

APPENDIX 6.1  
(referred to in paragraph 6.13)

**Brockhampton Group: consolidated profit and loss statements (HCA basis)**

	<i>£'000</i>		
	<i>Years ended 31 March</i>		
	<i>1992</i>	<i>1993</i>	<i>1994</i>
Turnover	22,035	23,858	25,688
Cost of sales	<u>(13,018)</u>	<u>(12,942)</u>	<u>(13,141)</u>
Gross profit	9,017	10,916	12,547
Operating expenses	<u>(4,783)</u>	<u>(5,161)</u>	<u>(5,620)</u>
Operating profit	4,234	5,755	6,927
Other operating income	<u>199</u>	<u>367</u>	<u>210</u>
Net operating profit	4,433	6,122	7,137
Net interest payable	(1,507)	(1,553)	(1,560)
Exceptional item	<u>(79)</u>	<u>-</u>	<u>-</u>
Profit before tax	2,847	4,569	5,577
Tax	<u>(503)</u>	<u>(726)</u>	<u>(705)</u>
Profit after tax	2,344	3,843	4,872
Dividends paid and proposed	<u>(760)</u>	<u>(1,010)</u>	<u>(1,310)</u>
Profit retained	<u>1,584</u>	<u>2,833</u>	<u>3,562</u>
Dividend cover*	3.08	3.80	3.72
Interest cover†	2.94	3.94	4.58
Return on equity‡ (%)	10.13	15.01	16.71
Return on capital employed§ (%)	12.57	16.78	18.32
Operating margin (%)	20.12	25.66	27.78
% change in turnover	-	8.27	7.67
% change in dividends	-	32.89	29.70
% change in profit after tax	-	63.95	26.78
Shareholders' funds (£)	23,129	25,596	29,160

Source: Brockhampton.

\*Defined as distributable profit after tax (PAT) divided by dividends paid.

†Defined as profit before interest and tax (PBIT) divided by net interest payable.

‡Defined as PAT (net of exceptional items) divided by closing shareholders' funds.

§PBIT divided by closing capital employed-trading assets. Capital employed (trading assets) is assets (excluding investments) less liabilities (excluding external borrowings and dividends payable). PBIT excludes related company and investment income. The calculation is as follows:

	<i>£'000</i>		
Profit before tax	2,847	4,569	5,577
Less: Inter-company	-	-	-
Interest paid	1,964	2,011	2,016
Investment income	<u>(457)</u>	<u>(458)</u>	<u>(456)</u>
PBIT	4,354	6,122	7,137
Total assets	45,725	50,986	56,172
Less: Investments	(4,809)	(7,992)	(9,299)
Current liabilities (non-debt)	(6,272)	(6,506)	(7,917)
Long-term liabilities (non-debt)	<u>-</u>	<u>-</u>	<u>-</u>
Net trading assets	<u>34,644</u>	<u>36,488</u>	<u>38,956</u>