

DIRECTORS REPORT

61 MOSLEY STREET,
MANCHESTER M2 3HZ.

The Directors submit their Report and Accounts for the year ended 31st December, 1980.

RESULTS AND DIVIDENDS

The Net Profit on Trading for the year after Taxation was £8,086 (1979 - £35,032).

The Directors recommend that no Dividend be paid.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year has been that of Household Textile Importer and Wholesaler.

EXPORTS

The value of Exports during the year was £10,113 (1979 - £9,642).

DIRECTORS AND THEIR INTERESTS

The Directors who served during the year were as follows and had the undermentioned interest in the Share Capital of the Company:

	<u>31.12.80</u>	<u>1.1.80</u>
E. R. Kingsley	960	960
S. M. Kingsley	320	320
G. F. Wilcock	-	-

FIXED ASSETS

Movement in Fixed Assets are shown in Note 2 to the Accounts.

CHARITABLE AND POLITICAL DONATIONS

Charitable Contributions totalled £312 (1979 - £200).

There were no Political Contributions made (1979 - Nil).

CLOSE COMPANY

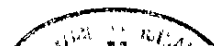
The Company is a Close Company within the provision of the Income and Corporation Taxes Act, 1970.

AUDITORS

The Auditors, Messrs. Goodman, Rappaport and Company have expressed their willingness to continue in office. In accordance with Section 14 of the Companies Act, 1976, a resolution proposing their reappointment as Auditors of the Company will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

G. F. Wilcock
G. F. WILCOCK
Secretary



E. R. KINGSLEY (TEXTILES) LIMITED

AUDITORS REPORT

We have examined the attached accounts which have been prepared on a Historical Cost basis.

In our opinion the accounts give, on this basis, a true and fair view of the state of affairs of the Company at 31st December, 1980 and of the profit, and source and application of funds for the year ended 31st December, 1980, and comply with the Companies Acts, 1948 and 1967.

GOODMAN, RAPPAPORT & COMPANY,
CHARTERED ACCOUNTANTS,
61 MOSLEY STREET,
MANCHESTER M2 3HZ.

Goodman Rappaport

14th April, 1981.

BALANCE SHEET AS AT 31ST DECEMBER, 1980

1979			NOTES	
7,769	<u>FIXED ASSETS</u>	(2)		5,901.00
	<u>CURRENT ASSETS</u>			
288,224	Stock on Hand	(1)	348,914.00	
64,624	Sundry Debtors		74,559.83	
4,080	Payments in Advance		3,986.50	
72	Balance at Bank		- -	
33	Cash in Hand		<u>24.65</u>	
<u>357,033</u>			<u>427,484.98</u>	
	<u>LESS: CURRENT LIABILITIES</u>			
149,549	Sundry Creditors		129,663.30	
20,294	Bank Overdraft		93,139.95	
<u>5,603</u>	Directors Loan Account		<u>2,653.18</u>	
<u>175,446</u>			<u>225,456.43</u>	
	<u>NET CURRENT ASSETS</u>			<u>202,028.55</u>
181,587				
<u>£189,356</u>				<u>£207,929.55</u>
	<u>REPRESENTED BY:</u>			
2,000	<u>SHARE CAPITAL</u>	(3)		2,000.00
116,006	<u>REVENUE RESERVES</u>	(4)		124,092.47
118,006				126,092.47
71,350	<u>DEFERRED TAXATION</u>	(7)		81,837.08
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	<i>By [Signature]</i>			Directors
<u>£189,356</u>				<u>£207,929.55</u>

E. R. KINGSLEY (TEXTILES) LIMITED
PROFIT AND LOSS APPROPRIATION ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 1980

<u>1979</u>		<u>NOTES</u>	
	<u>£621,243</u>	<u>· TURNOVER</u>	<u>(5)</u>
			<u>£649,688.15</u>
	54,299	Net Trading Profit	44,601.33
		<u>Less:</u>	
20,669		Directors Salaries	(6) 11,371.04
-		Leasing Charges	217.37
1,940		Depreciation	(1 & 2) 1,868.00
4,520		Bank Interest	11,754.35
<u>550</u>		Audit Fee	<u>775.00</u>
	<u>27,679</u>		<u>25,985.76</u>
	26,620	Net Profit before Taxation	18,615.57
	<u>8,412</u>	<u>Add:</u> Taxation Refund	<u>(8)</u>
	35,032	Net Profit after Taxation	8,086.21
	<u>80,974</u>	Opening Revenue Reserves	<u>116,006.26</u>
	<u>£116,006</u>	Revenue Reserves	<u>£124,092.47</u>

E. R. KINGSLEY (TEXTILES) LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31ST DECEMBER, 1980

SOURCE OF FUNDS

Net Profit before Taxation	18,615
Adjustment for Item not involving the movement of Funds:	
Depreciation	<u>1,868</u>
	20,483

APPLICATION OF FUNDS

Corporation Tax	42
Directors Current Account	<u>2,950</u>
	<u>2,992</u>
Increase in Working Capital	<u>£17,491</u>

INCREASE/(DECREASE) IN WORKING CAPITAL

Stock	60,690
Debtors	9,935
Payments in Advance	(94)
Creditors and Accrued Liabilities	19,886

MOVEMENT IN NET LIQUID FUNDS

Cash	(9)
Bank Overdraft	<u>(72,917)</u>
	<u>£ 17,491</u>

E. R. KINGSLEY (TEXTILES) LIMITED

NOTES ON THE ACCOUNTS

AT 31ST DECEMBER, 1980

1. ACCOUNTING POLICIES

a) BASIS OF ACCOUNTS

The Accounts are prepared on the historic cost basis of accounting.

b) DEPRECIATION

Depreciation is provided on the written down value of the Assets at 25%.

c) STOCK

Stocks are valued on a consistant basis at the lower of cost or net realisable value.

2. FIXED ASSETS

	<u>Fixtures & Fittings</u>	<u>Motor Car</u>	<u>Deposits</u>	<u>Total</u>
Cost at 1st January, 1980	<u>12,270.63</u>	<u>6,486.68</u>	<u>2.00</u>	<u>18,759.31</u>
Depreciation at 1st January, 1980	8,655.63	2,334.68	- -	10,990.31
Charge for Year	<u>830.00</u>	<u>1,038.00</u>	<u>- -</u>	<u>1,868.00</u>
	<u>9,485.63</u>	<u>3,372.68</u>	<u>- -</u>	<u>12,858.31</u>
Net Book Value at 31st December, 1980	<u>2,785.00</u>	<u>3,114.00</u>	<u>2.00</u>	<u>5,901.00</u>
Net Book Value at 1st January, 1980	<u>3,615.00</u>	<u>4,152.00</u>	<u>2.00</u>	<u>7,769.00</u>

3. SHARE CAPITAL

	<u>1980</u>	<u>1979</u>
Authorised £1 Ordinary Shares	<u>£3,000</u>	<u>£3,000</u>
Issued £1 Ordinary Shares Fully Paid	<u>£2,000</u>	<u>£2,000</u>

4. REVENUE RESERVES

Reserves at 1st January, 1980	116,006	80,974
Retained Profit for Year	<u>8,086</u>	<u>35,032</u>
Reserves at 31st December, 1980	<u>£124,092</u>	<u>£116,006</u>

5. TURNOVER

Turnover represents invoices sales of goods excluding Value Added Tax.

E. R. KINGSLEY (TEXTILES) LIMITED

NOTES ON THE ACCOUNTS CONTINUED

AT 31ST DECEMBER, 1980

6. DIRECTORS SALARIES

The number of Directors whose emoluments fell within the ranges below were:

	<u>1980</u>	<u>1979</u>
1 - 2,500	1	1
2,501 - 5,000	-	-
5,001 - 7,500	2	1
7,501 - 12,500	-	-
12,501 - 15,000	-	1

Highest Paid Director £5,975 (1979 - £14,250).

7. DEFERRED TAXATION

Deferred Taxation represents Tax at 52% (1979 - 52%) on Stock Relief and excess of written down value of Fixed Assets over book value and is made up as follows:

Stock Relief	80,345.72
Excess of Capital Allowances over Depreciation Charged	<u>1,491.36</u>
	<u>£81,837.08</u>

The Rate of 52% has been taken because of the level of the deferment. If taken at small Company rate (40%) there would be a credit to Profit and Loss Account of £18,886.

8. TAXATION

Adjustment previous Year	42.00
Deferred Taxation (Note 7)	
a) Reserve for Stock Relief	10,933.52
b) Excess of Capital Allowances over Depreciation Charged	<u>446.16</u>
	<u>10,487.36</u>
	<u>£10,529.36</u>