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# ST. IVES GROUP LIMITED

## REPORT AND FINANCIAL STATEMENTS

31 July 1984

Touche Ross & Co.

Touche Ross & Co.

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ST. IVES GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS

31 July 1984

Touche Ross & Co.,
Hill House,
1 Little New Street,
London,
EC4A 3TR.

Touche Ross & Co.

ST. IVES GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS 1984

CONTENTS

# ST. IVES GROUP LIMITED

## OFFICERS AND PROFESSIONAL ADVISERS

| | |
|---|---|
| Directors | R. Gavron (Chairman)<br>B.C. Edwards<br>K.P. Ladd<br>P. Stafford |
| Secretary | B.C. Edwards |
| Registered office | 47/58 Bastwick Street<br>London,<br>EC1V 3PS |
| Auditors | Touche Ross & Co.,<br>Chartered Accountants |
| Bankers | National Westminster Bank PLC |
| Solicitors | Titmuss, Sainer & Webb |

# ST. IVES GROUP LIMITED

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 July 1984.

1. ACTIVITIES

The activities of the group comprise web-fed and sheet-fed offset and general printing, book binding and the supply of printing inks and materials to the trade.

2. REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The group made good progress in the year under review. As anticipated, some benefit occurred from the purchase of the new Harris press. A further Harris press is to be installed towards the end of the current financial year, which should contribute additional profits, particularly during the following year.

3. DIVIDENDS AND TRANSFERS TO RESERVES

Dividends of £168,700 (1983 - £44,800) have been paid in respect of the preferred ordinary shares and the "A" preferred ordinary shares. No dividend in respect of the ordinary shares is proposed (1983 - £Nil).

After providing for tax and dividends the undistributed profit for the year amounts to £351,097 (1983 - £1,213,445) and has been added to reserves.

4. FIXED ASSETS

Movements in tangible fixed assets are set out in note 9 to the financial statements.

5. SHARE CAPITAL

The movements in share capital and changes in rights are set out in note 17 to the financial statements.

6. DIRECTORS

The present membership of the board is set out on page 1. All directors served throughout the year.

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ST. IVES GROUP LIMITED

DIRECTORS' REPORT
(continued)

6. DIRECTORS (continued)

The directors' interests, as defined by the Companies Act 1967, in the shares of the company at 1 August 1983 and 31 July 1984 were as follows:

| | 1 August 1983 | | 31 July 1984 | | |
|---|---|---|---|---|---|
| | 10p preferred ordinary shares | 10p ordinary shares | 10p preferred ordinary shares | 10p ordinary shares | 10p "A" preferred ordinary shares |
| R. Gavron | | | | | |
| - beneficial | 1,000 | 32,840 | 1,000 | 30,040 | 2,396 |
| - non-beneficial | 200 | 1,050 | 200 | 1,050 | 312 |
| B.C. Edwards | | | | | |
| - beneficial | 250 | 750 | 250 | 1,430 | 420 |
| K.P. Ladd | | | | | |
| - beneficial | - | 2,925 | - | 2,725 | - |
| P. Stafford | | | | | |
| - beneficial | 250 | 750 | 250 | 1,430 | 420 |

Severn Valley Press Limited, a member of the group, has made sales amounting to £190,720 (1983 - £97,593) to Octopus Books PLC and £11,066 (1983 - £9,791) to The Folio Society Limited. Mr. Gavron, the Chairman, is a director of Octopus Books PLC and The Folio Society Limited and he has a beneficial interest in both companies.

7. CLOSE COMPANY STATUS

In the opinion of the directors the company is a close company within the provisions of the Income and Corporation Taxes Act 1970.

8. AUDITORS

A resolution to re-appoint Touche Ross & Co. as auditors will be proposed at the forthcoming Annual General Meeting.

By order of the Board

Secretary

15 November 1984

Touche Ross & Co.
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR



AUDITORS' REPORT TO THE MEMBERS

of

ST. IVES GROUP LIMITED

We have audited the financial statements on pages 5 to 19 in accordance with approved 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 31 July 1984 and of the profit and source and application of funds of the group for the year then ended and comply with the Companies Acts 1948 to 1981.

The financial statements do not include current cost financial statements as required by Statement of Standard Accounting Practice No. 16.

Touche Ross & Co

15 November 1984

Chartered Accountants

## ST. IVES GROUP LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

### Year ended 31 July 1984

| | Note | 1984<br>£ | 1983<br>£ |
|---|---|---|---|
| Turnover | 2 | 15,398,028 | 12,446,311 |
| Cost of sales | | 11,618,571 | 9,235,966 |
| Gross profit | | 3,779,457 | 3,210,345 |
| Sales and distribution costs | | 562,567 | 517,410 |
| Administrative expenses | | 1,637,016 | 1,307,008 |
| Other operating income | | (78,906) | (65,176) |
| | | 2,120,677 | 1,759,242 |
| | | 1,658,780 | 1,451,103 |
| Interest receivable | | 93,148 | 111,449 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 4 | 1,751,928 | 1,562,552 |
| Tax on profit on ordinary activities | 5 | 849,139 | 304,307 |
| Profit on ordinary activities after taxation | | 902,789 | 1,258,245 |
| Extraordinary item | 6 | (382,992) | - |
| Profit for the financial year | 7 | 519,797 | 1,258,245 |
| Dividends paid and proposed | 8 | (168,700) | (44,800) |
| | | 351,097 | 1,213,445 |
| Bonus issue of shares | 17 | (1,050) | - |
| Amounts transferred to reserves: | | | |
| Transfer to capital redemption reserve fund | | - | (800) |
| Purchase of own shares | | - | (799,200) |
| Profit and loss account brought forward | | 2,628,459 | 2,215,014 |
| Profit and loss account carried forward | | £ 2,978,506 | £ 2,628,459 |

ST. IVES GROUP LIMITED

CONSOLIDATED BALANCE SHEET 31 July 1984

| | | 1984 | | 1983 | |
|---|---|---|---|---|---|
| | Note | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | | 4,161,197 | | 4,470,224 |
| CURRENT ASSETS | | | | | |
| Stocks | 11 | 828,535 | | 558,956 | |
| Debtors | 12 | 3,684,401 | | 2,466,955 | |
| Cash at bank and in hand | | 1,197,593 | | 992,574 | |
| | | 5,710,529 | | 4,018,485 | |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 13 | 4,801,391 | | 3,657,506 | |
| NET CURRENT ASSETS | | | 909,138 | | 360,979 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 5,070,335 | | 4,831,203 |
| CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | 14 | 1,837 | | 323,279 | |
| PROVISIONS FOR LIABILITIES AND CHARGES | 15 | 1,566,562 | | 1,322,756 | |
| ACCRUALS AND DEFERRED INCOME | 16 | 517,380 | | 551,709 | |
| | | | (2,085,779) | | (2,197,744) |
| | | | £2,984,556 | | £2,633,459 |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 17 | | 5,250 | | 4,200 |
| Capital redemption reserve | 18 | | 800 | | 800 |
| Profit and loss account | 18 | | 2,978,506 | | 2,628,459 |
| | | | £2,984,556 | | £2,633,459 |

These financial statements were approved by the Board of Directors on 15 November 1984.

) Directors

# ST. IVES GROUP LIMITED

## BALANCE SHEET 31 July 1984

| | Note | 1984 £ | 1984 £ | 1983 £ | 1983 £ |
|---|---|---|---|---|---|
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | 39,402 | | 36,597 | |
| Investments | 10 | 3,107,386 | | 2,752,767 | |
| | | | 3,146,788 | | 2,789,364 |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 1,042,299 | | 604,271 | |
| Cash at bank and in hand | | 1,190,250 | | 987,237 | |
| | | 2,232,549 | | 1,591,508 | |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 13 | 2,376,230 | | 1,723,682 | |
| NET CURRENT LIABILITIES | | | (143,681) | | (132,174) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 3,003,107 | | 2,657,190 |
| PROVISIONS FOR LIABILITIES AND CHARGES | 15 | | (18,551) | | (23,731) |
| | | | £2,984,556 | | £2,633,459 |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 17 | | 5,250 | | 4,200 |
| Revaluation reserve | 18 | | 2,846,386 | | 2,491,767 |
| Capital redemption reserve | 18 | | 800 | | 800 |
| Profit and loss account | 18 | | 132,120 | | 136,692 |
| | | | £2,984,556 | | £2,633,459 |

R. GAVRON )
) Directors
K.P. LADD )

# ST. IVES GROUP LIMITED

## CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

### Year ended 31 July 1984

| | 1984 | | 1983 | |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £000 |
| SOURCE OF FUNDS | | | | |
| Profit on ordinary activities before taxation | | 1,752 | | 1,563 |
| Adjustment for items not involving movement of funds: | | | | |
| Depreciation | 718 | | 567 | |
| Pension fund provision | (1) | | (1) | |
| | | 717 | | 566 |
| Total generated from operations | | 2,469 | | 2,129 |
| FUNDS FROM OTHER SOURCES | | | | |
| Net book value of tangible fixed assets disposals | 32 | | 16 | |
| Regional grants | 51 | | 310 | |
| Repayment from Wardstock Limited | - | | 150 | |
| | | 83 | | 476 |
| | | 2,552 | | 2,605 |
| APPLICATION OF FUNDS | | | | |
| Purchase of tangible fixed assets | 526 | | 2,889 | |
| Tax paid | 200 | | 117 | |
| Dividends paid | 169 | | 45 | |
| Redemption of share capital | - | | 800 | |
| | | (895) | | (3,851) |
| | | 1,657 | | (1,246) |
| DECREASE/(INCREASE) IN WORKING CAPITAL | | | | |
| (Increase) in debtors | (1,182) | | (42) | |
| (Increase) in stocks | (269) | | (104) | |
| (Decrease)/increase in creditors and provisions | (1) | | 1,424 | |
| | | (1,452) | | 1,278 |
| INCREASE IN CASH AT BANK AND IN HAND | | 205 | | 32 |

ST. IVES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984

1. ACCOUNTING POLICIES

(a) Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain assets.

(b) Basis of consolidation

The group financial statements consolidate the financial statements of the company and all subsidiaries for all financial periods ended 31 July 1984.

(c) Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated lives of the assets. The rates of depreciation are as follows:

| | |
|---|---|
| Leasehold improvements | 20% |
| Plant and machinery | 10 - 25% |
| Motor vehicles | 20 - $33^1/_3$% |
| Fixtures, fittings and equipment | 20% |

(d) Investments

Investments in subsidiaries are revalued to directors' valuation and are stated at net asset value. In the opinion of the directors this valuation policy gives a fairer representation of the net worth of St. Ives Group Limited.

Other investments are included in the financial statements at directors' valuation.

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost represents materials, direct labour and appropriate production overheads.

(f) Deferred taxation

Deferred taxation is provided at the anticipated rate of corporation tax on the expected reversal of timing differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements except where the tax reduction is expected to continue for the foreseeable future.

(g) Regional grants

Regional grants are written back against the cost of related assets over their working lives.

ST. IVES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

1. ACCOUNTING POLICIES (continued)

(h) Provisions

Provision is made for repairs to plant and machinery and leasehold premises based on estimates of expenditure required to sustain the assets' operating capacity at present levels over their estimated useful lives.

(i) Pension fund provision

Provision is made for discretionary payments to be made to ex-employees and for additional pension contributions on behalf of employees.

(j) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the year end. Differences on exchange are included in profit on ordinary activities before taxation.

(k) Profit taking

Income is accounted for when short-term contracts are completed and invoiced to customers.

2. TURNOVER

This represents the net invoiced value of sales outside the group during the year.

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

| | 1984 £ | 1983 £ |
|---|---|---|
| Directors' emoluments: | | |
| Fees | - | - |
| Other emoluments | 211,641 | 210,696 |
| | £211,641 | £210,696 |
| Remuneration of the Chairman | £ 55,600 | £ 57,900 |
| Remuneration of the highest paid director | £ 57,350 | Chairman |

# ST. IVES GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

| | 1984 | 1983 |
|---|---|---|
| Scale of other directors' remuneration: | No. | No. |
| £40,001 - £45,000 | 1 | 1 |
| £50,001 - £55,000 | 1 | 2 |

| | 1984 | 1983 |
|---|---|---|
| Employee costs during the year: | £ | £ |
| Wages and salaries | 3,752,354 | 3,037,086 |
| Social security costs | 336,017 | 279,892 |
| Other pension costs | 18,339 | 16,300 |
| | £4,106,710 | £3,333,278 |

No employees received remuneration of more than £30,000 in 1984 or the preceding year.

| | 1984 No. | 1983 No. |
|---|---|---|
| Average number of persons employed: | | |
| Production | 268 | 241 |
| Sales and distribution | 23 | 22 |
| Administration | 51 | 45 |
| | 342 | 308 |

### 4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

| | 1984 £ | 1983 £ |
|---|---|---|
| Profit on ordinary activities before taxation is after charging: | | |
| Hire of plant and machinery | 277 | 1,329 |
| Depreciation | 718,140 | 566,932 |
| Auditors' remuneration | 19,250 | 18,000 |
| Provision for repairs (note 1(h) and 15) | 88,500 | 93,600 |
| Exceptional charges and (credits) | | |
| Profit on sale of plant and machinery | (4,825) | (57,099) |
| Interest relief grant | (7,500) | (7,500) |
| Selective financial assistance | (10,000) | (10,000) |

# ST. IVES GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

| | 1984<br>£ | 1983<br>£ |
|---|---|---|
| United Kingdom Corporation Tax at 48.33% (1983 - 52%) based on the profit for the year | 1,020,542 | (312,872) |
| Deferred taxation | (143,482) | 624,479 |
| | 877,060 | 311,607 |
| Adjustment to prior years' tax provisions | (27,921) | (7,300) |
| | £ 849,139 | £304,307 |

### 6. EXTRAORDINARY ITEM

The extraordinary charge arises from the revision of the opening deferred tax provision necessitated by changes in the rates of first year allowances and corporation tax introduced in the Finance (No. 2) Act 1984.

### 7. PROFIT OF PARENT COMPANY

As permitted by Section 149(5) of the Companies Act 1948, the profit and loss account of the parent company is not presented as part of these financial statements. The consolidated profit and loss account includes £165,178 (1983 - £980,691) which is dealt with in the financial statements of the parent company.

### 8. DIVIDENDS

Dividends of £168,700 (1983 - £44,800) were paid in respect of the preferred ordinary shares and the "A" preferred ordinary shares.

Touche Ross & Co.



NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

9. TANGIBLE FIXED ASSETS

| THE GROUP | Total £ | Leasehold improvements £ | Plant and machinery £ | Fixtures, fittings and equipment £ | Motor vehicles £ |
|---|---|---|---|---|---|
| Cost | | | | | |
| At 1 August 1983 | 6,994,980 | 115,061 | 6,542,568 | 116,193 | 221,158 |
| Additions | 526,312 | - | 408,345 | 25,714 | 92,253 |
| Disposals | (114,309) | - | (33,076) | (326) | (80,907) |
| At 31 July 1984 | 7,406,983 | 115,061 | 6,917,837 | 141,581 | 232,504 |
| Accumulated depreciation | | | | | |
| At 1 August 1983 | 2,524,756 | 69,318 | 2,274,935 | 76,198 | 104,305 |
| Provisions | 718,140 | 16,598 | 627,713 | 16,128 | 57,701 |
| Disposals | (82,274) | - | (25,301) | (326) | (56,647) |
| Transfer from regional grant | 85,164 | 3,435 | 81,481 | 248 | - |
| At 31 July 1984 | 3,245,786 | 89,351 | 2,958,828 | 92,248 | 105,359 |
| Net book value | | | | | |
| At 31 July 1984 | £4,161,197 | £ 25,710 | £3,959,009 | £ 49,333 | £127,145 |
| At 31 July 1983 | £4,470,224 | £ 45,743 | £4,267,633 | £ 39,995 | £116,853 |

| THE COMPANY | Total £ | Fixtures, fittings and equipment £ | Motor vehicles £ |
|---|---|---|---|
| Cost | | | |
| At 1 August 1983 | 102,712 | 65,171 | 37,541 |
| Additions | 22,309 | 3,765 | 18,544 |
| Disposals | (17,800) | (300) | (17,500) |
| At 31 July 1984 | 107,221 | 68,636 | 38,585 |
| Accumulated depreciation | | | |
| At 1 August 1983 | 66,115 | 43,759 | 22,356 |
| Provisions | 16,004 | 7,360 | 8,644 |
| Disposals | (14,300) | (300) | (14,000) |
| At 31 July 1984 | 67,819 | 50,819 | 17,000 |
| Net book value | | | |
| At 31 July 1984 | £ 39,402 | £17,817 | £21,585 |
| At 31 July 1983 | £ 36,597 | £21,412 | £15,185 |

ST. IVES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

9. TANGIBLE FIXED ASSETS (continued)

The plant and machinery, and fixtures, fittings and equipment include items with costs which have been fully depreciated as detailed below:

| | 1984 | 1983 |
|---|---|---|
| The group | £1,177,561 | £815,619 |
| The company | £ 20,716 | £ 8,796 |

10. INVESTMENTS HELD AS FIXED ASSETS

| | The group 1984 | The group 1983 | The company 1984 | The company 1983 |
|---|---|---|---|---|
| Shares in group companies at directors' valuation - subsidiaries | £Nil | £Nil | £3,107,386 | £2,752,767 |

The above investments are unlisted.

| | 1984 £ | 1983 £ |
|---|---|---|
| Shares in group companies at cost | 261,000 | 261,000 |
| Revaluation | 2,846,386 | 2,491,767 |
| Shares in group companies at directors' valuation | £3,107,386 | £2,752,767 |

11. STOCKS

| | The group 1984 £ | The group 1983 £ |
|---|---|---|
| Raw materials | 499,635 | 293,299 |
| Work-in-progress | 458,258 | 298,447 |
| | 957,893 | 591,746 |
| Less payments on account | (129,358) | (32,790) |
| | £828,535 | £558,956 |

ST. IVES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

12. DEBTORS

| | The group 1984 £ | The group 1983 £ | The company 1984 £ | The company 1983 £ |
|---|---|---|---|---|
| Amounts due within one year: | | | | |
| Corporation tax recoverable | 35,753 | - | - | - |
| Trade debtors | 3,375,864 | 2,044,573 | - | - |
| Amounts owed by group companies - subsidiaries | - | - | 827,582 | 444,835 |
| Other debtors | 149,895 | 352,440 | 141,773 | 123,394 |
| Prepayments and accrued income | 122,889 | 69,942 | 26,940 | 10,879 |
| | 3,684,401 | 2,466,955 | 996,295 | 579,108 |
| Amounts due after more than one year: | | | | |
| Prepayments and accrued income - deferred taxation asset (note 15) | - | - | 46,004 | 25,163 |
| | £3,684,401 | £2,466,955 | £1,042,299 | £604,271 |

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | The group 1984 £ | The group 1983 £ | The company 1984 £ | The company 1983 £ |
|---|---|---|---|---|
| Trade creditors | 2,732,414 | 1,603,221 | - | - |
| Bills of exchange payable | 378,934 | 1,093,030 | - | - |
| Amounts owed to group companies - subsidiaries | - | - | 1,940,303 | 1,262,206 |
| Other creditors | 525,017 | 520,620 | 215,874 | 181,162 |
| Corporation tax | 1,038,209 | 189,889 | 93,236 | 29,568 |
| Other taxation | 72,962 | 150,490 | 72,962 | 150,490 |
| Social security | 53,855 | 100,256 | 53,855 | 100,256 |
| | £4,801,391 | £3,657,506 | £2,376,230 | £1,723,682 |

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

| | The group 1984 £ | The group 1983 £ | The company 1984 £ | The company 1983 £ |
|---|---|---|---|---|
| Corporation tax | 1,837 | - | - | - |
| Bills of exchange payable | - | 323,279 | - | - |
| | £1,837 | £323,279 | £Nil | £Nil |

ST. IVES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

15. PROVISIONS FOR LIABILITIES AND CHARGES

| THE GROUP | Balance at 1 August 1983 £ | Charged to Profit and loss account £ | Applied £ | Balance at 31 July 1984 £ |
|---|---|---|---|---|
| Provisions | | | | |
| - Repairs to plant and machinery | 180,000 | 75,000 | (55,000) | 200,000 |
| - Repairs to leasehold premises | 54,600 | 13,500 | (6,500) | 61,600 |
| Pension fund | 9,731 | - | (1,180) | 8,551 |
| Deferred taxation | 1,078,425 | 382,992 | (165,006) | 1,296,411 |
| | £1,322,756 | £471,492 | £(227,686) | £1,566,562 |

| THE COMPANY | | | | |
|---|---|---|---|---|
| Provisions | | | | |
| - Repairs to leasehold premises | 14,000 | - | (4,000) | 10,000 |
| Pension fund | 9,731 | - | (1,180) | 8,551 |
| | £ 23,731 | £ Nil | £ (5,180) | £ 18,551 |

The potential amounts of deferred taxation and the portion thereof provided in the financial statements are:

| | 1984 | | 1983 | |
|---|---|---|---|---|
| THE GROUP | Amount provided £ | Total potential tax £ | Amount provided £ | Total potential tax £ |
| Capital allowances in excess of depreciation | 1,424,034 | 1,424,034 | 1,185,826 | 2,439,995 |
| Gains deferred by rollover relief | 41,300 | 41,300 | 41,300 | 41,300 |
| Other timing differences | (121,523) | (121,523) | (122,825) | (122,825) |
| | 1,343,811 | 1,343,811 | 1,104,301 | 2,358,470 |
| Less unrelieved advance corporation tax | (47,400) | (47,400) | (25,876) | (25,876) |
| | £1,296,411 | £1,296,411 | £1,078,425 | £2,332,594 |

# ST. IVES GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

15. PROVISIONS FOR LIABILITIES AND CHARGES (continued)

| THE COMPANY | 1984 Amount provided £ | 1984 Total potential tax £ | 1983 Amount provided £ | 1983 Total potential tax £ |
|---|---|---|---|---|
| Capital allowances in excess of depreciation | 5,547 | 5,547 | 7,682 | 7,682 |
| Other timing differences | (4,151) | (4,151) | (6,969) | (6,969) |
| | 1,396 | 1,396 | 713 | 713 |
| Less unrelieved advance corporation tax | (47,400) | (47,400) | (25,876) | (25,876) |
| | £(46,004) | £(46,004) | £(25,163) | £(25,163) |

16. ACCRUALS AND DEFERRED INCOME

This comprises a regional grant as follows:

| | The group 1984 £ | The group 1983 £ |
|---|---|---|
| Balance at 1 August | 551,709 | 318,366 |
| Receivable during the year | 50,835 | 309,946 |
| Transfer to depreciation | (85,164) | (76,603) |
| Balance at 31 July | £517,380 | £551,709 |

17. CALLED UP SHARE CAPITAL

| | 1984 Authorised £ | 1984 Allotted and fully paid £ | 1983 Authorised £ | 1983 Allotted and fully paid £ |
|---|---|---|---|---|
| 10p "A" Preferred ordinary shares | 1,050 | 1,050 | - | - |
| 10p Preferred ordinary shares | 950 | 200 | 1,000 | 200 |
| 10p Ordinary shares | 8,000 | 4,000 | 9,000 | 4,000 |
| | £10,000 | £5,250 | £10,000 | £4,200 |

On the 31 October 1983 a 1 for 4 bonus issue was made for every share in issue. The bonus shares took the form of 10p "A" preferred shares and 10,500 such shares were issued. On the same date each of the 10,000 new ordinary shares and each of the 500 new preferred ordinary shares were converted into and re-designated as one "A" preferred ordinary share of 10p.

ST. IVES GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 July 1984
(continued)

17. CALLED UP SHARE CAPITAL (continued)

The holders of the preferred ordinary shares and the holders of the "A" preferred ordinary shares shall be entitled to fixed annual cumulative preferential dividends at the rate of 5,600 per cent and 20,000 per cent respectively on the capital paid up thereon. The dividend will be paid half-yearly in arrears on the 31 January and 31 July in each year.

The preferred ordinary shares will rank for dividend in priority to the "A" preferred ordinary shares and ordinary shares in issue, and the "A" preferred ordinary shares shall rank for dividend in priority to the ordinary shares in issue.

The holders of the preferred ordinary shares and the "A" preferred ordinary shares will additionally be entitled to share with the holders of the ordinary shares in proportion to the capital paid up on the shares held by them respectively, in any excess dividend paid by the company to the members in respect of any financial year, after the holders of the ordinary shares shall have received a dividend amounting to 5,600 per cent calculated on the respective capital.

18. RESERVES

| | The group | | The company | | |
|---|---|---|---|---|---|
| | Capital redemption reserve £ | Profit and loss account £ | Revaluation reserve £ | Capital redemption reserve £ | Profit and loss account £ |
| Balance at 1 August 1983 | 800 | 2,628,459 | 2,491,767 | 800 | 136,692 |
| Profit/(loss) retained for the year | - | 350,047 | - | - | (4,572) |
| Revaluation of subsidiaries to net asset value | - | - | 354,619 | - | - |
| Balance at 31 July 1984 | £800 | £2,978,506 | £2,846,386 | £800 | £132,120 |

19. CAPITAL COMMITMENTS

| | The group 1984 | The group 1983 | The company 1984 | The company 1983 |
|---|---|---|---|---|
| Contracted for but not provided in the financial statements | £ 130,000 | £153,500 | £ - | £ - |
| Authorised but not yet contracted for | £3,000,000 | £ - | £ - | £ - |

20. CONTINGENT LIABILITY

The company and certain of its subsidiaries have charged their undertakings as collateral security and have given unlimited guarantees for a bank facility granted to St. Ives Group Limited. The facility was not utilised at 31 July 1984.

## 21. RENT PAYABLE

The group rents premises from Folio Holdings Limited, a company in which the Chairman, Mr. R. Gavron, had an interest during the year.

The annual rental payable for the premises, which has been calculated on an arms length basis, amounts to £242,000 (1983 - £242,000).

## 22. ADDITIONAL INFORMATION ON SUBSIDIARIES

The principal subsidiaries, all of which are wholly owned and incorporated in Great Britain, are as follows:

Severn Valley Press Limited
Severn Valley Bindery Limited
Molyneux Offset Limited
H.P. Dorey & Company Limited
Britannic Printing Supplies (London) Limited