Games Workshop Group Limited

Interim financial statements for the 26 weeks ended 28 November 1993

Directors and advisers

Executive Directors

T H F Kirby
C J Prentice
D M Hosie (appointed 5 November 1993)
J A J Stallard (appointed 1 March 1994)
R G Priestley (appointed 1 March 1994)

Non-executive Directors

B S North
T R Plant
M H Storey (appointed 9 December 1993)
S A Godber (appointed 9 December 1993)

Secretary and registered office

D M Hosie
Chewton Street
Hilltop
Eastwood
Nottinghamshire
NG16 3HY

Auditors

Coopers & Lybrand
Cumberland House
35 Park Row
Nottingham
NG1 6FY

Solicitors

Booth & Co
Sovereign House
P O Box 8
South Parade
Leeds
LS1 1HQ

Bankers

Bank of Scotland
15 Queen Street
Nottingham
NG1 2BL

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and the group as at the end of the financial period and of the profit of the group for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the interim financial statements for the 26 week period ended 28 November 1993. The directors also confirm that applicable accounting standards have been followed and that the interim financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and the group and to prevent and detect fraud and other irregularities.

By order of the board

D M Hosie
Company secretary

Report of the auditors to the members of Games Workshop Group Limited

We have audited the financial statements on pages 4 to 22.

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 at 28 November 1993 and of its profit, total recognised gains and cash flows for the 26 weeks then ended.

Coopers & Lybrand

Coopers & Lybrand
Chartered Accountants and Registered Auditors
Nottingham
7 September 1994

Consolidated profit and loss account for the 26 weeks ended 28 November 1993

	Notes	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
Turnover	2	10,641	17,250
Cost of sales		(3,441)	(5,697)
Gross profit		7,200	11,553
Net operating expenses	3	(5,358)	(8,539)
Operating profit before royalty income		1,842	3,014
Royalty income		270	1,037
Profit on ordinary activities before interest		2,112	4,051
Interest receivable		16	34
Interest payable and similar charges	6	(203)	(554)
Profit on ordinary activities before taxation	7	1,925	3,531
Taxation	8	(656)	(1,364)
Profit on ordinary activities after taxation		1,269	2,167
Dividends	9	(601)	(1,199)
Retained profit for the period	19	668	968
Statement of total recognised gains and losses			
Profit for the financial period		1,269	2,167
Currency translation differences on foreign currency net investments		23	150
Total recognised gains relating to the period		1,292	2,317
Prior year adjustment	11	75	-
Total gains recognised since 1 June 1993		1,367	2,317

Movements on reserves are set out in note 19.

All items dealt with in arriving at the profit on ordinary activities before taxation relate to continuing activities.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the period stated above, and their historical cost equivalents.

Balance sheets
at 28 November 1993

		Group		Company	
	Notes	28 November 1993 £'000	31 May 1993 £'000	28 November 1993 £'000	31 May 1993 £'000
Fixed assets					
Tangible assets	10	2,269	1,412	-	-
Investments	11	-	-	12,140	11,834
		2,269	1,412	12,140	11,834
Current assets					
Stocks	12	2,449	2,116	-	-
Debtors	13	2,633	1,764	8	6
Cash at bank and in hand		896	1,487	-	1
		5,978	5,367	8	7
Creditors: amounts falling due within one year	14	6,635	5,717	3,496	3,606
Net current liabilities		(657)	(350)	(3,488)	(3,599)
Total assets less current liabilities		1,612	1,062	8,652	8,235
Creditors: amounts falling due after more than one year	15	4,628	4,403	4,359	4,157
		(3,016)	(3,341)	4,293	4,078
Capital and reserves					
Called up share capital	17	1,850	1,850	1,850	1,850
Share premium account	19	1,281	1,281	1,281	1,281
Capital redemption reserve	19	1,150	850	1,150	850
Profit and loss account	19	878	487	12	97
Goodwill	19	(8,175)	(7,809)	-	-
Shareholders' funds	26	(3,016)	(3,341)	4,293	4,078

The financial statements on pages 4 to 22 were approved by the board of directors on 7 September 1994 and were signed on its behalf by:

D M Hosie
Director

Consolidated cash flow statement for the 26 weeks ended 28 November 1993

	Notes	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
Net cash inflow from operating activities	20	1,663	4,460
Returns on investments and servicing of finance			
Interest received		16	34
Interest paid		(192)	(551)
Interest paid on hire purchase contracts		(11)	(21)
Dividends paid		(238)	(495)
Net cash outflow from returns on investments and servicing of finance		(425)	(1,033)
Taxation			
Taxation paid		(504)	(869)
Investment activities			
Purchase of tangible fixed assets		(739)	(397)
Sale of tangible fixed assets		16	16
Purchase of subsidiary (net of cash acquired)		(204)	(271)
Deferred consideration paid		(25)	(50)
Net cash outflow from investing activities		(952)	(702)
Net cash (outflow)/inflow before financing		(218)	1,856
Financing			
Loans advanced		109	396
Repayment of principal under hire purchase contracts		(165)	(141)
Loan repayments		(345)	(1,250)
Net cash outflow from financing		(401)	(995)
(Decrease)/increase in cash and cash equivalents	21	(619)	861

Notes to the financial statements for the 26 weeks ended 28 November 1993

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Changes in accounting policies

The new accounting standard, FRS 3, requires the adoption of accounting policies which differ from those previously adopted by the group. Accordingly turnover and operating profit are analysed between continuing and discontinued operations. This change has had no effect on comparative figures.

Comparative figures

Comparative figures have been restated where appropriate to reflect the impact of the prior year adjustment referred to in note 11.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Basis of consolidation

The consolidated financial statements include the company and its subsidiary undertakings made up to 28 November 1993. The results of subsidiaries acquired or disposed of during the period are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal. Intra-group sales and profits are eliminated fully on consolidation.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill arising on the acquisition of subsidiaries is written off immediately against reserves.

To the extent that goodwill in foreign currencies (arising on acquisition of overseas subsidiary undertakings) continues to have value, the amount of goodwill is adjusted at each balance sheet date.

Development expenditure

Product development and design expenditure is written off as it is incurred.

Tangible fixed assets

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned.

The principal annual rates used for this purpose are:

	%
Freehold buildings	2
Plant and machinery	20 - 50
Motor vehicles	25
Fixtures and fittings	15
Moulding tools	25

Short leasehold premises are amortised over the period of the lease. Freehold land is not depreciated.

Hire purchase agreements and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Hire purchase agreements which transfer to the group substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the hire purchase commitment is shown as obligations under hire purchase agreements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding.

Stocks

Stocks are valued on a first in first out basis at the lower of cost and net realisable value. In respect of finished goods, cost includes appropriate production overheads. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period and the results of foreign subsidiaries are translated at the closing rate of exchange for the period.

Gains and losses arising on the translation of the net assets of overseas subsidiary companies are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

All other foreign exchange differences are taken to the profit and loss account in the period in which they arise.

Investments

Shares in subsidiary companies are stated at cost less amounts written off where in the opinion of the Directors there has been a permanent diminution in the value of the investment.

Investments denominated in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period.

Turnover

Turnover, which excludes value added tax, sales between group companies and trade discounts, represents the invoiced value of goods and services supplied.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability will crystallise.

Pension costs

The group operates a defined contribution scheme. The contributions are charged to the profit and loss account as they accrue.

2 Turnover

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
By geographical area of destination		
United Kingdom	5,726	9,947
North America	2,402	3,562
Continental Europe	2,100	3,301
Australasia and other	413	440
	10,641	17,250

3 Net operating expenses

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
Selling and distribution costs	3,617	5,489
Administrative expenses	1,227	2,101
Design and development costs	514	949
	5,358	8,539

4 Directors' emoluments

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
Fees	18	30
Other emoluments (including pension contributions and benefits in kind)	130	210
	148	240

Fees and other emoluments (excluding pension contributions) include amounts paid to:

	£'000	£'000
The chairman	10	19
The highest-paid director	77	133

5 Employee information

The average weekly number of persons (including executive directors) employed by the group during the period was:

	26 weeks ended 28 November 1993 Number	Year ended 31 May 1993 Number
Production	126	94
Selling and distribution	267	210
Administration	65	64
	459	368

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
Staff costs (for the above persons)		
Wages and salaries	2,187	3,565
Social security costs	172	350
Other pension costs	22	29
	2,381	3,944

6 Interest payable and similar charges

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
On overdrafts and other loans:		
Repayable within 5 years, by instalments	182	514
On hire purchase agreements	11	21
Other interest	10	19
	203	554

7 Profit on ordinary activities before taxation

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
Profit on ordinary activities before taxation is stated after charging:		
Depreciation	241	423
Auditors' remuneration		
For audit (company £2,000 : 31 May 1993 £3,000)	22	30
For non audit work	6	30
Operating leases		
- property	638	1,229
- other	253	357

8 Tax on profit on ordinary activities

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
United Kingdom corporation tax at 33% (1993: 34%)	540	1,178
Double taxation relief	(196)	(201)
Underprovision in prior years	(4)	10
	340	987
Overseas taxation	316	267
Overseas taxation provision in respect of prior years	-	110
	656	1,364

9 Dividends

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
'B' Ordinary: interim proposed of 6p per share (31 May 1993: 12p)	21	41
'C' ordinary: interim proposed of 6p per share (31 May 1993: 12p)	3	6
Preference dividends payable at 16p per share (31 May 1993: 32p)	577	1,152
	601	1,199

10 Tangible fixed assets

Group	Land and buildings £'000	Short leasehold premises £'000	Plant, equipment and vehicles £'000	Fixtures and fittings £'000	Moulding tools £'000	Total £'000
Cost						
At 1 June 1993	427	206	1,238	262	949	3,082
Additions	48	75	475	313	164	1,075
Exchange differences	-	3	4	2	-	9
New subsidiary	-	7	31	32	7	77
Disposals	-	-	(33)	-	-	(33)
At 28 November 1993	**475**	**291**	**1,715**	**609**	**1,120**	**4,210**
Depreciation						
At 1 June 1993	13	101	703	214	639	1,670
Exchange differences	-	2	4	-	-	6
Charge for period	6	17	126	22	70	241
New subsidiary	-	-	12	28	2	42
Eliminated in respect of disposals	-	-	(18)	-	-	(18)
At 28 November 1993	**19**	**120**	**827**	**264**	**711**	**1,941**
Net book value						
At 28 November 1993	**456**	**171**	**888**	**345**	**409**	**2,269**
Net book value						
At 31 May 1993	414	105	535	48	310	1,412

The net book value of tangible fixed assets includes an amount of £549,000 (31 May 1993: £275,000) in respect of assets held under hire purchase agreements. The depreciation charged on these assets was £59,000 for the 26 week period (year ended 31 May 1993: £100,000).

11 Fixed asset investments

Company	Interests in group undertakings £'000
Cost	
At 1 June 1993 as previously stated	11,259
Prior year adjustment (see below)	575
	11,834
Additions	198
Exchange differences	108
At 28 November 1993	**12,140**

On 3 September 1993, Games Workshop Group Limited acquired the whole of the issued share capital of Disenos Orbitales for a total consideration of £184,000. On 4 September the name was changed to Games Workshop SL. Games Workshop Oz Pty Limited was incorporated on 28 July 1993.

Prior year adjustment

Under the terms of the agreement for the acquisition of Games Workshop Productions Limited by Games Workshop Group Limited, payments for services to be provided by the vendors were to be spread over future years. The directors now consider that it would be more appropriate to treat these payments as deferred consideration. Accordingly, the total amount payable as at the date of acquisition of £575,000 has been added to the cost of investment in subsidiary companies and is reflected in a similar increase in goodwill arising on consolidation. These adjustments are reflected in the comparative figures in the consolidated balance sheet as at 31 May 1993. The payments of £25,000 and £50,000 made in the years ended 31 May 1992 and 1993 respectively have been credited as prior year adjustments in respect of those years.

Interests in group undertakings

	Country of incorporation or registration	Description of shares held	Proportion of nominal value of issued shares held by the company	Proportion of nominal value of issued shares held by subsidiary companies	Principal business activity
Games Workshop Limited	England	£1 ordinary	100%		Manufacturer, distributor and retailer of games and miniatures
Games Workshop Inc	United States of America	$1 common stock		100%	
Marauder Miniatures Limited	England	£1 ordinary		100%	Dormant agency company
Games Workshop (Queen Street) Limited	Canada	Can $1	100%		Retailers, games and miniatures
Eurl Games Workshop	France	FFR 1	100%		Distributor and retailer of games and miniatures
Games Workshop SL Limited	Spain	Peseta 1	100%		Retailers, games and miniatures
Games Workshop Oz Pty Limited	Australia	Aus $1	100%		Retailers, games and miniatures
Warhammer Records Limited	England	£1 ordinary	100%		Promotion, production and sale of records
Games Workshop Productions Limited	England	£1 ordinary	100%		Holding company for dormant subsidiaries
Citadel Miniatures Limited	England	£1 ordinary		100%	Dormant
G W PBM Limited	England	£1 ordinary		100%	Dormant
Flame Publications Limited	England	£1 ordinary		100%	Licensing books and games
G W Books Limited	England	£1 ordinary		100%	Licensing books and games
Warhammer Music Limited	England	£1 ordinary		100%	Dormant

All the above companies operate principally in their country of incorporation.

12 Stocks

	Group		Company	
	28 November 1993 £'000	31 May 1993 £'000	28 November 1993 £'000	31 May 1993 £'000
Raw materials and consumables	692	612	-	-
Finished goods and goods for resale	1,757	1,504	-	-
	2,449	2,116	-	-

13 Debtors

	Group		Company	
	28 November 1993 £'000	31 May 1993 £'000	28 November 1993 £'000	31 May 1993 £'000
Amounts falling due within one year				
Trade debtors	2,081	1,414	-	-
Other debtors	128	76	8	6
Prepayments and accrued income	424	274	-	-
	2,633	1,764	8	6

14 Creditors: amounts falling due within one year

	Group		Company	
	28 November 1993 £'000	31 May 1993 £'000	28 November 1993 £'000	31 May 1993 £'000
Shareholders' loans	1,005	1,000	1,005	1,000
Other loans and overdrafts	723	644	610	559
Obligations under hire purchase contracts	201	110	-	-
Trade creditors	1,491	1,124	-	-
Amounts owed to subsidiary companies	-	-	1,283	1,444
Corporation tax payable	1,523	1,301	-	-
Advanced corporation tax	-	70	-	-
Other taxation and social security	305	284	14	13
Other creditors	562	544	383	391
Accruals	624	441	-	-
Dividends payable	201	199	201	199
	6,635	5,717	3,496	3,606

The shareholders' loans, bank loans and overdrafts are secured by fixed and floating charges over the assets of the companies concerned.

15 Creditors: amounts falling due after more than one year

	Group		Company	
	28 November 1993 £'000	31 May 1993 £'000	28 November 1993 £'000	31 May 1993 £'000
Shareholders' loans	2,521	2,395	2,521	2,395
Other loans	208	524	110	369
Obligations under hire purchase contracts	171	91	-	-
Dividends payable	1,403	1,043	1,403	1,043
Other creditors	325	350	325	350
	4,628	4,403	4,359	4,157

(a) Analysis of borrowings

	Group		Company	
	28 November 1993 £'000	31 May 1993 £'000	28 November 1993 £'000	31 May 1993 £'000
Secured				
US dollar:				
$ libor plus 4% loan	2,525	2,395	2,525	2,395
8% variable loan	201	240	-	-
Spanish Peseta:				
Overdraft	10	-	-	-
Sterling:				
Libor plus 4% loan	438	438	438	438
14.125% loan	562	562	562	562
Libor plus 3% bank loan	500	750	500	750
Hire purchase contracts	372	201	-	-
Total secured	4,608	4,586	4,025	4,145
Unsecured				
Spanish Peseta Mibor loan	109	-	109	-
French franc 10% fixed loan	112	178	112	178
	4,829	4,764	4,246	4,323
Less: repayable within one year	1,929	1,754	1,615	1,559
Repayable by instalments between 2 and 5 years	2,900	3,010	2,631	2,764

The borrowings are secured by fixed and floating charges on the undertakings and assets of the companies concerned and by cross guarantees.

(b) The dividends are due for payment in line with the redemption of the preference share capital (see note 17).

(c) The other creditors are unsecured and are repayable in two to five years.

16 Provisions for liabilities and charges

Deferred taxation

Group	Amount provided 28 November 1993 £'000	Amount provided 31 May 1993 £'000	Full potential liability 28 November 1993 £'000	Full potential liability 31 May 1993 £'000
Potential capital gain on property	-	-	70	70

17 Called up share capital

	28 November and 31 May 1993 £	28 November and 31 May 1993 Number
Authorised		
'A' ordinary shares of 10p each	15,556	155,560
'B' ordinary shares of 10p each	35,000	350,000
'C' ordinary shares of 10p each	5,000	50,000
Preference shares of 50p each	1,800,000	3,600,000
	1,855,556	4,155,560
Allotted, called up and fully paid		
'A' ordinary shares of 10p each	10,000	100,000
'B' ordinary shares of 10p each	35,000	350,000
'C' ordinary shares of 10p each	5,000	50,000
Preference shares of 50p each	1,800,000	3,600,000
	1,850,000	4,100,000

The preference shares are scheduled to be redeemed for £1 each as follows:

31 December 1996	1,500,000
31 December 1997	1,500,000
31 December 1998	600,000

18 Acquisitions

On 3 September 1993 the company acquired the whole of the issued share capital of Disenos Orbitales Spain for a total consideration of £184,000. On 4 September 1993 the name was changed to Games Workshop SL.

Games Workshop Oz Pty Limited was incorporated on 28 July 1993 to carry out the Group's business in Australia.

In the directors' opinion the businesses acquired during the period do not represent acquisitions as defined by FRS 3.

The assets and liabilities of Disenos Orbitales Spain acquired are set out below:

	Book value £'000	Other provisions £'000	Fair value to the group £'000
Fixed assets	60	(25)	35
Stock	99	(41)	58
Debtors	85	(34)	51
Cash at bank and in hand	18	-	18
Total assets	262	(100)	162
Liabilities			
Bank overdraft	24	-	24
Creditors	197	-	197
Net assets/(liabilities)	41	(100)	(59)
Goodwill			243
Fair value of consideration			184
Satisfied by			
Cash			184

Analysis of the net outflow of cash and cash equivalents in respect of the purchase of new subsidiaries.

	£'000
Cash consideration	184
Overdraft acquired	6
Net outflow of cash and cash equivalents	190
Set up costs of Australian subsidiary	14
Net outflow of cash and cash equivalents	204

19 Share premium account and reserves

	Share premium account £'000	Capital redemption reserve £'000	Profit and loss account £'000	Goodwill reserve £'000
Group				
At 1 June 1993 as previously stated	1,281	850	412	(7,234)
Prior year adjustment (see note 11)	-	-	75	(575)
At 1 June 1993 as restated	1,281	850	487	(7,809)
Retained profit for the period	-	-	668	-
Current year acquisition	-	-	-	(258)
Transfer to capital redemption reserve	-	300	(300)	-
Exchange adjustments	-	-	23	(108)
At 28 November 1993	**1,281**	**1,150**	**878**	**(8,175)**
Company				
At 1 June 1993 as previously stated	1,281	850	22	-
Prior year adjustment (see note 11)	-	-	75	-
At 1 June 1993 as restated	1,281	850	97	-
Profit for the period	-	-	227	-
Transfer to capital redemption reserve	-	300	(300)	-
Exchange adjustments	-	-	(12)	-
At 28 November 1993	**1,281**	**1,150**	**12**	**-**

The transfer to the capital redemption reserve is required by the company's articles to provide for the future redemption of the preference shares.

20 Reconciliation of operating profit to net cash inflow from operating activities

	26 weeks ended 28 November 1993 £'000	Year ended 31 May 1993 £'000
Operating profit	2,112	4,051
Depreciation of tangible fixed assets	241	423
(Profit)/loss on sale of tangible fixed assets	(1)	6
Exchange movements	12	101
(Increase) in stocks	(275)	(50)
(Increase) in trade debtors	(634)	(386)
(Increase) in prepayments and accrued income	(150)	(95)
(Increase)/decrease in other debtors	(34)	77
Increase in trade creditors	187	92
Increase in other taxation and social security	4	150
Increase/(decrease) in accruals	183	(94)
Increase in other creditors	18	185
Net cash inflow from operating activities	1,663	4,460

21 Cash and cash equivalents

	28 November 1993 £'000	31 May 1993 £'000	Change in period £'000
Analysis of balances			
Cash at bank and in hand	896	1,487	(591)
Bank overdraft	(10)	-	(10)
	886	1,487	(601)

	£'000	£'000
At 1 June 1993	1,487	638
Movement	(619)	861
Effects of foreign exchange rate changes	18	(12)
At 28 November 1993	886	1,487

22 Analysis of changes in financing during the period

	Loans £'000	Hire purchase contracts £'000
At 1 June 1993	4,563	201
Loan repayment	(345)	-
Loans advanced	109	-
Effects of foreign exchange	120	-
Inception of hire purchase contracts	-	336
Repayment of principal on hire purchase contracts	-	(165)
At 28 November 1993	**4,447**	**372**

23 Capital commitments

	Group		Company	
	28 November 1993 £'000	31 May 1993 £'000	28 November 1993 £'000	31 May 1993 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	162	115	-	-

24 Financial commitments

At 28 November 1993 the group had annual commitments under non-cancellable operating leases as follows:

	28 November 1993		31 May 1993	
	Land and Buildings £'000	Other £'000	Land and Buildings £'000	Other £'000
Expiring within one year	153	73	218	73
Expiring between two and five years inclusive	230	282	308	271
Expiring in over five years	1,041	-	758	-
	1,424	355	1,284	344

25 Contingent liabilities

	28 November 1993 £'000	31 May 1993 £'000
Company		
Amounts of guarantees in respect to loans of subsidiary undertaking	201	240
Amounts of guarantees in respect of group VAT registration	146	158

26 Reconciliation of movements in shareholders' funds

	28 November 1993 £'000	31 May 1993 £'000
Profit for financial period	1,269	2,167
Dividends	(601)	(1,199)
Goodwill on acquisitions written off	(258)	(217)
Exchange adjustments	(85)	(273)
Net additions to shareholder's funds	325	478
Opening shareholders' funds	(3,341)	(3,819)
Closing shareholders' funds	(3,016)	(3,341)