

APPENDIX 3.3  
(referred to in paragraph 3.40)

**NEL: financial summary**

TABLE 1 NEL: balance sheet summary

	<i>Years ended 31 December</i>					<i>£'000</i>
	<i>1992</i>	<i>1993</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>	
Fixed assets:						
Tangibles	2,540	2,836	3,725	5,345	5,129	
Investments	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>	
	2,590	2,886	3,775	5,395	5,179	
Current assets:						
Stock	0	0	0	0	0	
Debtors	<u>19,797</u>	<u>19,511</u>	<u>20,128</u>	<u>21,064</u>	<u>21,287</u>	
	19,797	19,511	20,128	21,064	21,287	
Creditors due within one year	<u>(10,015)</u>	<u>(17,118)</u>	<u>(19,079)</u>	<u>(19,045)</u>	<u>(19,667)</u>	
Net operating assets*	12,372	5,279	4,824	7,414	6,799	
Net cash#	(1,829)	1,209	3,589	2,616	318	
Creditors less debtors due after one year	<u>(3,548)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
(Provisions) net of deferred assets	<u>(652)</u>	<u>(22)</u>	<u>(11)</u>	<u>(7)</u>	<u>846</u>	
Net assets	<u>6,343</u>	<u>6,466</u>	<u>8,402</u>	<u>10,023</u>	<u>7,963</u>	
Shareholders' funds:						
Share capital	2,386	2,386	2,386	2,386	2,386	
Capital reserves	1,511	1,496	1,480	1,464	(2,472)	
Retained earnings	<u>2,446</u>	<u>2,584</u>	<u>4,536</u>	<u>6,173</u>	<u>8,049</u>	
	<u>6,343</u>	<u>6,466</u>	<u>8,402</u>	<u>10,023</u>	<u>7,963</u>	

Source: NEG/MMC analysis.

\*Net operating assets comprise fixed assets, current assets and current liabilities excluding cash, borrowings, proposed dividends and unrelated investments.

#Net cash comprises cash less borrowings including finance facilities such as lease obligations.

TABLE 2 NEL: profit and loss account summary

	<i>Years ended 31 December</i>					<i>£'000</i>
	<i>1992</i>	<i>1993</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>	
Turnover	94,288	92,342	97,883	97,773	105,976	
Operating costs	<u>(91,019)</u>	<u>(88,299)</u>	<u>(92,088)</u>	<u>(92,573)</u>	<u>(98,810)</u>	
Operating profit/profit before interest	3,269	4,043	5,795	5,200	7,166	
Net interest received/(paid)	<u>(56)</u>	<u>(155)</u>	<u>90</u>	<u>156</u>	<u>(29)</u>	
Profit before tax	3,213	3,888	5,885	5,356	7,137	
Tax	<u>(843)</u>	<u>(1,103)</u>	<u>(1,949)</u>	<u>(1,735)</u>	<u>(2,363)</u>	
Profit after tax	2,370	2,785	3,936	3,621	4,774	
Dividends	<u>(150)</u>	<u>(2,662)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>(3,800)</u>	
Retained earnings	<u>2,220</u>	<u>123</u>	<u>1,936</u>	<u>1,621</u>	<u>974</u>	

Source: NEG/MMC analysis.