor vehicles	12
Plant and machinery	<u>7</u>

The freehold land and buildings stated above were valued by Messrs. Glenny, Chartered Surveyors at £3,000,000 on 31 December 1988. In the event of the freehold land and buildings being disposed of at the valuation stated above a tax charge would crystallise and this potential liability is set out in note 23.

The directors consider that the value to the business of the freehold property is not materially different from that at which it was valued.

# RIDLEY, QUINEY & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 1995

### 10 INVESTMENTS

	Percentage of issued share capital held	Company 1995 £	1994 £	Group 1995 £	1994 £
<b>Subsidiary Companies -</b>	at cost				
R Q Paper Services Limited					
20,000 ordinary shares	100%	15	15	-	-
D & D (Shipping & Forwarding) Limited					
2,000 ordinary shares of £1 each	100%	77	77	-	-
Ridley Quiney Converters Limited					
2 ordinary shares of £1 each	100%	-	-	-	-
		<u>92</u>	<u>92</u>	<u>-</u>	<u>-</u>
<b>Connected Company</b>					
- at cost (Note 21)					
Northwood Paper Sales Limited					
50,000 non-cumulative, non-voting, non-redeemable preference shares shares of £1 each		<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>
		<u>142</u>	<u>142</u>	<u>50</u>	<u>50</u>

Each of the subsidiary companies is registered in England and Wales.

### 11 STOCKS

	Group and Company	
	1995 £'000	1994 £'000
Raw materials and work in progress	373	465
Finished goods and goods for resale	<u>2,875</u>	<u>2,025</u>
	<u>3,248</u>	<u>2,490</u>

The basis of valuation is referred to in the statement of accounting policies.

**RIDLEY, QUINEY & CO LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 1995

**12 DEBTORS**

	Group and Company	
	1995 £'000	1994 £'000
Trade debtors	3,764	2,979
Other debtors and prepayments	494	396
	<u>4,258</u>	<u>3,375</u>

**13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Company		Group	
	1995 £'000	1994 £'000	1995 £'000	1994 £'000
Bank overdrafts	1,177	113	1,177	113
Current portion of loan (note 14)	105	121	105	121
Trade creditors	613	936	613	936
Amounts owed to subsidiary companies	149	149	-	-
Corporation tax	478	386	478	386
Other taxes and social security	369	334	369	334
Other creditors	711	681	711	681
Proposed dividend	160	130	160	130
	<u>3,762</u>	<u>2,850</u>	<u>3,613</u>	<u>2,701</u>

The bank overdraft is secured by way of a 2nd legal mortgage over the freehold land and buildings together with a floating charge over all other assets. The bank has a specific right of set off between accounts held in the company's name. At 31 December 1995 £19,000 shown within cash at bank and in hand could be offset in this way.

**14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group and Company	
	1995 £'000	1994 £'000
Loan	800	900
Finance leases	9	30
	<u>809</u>	<u>930</u>
Less:		
Amounts repayable within one year (note 13)	(105)	(121)
	<u>704</u>	<u>809</u>

# RIDLEY, QUINEY & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 1995

### CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

The loan is secured by a mortgage over the company's freehold property and a fixed and floating charge over all other assets, repayable by 30 half-yearly instalments, from 31 March 1989. At 28 February 1994 the interest rate was fixed at 9% for the remaining period of the loan.

The above finance leases are repayable in full within five years.

### 15 PROVISION FOR LIABILITIES AND CHARGES

	Group and Company	
	1995 £'000	1994 £'000
Group - deferred taxation		
1 January	251	251
Movement in provision	<u>5</u>	<u>-</u>
Deferred taxation provision	256	251
Less: ACT on proposed dividend	<u>(40)</u>	<u>(33)</u>
31 December	<u><u>216</u></u>	<u><u>218</u></u>

The deferred taxation provision consists of timing differences on capital allowances at a 33% tax rate.

### 16 SHARE CAPITAL

	Group and Company	
	1995 £'000	1994 £'000
Authorised:		
110,000 ordinary shares of 50p each	<u>55</u>	<u>55</u>
Allotted, issued and fully paid:		
100,000 ordinary shares of 50p each	<u>50</u>	<u>50</u>

#### Share options

Share options have been granted in accordance with the Ridley, Quiney & Co Limited Employee Share Option Scheme. Outstanding options which are capable of being exercised between three and ten years from date of issue, subject to the scheme's rules, and their exercise price are as follows:

Date granted	Number of ordinary 50p share under option	Exercise price £
21 October 1993	<u>5,000</u>	<u>15</u>

**RIDLEY, QUINEY & CO LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 1995

**17 RESERVES**

	<b>Company</b>		<b>Group</b>	
	<b>Revaluation reserve £'000</b>	<b>Profit and loss account £'000</b>	<b>Revaluation reserve £'000</b>	<b>Profit and loss account £'000</b>
1 January 1995	1,288	4,242	1,288	4,299
Transfer of difference between an historical cost depreciation charge and the actual depreciation charge for the year	(10)	10	(10)	10
Retained profit for the year	<u>-</u>	<u>795</u>	<u>-</u>	<u>795</u>
31 December 1995	<u>1,278</u>	<u>5,047</u>	<u>1,278</u>	<u>5,104</u>

**18 RECONCILIATION OF MOVEMENT IN GROUP SHAREHOLDERS' FUNDS**

	<b>1995 £'000</b>	<b>1994 £'000</b>
Profit for the financial year	955	785
Dividends	<u>(160)</u>	<u>(130)</u>
Net addition to shareholders' funds	795	655
Opening shareholders' funds	<u>5,717</u>	<u>5,062</u>
Closing shareholders' funds	<u>6,512</u>	<u>5,717</u>

**19 PROFIT AND LOSS ACCOUNT**

Ridley Quiney & Co Limited has not presented its own profit and loss account as permitted by Section 230 of the Companies Act 1985. The amount of the profit dealt with in the holding company is £955,000 (1994: £785,000).

**20 FINANCIAL COMMITMENTS**

As at 31 December 1995 the group had capital commitments of £Nil (as at 31 December 1994 £31,000).

# **RIDLEY, QUINEY & CO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 1995

---

### **21 DIRECTORS' INTERESTS IN MATERIAL CONTRACTS**

C S Wright and P Fecher held in aggregate an interest in excess of 20% in the ordinary share capital of Northwood Paper Sales Limited.

During the year arrangements existed for the purchase of goods and for the provision of service as follows:

	Value of services and purchases rendered to connected company £'000	Value of services and sales rendered by connected company £'000
Northwood Paper Sales Limited	<u>8</u>	<u>114</u>

### **22 LEASING**

	1995 £'000	1994 £'000
As at 31 December there were amounts payable within one year under operating leases as follows:		
Expiring		
- within 1 year	11	18
- 2 to 5 years	<u>49</u>	<u>43</u>
	<u>60</u>	<u>61</u>

### **23 CONTINGENT LIABILITY**

Were the freehold land and buildings to be sold at the value stated in note 9, a charge to taxation of approximately £38,000 (1994: £68,000) would arise.