

EDWARD O'BRIEN LIMITED

REPORT AND ACCOUNTS

**FOR THE YEAR ENDED
31 MARCH 1995**



Registered Number 78524

REPORT AND ACCOUNTS

For the year ended 31 March 1995

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DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 March 1995.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company continued to be that of a wholesaler of tools, furniture, bathroom plastics and sports equipment.

During the year, the company's trading activities were amalgamated into the Group Home Shopping Division, with all merchandise sourced and marketed direct by the Mail Order Companies. Closure of the company was completed on 31 March 1995.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £1,359,346. A dividend of £8,699,000 was paid, giving a loss of £7,339,654 for the year. The retained loss has been deducted from reserves.

CHANGES IN FIXED ASSETS

The movement in fixed assets during the year is set out in note 10 to the financial statements.

DIRECTORS

P.M. Harris Chairman
R.G. Bowman
M. Taylor

Mr. P.M. Harris retires and being eligible offers himself for re-election.

DIRECTORS' REPORT (Continued)

DIRECTORS' INTERESTS

Mr. R.G. Bowman had an interest in 1000 ordinary shares in The Great Universal Stores Plc at 31 March 1995 (NIL at 31 March 1994).

No other director held an interest in the shares of the company, fellow subsidiaries, or the ultimate parent undertaking during the year with the exception of Mr. P.M. Harris. Mr. P.M. Harris is a director of the ultimate parent undertaking, The Great Universal Stores Plc, and his interests in the share capital of that company are disclosed in the report of its directors.

DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 1995. The directors also confirm that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

AUDITORS

The Auditors, Coopers & Lybrand, are deemed to be reappointed in accordance with Section 386 of the Companies Act 1985.

BY ORDER OF THE BOARD

C.E. Wilkinson

C.E. Wilkinson
Secretary

Worcester

6 July 1995

REPORT OF THE AUDITORS TO THE MEMBERS OF EDWARD O'BRIEN LIMITED

We have audited the accounts on pages 5 to 14.

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.

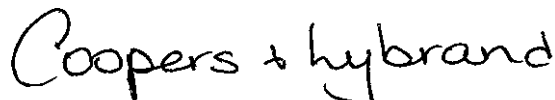
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on 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 at 31 March 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



COOPERS & LYBRAND
Chartered Accountants and Registered Auditors
Birmingham

10 July 1995

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 1995

	Notes	1995 £	1994 £
TURNOVER - Discontinued operations	2	4,395,864	6,327,192
Cost of sales - Discontinued operations		3,438,405	4,797,391
		-----	-----
GROSS PROFIT - Discontinued operations		957,459	1,529,801
Distribution costs		155,927	243,897
Administrative expenses		114,399	191,868
		-----	-----
OPERATING PROFIT - Discontinued operations		687,133	1,094,036
Other income	3	781,430	750,257
Interest receivable and similar income	4	537,741	484,311
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	2,006,304	2,328,604
Tax on profits on ordinary activities	8	646,958	793,334
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		1,359,346	1,535,270
Dividends	9	8,699,000	768,000
		-----	-----
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR	14	(7,339,654)	767,270
		=====	=====

The company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

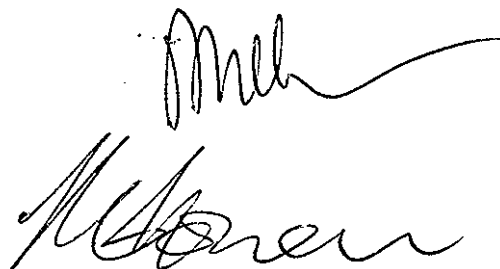
There is no difference between the profits on ordinary activities before taxation and the retained loss for the year stated above, and their historical cost equivalents.

BALANCE SHEET
At 31 March 1995

	<u>Notes</u>	1995 £	1994 £
FIXED ASSETS			
Tangible Assets	10	-	9,737
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks	1(b)	-	1,018,032
Debtors	11	351,586	8,732,502
Cash at bank and in hand		-	11,660
		<hr/>	<hr/>
		351,586	9,762,194
CREDITORS			
Amounts falling due within one year	12	-	2,080,691
		<hr/>	<hr/>
NET CURRENT ASSETS		351,586	7,681,503
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		351,586	7,691,240
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	13	45,000	45,000
Other reserves	15	118,233	118,233
Profit and Loss Account	14	188,353	7,528,007
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS	16	351,586	7,691,240
		=====	=====

The financial statements on pages 5 to 14 were approved by the Board of Directors on 6 July 1995 and were signed on its behalf by :

P.M.Harris)
) Directors
R.G.Bowman)



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1995

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below :

a) Basis of accounting

The company prepares its accounts on the historical cost basis of accounting.

b) Stocks

Stocks, which comprise goods held for resale, are valued at the lower of cost and estimated net realisable value.

c) Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values, in equal annual instalments over their anticipated useful lives at the following rates:

Plant and equipment 10% - 20%

d) Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystalize.

e) Foreign Currency

Balances denominated in foreign currency are translated at the rate ruling at the balance sheet date, or at the agreed contract rate, whichever is applicable. Profits and losses arising on the translation of foreign currency are dealt with in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

f) Pensions Costs

The company provides pension benefits to eligible employees through membership of a pension plan operated by its ultimate parent undertaking.

The plan has rules which specify the benefits to be paid and is financed accordingly with assets being held in independently administered funds.

The cost of providing retirement benefits, which is based on pension costs across the group as a whole, is charged to the profit and loss account over the expected period of employment in accordance with recommendations made by qualified actuaries.

g) Cash Flow Statement

The company is a wholly owned subsidiary of The Great Universal Stores Plc, and the cash flows of the company are included in the consolidated cash flow statement of The Great Universal Stores Plc. Consequently the company is exempt under the terms of Financial Reporting Standard 1 from publishing a cash flow statement.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 TURNOVER

The turnover stated is the amount receivable (excluding V.A.T.) in respect of the year for goods and services supplied and includes £4,342,822 (1994 - £6,313,316) of intra-group sales.

3 OTHER INCOME

Other income represents commission receivable from group companies.

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	1995 £	1994 £
Interest on amount due from ultimate parent undertaking	537,741 =====	484,311 =====

5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1995 £	1994 £
This is stated after charging :		
Depreciation	9,737	11,299
Auditors' remuneration	7,350 =====	7,350 =====

6 DIRECTORS' EMOLUMENTS

	1995 £	1994 £
Directors' emoluments (including pension contributions and benefits in kind) :	54,660 =====	47,500 =====

Emoluments (excluding pension contributions) includes amounts paid to :

	1995 £	1994 £
The Chairman	Nil =====	Nil =====
The highest paid director	54,660 =====	47,500 =====

The number of directors (including the chairman and the highest paid director) who received emoluments (excluding pension contributions) in the following ranges was :

	1995 Number	1994 Number
£Nil	2	2
£45,001 - £50,000	-	1
£50,001 - £55,000	1 ===	- ===

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 EMPLOYEES

	1995 Number	1994 Number
The average number of persons employed by the company during the year was :		
By activity :		
Buying	1	1
Distribution	-	-
Administration	4	4
	-----	-----
	5	5
	=====	=====

Staff costs (for the above persons) were :

	1995 £	1994 £
Salaries and wages	99,169	95,439
Social security costs	8,547	8,656
Other pension costs	3,978	4,145
	-----	-----
	111,694	108,240
	=====	=====

8 TAX ON PROFITS ON ORDINARY ACTIVITIES

	1995 £	1994 £
UK Corporation tax at 33% (1994 : 33%)		
Current	646,563	787,635
Deferred	-	5,699
Underprovision in respect of prior years :		
Current	395	-
	-----	-----
	646,958	793,334
	=====	=====

9 DIVIDENDS

	1995 £	1994 £
Final Ordinary proposed	-	768,000
Final Ordinary paid	8,699,000	-
	-----	-----
	8,699,000	768,000
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 TANGIBLE FIXED ASSETS

	Plant & equipment £
COST	
At 1 April 1994	48,320
Disposals	(48,320)

At 31 March 1995	-

DEPRECIATION	
At 1 April 1994	38,583
Charge for year	9,737
Disposals	(48,320)

At 31 March 1995	-

NET BOOK VALUE	
At 31 March 1995	-
	=====
At 31 March 1994	9,737
	=====

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 DEBTORS

	1995 £	1994 £
Amounts falling due within one year :		
VAT recoverable	-	135,965
Trade debtors	-	505
Amounts owed by parent and fellow subsidiary undertakings	351,586	8,594,942
Prepayments and accrued income	-	1,090
	-----	-----
	351,586	8,732,502
	=====	=====

12 CREDITORS :Amounts falling due within one year:

	1995 £	1994 £
Trade creditors	-	225,765
Amounts owed to parent and fellow subsidiary undertakings	-	114,777
Dividend payable	-	768,000
Corporation tax	-	885,239
Accruals and deferred income	-	86,910
	-----	-----
	-	2,080,691
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 CALLED UP SHARE CAPITAL

	1995 AND 1994	
	Authorised	Allotted, called up and fully paid
Ordinary shares of £1 each	£ 85,000	£ 45,000
	=====	=====

14 PROFIT AND LOSS ACCOUNT

	£
At 1 April 1994	7,528,007
Retained loss for the year	(7,339,654)

At 31 March 1995	188,353
	=====

15 OTHER RESERVES

	1995 AND 1994 £
Other distributable reserves	118,233
	=====

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	1995 £	1994 £
Profit for the financial year	1,359,346	1,535,270
Dividends	(8,699,000)	(768,000)
	-----	-----
Net (reduction in)/addition to shareholders' funds	(7,339,654)	767,270
Opening shareholders' funds	7,691,240	6,923,970
	-----	-----
Closing shareholders' funds	351,586	7,691,240
	=====	=====

17 PENSION COMMITMENTS (SSAP 24)

The company provides pension benefits to eligible employees through membership of a pension plan operated by its ultimate parent undertaking, The Great Universal Stores Plc. The plan has rules which specify the benefits to be paid and it is financed accordingly with assets being held in independently administered funds.

The total pension cost for the company was £3,978 (1994 : £4,145) and this is based on pension costs across the group as a whole. The pension cost is assessed in accordance with the advice of qualified actuaries and the results of the most recent valuation, 31 March 1993, are reported in the accounts of The Great Universal Stores Plc.

18 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is The Great Universal Stores Plc, a company incorporated in Great Britain and registered in England and Wales. A copy of the latest accounts can be obtained from The Great Universal Stores Plc registered office.