

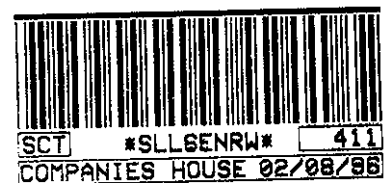
W, DC & F Thomson Limited

Directors' report and accounts

31 December 1995

Registered number 8621

DS



W, DC & F Thomson Limited

Directors' report

To the Eighty Third Annual General Meeting of the Company to be held on 19 June 1996 at 12 noon.

The directors submit herewith the accounts of the company for the year ended 31 December 1995.

Activities

The company carried on business as an Investment Trust during the year to 31 December 1995 and is a close company.

Financial

	£
Revenue for the year after taxation	133,452
Proposed dividend of £8.00 per share for the year ended 31 December 1995	91,200
Revenue for year retained	42,252
Balance at credit brought forward from 31 December 1994	168,652
Amount carried forward at 31 December 1995	210,904

Fixed assets

Information relating to changes in fixed asset investments is given in note 6 to the accounts.

Directors

The directors of the company at the date of this report and throughout the year are shown in note 3 to the accounts.

In terms of the Articles of Association Messrs LM & AF Thomson retire by rotation and being eligible offer themselves for re-election.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



R Holland
Secretary

Dundee
30 April 1996

Directors' responsibilities for the preparation of financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

W, DC & F Thomson Limited



Report of the auditors to the members of W, DC & F Thomson Limited

We have audited the financial statements on pages 4 to 11.

Respective responsibilities of the directors and auditors

As described above 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 the company's affairs as at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG
Chartered Accountants
Registered Auditors

Royal Exchange
Dundee
DD1 1DZ
30 April 1996

W, DC & F Thomson Limited

Revenue account

for the year ended 31 December 1995

	Note	1995 £	1994 £
Income from listed investments			
Dividends - UK		181,174	162,887
Other income - Interest received		8,653	5,788
		<u>189,827</u>	<u>168,675</u>
Administration expenses	2	32,230	31,775
Revenue before taxation		<u>157,597</u>	<u>136,900</u>
Taxation	4	24,145	32,562
Revenue after taxation		<u>133,452</u>	<u>104,338</u>
Dividends			
Ordinary shares Proposed dividend of £8.00 (1994 - £7.35)		91,200	83,790
Revenue reserve transfer		<u>42,252</u>	<u>20,548</u>
Earnings per share	5	11.71	9.15

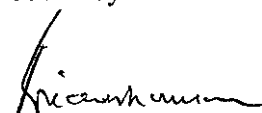
A statement of reserves is given in note 9.

W, DC & F Thomson Limited

Balance sheet at 31 December 1995

	Note	£	1995 £	£	1994 £
Fixed assets					
Investments	6		1,132,475		1,055,322
Current assets					
Cash at bank and short term deposits		125,056		112,998	
Creditors : Amounts falling due within one year	7	93,723		85,455	
Net current assets			31,333		27,543
Total assets less current liabilities			1,163,808		1,082,865
Capital and reserves					
Called up share capital	8		11,400		11,400
Capital reserve	9		941,504		902,813
Revenue reserve	9		210,904		168,652
			1,163,808		1,082,865

These financial statements were approved by the board of directors on 30 April 1996 and were signed on its behalf by:



BH Thomson
Director



DB Thomson
Director

W, DC & F Thomson Limited

Cash flow statement

for the year ended 31 December 1995

	<i>Note</i>	£	1995 £	1994 £
Net cash inflow from operating activities	10		123,572	94,708
Returns on investments and servicing of finance				
Dividends paid		(83,790)		(78,090)
Net cash outflows from returns on investments and servicing of finance			(83,790)	(78,090)
Taxation				
UK corporation tax refunded		9		-
Total tax refunded			9	-
Investing activities				
Purchase of investments		(103,742)		(10,807)
Sales of investments		76,009		166
Net cash outflow from investing activities			(27,733)	(10,641)
Increase/(decrease) in cash and cash equivalents	11		12,058	5,977

W, DC & F Thomson Limited

Statement of total recognised gains and losses for the year ended 31 December 1995

	1995 £	1994 £
Capital profits on investments		
Realised gains	38,682	-
Other capital adjustments	9	166
Capital surplus	38,691	166
Revenue available for distribution	133,452	104,338
Total recognised gains and losses	172,143	104,504
Dividends	(91,200)	(83,790)
Total movement in ordinary shareholders' funds	80,943	20,714
Opening shareholders' funds	1,082,865	1,062,151
Closing shareholders' funds	1,163,808	1,082,865

W, DC & F Thomson Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with appropriate accounting standards.

Investment income

Franked investment income is stated on the basis of cash receipts in the year with the addition of related tax credits. Unfranked investment income is stated on the basis of gross receipts in the year before deduction of income tax.

Management expenses

Management expenses are stated on the basis of amounts applicable to the financial year.

Foreign currencies

Foreign assets are valued using the middle rates of exchange ruling at the year end. Foreign income is converted at the rate of exchange applicable on receipt.

2 Administration expenses

These include audit fees of £1,175 (1994 - £1,165) and non-audit fees of £699 (1994 - £1,418).

The directors received no remuneration or fees for their services during the year to 31 December 1995 (1994 - £nil).

3 Directors

The directors of the company throughout the year ended 31 December 1995 are shown below.

The respective interests of the directors, including shares held as trustees without beneficial interest, in the shares of the company are set out below:-

	31 December 1995	31 December 1994
Interest in £1 Ordinary shares including shares held as trustees without beneficial interest		
B H Thomson	100	100
D B Thomson	3,920	3,920
A G Thomson	20	20
L M Thomson	20	20
A F Thomson	120	120
In addition as joint trustees without beneficial interest		
B H Thomson)		
D B Thomson)	120	120
B H Thomson)		
D B Thomson)	540	540
A F Thomson)		
A G Thomson)		
L M Thomson)	620	620

W, DC & F Thomson Limited

Notes (continued)

4 Taxation

	1995 £	1994 £
Imputation tax on franked income	34,883	32,562
UK corporation tax credit at 33% (1994 - 33%)	(10,738)	-
	<u>24,145</u>	<u>32,562</u>

No provision has been made for advance corporation tax on the proposed final dividend, as in the opinion of the directors, such taxation will be fully relieved.

5 Earnings per share

The earnings per share are based on revenue available to shareholders of £133,452 (1994 - £104,338) divided by the 11,400 shares in issue at the year end.

6 Investments

	Listed in UK £
<i>At cost</i>	
At 31 December 1994	1,055,322
Add - Purchases	103,742
	<u>1,159,064</u>
Less - Sales	26,589
At 31 December 1995	<u><u>1,132,475</u></u>
<i>The market value of the investments</i>	
At 31 December 1995	<u><u>5,144,459</u></u>
At 31 December 1994	<u><u>4,241,365</u></u>

The estimated liability to taxation on chargeable gains which would have arisen had the investments been realised on 31 December 1995 at the value stated amounts approximately to £1,006,252 (1994 - £746,218).

W, DC & F Thomson Limited

Notes (continued)

7 Creditors

	1995 £	1994 £
Amounts falling due within one year:		
Proposed final dividend	91,200	83,790
Other creditors	2,523	1,665
	<u>93,723</u>	<u>85,455</u>

8 Share capital

Authorised

12,600 shares of £1 each	<u>12,600</u>	<u>12,600</u>
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Allotted, called up and fully paid

11,400 (1994 - 11,400) shares of £1 each	<u>11,400</u>	<u>11,400</u>
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9 Reserves

Capital Reserve

At 31 December 1994	902,813
Other capital adjustment - refund of corporation tax	9
Gain on sale of investments (net of taxation)	38,682
	<u>941,504</u>
At 31 December 1995	<u>941,504</u>

Revenue Reserve

At 31 December 1994	168,652
Surplus for year	42,252
	<u>210,904</u>
At 31 December 1995	<u>210,904</u>

W, DC & F Thomson Limited

Notes (continued)

10	Reconciliation of revenue to net cash inflow from operating activities	1995	1994
		£	£
	Revenue before taxation	157,597	136,901
	Increase/(decrease) in other creditors	858	(9,631)
	Tax on franked investment income included within income from UK companies	(34,883)	(32,562)
	Net cash inflow from operating activities	123,572	94,708

11	Analysis of changes in cash and cash equivalents during the year	
	Balance at 1 January 1995	112,998
	Net cash inflow	12,058
	Balance at 31 December 1995	125,056

12 Cash and cash equivalents

The balance for cash and cash equivalents is shown in the balance sheet as "Cash at bank and short term deposits" £125,056 (1994 - £112,998).