

KINIMA BUSINESS MACHINES S.A. LTD

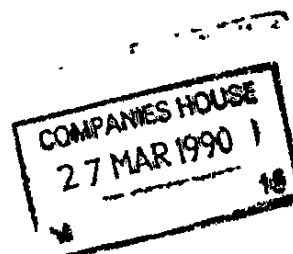
REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS

YEAR ENDED 31ST JANUARY 1989

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KENTIA BUSINESS MACHINES LTD.

REPORT OF THE DIRECTORS

The Directors present their Annual Report and the Audited Financial Statements for the year ended 31st January 1989.

Business Review

The principal activities of the group are the importation and distribution within the United Kingdom and Eire of Plain Paper Copiers, Colour Copiers, Facsimile Equipment and their supplies:-

A summary of the results for the year is shown below:-

	1989 (£'000)	1988 (£'000)
Turnover	48,876	38,760
Profit before Taxation	259	325
Taxation	(219)	(275)
Profit for the Year	40	50
Proposed Dividend	(90)	(90)
Minority Interests	(54)	(83)
Transferred to Reserves	(104)	(123)

The Directors propose the payment of a dividend of £90,000 for the year (1988 : £90,000).

The groups continued to expand its sales during the year and it is expected that this trend will continue in the future.

CONICA BUSINESS MACHINES (U.K.) LTD

REPORT OF THE DIRECTORS

(Continued)

Fixed Assets

Details of the changes in fixed assets are shown in Notes 6 and 7 to the Financial Statements.

Directors

The Directors who served during the year were:-

G. Kazama	- (Japanese) Chairman	Appointed 1st November 1988
A. Hashimoto	- (Japanese) Chairman	Resigned 1st November 1988
Y. Motoyama	- (Japanese) Managing Director	
S.J. Cox		
J.I. Daniel		
K. Arasawa	- (Japanese) Resigned 1st April 1988	
T. Hidaka	- (Japanese)	
K. Yamamoto	- (Japanese) Appointed 1st April 1988	

On 1st February 1989 Mr Hidaka resigned as a Director and Mr T. Ishiguro was appointed in his place. On 30th April 1989 Mr J.I. Daniel resigned as a Director.

The Directors have no beneficial interest in the shares of the Company.

Auditors

Deloitte Haskins & Sells are in the process of merging their practice with Coopers & Lybrand. In the meantime they have adopted Coopers & Lybrand Deloitte as their business name and have signed their audit report in that name.

A resolution to re-appoint Coopers & Lybrand Deloitte as the Company's auditors will be proposed at the Annual General meeting.

By Order of the Board


R.S. DODSWORTH
COMPANY SECRETARY.

REPORT OF THE AUDITORS

TO THE MEMBERS OF KONICA BUSINESS MACHINES (U.K.) LTD

We have audited the Financial Statements on pages 4 - 17 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the Company and the group at 31st January 1989 and of the results and source and application of funds of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Coopers & Lybrand Deloitte
Chartered Accountants
London*

KINPA BUSINESS MACHINES (C.K.) LTD.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST JANUARY 1989

	<u>Note</u>	<u>1989</u> <u>£</u>	<u>1988</u> <u>£</u>
<u>TURNOVER</u>	1(C)	48,875,833	38,759,877
Cost of Sales		(33,408,173)	(26,494,675)
Gross Profit		15,467,660	12,265,202
Distribution Costs		(7,895,881)	(7,158,634)
Administrative Expenses		(4,542,290)	(3,133,304)
Interest Receivable		156,338	84,236
Interest Payable and Similar Charges		(2,706,401)	(1,604,365)
Amortisation of Goodwill	6	(220,042)	(128,261)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>	3	259,384	324,874
Tax on profit on ordinary activities	5	(219,095)	(274,991)
<u>PROFIT FOR THE FINANCIAL YEAR</u>		40,289	49,883
Proposed Dividend		(90,000)	(90,000)
Minority Interest		(54,576)	(83,152)
<u>RETAINED LOSSES FOR YEAR</u>	16	(104,287)	(123,269)

STATEMENT OF ASSETS AND LIABILITIES AT 31ST JANUARY 1948

	Note	1947 £	1948 £
FIXED ASSETS			
Intangible Assets	6	2,842,415	3,062,457
Tangible Assets	7	6,743,618	6,157,622
		9,586,033	9,220,079
CURRENT ASSETS			
Stocks - Finished Goods		11,931,155	12,579,455
Debtors	9	12,215,394	12,532,062
Cash at Bank and In Hand		22,771	463,809
		24,169,320	25,575,326
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(26,103,774)	(27,834,161)
NET CURRENT LIABILITIES		(1,934,454)	(2,258,835)
TOTAL ASSETS LESS CURRENT LIABILITIES		7,651,579	6,961,244
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	(4,731,550)	(3,825,822)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Taxation	14	(209,505)	(335,442)
		2,710,524	2,799,980
CAPITAL AND RESERVES			
Called-up Share capital	15	300,000	300,000
Profit and Loss Account	16	1,970,957	2,075,244
		2,270,957	2,375,244
Minority Interests		433,567	424,736
		2,710,524	2,799,980

Approved by the Board of Directors on
on its behalf by:

24th March 1948

and signed

Directors

STATEMENT OF FINANCIAL POSITION AT 31ST JANUARY 1955

	Note	1954 £	1955 £
FIXED ASSETS			
Tangible Assets	7	4,143,184	3,330,086
Investments in Subsidiaries	8	5,110,000	5,110,000
		9,253,184	8,440,086
CURRENT ASSETS			
Stocks - Finished Goods		10,421,949	11,187,076
Debtors	9	11,734,160	12,481,479
Cash at Bank and In Hand		9,740	125,978
		22,165,849	23,794,533
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(23,473,619)	(25,586,720)
NET CURRENT LIABILITIES		(1,307,770)	(1,792,187)
TOTAL ASSETS LESS CURRENT LIABILITIES		7,945,414	6,647,899
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	(4,410,584)	(3,000,193)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Taxation	14	123,155	(19,657)
		3,657,985	3,628,049
CAPITAL AND RESERVES			
Called-up Share Capital	15	300,000	300,000
Profit and Loss Account	16	3,357,985	3,328,049
		3,657,985	3,628,049

Approved by the Board of Directors on
on its behalf by:

20th March 1955

and signed

Directors

STATEMENT OF FINANCIAL POSITION AND BALANCE SHEET

FOR THE YEAR ENDED 31ST JANUARY 1989

STATEMENT OF FINANCIAL POSITION	1988 £	1989 £
Profit Before Tax and after Minority Interests	204,808	241,722
Minority Interests	54,576	83,152
Adjustments for Items not Involving the Movement of Funds:		
Depreciation	2,739,433	1,766,956
Amortisation of Goodwill	220,042	128,261
Profit on Sale of Tangible Fixed Assets	(472,005)	(193,732)
Provision for Future Maintenance	(16,000)	81,884
Total Generated from Operations	2,730,854	2,108,243
<u>FUNDS FROM OTHER SOURCES:</u>		
Proceeds from Sale of Tangible Fixed Assets	1,171,341	804,532
Increase in Creditors falling due after more than one year	1,736,613	2,328,181
Minority Interest on Acquisition of Peter Llewellyn (Photocopying) Ltd	-	309,479
Total Source of Funds	5,638,808	5,550,435
<u>APPLICATION OF FUNDS</u>		
Dividends Paid	139,681	90,000
Advance Corporation Tax Paid	30,000	33,288
Corporation Tax Paid	384,672	673,895
Purchase of Fixed Assets	4,024,765	5,150,715
Purchase of Goodwill	-	1,652,052
Debentures Paid	814,885	175,000
Total Application of Funds	5,394,003	7,774,950
Increase (Decrease) in Working Capital	244,805	(2,224,515)
<u>INCREASE(DECREASE) IN WORKING CAPITAL</u>		
(Decrease) Increase in Stocks	(648,300)	2,459,222
(Decrease) Increase in Debtors	(316,668)	5,260,370
(Increase) in Creditors falling due within one year	(2,999,981)	(5,895,630)
	(3,964,949)	1,823,962
Movement in Net Liquid Funds		
(Decrease) Increase in Cash at Bank and in Hand	(441,038)	210,939
Decrease(Increase) in Bank Overdraft	4,650,792	(4,259,416)
	244,805	(2,224,515)

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the group's Financial Statements.

(a) Basis of Accounting

These financial statements are prepared on the historical cost basis of accounting.

(b) Basis of Consolidation

The group accounts include the accounts of the holding company and all subsidiaries up to the end of the Financial Year. Goodwill arising on the acquisition of subsidiaries is capitalised and amortised on a straight line basis over the Directors' estimate of its useful economic life of fifteen years.

(c) Turnover

Turnover represents the value of goods invoiced to customers during the year (including service and rental income) after deducting returns, allowances and sales taxes.

(d) Leased Assets

Where tangible fixed assets are financed by leasing agreements that give rights approximately equivalent to ownership (finance leases) the assets are treated as if they had been purchased outright. The corresponding lease commitments are treated as obligations to the lessor. Depreciation of the relevant assets is charged to the Profit and Loss Account at the rates shown in note 1.(e) or over the period of the lease if shorter.

Lease payments are treated as consisting of capital and interest elements with the interest charged against profit.

Rentals under operating leases are charged against profit on a straight line basis.

KALIA BUSINESS MACHINES

NOTES TO THE FINANCIAL STATEMENTS (Continued)

(e) Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets in equal instalments over their estimated lives as follows:-

Freehold Property	50 Years
Leasehold Improvements	Terms of Lease
Rental Machines	3 years
Motor Vehicles	3 Years
Computer Equipment	4 Years
Plant and Equipment	8 Years

(f) Stocks

Stocks, being plain paper copiers, facsimile machines, their supplies, and spare parts, are valued at the lower of cost and net realisable value.

(g) Deferred Taxation

Deferred Taxation is calculated on the liability method and is provided unless it can be foreseen with reasonable probability that part or all of the liability will not become payable.

(h) Pensions

The Company operates a contributory pension scheme covering the majority of its permanent employees. The scheme funds are administered by Trustees and are independent of the Company's finances. The scheme is fully funded and contributions are paid to the scheme in accordance with the recommendations of the independent actuaries. The Company's contributions are charged against profits in the year in which contributions are made.

(i) Foreign Currencies

Profits and losses arising on foreign currency transactions are written off to the Profit and Loss Account as and when they arise. Foreign currency deposits and borrowings are translated to £ sterling at year-end rates of exchange and any gains or losses arising are written off to the Profit and Loss Account.

2. Profit and Loss Account Presentation

The Company has taken advantage of the provisions of Section 228 (7) of the Companies Act 1985 not to present its own profit and loss account.

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Notes to the Financial Statements

Notes on Long Term Liabilities Section

	<u>1989</u>	<u>1988</u>
	<u>£</u>	<u>£</u>
This has been arrived at after charging (crediting) the following:		
Depreciation of Owned Assets	2,391,002	1,422,836
Depreciation of Assets held under Finance Leases	348,431	344,060
Auditors' Remuneration	74,275	60,555
Interest Payable - Finance Leases and HP Agreements	65,125	54,545
Interest Payable - Bank Loans and Overdrafts within 5 years not by instalments	2,523,006	1,546,840
Interest Payable - Bank Loans and Overdrafts within 5 years by instalments	118,268	2,980
Disposal of Tangible Fixed Assets	(472,005)	(193,732)
Insurance Claim	(113,378)	(410,422)
Operating Lease Rentals - Plant & Machinery	686,107	525,251
Other Assets	279,956	104,963
Amortisation of Goodwill	220,042	128,261

4. Directors and Employees

The average number of employees (including Directors) during the year was as follows:-

	<u>1989</u>	<u>1988</u>
Management	30	37
Administration	87	68
Marketing & Service	481	347
	---	---
	600	452
	---	---

The aggregate staff cost for these persons was as follows:-

	<u>£</u>	<u>£</u>
Salaries	7,273,380	4,662,207
Social Security Costs	638,174	447,313
Company Pension Costs	415,873	327,327
	-----	-----
	8,327,427	5,436,847
	*****	*****
Directors' Emoluments Included above	83,822	75,596
Emoluments of Chairman	NIL	NIL
Emoluments of Highest Paid Director	37,017	34,042

Higher Paid Employees

The number of employees, other than directors of the parent Company, whose emoluments were within the ranges set out below was:-

	<u>Number</u>	<u>Number</u>
£30,001 - £35,000	4	3
£35,001 - £40,000	-	4
£40,001 - £45,000	2	-

5. Taxation

	<u>1989</u> <u>£</u>	<u>1988</u> <u>£</u>
U.K. Corporation Tax		
Current at 35% (35%)	394,814	337,000
Deferred at 35% (35%)	(155,120)	(54,413)
	-----	-----
Based on Profit for the Year	239,694	282,587
Adjustment Relating to		
Previous Years		
Current	(20,599)	-
Deferred	-	(7,596)
	-----	-----
	219,095	274,991
	*****	*****

6. Intangible Fixed Assets

Goodwill arising on consolidation

	<u>£</u>
Cost at 01/02/88	3,300,623
Additions during year	-

Cost at 31/01/89	3,300,623

Amortisation at 01/02/88	238,166
Charge for year	220,042

Amortisation at 31/01/89	458,208

Net Book Value	
At 31/01/89	2,842,415

At 31/01/88	3,062,457

18.1F

	FREEHOLD PREMISES	LEASEHOLD PROPERTY & IMPROVEMENTS	PLANT & EQUIPMENT	RENTAL MACHINES	TOTAL
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>COST:</u>					
At 1/2/88	863,220	494,633	3,553,363	6,646,253	11,557,469
Additions	25,909	67,986	1,291,254	2,639,616	4,024,765
Disposals	(158,845)	(8,388)	(788,236)	(782,670)	(1,738,139)
At 31/1/89	730,284	554,231	4,056,381	8,503,199	13,844,095

<u>DEPRECIATION:</u>					
At 1/2/88	6,300	195,155	1,521,125	3,677,267	5,399,847
Charge	2,100	66,431	829,488	1,841,414	2,739,433
Eliminated	-	(8,337)	(419,492)	(610,974)	(1,038,803)
At 31/1/89	8,400	253,249	1,931,121	4,907,707	7,100,477

<u>NET BOOK VALUE:</u>					
At 31/1/89	721,884	300,982	2,125,260	3,595,492	6,743,618

At 31/1/88	855,920	299,478	2,032,238	2,968,986	6,157,622

The net book value of plant and equipment includes an amount of £917,946 (1988 : £677,050) in respect of assets held under finance leases and hire purchase contracts.

At 1/2/88	105,000	188,422	911,271	1,833,359	3,038,110
Additions		52,819	241,667	2,461,781	2,755,237
Disposals			(16,892)	(723,912)	(730,804)
At 31/1/89	105,000	441,259	1,136,012	2,252,238	3,934,559

DEPRECIATION:

At 1/2/88	6,300	150,830	477,250	2,933,550	3,577,940
Charge	2,100	55,541	147,079	1,605,382	1,810,102
Eliminated	-	-	(13,607)	(583,110)	(596,717)
At 31/1/89	8,400	216,371	610,732	3,955,822	4,721,325

NET BOOK VALUE:

At 31/1/89	96,600	224,888	525,280	3,296,416	4,143,184
At 31/1/88	98,700	227,590	433,977	2,569,819	3,330,086

The net book value of plant and equipment includes an amount of £135,673 (1988 : £90,732) in respect of assets held under finance leases and hire purchase contracts.

8. Fixed Assets Investments

COMPANY

£

At 1st February 1988	5,110,000
Additions	-
At 31st January 1989	5,110,000

Investments in subsidiaries are stated at cost less amounts written off where there has been a permanent diminution in value.

Subsidiary Companies

Konica Mercian Business Machines Ltd	100% Shareholding
Konica Vickers Business Machines Ltd	75% Shareholding
Peter Llewellyn (Photocopying) Ltd	75% Shareholding

All subsidiaries are incorporated in Great Britain and engaged in the business of marketing and servicing the products distributed by the Holding Company.

Subsequent to the year end, the Company acquired the remaining 25% in Konica Vickers Business Machines Ltd for a total consideration of approximately £500,000.

	<u>FREEMOLD PREMISES</u>	<u>LEASEHOLD PROPERTY & IMPROVEMENTS</u>	<u>PLANT & EQUIPMENT</u>	<u>RENTAL MACHINES</u>	<u>TOTAL</u>
<u>COST</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At 1/2/88	105,000	388,420	911,237	5,503,369	6,908,026
Additions	-	52,839	241,667	2,462,781	2,757,287
Disposals	-	-	(16,892)	(713,912)	(730,804)
At 31/1/89	105,000	441,259	1,136,012	7,252,238	8,934,509

DEPRECIATION:

At 1/2/88	6,300	160,830	477,260	2,933,550	3,577,940
Charge	2,100	55,541	147,079	1,605,382	1,810,102
Eliminated	-	-	(13,607)	(583,110)	(596,717)
At 31/1/89	8,400	216,371	610,732	3,955,822	4,791,325

NET BOOK VALUE:

At 31/1/89	96,600	224,888	525,280	3,296,416	4,143,184
At 31/1/88	98,700	227,590	433,977	2,569,819	3,330,086

The net book value of plant and equipment includes an amount of £135,675 (1988 : £90,732) in respect of assets held under finance leases and hire purchase contracts.

8. Fixed Assets Investments

COMPANY

	<u>£</u>
At 1st February 1988	5,110,000
Additions	-
At 31st January 1989	5,110,000

Investments in subsidiaries are stated at cost less amounts written off where there has been a permanent diminution in value.

Subsidiary Companies

Konica Mercian Business Machines Ltd	100% Shareholding
Konica Vickers Business Machines Ltd	75% Shareholding
Peter Llewellyn (Photocopying) Ltd	75% Shareholding

All subsidiaries are incorporated in Great Britain and engaged in the business of marketing and servicing the products distributed by the Holding Company.

Subsequent to the year end, the Company acquired the remaining 25% in Konica Vickers Business Machines Ltd for a total consideration of approximately £500,000.

9 Debtors

<u>COMPANY</u>			<u>GROUP</u>	
<u>1989</u> <u>£</u>	<u>1988</u> <u>£</u>		<u>1989</u> <u>£</u>	<u>1988</u> <u>£</u>
8,437,747	9,192,223	Trade Debtors	11,623,385	11,848,400
2,879,968	2,892,003	Amounts Owed by Group Companies	-	-
-	244,219	Other Debtors	104,361	433,051
416,445	153,034	Prepayments	487,648	250,611
-----	-----		-----	-----
11,734,160	12,481,479		12,215,394	12,532,062
*****	*****		*****	*****

All amounts are receivable within one year.

10. Creditors : Amounts Falling Due Within One Year

<u>COMPANY</u>			<u>GROUP</u>	
<u>1989</u> <u>£</u>	<u>1988</u> <u>£</u>		<u>1989</u> <u>£</u>	<u>1988</u> <u>£</u>
1,188,806	5,574,214	Bank Overdrafts	1,952,030	6,602,822
66,271	30,006	Obligations under Finance Leases	516,132	518,221
3,177,088	1,662,724	Trade Creditors	3,236,860	1,472,698
141,682	79,171	Amounts Owed to Group Companies	-	-
15,941,000	14,873,318	Bills Payable	15,941,000	14,873,318
1,061,188	1,748,603	Tax and Social Security	1,575,242	2,030,558
839,822	713,799	Accruals	1,723,403	1,431,659
90,000	90,000	Proposed Dividend	90,000	90,000
814,885	814,885	Debentures Payable	814,885	814,885
152,877	-	Other Creditors	254,222	-
-----	-----		-----	-----
23,473,619	25,586,720		26,103,774	27,834,161
*****	*****		*****	*****

... Creditors Amounts Falling Due After More Than One Year:

<u>COMPANY</u>			<u>GROUP</u>	
<u>1989</u>	<u>1988</u>		<u>1989</u>	<u>1988</u>
<u>£</u>	<u>£</u>		<u>£</u>	
3,500,000	1,200,000	Bank Loans (unsecured)	3,608,000	1,362,000
-	-	HP Creditors	115,134	150,135
35,584	41,808	Obligations under Finance Leases	130,808	297,623
-	-	Provision for Future Maintenance	-	36,000
-	-	Accruals and Deferred Income	2,608	221,679
875,000	1,689,885	Debentures Payable	875,000	1,689,885
-	68,500	Other Creditors	-	68,500
-----	-----		-----	-----
4,410,584	3,000,193		4,731,550	3,825,822
*****	*****		*****	*****

12. Debentures

During 1986/87, the Company issued £1.4 million of non-convertible Debentures in part consideration for the acquisition of its interest in Konica Vickers Business Machines Ltd. These Debentures are repayable annually in eight equal instalments with effect from 1st February 1987.

In 1987/88, the company issued £1.28 million of non-convertible Debentures in part consideration for the acquisition of its interest in Peter Llewellyn (Photocopying) Ltd. These debentures are payable in two annual instalments with effect from 1st February 1988.

All debentures bear interest at rates averaging 1/2% above LIBOR.

13. Obligations Under Finance leases

<u>COMPANY</u>			<u>GROUP</u>	
<u>1989</u>	<u>1988</u>		<u>1989</u>	<u>1988</u>
<u>£</u>	<u>£</u>		<u>£</u>	<u>£</u>
Repayable Within:				
66,271	30,006	One Year	516,132	518,221
35,584	41,808	Between Two and Five Years	130,808	297,623
-----	-----		-----	-----
101,855	71,814		646,940	815,844
*****	*****		*****	*****

14 Deferred Taxation

GROUP

	<u>1989</u>		<u>1988</u>	
	<u>Potential</u>	<u>Provided</u>	<u>Potential</u>	<u>Provided</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Short Term				
Timing Differences	(72,422)		(96,521)	
Depreciation of				
Fixed Assets	44,927		194,963	
	-----		-----	
	(27,495)	(27,495)	98,442	98,442
	*****		*****	
Arising on Acquisition of subsidiaries	267,000		267,000	
Advance Corporation				
Tax Recoverable	(30,000)		(30,000)	
	-----		-----	
	209,505		335,442	
	*****		*****	

COMPANY

	<u>1989</u>		<u>1988</u>	
	<u>Potential</u>	<u>Provided</u>	<u>Potential</u>	<u>Provided</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Short Term				
Timing Differences	(52,500)		(52,500)	
Depreciation of				
Fixed Assets	(40,655)		102,157	
	-----		-----	
	(93,155)	(93,155)	49,657	49,657
	*****		*****	
Advance Corporation				
Tax Recoverable	(30,000)		(30,000)	
	-----		-----	
	(123,155)		19,657	
	*****		*****	

The deferred tax liability is based upon tax legislation currently proposed and the estimated years in which the liability will arise.

Share Capital:

1989 & 88

Authorised 500,000 Ordinary Shares of £1 each	£500,000 -----
Allotted, called-up and fully paid 300,000 Ordinary Shares of £1 each	£300,000 -----

Subsequent to the year end, the Authorised Share Capital of the Company was increased to £5,000,000 and a further £2,700,000 ordinary shares of £1 each were allotted.

16. Profit and Loss Account

	<u>GROUP</u> <u>£</u>	<u>COMPANY</u> <u>£</u>
At 1st February 1988	2,075,244	3,328,049
Retained (Loss)/Profit for year	(104,287)	29,936
	-----	-----
At 31st January 1989	1,970,957	3,357,985
	-----	-----

17. Future Capital Expenditure

	<u>1989</u> <u>£</u>	<u>1988</u> <u>£</u>
Contracted for but not provided for Authorised by the Directors but not Contracted for	350,000 NIL	NIL NIL

18. Other Financial Commitments

At 31st January the group had annual commitments under non-cancellable operating leases as follows:-

	<u>1989</u>		<u>1988</u>	
	<u>Land and Buildings</u> <u>£</u>	<u>Other</u> <u>£</u>	<u>Land and Buildings</u> <u>£</u>	<u>Other</u> <u>£</u>
Expiring within one year	-	256,043	-	141,840
Expiring between two and five years	86,500	220,105	86,500	256,043
Expiring in over five years	63,400	-	63,400	-
	-----	-----	-----	-----
	149,900	476,148	149,900	397,883
	-----	-----	-----	-----

The majority of the group's leases of land and buildings are subject to rent reviews at five yearly intervals.

19. Ultimate Holding Company

The ultimate holding company is Konica Corporation, incorporated in Japan.