

J MINSKY & SONS LIMITED

Company No: 491319

ABBREVIATED

FINANCIAL STATEMENTS

- for the year ended -

31ST MARCH 1995

WESTBURY SCHOTNESS
Chartered Accountants
145-157 St John Street
London EC1V 4PY,

Reference /M166/HG



J MINSKY & SONS LIMITED

DIRECTORS

S Minsky
D Minsky
N H Minsky
R Minsky

SECRETARY

D Minsky

BUSINESS ADDRESS

21 Wetherell Road
London E9 7DG

REGISTERED OFFICE

145-157 St John Street
London EC1V 4PY

AUDITORS

Westbury Schotness
Chartered Accountants
145-157 St John Street
London EC1V 4PY

PRINCIPAL BANKERS

Barclays Bank Plc
24/26 Minories
London EC3.

J MINSKY & SONS LIMITED

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J MINSKY & SONS LIMITED

REPORT OF THE DIRECTORS

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

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was wholesalers of cloth and there have been no changes.

The accounts of the company reflect the trading activities for the year under review and it is anticipated that in the absence of unforeseen circumstances, future trading will be satisfactory.

DIVIDEND AND TRANSFER TO RESERVES

The directors have paid an interim dividend amounting to £100,000, and they do not recommend payment of a final dividend.

It is proposed that the retained profit of £76,977 is transferred to reserves.

FIXED ASSETS

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors at the balance sheet date and their interests in the company at that date and at the beginning of the year (or on appointment if later), were as follows:

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1995</u>	<u>1994</u>
S Minsky	Ordinary shares	-	-
D Minsky	Ordinary shares	-	-
N H Minsky	Ordinary shares	19,999	19,999
R Minsky & N H Minsky	Ordinary shares	1	1

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 the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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.

J MINSKY & SONS LIMITED

REPORT OF THE DIRECTORS (Continued)

CHARITABLE CONTRIBUTIONS

During the year the company made various charitable contributions totalling £250.

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, Westbury Schotness, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

Date: 24 August 1995

By Order of the Board


Director

J MINSKY & SONS LIMITED

AUDITORS' REPORT TO J MINSKY & SONS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 5 to 16 together with the full financial statements of J Minsky & Sons Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1995.

Respective responsibilities of the directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 6 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A, Part III of Schedule 8 to that Act, in respect of the year ended 31 March 1995, and the abbreviated financial statements on pages 5 to 16 have been properly prepared in accordance with that Schedule.

Other information

On 30 August 1995..... we reported, as auditors of J Minsky & Sons Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1995, and our audit report was as follows:

'We have audited the financial statements on pages 4 to 15 which have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

Respective responsibilities of the directors and auditors

As described on the Director's Report 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.

(Continued)

Basis of opinion

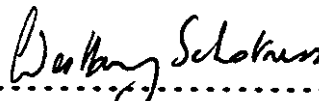
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 as to whether 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.

Qualified opinion arising from disagreement about accounting treatment

Tangible fixed assets shown on the balance sheet include investment properties which have not been revalued annually and this does not comply with the requirements of the Statement of Standard Accounting Practice 19.

Except for the above, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


.....
WESTBURY SCHOTNESS
Registered Auditors
Chartered Accountants

145-157 St John Street
London EC1V 4PY

Date: 30 August 1995

J MINSKY & SONS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1995

	Notes	1995 £	1994 £
GROSS PROFIT		605,927	593,544
Distribution costs		(22,973)	(35,326)
Administrative expenses		(362,187)	(430,400)
		<hr/> 220,767	<hr/> 127,818
Other operating income		64,513	78,793
OPERATING PROFIT	2	<hr/> 285,280	<hr/> 206,611
Interest receivable	3	776	780
Interest payable	4	(48,940)	(28,093)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		237,116	179,298
Tax on profit on ordinary activities	7	(60,139)	(28,729)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		176,977	150,569
Dividends	8	(100,000)	-
		<hr/>	<hr/>
RETAINED PROFIT FOR THE YEAR	17	<hr/> 76,977	<hr/> 150,569

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

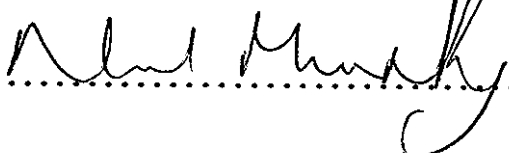
J MINSKY & SONS LIMITED

BALANCE SHEET AT 31ST MARCH 1995

	Notes	£	1995 £	£	1994 £
FIXED ASSETS					
Tangible assets	9		1,684,735		1,118,470
CURRENT ASSETS					
Stocks	10	411,082		737,481	
Debtors	11	643,040		729,390	
Cash at bank and in hand		28,498		12,945	
			<u>1,082,620</u>	<u>1,479,816</u>	
CREDITORS: Amounts falling due within one year	12	(809,662)		(1,041,232)	
NET CURRENT ASSETS			<u>272,958</u>	<u>438,584</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES			1,957,693		1,557,054
CREDITORS: Amounts falling due after more than one year	13		(588,007)		(265,000)
PROVISIONS FOR LIABILITIES AND CHARGES	15		(97,397)		(96,743)
			<u>1,272,289</u>	<u>1,195,311</u>	
CAPITAL AND RESERVES					
Called up share capital	16		20,000		20,000
Other reserves			24,315		24,315
Profit and loss account	17		1,227,973		1,150,996
			<u>1,272,288</u>	<u>1,195,311</u>	

In preparing these abbreviated financial statements:-

- i) We have relied upon the exemptions for individual financial statements under sections 246 and 247 of the Companies Act 1985.
- ii) We have done so on the grounds that the company is entitled to the benefit of those sections as a medium company.

..........Director

Date: 24 August 1995

The notes on pages 8 to 16 form part of these financial statements.

J MINSKY & SONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 1995

	Notes	1995 £	1994 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	19	363,399	(79,906)
Return on investments and servicing of finance:			
Interest received		788	768
Interest paid		(46,954)	(27,295)
Dividends paid		(100,000)	-
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(146,166)	(26,527)
Taxation:			
Corporation tax paid		(43,215)	(45,012)
TAX PAID		(43,215)	(45,012)
Investing activities:			
Purchase of tangible fixed assets		(570,357)	(1,219)
Receipts from sale of tangible assets		175	13,000
NET CASHFLOW FROM INVESTING ACTIVITIES		(570,182)	11,781
NET CASH OUTFLOW BEFORE FINANCING		(396,164)	(139,664)
Financing:			
Receipts from other long term loans		(400,000)	-
Repayment of other long term loans		(25,311)	(29,123)
NET CASH INFLOW FROM FINANCING		(374,689)	29,123
DECREASE IN CASH AND CASH EQUIVALENTS	20	(21,475)	(168,787)
		(396,164)	(139,664)

The notes on pages 8 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Fixtures and fittings	25%	Reducing balance
Motor vehicles	25%	Reducing balance

Depreciation is not provided on freehold buildings and this is not in compliance with SSAP 12.

1.4 STOCKS

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

1.6 FOREIGN EXCHANGE

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the profit and loss account.

1.7 PENSIONS

Pension contributions are charged to the profit and loss account so as to spread the cost of the pensions over the employees' working lives with the company. These contributions are invested separately from the company's assets.

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

2.	OPERATING PROFIT	1995	1994
		£	£
	The operating profit is stated after charging:-		
	Depreciation	3,950	5,316
	Auditors' remuneration	3,500	3,500
	and after crediting:-		
	Rents receivable	64,022	51,938
	Profit on foreign currencies	189	-
		<u> </u>	<u> </u>
3.	INTEREST RECEIVABLE	1995	1994
		£	£
	Bank and other interest receivable	776	780
		<u> </u>	<u> </u>
		776	780
		<u> </u>	<u> </u>
4.	INTEREST PAYABLE	1995	1994
		£	£
	On bank loans and overdrafts and on loans repayable in full within five years	22,199	5,403
	On other loans	26,741	22,690
		<u> </u>	<u> </u>
		48,940	28,093
		<u> </u>	<u> </u>

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

5. DIRECTORS AND EMPLOYEES	1995	1994
	£	£
Staff costs:-		
Wages and salaries	180,850	263,038
Social security costs	18,603	14,186
Other pension costs	37,000	11,062
	<u>236,453</u>	<u>288,286</u>
The average weekly number of employees during the year was made up as follows:	Number	Number
Selling and Distribution	3	3
Office & Administration	4	4
	<u>7</u>	<u>7</u>
Directors' emoluments:-	£	£
Remuneration for management services (including pension contributions)	<u>160,294</u>	<u>217,284</u>
Other directors' remuneration fell within the following ranges:	Number	Number
£Nil - £5,000	-	1
£10,001 - £15,000	1	-
£30,001 - £35,000	-	1
£35,001 - £40,000	3	1
£130,000-£135,000	-	1
	<u>-</u>	<u>1</u>

6. PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company amounted to £37,000 (1994: £11,062). All contributions were paid in the year.

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1995 £	1994 £
The taxation charge based on the profit before tax comprises:-		
U.K. corporation tax at 25% (1994 - 25%)	59,485	43,215
Transfer to deferred taxation	654	(14,528)
	<u>60,139</u>	<u>28,687</u>
Adjustment in respect of prior years	-	42
	<u>60,139</u>	<u>28,729</u>

8. DIVIDENDS

	1995 £	1994 £
Equity interests		
Ordinary:-		
Interim dividend paid 7 March 1995	100,000	-
	<u>100,000</u>	<u>-</u>

9. TANGIBLE ASSETS

<u>Cost</u>	Beginning of year £	Additions £	Disposals £	End of year £
Properties:				
Freehold	1,102,530	570,357	-	1,672,887
Fixtures and fittings	25,205	-	-	25,205
Motor vehicles	23,718	-	(4,500)	19,218
	<u>1,151,453</u>	<u>570,357</u>	<u>(4,500)</u>	<u>1,717,310</u>
<u>Depreciation</u>	Beginning of year £	Charge for year £	On disposals £	End of year £
Fixtures and fittings	17,379	1,957	-	19,336
Motor vehicles	15,604	1,993	(4,358)	13,239
	<u>32,983</u>	<u>3,950</u>	<u>(4,358)</u>	<u>32,575</u>
	Beginning of year £			End of year £
<u>Total net book values</u>	<u>1,118,470</u>			<u>1,684,735</u>

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

10.	STOCKS	1995 £	1994 £
	Finished goods and goods for resale	411,082	737,481
		<u>411,082</u>	<u>737,481</u>
11.	DEBTORS	1995 £	1994 £
	Trade debtors	640,101	706,631
	Other debtors	-	17,488
	Prepayments and accrued income	2,939	5,271
		<u>643,040</u>	<u>729,390</u>
12.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1995 £	1994 £
	Bank loans and overdrafts	343,010	254,300
	Trade creditors	91,751	495,307
	Corporation tax	59,486	43,215
	Other taxes and social security costs	56,092	2,489
	Directors' current accounts	224,463	225,246
	Other creditors	235	235
	Accruals and deferred income	34,625	20,440
		<u>809,662</u>	<u>1,041,232</u>
13.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1995 £	1994 £
	Loans	588,007	265,000
		<u>588,007</u>	<u>265,000</u>

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

14. BORROWINGS

	1995	1994
	£	£

The company's borrowings are repayable as follows:

In one year, or less or on demand	343,010	254,300
Between one and two years	54,378	30,000
Between two and five years	186,505	120,000
In five years or more	347,124	115,000
	<u>931,017</u>	<u>519,300</u>

Borrowings: amounts due after five years:

Repayable by instalments:

Commercial Mortgage with Bank of Ireland

347,124	115,000
<u>347,124</u>	<u>115,000</u>

Amounts due within five years

<u>583,893</u>	<u>404,300</u>
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Instalments not due within five years

<u>347,124</u>	<u>115,000</u>
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Details of security:

First and only legal charges over freehold properties at North Cheam, London N10 , Kingswood , Lancey and Watling Avenue.

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

15. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is calculated at 25% (1994 - 25%) analysed over the following timing differences:-

	Fully Provided	
	1995	1994
	£	£
On the excess of capital allowances over depreciation	97,397	96,743
	<u>97,397</u>	<u>96,743</u>

Movements on the provision for deferred taxation are:-

	£
At 1 April 1994	96,743
Transferred from profit and loss account	654
At 31 March 1995	<u>97,397</u>

16. SHARE CAPITAL

	1995	1994
	£	£
<u>Authorised</u>		
Equity interests:		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>
<u>Allotted, called up and fully paid</u>		
Equity interests:		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

17. PROFIT AND LOSS ACCOUNT

	1995	1994
	£	£
Retained profits at 1 April 1994	1,150,996	1,000,427
Retained profit for the year	<u>76,977</u>	<u>150,569</u>
Retained profits at 31 March 1995	<u>1,227,973</u>	<u>1,150,996</u>

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995 £	1994 £
Profit for the financial year	176,977	150,569
Dividends	(100,000)	-
	<u>76,977</u>	<u>150,569</u>
Shareholders' funds at 1 April 1994	1,195,311	1,044,742
	<u>1,272,288</u>	<u>1,195,311</u>
Shareholders' funds at 31 March 1995		
Represented by:-		
Equity interests	1,272,288	1,195,311
	<u>1,272,288</u>	<u>1,195,311</u>

19. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1995 £	1994 £
Operating profit	285,280	206,611
Depreciation	3,950	5,316
Profit on disposal of fixed assets	(33)	84
Decrease in stocks	326,399	(373,775)
Decrease in debtors	86,338	(140,521)
Decrease in creditors due within one year	(338,535)	222,379
	<u>363,399</u>	<u>(79,906)</u>

J MINSKY & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1995

20. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS

	1995 £	1994 £
Cash at bank and in hand at 1 April 1994	12,945	13,942
Cash at bank and in hand at 31 March 1995	28,498	12,945
Net movement	15,553	(997)
Bank overdraft at 1 April 1994	(251,604)	(83,814)
Bank overdraft at 31 March 1995	(288,632)	(251,604)
Net movement	(37,028)	(167,790)
Total net movements	(21,475)	(168,787)

21. CONTINGENT LIABILITIES

Guarantees and liabilities under letters of credit and foreign exchange contracts amounted to £595,573 (1994 - 623,177). An indemnity to H M Customs & Excise amounted to £75,000 (1994 - £100,000).