

If you are in any doubt about the contents of this document, you should consult a person authorised under the Financial Services Act 1986, who specialises in advising on the acquisition of shares and other securities.

Application has been made for the whole of the ordinary share capital of Lawrence plc to be admitted to trading on the Alternative Investment Market of the London Stock Exchange (AIM). No application is being made in respect of the preference share capital. It is emphasised that no application is being made for admission of these securities to the Official List.

AIM is a market designed primarily for emerging or smaller companies. The rules of this market are less demanding than those of the Official List. The Exchange itself has not examined this document.

This document does not comprise a prospectus in accordance with the Public Offers of Securities Regulations 1995. The information contained herein is based upon the publication requirements laid down by the London Stock Exchange for companies whose shares are currently traded under Rule 4.2 of the Rules of the London Stock Exchange.

Persons receiving this document should note that in connection with the application for Admission Charles Stanley & Company Limited are advising Lawrence plc and no one else and will not be responsible to anyone other than Lawrence plc for providing customer protection or for providing advice in relation to Admission.

LAWRENCE plc

(Incorporated in England and Wales under Companies Act 1985 with registered number 1818170)

APPLICATION FOR ADMISSION TO TRADING ON THE ALTERNATIVE INVESTMENT MARKET OF THE LONDON STOCK EXCHANGE OF ORDINARY SHARES OF 10p EACH

Copies of this admission document are available free of charge up to and including 21 October 1995 from:-

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Appendix 1	Audited consolidated accounts for the year ended 31 March 1995

Definitions

“Admission”	The admission of the Ordinary Shares to trading on AIM
“AIM”	The Alternative Investment Market of the London Stock Exchange
“the Articles”	The Articles of Association of the Company
“Convertible Preference Shares”	Convertible Preference Shares of £1 each in the capital of the Company
“Lawrence” or “the Company”	Lawrence plc
“Group”	Lawrence plc and its subsidiaries and associated companies
“London Stock Exchange” or “Exchange”	The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited
“Ordinary Shares”	Ordinary Shares of 10p each in the Company

1. THE COMPANY

- (a) The Company was registered in England on 22nd May 1984 under the name of Coverace Limited with number 1818170 as a private limited company with limited liability under the Companies Acts 1948 to 1983. On 31st December 1986 the company changed its name and re-registered under the name Lawrence Industries plc. On 29th January 1992 the Company passed a special resolution changing its name to Lawrence plc. The principal legislation under which the Company operates is the Companies Act 1985 as amended by the Companies Act 1989.
- (b) The Company is the holding company of a group whose principal activities are the manufacture and supply of pigments, chemicals and agricultural and animal health products; the retail of pets, pet foods and accessories; and the manufacture and distribution of pet accessories.
- (c) The Company's principal subsidiaries and associated companies the shares in which are owned directly or ultimately by the Company and which are registered in the United Kingdom unless otherwise stated are as follows:

	SHAREHOLDING (%) of ordinary share capital	ACTIVITIES
Agil Limited	100	Manufacture and marketing of speciality chemicals such as antioxidants, antimould, salmonella inhibitors, silage additives, and enzymes to the animal feed industry.
Blackfast Chemicals Limited	100	Manufacture and sale of a system for room temperature blacking of metal components which is supported by a range of surface preparation and finishing chemicals.
Interpet Limited (formerly Bedouins Limited)	100	Non-trading.
Eco Group Limited *	100	Manufacture and marketing of a range of therapeutic medicines to the animal feed industry.

Petworld Superstores Limited	90.1	Retail of all types of pets and a wide range of pet accessories and foods from stores in Catford and Cricklewood.
The Really Disposable Litter Tray Company Limited	100	Manufacture and sale of a new patented, hygienic, low cost disposable cat litter tray, which is made from recycled plastics.
Idatchi Group Limited	33.3	Blending and distribution of colour pigments and dispersions to industry

* Registered in British Virgin Islands

2. SHARE CAPITAL

<u>(a) Authorised</u>		<u>Class</u>	<u>Issued and Fully Paid</u>	
<u>£</u>	<u>No.</u>		<u>£</u>	<u>No.</u>
748,906	7,489,060	Ordinary Shares of 10p each	608,351.80	6,083,518
1,094	1,094	Convertible Preference Shares of £1 each	1,094	1,094

- (b) Section 89(1) of the Companies Act 1985 provides for pre-emption rights in favour of existing shareholders over new equity securities which the Company proposes to allot for cash.

By a special resolution passed on 30 March 1995 the directors of the Company were empowered pursuant to section 95 of the Companies Act 1985 to allot equity securities at anytime when they are generally authorised for the purpose of section 80 of such Act as if section 89(1) did not apply to such allotment provided that such power:

- (i) is limited to the allotment of equity securities in connection with an offer by way of rights;
- (ii) is limited to the allotment (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal value of 5% of the current issued ordinary share capital of the Company; and

- (iii) shall expire at the conclusion of the next annual general meeting of the Company.
- (c) The liability of the members is limited to the amount, if any, which remains unpaid on the shares held by each shareholder.
- (d) Under the Company's executive share option scheme there are outstanding options over 331,000 ordinary shares. The options are exercisable at 100p.

3. SHARE RIGHTS

The share capital of the Company is divided into two classes of shares, the Ordinary Shares and the Convertible Preference Shares which have the following rights:

(A) Voting Rights

- (a) Subject to the voting rights attaching to the Convertible Preference Shares and any other terms as to voting upon which any shares may have been issued or may for the time being be held, or any suspension or abrogation of voting rights pursuant to the Articles, at a general meeting of the Company every member present in person shall, on a show of hands, have one vote and every member present in person or by proxy shall, on a poll, have one vote for every share of which he is the holder.
- (b) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register.
- (c) A member in respect of whom an order has been made by any court or official having jurisdiction (whether in the United Kingdom or elsewhere) that he is or may be suffering from mental disorder or is otherwise incapable of running his affairs may vote, whether on a show of hands or on a poll, by his guardian, receiver, curator bonis or other person authorised for that purpose and appointed by the court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy, provided that evidence (to the satisfaction of the board) of the authority of the person claiming to exercise the right to vote is deposited at the office (or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy) within the time limits prescribed by the Articles for the deposit of instruments of proxy for use at the meeting, adjourned meeting or poll at which the right to vote is to be exercised.

(d) Casting vote

In the case of an equality of votes, the chairman shall, both on a show of hands and on a poll, have a casting vote in addition to any vote to which he may be entitled as a member.

(e) Restriction on voting rights for unpaid calls etc

Unless the board otherwise determines no member shall be entitled (in respect of any share held by him) to be present or to vote, either in person or by proxy, at any general meeting or at any separate meeting of the holders of any class of shares or on any poll, or to exercise any other rights conferred by membership in relation to any such meeting or poll if any calls or other monies due and payable in respect of such share remain unpaid. Such restrictions shall cease to apply on payment of the amount outstanding and all costs, charges and expenses incurred by the Company by reason of such non-payment.

(B) Dividends

(a) Declaration of Dividends

Subject to the provisions of the Companies Acts 1985 and 1989 and of the Articles, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests in the profits of the Company, but no dividend shall exceed the amount recommended by the board.

(b) Interim Dividends

Subject to the provisions of the Companies Acts 1985 and 1989, the board may declare or pay such interim dividends (including any dividend payable at a fixed rate) as appear to it to be justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the board may pay interim dividends on shares which rank after shares conferring preferred rights with regard to dividend as well as on shares with preferred rights, unless at the time of payment any preferential dividend is in arrears and, provided the board acts in good faith, it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of any interim dividend on any shares ranking after those with preferred rights.

(c) Entitlement to Dividends

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of a call shall be treated as paid up on the share. Subject as aforesaid, all dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

(d) Method of Payment

The Company may pay any dividend, interest or other sum payable in respect of a share in cash or by cheque, warrant or money order, and may send the same by post to the registered address of the person entitled to it and, in the case of joint holders (or of two or more persons being jointly entitled to a share by reason of the death or bankruptcy of a member or otherwise by operation of law), to the registered address of that person whose name stands first in the register (or, in the case of persons entitled on death or bankruptcy, if their names are not entered in the register, to such of those persons whose surname stands alphabetically first), or to such person and address as the person or persons entitled may direct in writing.

(e) Uncashed Dividends

If cheques, warrants or orders for dividends or other monies payable in respect of a share sent by the Company to the person entitled to it are returned to the Company or left uncashed on three consecutive occasions, or following one such occasion reasonable enquiries have failed to establish any new address of the registered holder, the Company shall not be obliged to send any dividends or other monies payable in respect of that share due to that person until he notifies the Company of an address to be used for the purpose.

(f) Payment of Dividends in Specie

The board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or in part by the distribution of specific assets and, in particular, of paid up shares or debentures of any other company. The board may settle any difficulty which arises in relation to the distribution, as it thinks fit and, in particular, may ignore fractions, and may fix the value for the

distribution of such specific assets or any part of them, and may determine that cash payments may be made to any members on the basis of the value so fixed in order to secure equality of distribution, and may vest any such assets in trustees on trust for the persons entitled to the dividend as may seem expedient to the board.

(g) Payment of Scrip Dividends

The board may, with the prior authority of an ordinary resolution of the Company, offer holders of a particular class of shares the right to elect to receive further shares of that class, credited as fully paid, instead of cash in respect of all or part of any dividend or dividends specified by the ordinary resolution, subject to such exclusions, restrictions or other arrangements as the board may, in its absolute discretion, deem necessary or desirable in relation to compliance with legal or practical problems under the laws of any territory, or the requirements of any recognised regulatory body or any stock exchange in any territory.

(h) Dividends not to Bear Interest

No dividend or other monies payable by the Company on or in respect of any share shall bear interest as against the Company unless otherwise provided by the rights attached to the shares.

(i) Calls or Debts may be Deducted from Dividends

The board may deduct from any dividend or other monies payable to any person on or in respect of a share all such sums as may be due from him to the Company on account of calls or otherwise in relation to shares of the Company.

(j) Unclaimed Dividends etc

All unclaimed dividends, interest or other sums payable may be invested or otherwise made use of by the board for the benefit of the Company until claimed. All dividends unclaimed for a period of twelve years after having been declared shall be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend, interest or other sum payable by the Company on or in respect of any share into a separate account shall not constitute the Company a trustee in respect of it.

(C) Variation of Rights

- (a) Subject to the provisions of the Companies Acts 1985 and 1989, all or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated in such manner (if any) as may be provided by such rights, or, in the absence of any such provision, either with the consent in writing of the holders of at least seventy-five per cent in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the issued shares of that class in accordance with the provisions of the Articles, but not otherwise.
- (b) The rights attached to any class of shares shall not, unless otherwise expressly provided in the rights attaching to such shares, be deemed to be varied or abrogated by the creation or issue of shares ranking pari passu with or subsequent to them.

(D) Redeemable Shares

Subject to the provisions of the Companies Acts 1985 and 1989 and to any rights attaching to any existing shares, any shares in the capital of the Company may be issued on terms that they are to be redeemed or, at the option of the Company or the holder, are liable to be redeemed.

(E) Winding Up

On any voluntary winding up of the Company the liquidator may, subject to obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets shall consist of property of one kind, or shall consist of properties of different kinds, and, for such purpose, may set such value as he deems fair on any one or more class of classes of property, and may determine, on the basis of such valuation and in accordance with the then existing rights of members, how such division shall be carried out as between members or classes of members. The liquidator shall not, however, (except with the consent of the member concerned) distribute to a member any asset to which there is attached a liability or potential liability for the owner.

(F) Convertible Preference Shares

- (a) The holders of the Convertible Preference Shares shall not be entitled to any dividend.

(b) Until conversion the holders of the Convertible Preference Shares shall have the following rights:

- (i) on a return of capital on liquidation or otherwise, the assets of the Company available for distribution among the members shall be applied first in repaying to the holders of the Convertible Preference Shares rateably according to the numbers of such shares held by them respectively an amount calculated in accordance with the following formula:

$$(1,094,000 \times 1.06^t)$$

where 't' is the period of time elapsed since 31 December 1986 in years (or fractions thereof).

The balance of such assets, subject to any special rights which may be attached to any other class of shares, shall be applied in repaying to the holders of the Ordinary Shares the amounts as hereinafter provided.

- (ii) the Convertible Preference Shares shall entitle the holders thereof to receive notice of and to attend but not vote at any general meeting of the Company;
- (iii) the Convertible Preference Shares shall be converted into the number of Ordinary Shares mentioned in subparagraph (c) below at the earliest of the following times:
1. the time when shares in the Company are admitted to the Official List of the London Stock Exchange; or
 2. 1 January 1997.

(c) (i) The number of Ordinary Shares into which the Convertible Preference Shares shall be converted shall be calculated in accordance with the following formula:

$$N = \frac{(1,094,000 \times 1.06^t) \times 100}{M}$$

where:-

N = the percentage of Ordinary Shares in issue following conversion into which the Convertible Preference Shares shall be converted;

t = the period of time elapsed since 31st December 1986 in years (or fractions thereof);

M = the market value of all the issued Ordinary Shares immediately following conversion ascertained as provided in (ii) and (iii) below;

- (ii) except where sub-paragraph (iii) below applies, the market value of the issued share capital of the Company is the price which an independent purchaser of the whole of such share capital might be expected to pay therefor;
 - (iii) if the Convertible Preference Shares are required by paragraph (F)(b)(iii) above to be converted in consequence of shares in the Company being admitted to the Official List of the London Stock Exchange and such admission is obtained in connection with an offer for sale or placing of such shares the market value of the issued share capital of the Company at the time of such conversion shall be taken to be equal to the product of the number of Ordinary Shares in issue immediately after the conversion and the issue or placing price (as the case may be).
- (d) The Convertible Preference Shares may in no circumstances be redeemed.
- (e) For so long as any of the Convertible Preference Shares remain capable of being converted the following provisions shall apply unless the Company shall have obtained the consent in writing of the holder or holders of seventy-five per cent in nominal value of the Convertible Preference Shares then in issue or the sanction of an extraordinary resolution passed at a separate meeting of the holders of the Convertible Preference Shares in accordance with the provisions of the Articles:
- (i) the Company shall not (aa) make any distribution to its members of a capital nature including a distribution out of capital profits or capital reserves or out of profits or reserves arising from a distribution of capital profits or capital reserves by a subsidiary (bb) capitalise profits or reserves or any sum

standing to the credit of any share premium account or capital redemption reserve save as provided in Article 4.3.5 of the Articles.

- (ii) the Company shall not create or permit to be in issue equity share capital which as regards rights as to voting, dividends or capital has more favourable rights than those attached to the Ordinary Shares in issue at the date of adoption of the Articles of Association of the Company or modify the rights attached to the Ordinary Shares as a class and shall not permit any subsidiary to issue other than to the Company or to another wholly-owned subsidiary of the Company any shares ranking as participating in the assets or profits of the first-mentioned subsidiary in priority to its ordinary share capital nor shall any disposal be made by the Company to any subsidiary of any such shares
- (iii) no resolution shall be passed for reducing the share capital of the Company or any uncalled liability thereon or for reducing below £500,000 the amount, if any, for the time being standing to the credit of any share premium account or capital redemption reserve in any manner
- (iv) if a resolution is passed or an order is made for the winding-up of the Company (other than for the purpose of a reconstruction or amalgamation pursuant to a scheme previously approved by the holder or holders of not less than seventy-five per cent. in nominal value of the Convertible Preference Shares then in issue or by an extraordinary resolution passed at a separate meeting of the holders of the Convertible Preference shares in accordance with the provisions of the Articles of Association of the Company) the Company shall promptly give notice thereof to the holders of the Convertible Preference Shares then in issue who shall in respect of all the Convertible Preference Shares be entitled within six weeks after the giving of such notice by the Company to elect to be treated as if the Convertible Preference Shares had been converted immediately before such event. Such election shall be by notice in writing given to the Company by or on behalf of the holder or holders of seventy-five per cent. in nominal value of the Convertible Preference Shares then in issue or by an extraordinary resolution passed at a separate meeting of the holders of the Convertible Preference Shares in accordance with the provisions of the Articles of

Association of the Company. In the event of such election being made each such holder shall be entitled to be repaid in respect of his Convertible Preference Shares a sum equal to the amount to which he would have become entitled in such winding-up if he had been the holder of the Ordinary Shares (including any fraction of an Ordinary Share) to which he would have become entitled by virtue of such deemed conversion.

- (f) The Company will send to the holders of the Convertible Preference Shares a copy of every document sent to the holders of Ordinary Shares at the time when the same is sent to such holders of Ordinary Shares.
- (g) If whilst any of the Convertible Preference Shares remain capable of being converted any offer or invitation (not being an offer conforming with paragraph (h) below) is made to the holders of the Ordinary Shares, the Company shall make or so far as it is able procure that there is made a like offer or invitation at the same time to each holder of Convertible Preference Shares as if the Convertible Preference Shares had been converted on the record date for such offer or invitation on the basis of conversion then applicable.
- (h) If an offer is made to the holders of Ordinary Shares to acquire the whole or any part of the issued Ordinary Shares or the Company becomes aware that the rights to cast more than fifty per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror, the Company shall give notice to the holders of Convertible Preference Shares of such a vesting within fourteen days of its becoming so aware (and so that the publication of a scheme of arrangement under the Companies Act 1985 providing for the acquisition by any person of the whole or part of the Ordinary Shares shall be deemed to be the making of an offer).

4. MEMORANDUM OF ASSOCIATION

The principal objects of the Company as set out in Clause 4 of its memorandum of association are, inter alia, to carry on the business of importer, exporter, manufacturer, distributor, refiner and dealer in chemicals of all and every type, and pharmaceutical, medicinal, chemical, industrial, cosmetic, hygienic and other preparations.

5. DIRECTORS

Peter Anthony Lawrence (Chairman and Chief Executive)

Michael Edward Brent (Executive Director)

John Watt Dick (Non-Executive Director)

The Directors hold or have held the following other directorships during the five years prior to the date of this document:-

Peter Anthony Lawrence - Agil Limited
 Amberley Group Plc
 B H Products (Hanwell) Limited
 Blackfast Chemicals Limited
 C-Corp Limited
 The Colour Factory Limited (former directorship)
 Eco Animal Health Limited
 Eco Animal Health (Southern Africa) Pty Limited
 Idatchi Group Limited
 Input Recognition Systems Limited
 Interpet Limited
 Petworld Superstores Limited
 Petland Limited
 The Really Disposable Litter Tray Co Limited
 Tolsa Limited
 Crina (UK) Limited (former directorship)

Michael Edward Brent - Agil Limited
 Blackfast Chemicals Limited
 Interpet Limited
 Petworld Superstores Limited (former directorship)
 The Really Disposable Litter Tray Company Limited
 Crina (UK) Limited (former directorship)

John Watt Dick - Minsorb Marketing Limited

At the date of this document, none of the Directors had any unspent convictions or any public criticisms by statutory or regulatory authorities, and there have been no bankruptcies, receiverships or liquidations of companies where Directors of the Company were directors at the time of, or within 12 months preceding such events.

6. NOMINATED ADVISOR/NOMINATED BROKER

Charles Stanley & Company Limited of 25 Luke Street, London, EC2A 4AR, are acting as the Company's nominated adviser and nominated broker.

7. SUBSTANTIAL SHAREHOLDERS

	<u>Number of Ordinary Shares</u>	<u>%</u>
P Lawrence and family *	2,170,000	35.75
L Lawrence	1,080,000	17.79
J & P Lawrence, F J Fishburn +	820,800	13.52
J Levy	275,400	4.54
A Levy	275,400	4.54
D Salmon	275,400	4.54
Lysmata Limited (formerly Interpet Ltd)	294,118	4.84

* 1,080,000 are held by M Lawrence who is an infant and 320,000 by Mrs S Lawrence, the wife of P Lawrence.
+ as trustees of a settlement for Barry Day and his children.

8. LITIGATION

Neither the Company nor any member of the Group is involved in any legal or arbitration proceedings which are having or may have a significant effect on the Company's financial position, nor are any such proceedings pending or threatened.

9. CORPORATE HISTORY

Lawrence Industries plc was set up in 1987 to take advantage of the Business Expansion Scheme and raised £1.9m. At that time it was involved in the distribution of specialist minerals and pigments and the wholesale and distribution of pet products and comprised the Absorbent Products and Performance Minerals divisions. Since 1987 the Company has instituted a programme of acquisitions and disposals designed to maximise the return for shareholders. In 1988 the Company sold MOR Products to Pet's Choice Limited and in 1989 sold the Absorbent Products division to Steetley PLC. In 1990 the Company bought a chemical blacking business which now forms

the core business of Blackfast Chemicals Limited and acquired the business of Agil Limited. In 1991 the Company underwent a reorganisation to enable its divisions to trade as subsidiary companies. The Company then changed its name to Lawrence plc. In 1992 the shareholders were offered £1 per share by the Company to enable them to exit tax free, the first dividend of 3.5p per share was paid and dealings started in the Company's shares under Rule 535.2.

In 1993 Lawrence Industries Limited was sold to Amberley Group PLC for a maximum consideration of £6.265m. The sale price was satisfied as to approximately 80% in cash and 20% in shares and the Company's resultant holding including shares taken up in a recent rights issue is 3,187,210 ordinary shares of 2.5p in Amberley Group PLC worth approximately £1.9m at the present share price of 60p. In the same year the Company set up ECO Group Limited and the Really Disposable Litter Tray Company Limited.

In 1993 following prolonged negotiations the Company invested in the Colour Factory Limited. As a result of a reorganisation in January 1995 the shares in the Colour Factory Limited were partly exchanged for a 33% stake in Idatchi Group Limited. In April 1995 the Company re-invested part of the proceeds of sale of Lawrence Industries Limited in the acquisition of the business of Interpet Limited for an initial consideration of £2.5m in cash and £0.5m of ordinary shares in the Company at £1.70 per share and further consideration of up to £0.5m based on the profits of the business for the year to 31 March 1996. The turnover of Interpet Limited was £6.7m in the year to 31 March 1995 on which it made pre-tax profits before management charges of £338,000 and as at 31 March 1995 had net assets of approximately £1m.

10. SIGNIFICANT RECENT TRENDS AND PROSPECTS

As can be seen from the annual report and accounts for the year ended 31 March 1995 the Group made a pre-tax profit of £816,618 (1994 £4,826,094; the figures to 31 March included £3,828,996 profit from the sale of Lawrence Industries Limited) on turnover of £6,466,672 (1994 £8,020,201). The proposed net dividend for the year is 4.84p (1994 4.40p). The last financial year was a transitional one as the Group sought to reinvest the proceeds from the sale of Lawrence Industries Limited in 1993. The first step was the acquisition of the business of Interpet Limited. One months figures for Interpet are included in the year to 31 March 1995 and in this period the business contributed an operating profit of £50,741 on turnover of £722,615. Current trading is in line with Directors' expectations.

Sales turnover at Agil Limited increased by approximately 22% in the 12 months to 31 March 1995 and sales have been maintained at these higher levels during the first third of this financial year. Over 90% of sales are to export markets and Agil has

distributors in more than 29 countries around the world. With the growing acceptance of new products launched a year ago such as Sorbatox and Bact-A-Cid and the appointment of new overseas distributors in countries where Agil has not sold before such as India, Argentina and Brazil, the company anticipates a continued steady growth of sales of Agil's products. Sales of Agil products in the domestic market have also increased by approximately 11% in the last financial year and continuing effort is being made to gain more customers in the United Kingdom.

Blackfast Chemicals Limited showed an increase of approximately 22% in sales in the 12 month period to the 31 March 1995. This reflected the British engineering industry which was coming out of recession. Sales are predominantly in the UK currently with an increase apparent from the larger industrial users. In addition, the Company believes that the main growth for the business will come from exports, particularly in Europe and the Pacific Rim where there is large potential. This subsidiary has appointed some 17 overseas distributors with whom its sales engineers work on a regular basis.

For ECO Group Limited growth in sales is dependent upon drug registrations being obtained. In countries where registrations have already been achieved sales are progressing well. In other countries where the registration period is longer approvals are expected in the next 18 to 24 months. The registration staff have made 152 applications and have to date gained 56 registrations for products in countries in continental Europe, Asia, Southern Africa, the Middle East and Central and South America. It is anticipated that new territories will be opened during the course of 1995/96 which should ensure an increase in sales. The company has an exclusive distributorship from Mercian Corporation of Japan for countries in Africa, Europe, the Middle East and in India for a new patented generation antibiotic used in the poultry and pig industry which should gain significant sales over the next five years when all the licences are obtained. The company's subsidiary in South Africa has traded well and with the introduction of the newly registered anthelmintics and ectoparasiticides, Ecomintic and Ecotraz, sales in South Africa should increase strongly during the next 12 months.

The Group wishes to dispose of Petworld Superstores Limited as it now might be seen to cause a conflict of interests with some of the accounts of the Interpet business. There are discussions currently taking place with two venture capital and management buy-in groups.

Despite a recent setback in continental Europe detailed in the 1994 accounts, the Really Disposable Litter Tray Company has now been put on a sound footing for the domestic market and is attempting to gain business in the UK through supermarkets as well as in petshops. With the addition of Interpet to the Group, the sales and marketing of these trays is now being dealt with by its sales force and an improved

performance is expected this year. It has taken a little longer than anticipated to introduce the concept of a disposable litter tray but it now appears to be an established hygienic way of dealing with cat litter and with the possibility of better product availability through the high street multiples, could become a way of life for cat owners.

Since its acquisition the Group has adopted an aggressive sales and marketing approach at Interpet, which has been welcomed by the existing management. The Group is convinced that there is scope to increase sales and to raise profit margins in this business. The Company has recently entered into an arrangement for the distribution of Zooplankton, a speciality fish food, and discussions are currently taking place for the distribution of a range of pet accessories from the USA.

Idatchi Group Limited which is 33% owned and markets and disperses colour pigments to industry had an increase in sales of approximately 11% in the last financial year. Sales have continued to grow during the first four months of this year. This encourages the company to be confident about the current year.

The Company is continuing to look for opportunities to build and strengthen the business of the Group. In particular the Company is investigating the possibility of an acquisition in the animal health sector and the Company is currently in discussions with several parties which may or may not lead to further acquisitions.

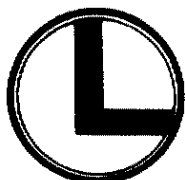
11. WORKING CAPITAL

In the opinion of the Directors, having made due and careful enquiry, the working capital available to Lawrence plc and its group is sufficient for its present requirements.

This document has been approved by Charles Stanley & Company Limited regulated by the Securities and Futures Authority Limited and a member of the London Stock Exchange.

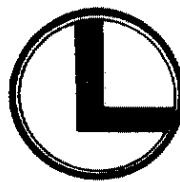
20 September 1995

LAWRENCE plc



ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 1995

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LAWRENCE plc

P. O. Box 111, New Malden,
Surrey KT3 4YB, England
Fax:081-336 0909 Tel:081-336 2900

SUBSIDIARY COMPANIES

AGIL

Hercules 2, Calleva Park
Aldermaston, Berkshire RG7 4QW
Tel: 01734 813333 Fax: 01734 810909



Agil manufactures and markets speciality chemicals such as anti oxidants, salmonella inhibitors, silage additives and enzymes to the animal feed industry.

BLACKFAST CHEMICALS

78 Coombe Road
New Malden, Surrey KT3 4QS
Tel: 0181-336 2900 Fax: 0181-336 0909



Blackfast Chemicals manufacture and sell a system for room temperature blacking of metal components which is supported by a range of surface preparation and finishing chemicals.

ECO ANIMAL HEALTH

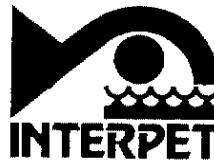
284 Chase Road
Southgate, London N14 6HF
Tel: 0181-447 8899 Fax: 0181-447 9292



Eco Animal Health markets a range of therapeutic medicines to the food farming industry all around the world.

INTERPET

Vincent Lane,
Dorking, Surrey RH4 3YX
Tel: 01306-881033 Fax: 01306 885009



Interpet manufacture and distribute quality pet accessories worldwide.

PETWORLD SUPERSTORES

163-165 Bromley Road
Catford, London SE6 2NZ
Tel/Fax: 0181-698 1232

Units 1 - 3
Broadway Retail Park
Cricklewood Lane
Cricklewood, London NW2 1ES
Tel: 0181-450 3030
Fax: 0181-450 0600



Petworld sells pets of all types and a wide range of pet accessories and foods.

THE REALLY DISPOSABLE LITTER TRAY COMPANY

P.O. Box 111
New Malden, Surrey KT3 4YB
Tel: 0181-336 2900 Fax: 0181-336 0909



The Really Disposable Litter Tray Company has the worldwide selling rights for a new, patented, hygienic low cost disposable cat litter tray which is made from recycled plastic.

Registered No. 1818170

CHAIRMAN'S REPORT

RESULTS:

I am pleased to report a good year for your Group and pre-tax profits for the year of £816,618. The profit includes one month's contribution from our Interpet Division. This has been a year of some frustration caused by negotiations with companies which we attempted to acquire. I am delighted that we were finally able to reach agreement with the vendors of Interpet although another acquisition which proceeded beyond due diligence and contracts had to be aborted in April. The business of Interpet was acquired for an initial consideration of £2.5 million in cash and £500,000 in Ordinary Shares in the company issued at £1.70 per share. A further consideration of up to £500,000 based on the profits of the business for the year to 31st March 1996 could be payable provided that the profits exceed £500,000. The net assets of the business were about £1 million. A further acquisition in the animal health sector is still undergoing investigation and a final decision will be taken on that company in late September. Approval will be sought at the AGM for the payment of a dividend of 4.84p per Ordinary Share, an increase of 10%. The value of our 7.4% of Amberley Group's Shares is currently over £1.75 million and a further transaction concerning the knowhow of manufacture of certain pigments has been transferred to Amberley Group with whom our working relationship remains strong and happy.

Your company will shortly be listed on the Alternative Investment Market and the current price per Ordinary Share is around £1.80. I hope that the forthcoming year will be our most exciting year yet and with so much growth available to all the businesses within your Group we shall continue to work hard and focus on increasing the earnings per share.

OPERATIONS

AGIL LTD'S sales turnover increased by 22% in the 12 months to 31st March 1995 and sales have been maintained at these higher levels during the first third of this financial year. Over 90% of sales are to export markets and Agil has distributors in 29 countries around the world. With the growing acceptance of new products launched a year ago such as Sorbatox and Bact-A-Cid and the appointment of new overseas distributors in countries where Agil has not sold before such as India, Argentina, Brazil and some Central American countries, the company anticipates a continued steady growth of sales of Agil products. Sales in the domestic market have also increased by 11% in the last financial year and continuing efforts are being made to gain more customers in the United Kingdom.

BLACKFAST CHEMICALS LTD also showed a good increase in sales in the 12 month period to the 31st March 1995. This reflected the British engineering industry which was coming out of recession. Sales currently are predominantly in the U.K with an increase apparent from the larger industrial users who are convinced of the benefits Blackfast offers over traditional hot blacking chemicals. In addition, the company believes that the main growth for the business will come from exports, particularly in Europe and the Pacific Rim where there is large potential. This subsidiary has appointed some 17 overseas distributors with whom its sales engineers work on a regular basis.

ECO GROUP LTD's growth in sales is dependent upon drug registrations being obtained. In some countries where sales are progressing well, registrations have already been achieved whereas in others, the registration period is longer and approval is expected in the next 18 to 24 months. The registration staff have made 165 applications and have to date gained registrations for 56 products in countries including continental Europe, Asia, Southern Africa, Middle East and Central and South America .

It is anticipated that new territories will be opened during the course of 1995/96 which should ensure a substantial increase in sales. The company has a partial exclusive distributorship from Merciar Corporation, Japan for a new patented generation of antibiotic used in the poultry and pig industry which should gain very significant sales over the next five years when all the registrations are obtained. The company's subsidiary in South Africa has traded well and with the introduction of the newly registered anthelmintics and ectoparasiticides, Ecomintic and Ecotraz, sales in South Africa should increase strongly during the next 12 months.

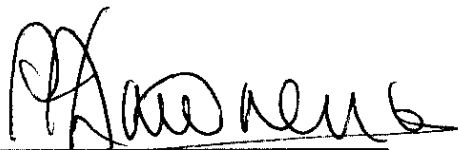
INTERPET DIVISION has only recently been acquired and since then, the Group has adopted an aggressive sales and marketing approach. We are convinced that there is scope to increase sales and to raise profit margins in the business. Interpet is a brand leader in pond and aquatic products and has widened its non-aquatic product range with the distributorship of the Zodiac anti-flea range from Sandoz. Since April, discussions have led to two new sole distribution agreements for exciting new products to be added to the range.

PETWORLD SUPERSTORES LTD has continued to expand sales at Cricklewood although growth at Catford was checked last year. Some refurbishment to our south London store has already improved trading in the New Year. The Group is continuing to examine ways of disposing of Petworld Superstores Ltd and discussions are currently taking place with two venture capital and management buy-in groups.

THE REALLY DISPOSABLE LITTER TRAY COMPANY LTD has now, despite a recent setback in continental Europe detailed in the 1994 accounts, been put on a sound footing for the domestic market and is attempting to gain business in the U.K through supermarkets as well as in petshops. With the addition of Interpet to the Group, the sales and marketing of these trays is now being dealt with by their salesforce and an improved performance is expected this year. It has taken a little longer than anticipated to introduce the concept of a disposable litter tray but it now appears to be an established hygienic way of dealing with cat litter and with better product availability through the high street multiples should soon become a way of life for cat owners.

EMPLOYEES:

I would like to express my thanks to all our staff and employees without whose hard work and loyalty, the company could not continue to flourish. We currently employ a total of 150 people at our offices, warehouses, factory and shops.



Peter Lawrence - Chairman

September 1995

Lawrence PLC

Company Information
for the Year Ended 31 March 1995

DIRECTORS: P. A. Lawrence
M. E. Brent
J. W. Dick (Non-executive)

SECRETARY: Mrs P. Charles

REGISTERED OFFICE: 78 Coombe Road
New Malden
Surrey
KT3 4QS

REGISTERED NUMBER: 1818170 (England and Wales)

AUDITORS: Hockmans
Registered Auditors
Chartered Accountants
1 Peterborough Road
Harrow
Middlesex
HA1 2AP

STOCKBROKERS: Charles Stanley & Company
25 Luke Street
London
EC2A 4AR

SOLICITORS: Dibb Lupton Broomhead
125 London Wall
London
EC2Y 5AE

**Report of the Directors
for the Year Ended 31 March 1995**

The directors present their report with the financial statements of the company for the year ended 31 March 1995.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of manufacturers and suppliers of pigments, speciality chemicals, agricultural and animal health products; manufacturers and distributors of pet accessories.

REVIEW OF BUSINESS

The results for the year and financial position of the company and group are as shown in the annexed financial statements.

DIVIDENDS AND TRANSFERS TO RESERVES

No interim dividends were paid during the year ended 31 March 1995.

The directors recommend final dividends as follows:

£0.10 Ordinary shares	4.84 per share
£1 Deferred ordinary shares	NIL
£1 Convertible preference shares	NIL

The total distribution of dividends for the year ended 31 March 1995 will be £293,430 and the retained profit transferred to reserves will be £288,846.

FIXED ASSETS

Details of movements in Fixed Assets are shown in the Notes to the accounts.

RESEARCH AND DEVELOPMENT

The group is continually researching into and developing new products and markets. Details of expenditure incurred and written off during the year are shown in the accounts.

FUTURE DEVELOPMENTS

A review of the group's performance during the year, with comments on the financial results and future developments is contained in the Chairman's statement.

SHARE CAPITAL

Details of additions to share capital are shown in note 23 in the accounts.

Report of the Directors
for the Year Ended 31 March 1995

DIRECTORS

The directors during the year under review were:

P. A. Lawrence
M. E. Brent
J. W. Dick (Non-executive)

The beneficial interests of the directors holding office on 31 March 1995 in the issued share capital of the company were as follows:

	31.3.95	1.4.94
Ordinary Shares £0.10 shares		

P. A. Lawrence	3,250,000	3,250,000
M. E. Brent	-	-
J. W. Dick	-	-

Deferred Ordinary £1 shares

P. A. Lawrence	99	99
M. E. Brent	-	-
J. W. Dick	-	-

Convertible Preference £1 shares

P. A. Lawrence	304	304
M. E. Brent	-	-
J. W. Dick	-	-

Under the group's share option scheme the following directors have the right to acquire ordinary shares at a price of £1 per share.

M. E. Brent	152,000 options
J. W. Dick (Non-executive)	96,000 options

In accordance with the Articles of Association, J. W. Dick will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

DONATIONS

During the year the company made charitable donations amounting to £3,000 (1994 £3,000). No political donations were made.

**Report of the Directors
for the Year Ended 31 March 1995**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 the group 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STOCKBROKERS

Charles Stanley & Co are the company's stockbrokers. The shares of the company are traded on the Stock Exchange under Rule 4.2(a). The last notified transaction in August 1995 was at a price of £1.80 per share. Arrangements are being made to have the company's shares traded on the Alternative Investment Market which will take place during September 1995.

AUDITORS

The auditors, Hockmans, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

Mrs P. Charles - Secretary

Dated: September 1995

Lawrence PLC

**Report of the Auditors to the Shareholders of
Lawrence PLC**

We have audited the financial statements on pages six to twenty-eight which have been prepared under the historical cost convention and the accounting policies set out on pages eleven and twelve.

Respective responsibilities of directors and auditors

As described on page four 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 affairs of the company and of the group as at 31 March 1995 and of the group's profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hockmans
Registered Auditors
Chartered Accountants
1 Peterborough Road
Harrow
Middlesex
HA1 2AP

Dated: September 1995

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 1995

	Notes	31.3.95		31.3.94	
		£	£	£	£
TURNOVER	2		6,466,672		8,020,201
Continuing operations		5,744,057		5,177,401	
Acquisitions		722,615		-	
		<u>6,466,672</u>		<u>5,177,401</u>	
Discontinued operations		-		2,842,800	
		<u>-</u>		<u>2,842,800</u>	
Cost of sales	3		3,888,608		4,997,523
GROSS PROFIT	3		2,578,064		3,022,678
Net operating expenses	3		2,285,235		2,204,676
OPERATING PROFIT	6		292,829		818,002
Continuing operations		242,088		119,908	
Acquisitions		50,741		-	
		<u>292,829</u>		<u>119,908</u>	
Discontinued operations		-		698,094	
		<u>-</u>		<u>698,094</u>	
Profit on sale of a division			-		3,828,996
Share of profits/(losses) of associated undertakings			80,080		(34,837)
			<u>372,909</u>		<u>4,612,161</u>
Income from investments	7	182,147		-	
Interest receivable and similar income	8	270,418		213,933	
		<u>452,565</u>		<u>213,933</u>	
			825,474		4,826,094
Interest payable and similar charges	9		8,856		-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			816,618		4,826,094
Tax on profit on ordinary activities	10		244,999		266,370
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			571,619		4,559,724
Minority Interest			10,657		25,811

The notes form part of these financial statements

Lawrence PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 1995

		31.3.95		31.3.94	
	Notes	£	£	£	£
PROFIT FOR THE FINANCIAL YEAR			582,276		4,585,535
Dividends	11		293,430		253,216
			<u>288,846</u>		<u>4,332,319</u>
Retained profit brought forward			7,015,309		2,682,990
			<u>7,304,155</u>		<u>7,015,309</u>
Net adjustments to goodwill			(1,764,202)		-
RETAINED PROFIT CARRIED FORWARD			<u>£5,539,953</u>		<u>£7,015,309</u>

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the profit for the current year.

The notes form part of these financial statements

Lawrence PLC

CONSOLIDATED BALANCE SHEET
As at 31 March 1995

		31.3.95		31.3.94	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	12		55,430		58,841
Tangible assets	13		1,792,898		1,057,992
Investments	14		3,337,152		4,023,674
			<u>5,185,480</u>		<u>5,140,507</u>
CURRENT ASSETS:					
Stocks	15	1,824,660		397,271	
Debtors	16	5,140,392		2,973,507	
Cash at bank and in hand		2,652		2,036,852	
			<u>6,967,704</u>	<u>5,407,630</u>	
CREDITORS: Amounts falling due within one year	17	4,100,545		982,812	
			<u>2,867,159</u>	<u>4,424,818</u>	
NET CURRENT ASSETS:					
TOTAL ASSETS LESS CURRENT LIABILITIES:			8,052,639		9,565,325
CREDITORS: Amounts falling due after more than one year	18		25,173		-
			<u>£8,027,466</u>		<u>£9,565,325</u>
CAPITAL AND RESERVES:					
Called up share capital	23		607,454		576,684
Share premium	24		1,836,556		1,353,751
Minority interest	25		(61,247)		(39,340)
Capital redemption reserve	26		104,750		104,750
Other reserves	27		-		554,171
Profit & loss account			5,539,953		7,015,309
			<u>£8,027,466</u>		<u>£9,565,325</u>
Shareholders' funds	31				

ON BEHALF OF THE BOARD:

P. A. Lawrence - DIRECTOR

M. E. Brent - DIRECTOR

Approved by the Board on September 1995

The notes form part of these financial statements

Lawrence PLC

COMPANY BALANCE SHEET
As at 31 March 1995

	Notes	31.3.95		31.3.94	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	13		960,390		361,902
Investments	14		3,414,434		3,091,779
			<u>4,374,824</u>		<u>3,453,681</u>
CURRENT ASSETS:					
Stocks	15	1,401,579		-	
Debtors	16	10,600,970		3,725,925	
Cash at bank and in hand		200		2,074,920	
			<u>12,002,749</u>	<u>5,800,845</u>	
CREDITORS: Amounts falling due within one year	17		<u>9,143,978</u>	<u>5,239,826</u>	
NET CURRENT ASSETS:			<u>2,858,771</u>	<u>561,019</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>7,233,595</u>	<u>4,014,700</u>	
CREDITORS: Amounts falling due after more than one year	18		<u>25,173</u>	<u>-</u>	
			<u>£7,208,422</u>	<u>£4,014,700</u>	
CAPITAL, AND RESERVES:					
Called up share capital	23		607,454		576,684
Share premium	24		1,836,556		1,353,751
Capital redemption reserve	26		104,750		104,750
Other reserves	27		-		457,671
Profit & loss account			<u>4,659,662</u>		<u>1,521,844</u>
Shareholders' funds	31		<u>£7,208,422</u>		<u>£4,014,700</u>

ON BEHALF OF THE BOARD:

P. A. Lawrence - DIRECTOR

Approved by the Board on September 1995

The notes form part of these financial statements

Lawrence PLC

Cash Flow Statement
for the Year Ended 31 March 1995

	Notes	31.3.95		31.3.94	
		£	£	£	£
Net cash (outflow)/inflow from operating activities	33		(925,782)		(453,820)
Returns on investments and servicing of finance					
Interest received		270,418		213,933	
Interest paid		(8,856)		-	
Dividends received		182,147		-	
Dividends paid		(253,216)		(218,306)	
Net cash inflow/(outflow) from returns on investments and servicing of finance			190,493		(4,373)
Taxation					
Corporation Tax paid		(231,252)		(308,062)	
Tax paid			(231,252)		(308,062)
Investing activities					
Purchase of Interpet business		(2,640,296)			
Purchase of tangible fixed assets		(954,914)			
Cash payments - investment purchase		-		(3,083,900)	
Sale of tangible fixed assets		32,060		58,140	
Net sale of investments		736,134			
Sale of business		-		3,882,925	
Movement in other reserves		-		(23,037)	
Net cash outflow from investing activities			(2,827,016)		834,128
Net cash (outflow)/inflow before financing			(3,793,557)		67,873
Financing					
Proceeds of share sale		13,500		10,000	
Net cash inflow from financing			13,500		10,000
(Decrease)/Increase in cash and cash equivalents	33		£(3,780,057)		£77,873

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 1995

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Basis of Consolidation

The consolidated financial statements comprise the accounts of the company and its trading subsidiaries made up to 31 March 1995. The results of businesses acquired during the year are included from the date of acquisition using the acquisition method of accounting. A separate profit and loss account dealing with the results of the company has not been presented as permitted by Section 230 of the Companies Act 1985.

Associated undertakings

Associated undertakings are those businesses, other than subsidiaries, in which the group has a beneficial interest and over which it exercises significant influence. The group includes its share of profit and losses of all associated undertakings. The investment in associated undertakings is stated at the group's share of the underlying net asset values.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Intangible fixed assets

The cost of acquiring trade marks is being written off over a period of 20 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Long Leasehold Property-	not provided
Freehold property	- over the remaining term of the lease
Alterations to Premises-	10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance
Start up Costs	- 25% on cost

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Notes to the Financial Statements
for the Year Ended 31 March 1995

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The group operates a defined contribution pension scheme through a related company controlled by the family of P. A. Lawrence. Contributions are charged in the Profit and Loss Account in the year in which they are paid.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and unincorporated businesses, representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired, is written off against reserves on acquisition.

2. **TURNOVER**

A detailed breakdown of the turnover and profit applicable to each activity as required in the Statement of Standard Accounting Practice no. 25 (Segmental Accounting) has not been provided; in the opinion of the directors to do so would be seriously prejudicial to the group's business.

Notes to the Financial Statements
for the Year Ended 31 March 1995

3. ANALYSIS OF OPERATIONS

	31.3.95		Total £
	Continuing £	Discontinued £	
Cost of sales	<u>3,888,608</u>	<u>-</u>	<u>3,888,608</u>
Gross profit	<u>2,578,064</u>	<u>-</u>	<u>2,578,064</u>
Net operating expenses:			
Administrative expenses	2,388,787	-	2,388,787
Other operating income (see note 4)	(103,552)	-	(103,552)
	<u>2,285,235</u>	<u>-</u>	<u>2,285,235</u>
	31.3.94		Total £
	Continuing £	Discontinued £	
Cost of sales	<u>3,088,242</u>	<u>1,909,281</u>	<u>4,997,523</u>
Gross profit	<u>2,089,159</u>	<u>933,519</u>	<u>3,022,678</u>
, Net operating expenses:			
Administrative expenses	2,102,232	235,425	2,337,657
Other operating income (see note 4)	(132,981)	-	(132,981)
	<u>1,969,251</u>	<u>235,425</u>	<u>2,204,676</u>

The total figures for continuing operations include the following amounts relating to acquisitions:

	31.3.95 £	31.3.94 £
Cost of sales	<u>463,982</u>	<u>-</u>
Gross profit	<u>258,633</u>	<u>-</u>
Net operating expenses:		
Administrative expenses	208,726	-
Other operating income (see note 4)	(834)	-
	<u>207,892</u>	<u>-</u>

Lawrence PLC

Notes to the Financial Statements
for the Year Ended 31 March 1995

4.	OTHER OPERATING INCOME	31.3.95	31.3.94
		£	£
	Sundry receipts	62,335	120,881
	Management fees	41,217	12,100
		<u>103,552</u>	<u>132,981</u>

5.	STAFF COSTS	31.3.95	31.3.94
		£	£
	Wages and salaries	1,133,347	1,137,158
	Social security costs	85,351	96,323
	Other pension costs	-	32,543
		<u>1,218,698</u>	<u>1,266,024</u>

The average weekly number of employees during the year was as follows:

	31.3.95	31.3.94
Administrative and Distribution	60	58
Directors	3	4
	<u>63</u>	<u>62</u>

6. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.3.95	31.3.94
	£	£
Hire of plant and machinery	325	-
Exchange rate loss	8,387	10,150
Depreciation - owned assets	187,293	160,956
Depreciation - assets on hire purchase or finance leases	1,850	-
(Profit)/Loss on disposal of fixed assets	(684)	30,110
Trade marks written off	3,411	3,411
Auditors' remuneration	27,200	18,000
	<u>155,895</u>	<u>525,165</u>

Details of individual emoluments, excluding pension contributions, were as follows:

	31.3.95	31.3.94
	£	£
Chairman	79,010	119,390

These emoluments are included in the information which follows.

Notes to the Financial Statements
for the Year Ended 31 March 1995

The directors' emoluments, excluding pension contributions, fell within the following ranges:

	31.3.95	31.3.94
£Nil - £5,000	1	2
£70,001 - £75,000	-	1
£75,001 - £80,000	2	-
£95,001 or more	-	1

7. INCOME FROM INVESTMENTS

	31.3.95	31.3.94
	£	£
Dividends receivable	<u>182,147</u>	<u>-</u>

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.3.95	31.3.94
	£	£
Interest received	<u>270,418</u>	<u>213,933</u>

9. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.95	31.3.94
	£	£
Bank loans, overdrafts and other loans repayable within five years: otherwise than by instalments	<u>8,856</u>	<u>-</u>

10. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.95	31.3.94
	£	£
Based on the adjusted results of the year:		
UK Corporation Tax	215,257	266,370
Prior year adjustment	29,742	-
	<u>244,999</u>	<u>266,370</u>

UK Corporation Tax has been charged at 33% (1994 - 33%).

Notes to the Financial Statements
for the Year Ended 31 March 1995

11. DIVIDENDS

	31.3.95	31.3.94
	£	£
Equity shares:		
6,062,593 Ordinary shares of £0.10 each		
Proposed final 4.84p per share		
(1994 4.40p)	293,430	253,216
	<u>293,430</u>	<u>253,216</u>
	<u>293,430</u>	<u>253,216</u>

12. INTANGIBLE FIXED ASSETS
Group

	Trade Marks
	£
COST:	
At 1 April 1994	
and 31 March 1995	68,221
AMORTISATION:	
At 1 April 1994	9,380
Charge for year	3,411
	<u>12,791</u>
At 31 March 1995	
NET BOOK VALUE:	
At 31 March 1995	55,430
	<u>58,841</u>
At 31 March 1994	<u>58,841</u>

Notes to the Financial Statements
for the Year Ended 31 March 199513. TANGIBLE FIXED ASSETS
Group

	Long Leasehold Property	Freehold property	Alter- ations to Premises	Plant and machinery
	£	£	£	£
COST:				
At 1 April 1994	219,889	24,345	526,313	56,111
Additions	25,852	505,450	3,000	294,655
Disposals	(13,709)	-	-	-
At 31 March 1995	232,032	529,795	529,313	350,766
DEPRECIATION:				
At 1 April 1994	13,709	5,510	67,861	20,971
Charge for year	517	10,068	31,881	19,922
Eliminated on disposals	(13,709)	-	-	-
At 31 March 1995	517	15,578	99,742	40,893
NET BOOK VALUE:				
At 31 March 1995	231,515	514,217	429,571	309,873
At 31 March 1994	206,180	18,835	458,452	35,140
	Fixtures and fittings	Motor vehicles	Start up Costs	Totals
	£	£	£	£
COST:				
At 1 April 1994	289,816	177,235	52,052	1,345,761
Additions	40,302	85,655	-	954,914
Disposals	-	(60,155)	-	(73,864)
At 31 March 1995	330,118	202,735	52,052	2,226,811
DEPRECIATION:				
At 1 April 1994	106,199	56,365	17,154	287,769
Charge for year	50,574	59,027	17,154	189,143
Eliminated on disposals	-	(29,290)	-	(42,999)
At 31 March 1995	156,773	86,102	34,308	433,913
NET BOOK VALUE:				
At 31 March 1995	173,345	116,633	17,744	1,792,898
At 31 March 1994	183,617	120,870	34,898	1,057,992

Notes to the Financial Statements
for the Year Ended 31 March 1995

TANGIBLE FIXED ASSETS

Company

	Long Leasehold Property	Freehold property	Alterations to Premises
	£	£	£
COST:			
At 1 April 1994	219,889	-	5,660
Additions	25,852	505,450	-
Disposals	(219,889)	-	-
At 31 March 1995	25,852	505,450	5,660
DEPRECIATION:			
At 1 April 1994	13,709	-	1,037
Charge for year	517	3,370	562
Eliminated on disposals	(13,709)	-	-
At 31 March 1995	517	3,370	1,599
NET BOOK VALUE:			
At 31 March 1995	25,335	502,080	4,061
At 31 March 1994	206,180	-	4,623

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST:				
At 1 April 1994	-	68,233	169,670	463,452
Additions	293,424	18,194	66,325	909,245
Disposals	-	-	(60,155)	(280,044)
At 31 March 1995	293,424	86,427	175,840	1,092,653
DEPRECIATION:				
At 1 April 1994	-	35,324	51,480	101,550
Charge for year	6,492	11,116	51,655	73,712
Eliminated on disposals	-	-	(29,290)	(42,999)
At 31 March 1995	6,492	46,440	73,845	132,263
NET BOOK VALUE:				
At 31 March 1995	286,932	39,987	101,995	960,390
At 31 March 1994	-	32,909	118,190	361,902

Notes to the Financial Statements
for the Year Ended 31 March 1995

Fixed assets, included in the above, which are held under hire purchase or finance leases are as follows:

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
Additions	72,593	14,248	86,841
At 31 March 1995	<u>72,593</u>	<u>14,248</u>	<u>86,841</u>
DEPRECIATION:			
Charge for year	1,546	304	1,850
At 31 March 1995	<u>1,546</u>	<u>304</u>	<u>1,850</u>
NET BOOK VALUE:			
At 31 March 1995	<u>71,047</u>	<u>13,944</u>	<u>84,991</u>

14. **FIXED ASSET INVESTMENTS**
Group

	£
COST:	
At 1 April 1994	4,073,286
Additions	1,451,475
Disposals	(2,187,609)
At 31 March 1995	<u>3,337,152</u>
NET BOOK VALUE:	
At 31 March 1995	<u>£3,337,152</u>
At 31 March 1994	<u>£4,023,674</u>

Company

COST:	
At 1 April 1994	3,091,779
Additions	1,260,757
Disposals	(938,102)
At 31 March 1995	<u>3,414,434</u>
NET BOOK VALUE:	
At 31 March 1995	<u>£3,414,434</u>
At 31 March 1994	<u>£3,091,779</u>

Notes to the Financial Statements
for the Year Ended 31 March 1995

	31.3.95 £	31.3.94 £
Investments listed on recognised stock exchange	2,585,849	3,894,511
Unlisted investments	751,303	129,163
	<u>3,337,152</u>	<u>4,023,674</u>

Market value of listed investments as at 31 March 1995 - £2,624,672
(1994 - £4,064,022).

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Company name, country of incorporation	%	Class of shares
	holding	
Agil Ltd	100.00	Ordinary (England & Wales)
Bedouins Ltd	100.00	Ordinary (England & Wales)
Blackfast Chemicals Ltd	100.00	Ordinary (England & Wales)
Eco Group Ltd	100.00	Ordinary (British Virgin Islands)
Pet World Superstores Ltd	90.90	Ordinary (England & Wales)
The Really Disposable Litter Tray Company Limited	100.00	Ordinary (England & Wales)

Unlisted investments represent investments in associated undertakings.

The activities of the associated and subsidiary companies are as follows:-

Agil Limited and Eco Group Limited

The manufacture and marketing of chemicals for the animal feed industry.

Bedouins Limited

Non-trading

Blackfast Chemicals Limited

The manufacture and supply of speciality chemicals

Pet World Superstores Limited

Retailing pets and pet accessories

The Really Disposable Litter Tray Company Limited

The manufacture and selling of disposable cat litter trays.

The listed investments include 3,187,210 shares in Amberley Group PLC.

Lawrence PLC

Notes to the Financial Statements
for the Year Ended 31 March 1995

15.	STOCKS		
	Group	31.3.95	31.3.94
		£	£
	Raw materials	468,146	129,305
	Finished goods	1,356,514	267,966
		<u>1,824,660</u>	<u>397,271</u>
	STOCKS		
	Company	31.3.95	31.3.94
		£	£
	Raw materials	351,057	-
	Finished goods	1,050,522	-
		<u>1,401,579</u>	<u>-</u>
16.	DEBTORS		
	Group	31.3.95	31.3.94
		£	£
	Amounts falling due within one year:		
	V.A.T.	-	38,416
	Trade debtors	2,269,799	972,302
	Debtors and prepaid expenses	467,408	673,335
	ACT recoverable	73,358	64,295
		<u>2,810,565</u>	<u>1,748,348</u>
	Amounts falling due after more than one year:		
	Associated undertakings	2,329,827	1,225,159
		<u>5,140,392</u>	<u>2,973,507</u>
	Company		
		31.3.95	31.3.94
		£	£
	Amounts falling due within one year:		
	V.A.T.	15,001	38,416
	Trade debtors	1,265,357	74,017
	Prepayments	77,615	22,913
	Debtors	273,729	181,647
	Group undertakings	6,566,083	2,041,927
	ACT recoverable	73,358	63,304
	Taxation	-	78,542
		<u>8,271,143</u>	<u>2,500,766</u>
	Amounts falling due after more than one year:		
	Associated undertakings	2,329,827	1,225,159
		<u>10,600,970</u>	<u>3,725,925</u>

Notes to the Financial Statements
for the Year Ended 31 March 199517. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

Group	31.3.95 £	31.3.94 £
Bank loans and overdrafts (see note 19)	1,745,857	-
Hire purchase and finance leases (see note 20)	37,292	-
Trade creditors	1,175,329	254,193
Other creditors	172,904	170,721
Accrued expenses	400,228	66,178
Dividend	293,430	253,216
V.A.T.	984	-
PAYE and social security	64,558	41,205
Taxation	209,963	197,299
	<u>4,100,545</u>	<u>982,812</u>

Company

	31.3.95 £	31.3.94 £
Bank loans and overdrafts (see note 19)	1,751,503	-
Hire purchase and finance leases (see note 20)	37,292	-
Trade creditors	667,748	12,870
Other creditors	105,288	126,175
Accrued expenses	336,129	37,111
Dividend	293,430	253,216
PAYE and social security	56,283	18,402
Group undertakings	5,896,305	4,792,052
	<u>9,143,978</u>	<u>5,239,826</u>

18. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

Group and company	31.3.95 £	31.3.94 £
Hire purchase and finance leases (see note 20)	25,173	-
	<u>25,173</u>	<u>-</u>

19. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.3.95 £	31.3.94 £
Amounts falling due within one year or on demand:		
Group		
Bank overdrafts	<u>1,745,857</u>	<u>-</u>

Notes to the Financial Statements
for the Year Ended 31 March 1995

Company	31.3.95 £	31.3.94 £
Bank overdrafts	<u>1,751,503</u>	<u>-</u>

20. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES
Group and company

	Hire purchase contracts	
	31.3.95 £	31.3.94 £
Gross obligations repayable:		
Within one year	47,127	-
Between one and five years	<u>32,435</u>	<u>-</u>
	<u>79,562</u>	<u>-</u>
Finance charges repayable:		
Within one year	9,835	-
Between one and five years	<u>7,262</u>	<u>-</u>
	<u>17,097</u>	<u>-</u>
Net obligations repayable:		
Within one year	37,292	-
Between one and five years	<u>25,173</u>	<u>-</u>
	<u>62,465</u>	<u>-</u>

The following payments are committed to be paid within one year:

	Land and buildings operating leases	
	31.3.95 £	31.3.94 £
Expiring:		
In more than five years	<u>177,383</u>	<u>160,698</u>

Notes to the Financial Statements
for the Year Ended 31 March 1995

21. SECURED DEBTS

The bank overdraft is secured by a debenture on the assets of the company.

22. PROVISIONS FOR LIABILITIES AND CHARGES
Group

Deferred taxation for which provision has been made in the financial statements and the amounts for which no provision has been made, are as follows:

	Provided 31.3.95 £	Not provided 31.3.95 £
Excess of tax allowances over depreciation of tangible fixed assets	-	145,850
	<u>-</u>	<u>145,850</u>

No deferred taxation has been provided for in the company.

23. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.3.95 £	31.3.94 £
7,488,060	Ordinary Shares	£0.10	748,806	748,806
1,000	Deferred Ordinary	£1	1,000	1,000
1,094	Convertible Preference	£1	1,094	1,094
			<u>750,900</u>	<u>750,900</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.95 £	31.3.94 £
6,062,593	Ordinary Shares	£0.10	606,260	575,490
100	Deferred Ordinary	£1	100	100
1,094	Convertible Preference	£1	1,094	1,094
			<u>607,454</u>	<u>576,684</u>

During the year the issued share capital was increased by £30,770 by the issue of 307,693 ordinary shares of 10 pence each.

The convertible preference shares shall be converted into ordinary shares according to a formula at the earliest of the following times:

- a) the time when shares in the company are admitted to the official list of the Stock Exchange
- b) 1 January 1997.

The deferred shares have been redeemed since the year end.

Notes to the Financial Statements
for the Year Ended 31 March 1995

24. SHARE PREMIUM ACCOUNT

	31.3.95	31.3.94
	£	£
Brought forward	1,353,751	1,353,751
Additions during year	482,805	-
	<u>1,836,556</u>	<u>1,353,751</u>

25. MINORITY INTEREST

This represents the minority interest in Pet World Superstores Limited.

26. CAPITAL REDEMPTION RESERVE

	31.3.95	31.3.94
	£	£
Brought forward	<u>104,750</u>	<u>104,750</u>

27. OTHER RESERVES

	31.3.95	31.3.94
	£	£
Brought forward	554,171	531,134
Movement in year	(554,171)	23,037
	<u>-</u>	<u>554,171</u>

Other reserves and movement thereof relate to gains and expenses incurred on the sale of former businesses and undertakings. Following the acquisition of the business of Interpet Limited the net balance remaining has been transferred to the profit and loss account.

28. PENSION COMMITMENTS

The company participates in a pension scheme established by a related company controlled by the family of P. A. Lawrence. The scheme covers the directors and certain employees. The scheme is financed through separate trustee administered funds. Contributions are based upon actuarial advice following the most recent valuation of the funds and are charged to the Profit and Loss Account when they fall due.

29. OTHER FINANCIAL COMMITMENTS

The company has negotiated a 15 year lease for trading premises at an initial annual commitment of £200,000.

Notes to the Financial Statements
for the Year Ended 31 March 1995

30. TRANSACTIONS WITH DIRECTORS

During the year the company purchased freehold premises from a company in which P. A. Lawrence is a director. The property was purchased at an open market valuation determined by an independent firm of Chartered Surveyors.

31. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.95	31.3.94
	£	£
Profit for the financial year	582,276	4,585,535
Dividends	(293,430)	(253,216)
	<hr/>	<hr/>
Increase in share capital	288,846	4,332,319
Minority interest	30,770	10,000
Other reserves	(21,907)	(14,660)
Share premium	(2,318,373)	23,037
	482,805	-
	<hr/>	<hr/>
NET (REDUCTION)/ADDITION TO SHAREHOLDERS' FUNDS	(1,537,859)	4,350,696
Opening shareholders' funds	9,565,325	5,214,629
	<hr/>	<hr/>
CLOSING SHAREHOLDERS' FUNDS	8,027,466	9,565,325
	<hr/> <hr/>	<hr/> <hr/>
Equity interests	8,027,466	9,565,325
	<hr/> <hr/>	<hr/> <hr/>

32. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £47,390 (1994 £(34,845)).

33. NOTES TO THE CASH FLOW STATEMENT

A. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31.3.95	31.3.94
	£	£
Operating profit	292,829	818,002
Depreciation charges	192,554	164,367
Loss on sale of fixed assets	511	33,324
Profit on sale of fixed assets	(1,195)	(3,214)
(Increase)/Decrease in stocks	(1,427,389)	143,572
(Increase)/Decrease in debtors	(1,264,798)	(1,739,895)
Increase/(Decrease) in creditors	1,281,706	130,024
	<u> </u>	<u> </u>
Net cash (outflow)/inflow from operating activities	<u>(925,782)</u>	<u>(453,820)</u>

B. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

Year ended 31 March 1995

	£
Balance at 1 April 1994	2,036,852
Net cash outflow	(3,780,057)
	<u> </u>
Balance at 31 March 1995	<u>(1,743,205)</u>

Year ended 31 March 1994

	£
Balance at 1 April 1993	1,958,979
Net cash inflow	77,873
	<u> </u>
Balance at 31 March 1994	<u>2,036,852</u>

C. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

Year ended 31 March 1995

	31.3.95	1.4.94	Change in year
	£	£	£
Cash at bank and in hand	2,652	2,036,852	(2,034,200)
Bank overdrafts	(1,745,857)	-	(1,745,857)
	<u> </u>	<u> </u>	<u> </u>
	<u>(1,743,205)</u>	<u>2,036,852</u>	<u>(3,780,057)</u>

	31.3.94	1.4.93	Change in year
	£	£	£
Cash at bank and in hand	2,036,852	1,958,979	77,873
	<u> </u>	<u> </u>	<u> </u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT

D. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

Year ended 31 March 1995

	Movement £
Balance at 1 April 1994	460,383
Share Capital	30,770
	<hr/>
Balance at 31 March 1995	491,153
	<hr/> <hr/>

Year ended 31 March 1994

	Movement £
Balance at 1 April 1993	450,383
Share Capital	10,000
	<hr/>
Balance at 31 March 1994	460,383
	<hr/> <hr/>

E. ACQUISITION OF INTERPET

On 28 February 1995 the company acquired the business of Interpet Limited. The consideration paid to the vendor was £3 million including shares valued at £0.5 million. The company will receive a refund based on a shortfall of assets purchased.

	Book Value £	Fair value adjustments £	Fair value to the group £
	<hr/>	<hr/>	<hr/>
Tangible fixed assets	363,647	(15,323)	348,324
Stock	1,593,260	(89,423)	1,503,837
Debtors	1,022,753		1,022,753
Creditors	(1,594,770)		(1,594,770)
Bank overdraft	(416,326)		(416,326)
Corporation tax	(43,607)		(43,607)
H.P. agreements	(68,501)		(68,501)
	<hr/>	<hr/>	<hr/>
	856,456	(104,746)	751,710
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Refund due to asset shortfall (Subject to adjustment upon final agreement)			118,748
			<hr/>
Goodwill			870,458
			2,269,838
			<hr/>
			3,140,296
			<hr/>
Satisfied by:			
Cash			2,640,296
Issue of shares			500,000
			<hr/>
			3,140,296
			<hr/> <hr/>

The notes form part of these financial statements

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Lawrence plc will be held at 78 Coombe Road, New Malden, Surrey on the 5th October 1995 at 4.00 p.m for the following purposes:-

- To receive and adopt the Report of the Directors and the Group financial statement for the 12 months ended 31st March 1995, together with the Report of the Auditors.
- To approve the payment of a dividend of 4.84p per Ordinary Share payable on 6th November 1995 to shareholders on the register on 26th September 1995.
- To re-elect Mr J.W. Dick the Director retiring by rotation who, being eligible, offers himself for re-election.
- To re-appoint the Auditors, Hockmans and to authorise the Directors to determine their remuneration.

To transact any other business.

By order of the Board

Mrs P. Charles, Secretary

New Malden

September 1995

LAWRENCE plc

FORM OF PROXY FOR USE AT THE EXTRAORDINARY GENERAL MEETING

I, of
 (Please complete in BLOCK CAPITALS)
 being (a) Member(s) of the above named Company, HEREBY APPOINT

..... of
 being whom the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf on any resolution proposed at the Extraordinary General Meeting of the Company to be held on 5th October 1995 and in particular to vote on the resolutions to be proposed thereat in the manner indicated below.

RESOLUTIONS	FOR	AGAINST
To receive and adopt the Directors' Report and Accounts of the Group for the 12 months ended 31st March 1995.	<input type="checkbox"/>	<input type="checkbox"/>
To approve the payment of a dividend of 4.84p per Ordinary Share payable on 6th November 1995 to shareholders on the register on 26th September 1995.	<input type="checkbox"/>	<input type="checkbox"/>
To re-elect Mr J.W. Dick as a Director who retires in rotation and, being eligible, offers himself for re-election.	<input type="checkbox"/>	<input type="checkbox"/>
To re-appoint Hockmans as Auditors of the Company and to authorise the Directors to determine their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If no specific direction to voting is given then proxy will vote or abstain at his discretion).

Name:

Signature:

NOTES:

- If you wish to appoint a proxy other than the Chairman of the meeting, please insert the name and address of your proxy (who need not be a member of the Company).
- This form of proxy must be lodged at the Company's Registered Office not less than 48 hours before the time appointed for the holding of the meeting.
- In the case of a corporation, this form of proxy must be executed under seal or under the hand of a duly authorised officer of the corporation.
- In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the Register of Members in respect of the joint holdings.
- Any alterations to this form of proxy should be initialled

END OF DOCUMENT