

COMPANIES HOUSE

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FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998
FOR
THE NATIONAL CHILDREN'S WEAR ASSOCIATION
OF GREAT BRITAIN AND NORTHERN IRELAND
(A COMPANY LIMITED BY GUARANTEE)



THE NATIONAL CHILDREN'S WEAR ASSOCIATION
OF GREAT BRITAIN AND NORTHERN IRELAND
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 DECEMBER 1998

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THE NATIONAL CHILDREN'S WEAR ASSOCIATION
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COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 1998

President (non-voting)	K Scates
Vice Presidents (non-voting)	Ms S Worth B Morley J Shattin
Council Members/Directors	Mrs S Collinge M Court H Denison B Dow Mrs L Fallon Ms B George D Hopkins D James Mrs P Jones (resigned 2 June 1998) H Kohner M Mann (resigned 2 June 1998) N Mason (resigned 2 June 1998) M Mills Mrs T Moriarty-Lewis Miss P Ohrenstein J Pritchard G Smith Mrs R Tayler H Wilder Mrs A Wilkins (resigned 23 September 1998) Ms J Williamson (appointed 23 September 1998) Mrs J Woods
Secretary	H Denison
Honorary Treasurer	H Wilder

THE NATIONAL CHILDREN'S WEAR ASSOCIATION
OF GREAT BRITAIN AND NORTHERN IRELAND
(A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 1998

REGISTERED OFFICE: Unit 12 Regent Gate
83 High Street
Waltham Cross
Herts
EN8 7AF

REGISTERED NUMBER: 690355 (England and Wales)

AUDITORS: A. Bloch & Co.
Chartered Accountants
Registered Auditors
Altay House
869 High Road
North Finchley
London N12 8QA

THE NATIONAL CHILDREN'S WEAR ASSOCIATION
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REPORT OF THE COUNCIL OF MANAGEMENT/DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 1998

The Members of the Council of Management present their report and financial statements for the year ended 31 December 1998.

PRINCIPAL ACTIVITIES

The principal activities of the Association in the year under review were those of the promotion of the interests of children's wear retailers, agents and manufacturers in Great Britain and Northern Ireland.

COUNCIL MEMBERS AND THEIR INTERESTS

The Association is limited by guarantee and has no share capital. Members of the Council of Management/Directors during the year under review were as listed on page 1.

FIXED ASSETS

The changes in tangible fixed assets are as set out in Note 6 to the financial statements.

STATEMENT OF RESPONSIBILITIES OF MEMBERS OF THE COUNCIL OF MANAGEMENT/DIRECTORS.

Company law requires the Members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the profit or loss of the Association for that period. In preparing those financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association 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 Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

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

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE COUNCIL OF MANAGEMENT/DIRECTORS

H Wilder - Honorary Treasurer

Dated: 7 June 1999

REPORT OF THE AUDITORS TO THE MEMBERS OF
THE NATIONAL CHILDREN'S WEAR ASSOCIATION
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We have audited the financial statements on pages five to ten which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of Council Members/Directors and Auditors

As described on page three the Council Members 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 Council Members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association'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 Association's affairs as at 31 December 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A. Bloch & Co.
Chartered Accountants
Registered Auditors
Altay House
869 High Road
North Finchley
London N12 8QA



Dated: 7 June 1999

THE NATIONAL CHILDREN'S WEAR ASSOCIATION
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INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1998

		1998 £	1997 £
TURNOVER	2	81,542	99,245
Administrative expenses		<u>(137,105)</u>	<u>(164,532)</u>
		(55,563)	(65,287)
Other operating income		<u>-</u>	<u>32,148</u>
OPERATING LOSS	3	(55,563)	(33,139)
Interest receivable and similar income	4	6,043	7,241
Exceptional item-provision against amount due from subsidiary		<u>(6,397)</u>	<u>(187,322)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(55,917)	(213,220)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(55,917)	(213,220)
Retained profit brought forward		<u>794,858</u>	<u>1,008,078</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£738,941</u></u>	<u><u>£794,858</u></u>

The notes form part of these financial statements

THE NATIONAL CHILDREN'S WEAR ASSOCIATION
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BALANCE SHEET
31 DECEMBER 1998

		<u>1998</u>		<u>1997</u>	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6		655,832		701,828
Investments	7		<u>95,000</u>		<u>95,000</u>
			750,832		796,828
CURRENT ASSETS					
Debtors	8	27,590		49,263	
Cash at bank and in hand		<u>69,433</u>		<u>117,274</u>	
		97,023		166,537	
CREDITORS: Amounts falling due within one year	9	<u>(13,916)</u>		<u>(42,385)</u>	
NET CURRENT ASSETS			<u>83,107</u>		<u>124,152</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£833,939</u>		<u>£920,980</u>
RESERVES					
Revaluation reserve	10		94,998		126,122
Accumulated fund			<u>738,941</u>		<u>794,858</u>
			<u>£833,939</u>		<u>£920,980</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

ON BEHALF OF THE COUNCIL OF MANAGEMENT

M Court-Council Member/Director

Mrs R Tayler-Council Member/Director

Approved by the Council of Management/Directors on 7 June 1999

The notes form part of these financial statements

THE NATIONAL CHILDREN'S WEAR ASSOCIATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment in subsidiary, and in accordance with the Financial Reporting Standard for Smaller Entities.

The Association and its subsidiary constitute a small group as defined by the Companies Act 1985 and consolidated financial statements have not been prepared, in accordance with the exemption provided by the Act.

Turnover

Turnover represents the invoiced amount of services provided and rents receivable during the year, stated net of VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost (formerly 20% on reducing balance)
Equipment	- 25% on cost

No depreciation has been provided on freehold buildings, which are held for investment purposes. The buildings are stated at valuation by the Council Members/Directors at the balance sheet date (Note 6).

The effect of changing the basis of depreciating fixtures and fittings has been to increase the charge for the year by £7,626.

Investment in subsidiary

The Association's investment in its subsidiary NCWA (Publications) Limited is stated as valued by the Council Members/Directors at the balance sheet date. Since 31 December 1998 the Association has entered into negotiations to form a joint venture company to publish a Children's Wear Trade Magazine (Note 12).

2. TURNOVER

The turnover and loss before taxation are attributable to the principal activities of the Association and arise solely in the UK.

3. OPERATING LOSS

The operating loss is stated after charging:

	1998	1997
	£	£
Council Members' emoluments and other benefits	-	-
Depreciation - owned assets	18,342	15,123
Auditors' remuneration	<u>1,250</u>	<u>1,250</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1998	1997
	£	£
Interest receivable	<u>6,043</u>	<u>7,241</u>

5. TAXATION

No liability to UK Corporation tax arose on ordinary activities for the year ended 31 December 1998 nor for the year ended 31 December 1997.

6. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Equipment	Totals
	£	£	£	£
COST OR VALUATION				
At 1 January 1998	675,000	47,041	35,238	757,279
Additions	-	-	3,470	3,470
Transfer from revaluation reserve	<u>(31,124)</u>	-	-	<u>(31,124)</u>
At 31 December 1998	<u>643,876</u>	<u>47,041</u>	<u>38,708</u>	<u>729,625</u>
DEPRECIATION:				
At 1 January 1998	-	26,369	29,082	55,451
Charge for year	-	<u>11,760</u>	<u>6,582</u>	<u>18,342</u>
At 31 December 1998	-	<u>38,129</u>	<u>35,664</u>	<u>73,793</u>
NET BOOK VALUE:				
At 31 December 1998	<u>643,876</u>	<u>8,912</u>	<u>3,044</u>	<u>655,832</u>
At 31 December 1997	<u>675,000</u>	<u>20,672</u>	<u>6,156</u>	<u>701,828</u>

At 31 December 1997 freehold property was stated as valued by the Council Members/Directors on the basis of open market value at that date. All other tangible fixed assets were stated at cost less depreciation. The historical cost of freehold property at 31 December 1997 was £643,876.

At 31 December 1998 all tangible fixed assets are stated at cost less depreciation. In the opinion of Council Members/Directors the open market value of freehold property at 31 December 1998 was not significantly different from cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998

7. FIXED ASSET INVESTMENTS

	£
Valuation and net book value at 1 January 1998 and 31 December 1998	95,000

The unlisted investment has been revalued by the Council Members/Directors on the basis of its market value at 31 December 1998. The historical cost of the investment at 31 December 1998 was £2 (1997-£2).

The unlisted investment represents the whole of the issued share capital of NCWA (Publications) Limited, a company registered in England and Wales which produces a trade magazine for the children's wear industry.

NCWA (Publications) Limited in turn owns the whole of the issued share capital of Children's Clothing International Magazine Limited, a dormant company registered in England and Wales. Since the balance sheet date application has been made at Companies House to have the company struck off.

The aggregate share capital and reserves and the loss for the year were:

	Aggregate share capital and reserves		Loss for year	
	1998	1997	1998	1997
	£	£	£	£
NCWA (Publications) Limited	(193,719)	(187,322)	(6,397)	(155,960)
Children's Clothing International Magazine Limited	100	111,218	Nil	Nil

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998	1997
	£	£
Amount owed by subsidiary	16,699	20,696
Prepayments & accrued income	10,891	28,567
	27,590	49,263

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1998

**9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1998	1997
	£	£
Other creditors	3,836	13,156
Social security & other taxes	1,840	4,738
Accrued expenses	<u>8,240</u>	<u>24,491</u>
	<u>13,916</u>	<u>42,385</u>

10. REVALUATION RESERVE

At 31 December 1997 (Note 11)	126,122
Released in year (Note 6)	<u>(31,124)</u>
At 31 December 1998	<u>94,998</u>

11. STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	1998	1997
	£	£
Surplus on revaluation of freehold property	-	31,124
Surplus on revaluation of investment in subsidiary	<u>-</u>	<u>94,998</u>
	-	126,122
Release of surplus on revaluation of freehold property	(31,124)	-
Loss for the financial year	<u>(55,917)</u>	<u>(213,220)</u>
Total recognised gains and losses in year	<u>(87,041)</u>	<u>(87,098)</u>

12. POST BALANCE SHEET EVENTS

Since the balance sheet date the Association has entered into negotiations with a third party publishing group to publish a Children's Wear Trade Magazine. It is proposed that a new company will be formed in equal partnership with the publishing group. These negotiations are at an advanced stage and it is envisaged that the joint venture will take effect from the first issue of the magazine, due in July 1999.