

**THE HOLYWELL-HALKYN MINING AND TUNNEL
COMPANY LIMITED**

REPORT AND ACCOUNTS

YEAR ENDED 31 MARCH 1994

Company Registered No. 50892



THE HOLYWELL-HALKYN MINING AND TUNNEL COMPANY LIMITED

Report Of The Directors

The Directors submit their report and the financial statements for the year ended 31 March 1994.

Principal Activities

The Company is a subsidiary undertaking of Courtaulds plc. The Company's former activities, the maintenance of drainage tunnels and the supply of water to factories in North Wales, have been undertaken by Courtaulds Fibres Limited, the Company's former parent company, since 1 April 1986. The mines remain abandoned in strict accordance with statutory requirements. With effect from 1 April 1993, the responsibility for these outstanding obligations are with Courtaulds Fibres (Holdings) Limited, the Company's immediate parent company.

Results

The Company did not trade during the year ended 31 March 1994. However, during that period, a sum of £12,000 was written back to the Company's profit and loss account in respect of a corporation tax liability previously allowed for and no longer required. It is anticipated that the Company will not trade throughout the current accounting period and will consequently revert to its previous dormant status.

Dividend

The Directors recommend that no dividend be paid.

Directors

Directors who served during the year were:

D L Warburton (Chairman)
G C W Cunnington
A S Hopkins
D F Landless
D A Stevens

Directors' Interests

Each of the Directors has an interest in 500 Ordinary shares of £1 each in the Company, held as qualification shares pursuant to article 88 of the Company's articles of association.

The register kept by the Company in accordance with Section 325 of the Companies Act 1985 also shows that the Directors and their immediate families had the following beneficial interests in the share capital of the ultimate parent company, Courtaulds plc.

THE HOLYWELL-HALKYN MINING AND TUNNEL COMPANY LIMITED

	Courtaulds plc Ordinary Shares of 25p	
	1 April 1993	31 March 1994
D A Stevens	6,210	5,000
D L Warburton	1,550	1,000

	Courtaulds plc Executive Share Option Scheme			
	1 April 1993	Granted	Exercised	31 March 1994
A S Hopkins	10,000	10,000	-	20,000
D F Landless	-	10,000	-	10,000
D A Stevens	20,000	5,000	-	25,000
D L Warburton	40,000	5,000	-	45,000

	Courtaulds plc SAYE Share Option Scheme			
	1 April 1993	Granted	Exercised	31 March 1994
G C W Cunnington	3,217	483	-	3,700
D F Landless	-	1,612	-	1,612
D A Stevens	3,394	564	-	3,958
D L Warburton	2,875	806	-	3,681

Notes:

- (a) The interests under the share option schemes show the numbers of ordinary shares of Courtaulds plc over which Directors had options under the Courtaulds Executive Share Option Scheme II and the Courtaulds 1990 Savings Related Share Option Scheme, and options granted and exercised during the year.
- (b) Executive Share Option Scheme - shares held under option were granted on 16 July 1986, 30 June 1987, 3 July 1989, 28 June 1990, 6 June 1991, 4 June 1992 and 10 June 1993 at prices per share of 280p, 472p, 332p, 339p, 395p, 555p and 535p respectively and are exercisable, in general, not earlier than three nor later than ten years after the date of grant.
- (c) SAYE Share Option Scheme - shares held under option were granted on 25 April 1990, 2 July 1991, 30 June 1992 and 30 June 1993 at prices per share of 271p, 316p, 444p and 428p respectively and are exercisable on completion of five years' saving under a related SAYE contract.

THE HOLYWELL-HALKYN MINING AND TUNNEL COMPANY LIMITED

Directors' Responsibilities For Preparing The Financial Statements

The Directors are required to prepare for each financial year financial statements which give a true and fair view of the state of affairs of the Company at the end of that year, and of the results for the year to that date. The financial statements must be prepared in compliance with the Companies Act 1985 and with the applicable accounting standards.

In preparing the financial statements the Directors are also required:

- to maintain adequate accounting records which disclose with reasonable accuracy the financial position of the Company at any time, to safeguard the assets and to prevent and detect fraud and other irregularities;
- to select suitable accounting policies and apply them consistently, supported as appropriate by reasonable and prudent judgements and estimates;
- to prepare the financial statements on a going concern basis.

The Directors confirm that they have complied with these requirements in preparing the financial statements on pages 5 to 6.

Secretary and Registered Office


G C W Cunnington, 50 George Street, London W1A 2BB.

Auditors

Price Waterhouse, Cornwall Court, 19 Cornwall Street, Birmingham B3 2DT.

The Company, now able to revert to its dormant status, will propose a Special Resolution to exclude the appointment of auditors at the forthcoming Annual General Meeting.

By Order of the Board



G C W Cunnington
Secretary

9 September 1994

50 George Street
London W1A 2BB

**Auditors' Report To The Members Of
The Holywell-Halkyn Mining and Tunnel Company Limited**

We have audited the financial statements on pages 5 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities Of Directors And Auditors

As described on page 3 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 March 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

9 September 1994

THE HOLYWELL - HALKYN MINING AND TUNNEL COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR TO 31 MARCH 1994

	Notes	1994 £	1993 £
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		-	-
TAXATION	4	12,000	(12,000)
RETAINED PROFIT FOR THE FINANCIAL YEAR	9	<u>12,000</u>	<u>(12,000)</u>

There are no other recognised gains and losses other than the profit for the year shown above.

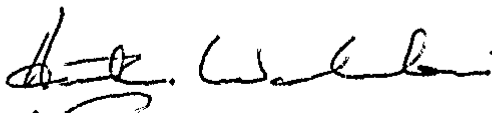
BALANCE SHEET - AS AT 31ST MARCH 1994

		1994 £	1993 £
<u>CURRENT ASSETS: Debtors</u> (amounts falling due after more than one year)			
Amount owed by group undertakings	5	146,348	146,348
<u>CREDITORS</u> (amounts falling due within one year)			
Corporation tax payable	6	-	(12,000)
<u>NET ASSETS</u>		<u>146,348</u>	<u>134,348</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	7	63,188	63,188
Other reserves	8	77,352	77,352
Profit and Loss Account	9	5,808	(6,192)
		<u>146,348</u>	<u>134,348</u>

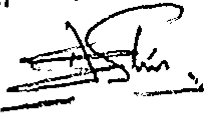
Approved by the Board on 9 September 1994

DIRECTORS

D L Warburton




D A Stevens



SECRETARY

G C W Cunnington



THE HOLYWELL - HALKYN MINING AND TUNNEL COMPANY LIMITED

NOTES TO THE ACCOUNTS - 31 MARCH 1994

1 ACCOUNTING POLICIES

The accounts are prepared under the historic cost accounting convention and in accordance with the Companies Act 1985 and applicable Accounting Standards.

a) Trading

During the year the Company has not traded.

b) Cash Flow Statement

In accordance with the exemption under paragraph 8(a) of Financial Reporting Standard No 1, a cash flow statement has not been included within these accounts.

c) Group Accounts

At 31 March 1994 the Company had no subsidiary undertakings and is exempt from preparing group accounts by virtue of S.228 Companies Act 1985.

2 DIRECTORS EMOLUMENTS

No director received any emoluments in respect of his services to the Company.

3 TRANSACTIONS WITH DIRECTORS

No director during the year has been materially interested in any contract with the Company which is significant in relation to the Company's activities.

4 TAXATION

During the period a sum of £12,000 was written back to the Company's profit and loss account in respect of a corporation tax liability previously allowed for and no longer required.

	<u>1994</u>	<u>1993</u>
	£	£
5 DEBTORS (amounts falling due after more than one year)		
Amounts owed by group undertakings	146,348	146,348
6 CREDITORS (amounts falling due within one year)		
Corporation Tax Payable	-	(12,000)
7 CALLED UP SHARE CAPITAL		
	<u>1994</u>	<u>1993</u>
	£	£
a) <u>Authorised</u>		
20,000 4% (now 2.8%) Non Cumulative £1 Preference Share	<u>20,000</u>	<u>20,000</u>
100,000 £1 Ordinary Shares	<u>100,000</u>	<u>100,000</u>
b) <u>Issued and fully paid</u>		
Preference shares	<u>NIL</u>	<u>NIL</u>
Ordinary Shares	<u>63,188</u>	<u>63,188</u>

THE HOLYWELL - HALKYN MINING AND TUNNEL COMPANY LIMITED

NOTES TO THE ACCOUNTS - 31 MARCH 1994 CONTINUED

8 OTHER RESERVES

	1994 £	1993 £
Capital redemption reserve	20,000	20,000
Forfeited share account reserve	46	46
Capital general reserve	1,006	1,006
Tunnel repairs reserve	56,300	56,300
	<u>77,352</u>	<u>77,352</u>

9 PROFIT AND LOSS ACCOUNT

	£
As at 1 April 1993	(6,192)
Retained profit for the year	12,000
At 31 March 1994	<u>5,808</u>

10 ULTIMATE HOLDING COMPANY

The immediate holding company is Courtaulds Fibres (Holdings) Ltd and the ultimate holding company is Courtaulds plc, both of which are registered in England and Wales. Copies of the Courtaulds plc report and accounts may be obtained from the Secretary's Office, Courtaulds plc, 50 George Street, London W1A 23B.

11 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	1994 £	1993 £
Profit/(Loss) for the year	12,000	(12,000)
Opening shareholders funds	134,348	146,348
Closing shareholders funds	<u>146,348</u>	<u>134,348</u>