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VIMTO

ANNUAL REPORT

YEAR ENDED
31st MARCH
1975

WE HEREBY CERTIFY THAT THIS IS A TRUE COPY OF THE ANNUAL REPORT AND ACCOUNTS LAID BEFORE THE COMPANY AT THE ANNUAL GENERAL MEETING HELD ON 10" JULY 1975.

J. N. NICHOLS (VIMTO) LIMITED

DIRECTOR

SECRETARY

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J. N. NICHOLS (VIMTO) LIMITED
LEDSON ROAD, WYTHENSHAWE, MANCHESTER M23 9NL

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J. N. NICHOLS (VIMTO) LIMITED

Notice of Meeting

NOTICE IS HEREBY GIVEN that the Forty-sixth Annual General Meeting of the Company will be held at the registered office, Ledson Road, Wythenshawe, Manchester on **Thursday, the 10th day of July, 1975 at 11 a.m.** for the purpose of transacting the following business:

1. To receive and consider the Balance Sheet and Statement of Accounts together with the Directors' and Auditors' Reports for the year ended 31st March, 1975.
2. Declaration of Dividend.
3. Election of Director. The Director retiring by rotation, Mr. A. J. Pearson, being eligible, offers himself for re-election.
4. To transact any business that may be transacted at an Ordinary General Meeting.

Dated this 17th day of June, 1975,

By Order of the Board,

B. KILBY,

Secretary.

Registered Office:
LEDSON ROAD,
MANCHESTER M23 9NL

Any member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

J. N. NICHOLS (VIMTO) LIMITED

Directors

P. NICHOLS
Chairman and Joint Managing Director

J. N. NICHOLS, B.A.(Com.)
Joint Managing Director

A. J. PEARSON, B.Sc.Tech.

G. F. BRIDGMAN

Secretary

B. KILBY, F.C.A.

Auditors

DEARDEN & CO.
St. James's Buildings, 89 Oxford Street,
Manchester M1 6FS

Bankers

WILLIAMS & GLYN'S BANK LIMITED
38 Mosley Street, Manchester M60 2BE

Registered Office
Ledson Road,
Manchester M23 9NL

Registrars and Transfer Office
Dearden & Co.
St. James's Buildings,
89 Oxford Street,
Manchester M1 6FS

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J. N. NICHOLS (VIMTO) LIMITED

Chairman's Statement

To the Shareholders,

I have much pleasure in submitting my Statement along with the Accounts of your Company for the twelve months ended the 31st March, 1975.

The profit for the year ended 31st March, 1975, after charging Directors' remuneration, but before charging taxation, amounts to £160,185 (£250,410).

The Directors recommend a Final Dividend of 4·5p per share. This together with the Interim Dividend already paid, makes the total Dividend for the year 6·5p per share paid to shareholders, compared with 6·5p last year.

The second half year figures were very satisfactory especially on Exports and this has justified maintaining the total Dividend for the year.

The year under review was certainly a difficult trading twelve months. Although VAT was reduced to 8% the continued rises in the cost of sugar made price increases inevitable, which in turn caused a temporary drop in Home Trade Sales. I am pleased to report, however, that Sales are now showing an upward trend which should continue throughout the current year.

During the year sales of Aerated Vimto in cans and non-returnable bottles increased in spite of temporary difficulties with supplies of both packages.

Export Sales were again a record at over £900,000 but this figure includes a very considerable increase in costs, particularly the price of sugar. We are, however, fortunate that our main export markets are in the Arabian Gulf where demand continues at a very high rate. We look forward to the future with considerable confidence provided that political events do nothing to affect trade in this area of the World.

Our subsidiary company T. & R. Smith Ltd. increased its production of soft drinks this year. The new bottling line has proved itself by providing increased output at an economical cost. The new litre size Aerated Vimto is being bottled here both in a returnable and non-returnable pack. Providing there are no further shortages of sugar and bottles, continued expansion can be anticipated.

The continued co-operation of all Staff and Employees have made the above results possible and I wish to thank them most sincerely on your behalf for their loyalty and support.

P. NICHOLS,
Chairman.

17th June, 1975

J. N. NICHOLS (VIMTO) LIMITED
and its wholly owned subsidiary, T. & R. SMITH LIMITED

Report of the Directors

The Directors have pleasure in presenting their Annual Report and Statement of Accounts for the year ended 31st March, 1975.

ACTIVITIES
The Company and its subsidiary, T. & R. Smith Limited, are both engaged in the Soft Drinks industry. The principal product of the Parent Company is VIMTO, which is sold as a cordial or aerated in bottles and cans. The Subsidiary Company is chiefly concerned with manufacturing and factoring soft drinks. A comprehensive list of Companies' products appears on the inside back cover.

DIVIDENDS	£
Interim of 8% paid 6th January, 1975 ..	20,000
Proposed Final of 18% ..	45,000
	£65,000

If the proposed Final Dividend is apprc.ed by the members, dividend warrants will be posted on 10th July, 1975, or as soon thereafter as possible, to holders registered at the close of business on 6th June, 1975.

APPROPRIATIONS
As will be seen from the Profit and Loss Account on page 7, £18,473 has been retained and added to the undistributed profits.

EXPORTS
The value of the Companies' exports for the year was £926,467.

DONATIONS AND POLITICAL CONTRIBUTIONS
The Companies made charitable donations amounting to £67 during the year. There were no political contributions.

EMPLOYEES
The average number of employees during the year was 117, and their remuneration totalled £199,964.

DIRECTORS
The following is a list of the Directors of the Parent Company, who served throughout the year, together with the relevant shareholdings.

	1975		1974	
	Beneficial Holding	*Family Holding*	*Beneficial Holding*	*Family Holding*
P. Nichols	228,337	200	228,337	200
J. N. Nichols	120,000	26,000	120,000	49,000
A. J. Pearson	2,500	500	2,000	500
G. F. Bridgman	1,000	—	1,000	—

AUDITORS
Smith, Weir & Turner having amalgamated their practice with that of Dearden & Co. will continue in office practising as Dearden & Co.

Dated this 17th day of June, 1975,
By order of the Board,
B. KILBY,
Secretary.

LEDSON ROAD,
MANCHESTER M23 9NL

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J. N. NICHOLS (VIMTO) LIMITED

Report of the Auditors

To the Shareholders of J. N. Nichols (Vimto) Limited

In our opinion the accounts set out on pages 7 to 9 together with the information set out on pages 10, 11 and 12 give a true and fair view of the state of affairs at 31st March, 1975 and of the profit for the year ended on that date, and comply with the Companies Acts, 1948 and 1967.

Dearden & Co.

DEARDEN & CO.
Chartered Accountants.

ST. JAMES'S BUILDINGS, 89 OXFORD STREET,
MANCHESTER M1 6FS

17th June, 1975

J. N. NICHOLS (VIMTO) LIMITED
and its Subsidiary Company

Consolidated Profit and Loss Account

FOR THE YEAR ENDED 31st MARCH, 1975

	Notes	1975 £	1975 £	1974 £	1974 £
Turnover	2		2,143,434		1,893,385
Trading Profit			212,576		287,753
Income from Quoted Investments			15,632		14,829
Interest on Deposit Accounts			3,407		7,546
Investment Grants released	3		171		170
			231,786		310,298
Hire of Plant and Machinery		5,372		2,806	
Depreciation		38,154		28,477	
Directors' Emoluments: Fees	4	2,250		2,250	
Other Emoluments		22,665		23,705	
Auditors' Remuneration		3,160	71,601	2,650	59,888
Net Profit for the Year, before taxation			160,185		250,410
Taxation	5		76,712		130,006
Net Profit after Taxation			83,473		120,404
Dividends:					
Interim Dividend 8% (12%) paid 6th January 1975		20,000		30,000	
Proposed Final 18% (14%)		45,000	65,000	35,000	65,000
Retained and added to Undistributed Profits			18,473		55,404
Balance brought forward, 1st April, 1974			481,592		426,188
Undistributed profits to date carried forward			£500,065		£481,592
Earnings per share	6		8·35p		12·04p
Net Dividend per share			6·50p		6·50p

The Notes on pages 10, 11 and 12 form part of this Profit and Loss Account and the Balance Sheet.

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J. N. NICHOLS (VIMTO) LIMITED
and its Subsidiary Company

Consolidated Balance Sheet 31st March, 1975

	Notes	1975 £	1975 £	1974 £	1974 £
SHARE CAPITAL					
Issued and authorised: 1,000,000 Shares of 25p each, fully paid			250,000		250,000
Capital Reserve	7	6,548		7,307	
Profit and Loss Appropriation Account		500,066	506,614	481,592	488,899
Shareholders' Funds			756,614		738,899
Deferred Taxation	5	82,719		74,282	
Investment Grants Reserve	3	710	83,429	881	75,163
Capital Employed			£840,043		£814,062
Represented by:					
CURRENT ASSETS					
Quoted Investments at cost (Market value £136,951)	8	195,084		195,836	
Stock, at lower of cost or market value		259,368		124,370	
Sundry Debtors and Prepayments	9	489,257		308,993	
Short Term Deposits		—		12,320	
Cash at Bankers and in Hand		97	943,806	61,607	703,126
Deduct: Current Liabilities					
Bank Overdraft (Secured)		137,059		—	
Sundry Creditors and Accrued Charges		270,534		198,587	
Corporation Tax		66,230		74,000	
Proposed Final Dividend		45,000		35,000	
Unclaimed Dividends		221	519,044	130	307,717
Net Current Assets			424,762		395,409
FIXED ASSETS					
Land and Buildings	10	224,716		229,578	
Machinery and Plant	11	164,972		154,167	
Motor Vehicles	12	14,932		23,316	
Furniture, Fittings and Fixtures	13	2,503		3,434	
Goodwill and Trade Marks, at cost		8,158	415,281	8,158	418,653
			£840,043		£814,062

On behalf of the Board

P. NICHOLS
J. N. NICHOLS } *Directors*

J. N. NICHOLS (VIMTO) LIMITED

Balance Sheet 31st March, 1975

	Notes	1975 £	1975 £	1974 £	1974 £
SHARE CAPITAL					
Issued and authorised: 1,000,000 Shares of 25p each, fully paid			250,000		250,000
Capital Reserve	7	9,740		10,499	
Profit and Loss Appropriation Account	14	492,338		477,316	
Deferred Taxation	5	28,918		18,317	
Investment Grants Reserve	3	639	531,635	739	506,871
Capital Employed			£781,635		£756,871
Represented by:					
CURRENT ASSETS					
Quoted Investments at cost (Market value £136,951)	8	195,084		195,836	
Stock, at lower of cost or market value		178,678		72,741	
Sundry Debtors and Prepayments	9	441,506		267,923	
Short Term Deposits		—		12,320	
Cash at Bankers and in Hand		52	815,320	45,274	594,094
Deduct: Current Liabilities					
Bank Overdraft (Secured)		118,650		—	
Sundry Creditors and Accrued Charges		237,869		133,620	
Corporation Tax		66,230		74,000	
Proposed Final Dividend		45,000		35,000	
Unclaimed Dividends		221	467,970	130	242,750
Net Current Assets			347,350		351,344
Subsidiary Company:					
T. & R. Smith Ltd.—Shares at cost		122,372		122,372	
Current Account		52,262	174,634	27,677	150,049
FIXED ASSETS					
Land and Buildings	15	191,826		195,926	
Machinery and Plant	16	56,341		42,911	
Motor Vehicles	17	10,528		15,542	
Furniture, Fittings and Fixtures	18	856		999	
Goodwill and Trade Marks, at cost		100	259,651	100	255,478
			£781,635		£756,871

On behalf of the Board

P. NICHOLS } *Directors*
J. N. NICHOLS

P. Nichols
J. N. Nichols

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J. N. NICHOLS (VIMTO) LIMITED
and its Subsidiary Company

Notes to the Accounts

1. Accounting policies.
   (a) Depreciation of fixed assets other than Freehold Land is calculated on a straight line basis over their estimated useful lives.
   (b) Deferred Taxation is calculated at the appropriate rate of corporation tax for each year on the amount by which taxation allowances exceed the charge for depreciation on those assets qualifying for allowances, excluding buildings. It also includes tax deferred by reason of stock increase relief, which is estimated at £27,643 and which is repayable at an unspecified future date.
   Advance Corporation Tax due on the proposed final dividend has been deducted from the deferred tax account.
   (c) Investment grants received have been treated as a deferred credit, for transfer to the Profit and Loss Account in instalments over the same period as depreciation is written off the relevant assets. Other capital grants have been credited to the relevant asset accounts.
   (d) All repairs and renewals are written off as incurred.

2. Turnover represents the net amount invoiced to customers during the year (excluding sales taxes).

	Group		J. N. Nichols (Vimto) Ltd.	
	1975	1974	1975	1974
3. Investment Grants Reserve:	£	£	£	£
Balance, 1st April, 1974	881	1,051	739	839
Less Proportion released to Profit and Loss Account	171	170	100	100
Balance, 31st March, 1975	£710	£881	£639	£739

4. The Chairman's emoluments for 1975 were £8,885 (1974: £10,060). The other Directors' emoluments fell within the following bands:

	1975	1974
Up to £2,500	1	1
£2,501—£5,000	—	—
£5,001—£7,500	1	1
£7,501—£10,000	1	1

	1975	1974
5. Taxation: J. N. Nichols (Vimto) Ltd. and subsidiary	£	£
Corporation tax at 52% (52%) on the profit for the year	42,040	74,364
Tax Credit on U.K. Dividends received	+5,135	+4,310
Taxation Reserve no longer required	—347	—224
Deferred Tax transfers and adjustments	+29,884	+51,556
	£76,712	£130,006

	Group		J. N. Nichols (Vimto) Ltd.	
	1975	1974	1975	1974
Deferred Taxation:	£	£	£	£
Balance, 1st April, 1974	74,282	22,726	18,317	14,927
Transfers to Taxation Account in respect of current year	+29,884	+44,738	+32,048	—1,088
Adjustments in respect of prior years	+2,783	+6,818	+2,783	+4,478
Transfer – Advance Corporation Tax on Final Dividend	—24,230	—	—24,230	—
Balance, 31st March, 1975	£82,719	£74,282	£28,918	£18,317

6. The calculations of earnings per share is based on earnings of £83,473 (£120,404) and 1,000,000 shares in issue during both years.

7. Capital Reserve:

	Group 1975 £	Group 1974 £	J. N. Nichols (Vimto) Ltd. 1975 £	J. N. Nichols (Vimto) Ltd. 1974 £
Balance, 1st April, 1974	7,307	6,766	10,499	9,958
Less Loss on sale of investments	759	—	759	—
Add Profit on sale of investments	—	541	—	541
Balance, 31st March, 1975	£6,548	£7,307	£9,740	£10,499

8. Quoted investments include a holding of 500,000 units in the Target Preference Share Fund, valued at cost, £116,801.

9. Sundry debtors and prepayments include £22,808 in respect of Advance Corporation Tax deemed to be recoverable against future corporation tax liabilities.

J. N. Nichols (Vimto) Ltd and subsidiary company

	10 Land and Buildings 1975 £	10 Land and Buildings 1974 £	11 Machinery and Plant 1975 £	11 Machinery and Plant 1974 £	12 Motor Vehicles 1975 £	12 Motor Vehicles 1974 £	13 Furniture, Fixtures and Fittings 1975 £	13 Furniture, Fixtures and Fittings 1974 £
At cost, 1st April, 1974	244,813	239,242	213,710	141,784	69,334	62,167	6,582	5,247
Additions during year, at cost	(49)	5,571	34,749	88,706	2,042	19,842	363	1,335
Cost of sales during year	—	—	4,606	16,780	6,597	12,675	949	—
At cost, 31st March, 1975	244,764	244,813	243,853	213,710	64,779	69,334	5,996	6,582
Depreciation	20,048	15,235	78,881	59,543	49,847	46,018	3,493	3,148
Net asset value	£224,716	£229,578	£164,972	£154,167	£14,932	£23,316	£2,503	£3,434
Freehold	10,092	10,429						
Long Leasehold	214,624	219,149						

14. Profit and Loss Appropriation Account: J. N. Nichols (Vimto) Ltd.

Balance, 1st April, 1974	477,317	394,430
Undistributed Profit for the year	15,021	82,886
Balance, 31st March, 1975, being undistributed profits to date	£492,338	£477,316

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J. N. Nichols (Vimto) Ltd.	15 Land and Buildings, Long Leasehold		16 Machinery and Plant		17 Motor Vehicles		18 Furniture, Fixtures and Fittings	
	1975 £	1974 £	1975 £	1974 £	1975 £	1974 £	1975 £	1974 £
At cost, 1st April, 1974 ..	206,167	204,843	74,330	77,938	34,254	29,785	2,483	2,483
Additions during year, at cost	—	1,324	23,572	1,221	2,042	13,276	—	—
Cost of sales during year ..	—	—	4,878	4,829	3,099	8,807	—	—
At cost, 31st March, 1975 ..	206,167	206,167	93,024	74,330	33,197	34,254	2,483	2,483
Depreciation	14,341	10,241	36,683	31,419	22,669	18,712	1,627	1,484
Net asset value	£191,826	£195,926	£56,341	£42,911	£10,528	£15,542	£856	£999

19. Capital commitments at 31st March, 1975 amounted to £16,700 (1974: £28,000).

20. Finance Act 1965
The market value of the Company's shares on the 6th April, 1965 for the purposes of Capital Gains was 74p.
The Directors are of the opinion that the Company is a close company for the purposes of this Act.

List of Products

J. N. NICHOLS (VIMTO) LIMITED

Vimto Cordial

Vimto Aerated

Sparkling Vimto in Cans

Golden Vim Squashes
ORANGE GRAPEFRUIT LEMON

Lime Juice Cordial

Peppermint Cordial

Fruit Flavoured Cordials
BLACKCURRANT RASPBERRY SARSAPARILLA

FRUIT COMPOUNDS and ESSENCES for the MINERAL WATER TRADE

T. & R. SMITH LIMITED

Sunglora and Gloria squashes, cordials and mineral waters

Printed by McCorquodale Printers Limited, Manchester

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Limited

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