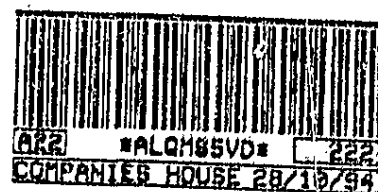


**BEACONSFIELD FOOTWEAR LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS FOR  
THE YEAR ENDED 31 DECEMBER 1993**

**REGISTERED NUMBER : 641365**



# BEACONSFIELD FOOTWEAR LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1993

The directors present their report for the year ended 31 December 1993, together with the audited accounts.

### REVIEW OF BUSINESS

The company's principal activity during the year continued to be the manufacture of footwear and its satisfactory state of affairs is set out in the financial statements.

### FUTURE DEVELOPMENTS

The directors will continue to develop the company's main activity.

### RESULTS AND DIVIDEND

The results for the year are shown in the attached profit and loss account. The directors do not propose the payment of a dividend.

### FIXED ASSETS

Changes in fixed assets during the year are set out in note 6 to the accounts.

### DIRECTORS AND DIRECTORS' INTERESTS

The directors in the year and their interests in the ordinary shares of the company were as follows:

	<u>31 December 1993</u>	<u>31 December 1992</u>
Thomas Leonard Houlgrave	1,500	1,500
Paul Houlgrave	-	-
Stewart Houlgrave	-	-
Andrew Chanter	-	-
Stewart Andrew	-	-

P Houlgrave and S Houlgrave are beneficiaries of trusts which each own 20,250 £1 ordinary shares in the company.

In accordance with the Articles of Association, S Houlgrave retires by rotation and, being eligible, offers himself, for re-election.

## BEACONSFIELD FOOTWEAR LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1993 (CONTINUED)

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare the financial statements for each financial year which give a true and fair view of the state of 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
- 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.

#### AUDITORS

Price Waterhouse, being eligible, have indicated their willingness to be reappointed as auditors.

By Order of the Board

T HOULGRAVE  
Chairman



24 October 1994

**BEACONSFIELD FOOTWEAR LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1993**

	<u>1993</u>	<u>1992</u>
<b>TURNOVER</b> (Note 1 (b))	3,182,557	3,979,102
Cost of sales	<u>2,339,495</u>	<u>2,930,143</u>
<b>GROSS PROFIT</b>	843,062	1,048,959
Distribution costs	73,414	76,595
Administrative expenses	<u>825,953</u>	<u>1,005,039</u>
<b>OPERATING LOSS BEFORE INTEREST AND TAXATION</b>	(56,305)	(32,675)
Interest payable	<u>23,649</u>	<u>42,922</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b> (Note 2)	(79,954)	(75,597)
Taxation credit/(charge) (Note 4)	<u>36,144</u>	<u>(2,886)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>	(43,810)	(78,483)
<b>BALANCE BROUGHT FORWARD</b>	<u>670,533</u>	<u>746,735</u>
<b>BALANCE CARRIED FORWARD</b>	<u>£626,723</u>	<u>£668,252</u>

Notes

(a) The turnover and loss on ordinary activities all derive from continuing activities that are unchanged from the previous year.

(b) All recognised gains and losses are dealt with in the profit and loss account.

# BEACONSFIELD FOOTWEAR LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 1993

	<u>1993</u>	<u>1992</u>
<b>TANGIBLE FIXED ASSETS</b> (Note 6)	513,668	441,802
<b>CURRENT ASSETS</b>		
Stocks (Note 7)	334,700	377,023
Debtors (Note 8)	211,569	184,419
Cash at bank and in hand	<u>314</u>	<u>5,305</u>
	546,583	566,747
<b>CREDITORS</b> (amounts falling due within one year) (Note 9)	<u>319,013</u>	<u>258,297</u>
<b>NET CURRENT ASSETS</b>	<u>227,570</u>	<u>308,450</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>£741,238</u>	<u>£750,252</u>
<b>CREDITORS</b> (amounts falling due after one year) (Note 10)	32,515	-
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		
Deferred taxation (Note 5)	40,000	40,000
<b>CAPITAL AND RESERVES</b>		
Called up share capital (Note 11)	42,000	42,000
Profit and loss account	<u>626,723</u>	<u>668,252</u>
Shareholders' funds (Note 15)	<u>668,723</u>	<u>710,252</u>
	<u>£741,238</u>	<u>£750,252</u>

APPROVED BY THE DIRECTORS ON 24 OCTOBER 1994

TL Houlgrave



P Houlgrave  
DIRECTORS



# BEACONSFIELD FOOTWEAR LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1993

	<u>1993</u>	<u>1992</u>
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES (Note A)</b>	40,020	111,345
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest element on hire purchase rental payments	(521)	(4,546)
Interest paid	<u>(23,128)</u>	<u>(35,629)</u>
<b>Net cash outflow from returns on investments and servicing of finance</b>	<u>(23,649)</u>	<u>(40,175)</u>
	16,371	71,170
<b>TAXATION</b>		
Corporation tax paid	-	(6,652)
<b>INVESTING ACTIVITIES</b>		
Proceeds on sale of fixed assets	27,241	5,950
Purchase of fixed assets	<u>(146,386)</u>	<u>(28,532)</u>
<b>Net outflow from investing activities</b>	<u>(119,145)</u>	<u>(22,582)</u>
<b>NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING</b>	(102,774)	41,936
<b>FINANCING</b>		
Capital element of hire purchase rental payments	<u>(14,772)</u>	<u>(16,533)</u>
<b>Net outflow from financing</b>	<u>(14,772)</u>	<u>(16,533)</u>
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (Notes B and C)</b>	<u>£(117,546)</u>	<u>£25,403</u>

# BEACONSFIELD FOOTWEAR LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 1993 (CONTINUED)

	<u>1993</u>	<u>1992</u>
<b>NOTE A</b>		
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>		
Operating loss	(56,305)	(33,280)
Profit on sale of fixed assets	(7,809)	(3,437)
Depreciation charges	103,728	147,716
Adjustment to fixed assets (Note 6)	14,267	-
Decrease in stocks	42,323	125,788
Decrease/(increase) in debtors	6,108	(58,416)
(Increase) in creditors	<u>(62,292)</u>	<u>(67,026)</u>
Net inflow from operating activities	<u>£40,020</u>	<u>£111,345</u>

### **NOTE B** **Analysis of changes in cash and cash equivalents during the year**

Balance at 1 January 1993	5,305	(20,098)
Net cash (outflow)/inflow	<u>(117,546)</u>	<u>25,403</u>
Balance at 31 December 1993	<u>£(112,241)</u>	<u>£5,305</u>

### **NOTE C** **Analysis of the balances of cash and cash equivalents as shown in the balance sheet**

	<u>1993</u>	<u>1992</u>	<u>Change in Year</u>
Cash at bank and in hand	314	5,305	(4,991)
Bank overdraft	<u>(112,555)</u>	<u>-</u>	<u>(112,555)</u>
	<u>£(112,241)</u>	<u>£5,305</u>	<u>£(117,546)</u>

# BEACONSFIELD FOOTWEAR LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1993

### 1 ACCOUNTING POLICIES

The significant accounting policies adopted by the company are set out below:

#### (a) Accounting convention

The accounts are prepared under the historical cost convention and comply with applicable UK Statements of Standard Accounting Practice.

#### (b) Turnover

Turnover, which arises wholly from the company's principal activity, represents the value of goods sold to customers excluding value added tax. The company had no exports during the year.

#### (c) Stocks

Stocks are valued at the lower of cost and net realisable value. In the case of work in progress and finished goods, cost includes an appropriate portion of direct production overheads.

#### (d) Depreciation

Freehold land is not depreciated. Freehold buildings and other fixed assets are written off on a straight line basis at rates estimated to write off their cost over their useful lives. The rates used are:

Freehold	- 2%
Plant and machinery, fixtures and fittings	- 10%
Moulds	- 20% to 33⅓%
Motor vehicles	- 25%

#### (e) Deferred taxation

Provision is made under the liability method for taxation deferred because of timing differences between profits computed for taxation purposes and profits stated in the accounts except to the extent that such taxation is not expected to be payable in the foreseeable future. Timing differences are due primarily to the excess of tax allowances on fixed assets over the corresponding depreciation charged in the accounts.



# BEACONSFIELD FOOTWEAR LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1993 (CONTINUED)

### 2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging/(crediting):	<u>1993</u>	<u>1992</u>
	£	£
Staff costs:		
Wages and salaries	718,657	867,252
Social security costs	56,392	73,938
Pension costs	15,511	23,612
Depreciation	103,728	147,716
Profit on sale of fixed assets	(7,809)	(3,437)
Auditors' remuneration - audit services	3,200	3,100
- other services	4,250	4,000
Interest payable on bank and other borrowings repayable within five years	23,649	42,922
Directors' emoluments	163,557	210,320
Adjustment arising from physical verification of fixed assets (Note 6)	14,267	
	<hr/>	<hr/>

The average number of employees during the year was 83 (1992 - 92).

### 3 DIRECTORS' EMOLUMENTS

The emoluments of the directors, excluding pension contributions, were as follows:

	<u>1993</u>	<u>1992</u>
	£	£
Chairman	2,433	2,166
Highest paid director	50,677	73,220
Number of other directors whose remuneration was within the ranges:		
£25,001 to £30,000	1	-
£30,001 to £35,000	2	2
£70,001 to £75,000	-	1

### 4 TAXATION

	<u>1993</u>	<u>1992</u>
Corporation tax credit/(charge) on loss for the year at 25%	£36,144	£(2,886)
	<hr/>	<hr/>

Losses of approximately £110,000 are carried forward at 31 December 1993 and are available for relief against future profits of the company.

# BEACONSFIELD FOOTWEAR LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1993 (CONTINUED)

5

DEFERRED TAXATION

1993

1992

At 1 January 1993 and 31 December 1993

£40,000

£40,000

Made up as follows:

Accelerated capital allowances

£40,000

£40,000

The potential liability on all timing differences is as follows:-

Accelerated capital allowances

£57,000

£65,000

6

TANGIBLE FIXED ASSETS

Cost

Land and buildings

Plant and machinery

Fixtures and fittings

Motor vehicles

Total

At 1 January 1993

140,842

750,801

135,272

111,942

1,138,857

Additions

871

149,271

22,026

37,125

209,293

Adjustments in year (Note 2)

-

(27,809)

-

-

(27,809)

Disposals

-

-

-

(75,546)

(75,546)

At 31 December 1993

141,713

872,263

157,298

73,521

1,244,795

Depreciation

At 1 January 1993

40,446

497,030

84,657

74,922

697,055

Provisions for year

2,820

74,000

8,531

18,377

103,728

Adjustments in year (Note 2)

-

(13,542)

-

-

(13,542)

Disposals

-

-

-

(56,114)

(56,114)

At 31 December 1993

43,266

557,488

93,188

37,185

731,127

Net book amount

31 December 1993

£98,447

£314,775

£64,110

£36,336

£513,668

31 December 1992

£100,396

£253,771

£50,615

£37,020

£441,802

# BEACONSFIELD FOOTWEAR LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1993 (CONTINUED)

<b>7</b>	<b>STOCKS</b>	<u>1993</u>	<u>1992</u>
	Raw materials and miscellaneous stocks	152,239	154,353
	Work in progress	22,872	7,938
	Finished goods	<u>159,589</u>	<u>214,732</u>
		£334,700	£377,023
		<hr/>	<hr/>
<b>8</b>	<b>DEBTORS</b>	<u>1993</u>	<u>1992</u>
	Trade debtors	137,515	118,345
	Stewart Paul Limited	29,465	53,220
	Prepayments and accrued income	9,507	11,546
	Corporation tax recoverable	33,258	-
	Other debtors	780	1,308
	Director's loan account	<u>1,044</u>	<u>-</u>
		£211,569	£184,419
		<hr/>	<hr/>
<b>9</b>	<b>CREDITORS (amounts falling due within one year)</b>	<u>1993</u>	<u>1992</u>
	Bank overdraft (Note 13)	112,555	-
	Trade creditors	114,361	140,666
	Taxation and social security	9,056	24,241
	Accruals and deferred income	57,408	61,605
	Hire purchase	25,264	9,644
	Directors' loan accounts	<u>369</u>	<u>22,141</u>
		£319,013	£258,297
		<hr/>	<hr/>
<b>10</b>	<b>CREDITORS (amounts falling due after more than one year)</b>	<u>1993</u>	<u>1992</u>
	Hire purchase	£32,515	£-
		<hr/>	<hr/>
<b>11</b>	<b>SHARE CAPITAL</b>	<u>1993</u>	<u>1992</u>
	Ordinary shares of £1 each		
	Authorised	£50,000	£50,000
		<hr/>	<hr/>
	Allotted and fully paid	£42,000	£42,000
		<hr/>	<hr/>

## BEACONSFIELD FOOTWEAR LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1993 (CONTINUED)

#### 12 CAPITAL COMMITMENTS

	<u>1993</u>	<u>1992</u>
Capital expenditure committed but not provided for in the accounts	£-	£-
Capital expenditure authorised but not committed	£-	£-
	<u>          </u>	<u>          </u>

#### 13 CONTINGENT LIABILITY

The Midland Bank plc has a charge over the deeds and documents relating to land and property situated at Liverpool Road, Skelmersdale. There is also a fixed charge over book debts and a floating charge over all other assets.

#### 14 STEWART PAUL LIMITED

Mr TL Houlgrave, Mr P Houlgrave and Mr S Houlgrave are directors and controlling shareholders in Stewart Paul Limited.

#### 15 MOVEMENTS IN SHAREHOLDERS' FUNDS

The movement in shareholders' funds consists solely of the loss for the year.

*Price Waterhouse*



## AUDITORS' REPORT TO THE MEMBERS OF BEACONSFIELD FOOTWEAR LIMITED

We have audited the financial statements on pages 3 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

### Respective responsibilities of directors and auditors

As described on page 2 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.

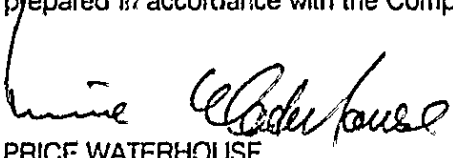
### Basis of opinion

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 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 accounts give a true and fair view of the state of the company's affairs at 31 December 1993 and of its loss and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
PRICE WATERHOUSE  
Chartered Accountants  
and Registered Auditors

27 October 1994