

TURNBULL & ASSER(HOLDINGS)LIMITED

DIRECTORS' REPORT

AND

ACCOUNTS

Year ended 31st January, 1980

MacIntyre Hudson  
Chartered Accountants  
22 Chancery Lane  
London, WC2A 1LL



TURNHULL & ASSER(HOLDINGS)LIMITED  
AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS  
year ended 31st January 1980

DIRECTORS

The following were directors during the year:

Kenneth T. Williams  
Alfred G. Arnold (died 15th March 1979)  
Gerald A. Smith  
Anthony F.H. Carlisle (appointed 15th March 1979)

ACTIVITIES AND STATE OF AFFAIRS

The company continues to act as holding company of a group which trades as shirtmakers and clothiers.

In the directors' view the state of the company's affairs is satisfactory.

APPROPRIATIONS

The year's results are set out in the accounts which follow. A dividend of £32,994 is proposed by the board.

DIRECTORS' INTERESTS

The directors held the following shares in the company:

	31.1.80	31.1.79
K.T. Williams	37,750	34,400
A.F.H. Carlisle	6,500	-
G.A. Smith (As Trustee)	16,025	24,875

FIXED ASSETS

During 1979/80 subsidiary companies acquired plant, machinery and vehicles costing £58,404.

The directors are unable to give an exact market value of the group's freehold properties, but are of the opinion that it is greater than book value. In the opinion of the directors the cost of professional valuation is not justified.

OTHER MATTERS

The company is a close company as defined for taxation purposes.

Of the group's total sales of £2,978,873, £213,076 (1979 : £429,235) were export sales. In addition export commission of £5,941 (1979 : £14,111) was earned.

The average number of persons employed by the group during the year was 412, and their aggregate remuneration was £1,056,640.

AUDITORS

Messrs. MacIntyre Hudson have expressed their willingness to be re-appointed.

71/72 Jermyn Street,  
London, S.W.1.  
23th July, 1980.

By order of the board,  
*A.F.H. Carlisle*  
A.F.H. Carlisle  
Secretary

TURNBULL & ASSER(HOLDINGS)LIMITED  
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

31st January 1980

	Notes	1980	1979
		£	£
FIXED ASSETS	1	269,337	240,863
INVESTMENT IN SUBSIDIARY NOT CONSOLIDATED		1,304	1,304
CURRENT ASSETS			
Stock		1,413,868	1,338,410
Debtors		497,260	387,132
Bank and cash balances		<u>321,041</u>	<u>188,063</u>
		<u>£2,232,169</u>	<u>£1,913,605</u>
CURRENT LIABILITIES			
Due to affiliated company		63,374	-
Creditors		401,337	312,909
Due to directors		186	1,590
Taxation	2	189,912	155,343
Bank overdraft	3	211,903	202,174
Proposed dividend		<u>32,994</u>	<u>33,450</u>
		<u>£ 899,706</u>	<u>£ 705,466</u>
Net current assets		<u>1,332,463</u>	<u>1,208,139</u>
		1,603,104	1,450,306
OTHER LIABILITIES			
Long term liabilities	3	<u>32,432</u>	<u>58,433</u>
NET ASSETS		<u>£1,570,672</u>	<u>£1,391,873</u>
Represented by:			
SHARE CAPITAL	4	30,200	30,200
RESERVE ARISING ON CONSOLIDATION		137,141	135,741
RETAINED PROFITS		<u>971,051</u>	<u>786,034</u>
SHAREHOLDERS' INTERESTS		1,138,392	951,975
MINORITY INTEREST		9,722	-
DEFERRED TAXATION	2	<u>422,558</u>	<u>439,898</u>
		<u>£1,570,672</u>	<u>£1,391,873</u>

DIRECTORS:

K.T. WILLIAMS

*K.T. Williams*

A.F.H. CARLISLE

*A.F.H. Carlisle*

TURNBULL & ASSER(HOLDINGS)LIMITED  
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT  
year ended 31st January 1980

	Notes	1980 £	1979 £
GROUP PROFIT before taxation	6	395,784	519,371
TAXATION	2	<u>216,685</u>	<u>265,550</u>
PROFIT after taxation		179,099	253,821
Minority share of loss		<u>9,117</u>	<u>-</u>
		188,216	253,821
Retained by subsidiaries		<u>150,710</u>	<u>217,182</u>
HOLDING COMPANY'S PROFIT available for appropriation		37,506	36,639
HOLDING COMPANY'S UNAPPROPRIATED PROFIT brought forward		<u>110,154</u>	<u>106,965</u>
		147,660	143,604
DIVIDEND	8	<u>32,994</u>	<u>33,450</u>
HOLDING COMPANY'S RETAINED PROFITS carried forward		114,666	110,154
SUBSIDIARIES RETAINED PROFITS carried forward	7	<u>856,385</u>	<u>675,880</u>
GROUP RETAINED PROFITS		<u>£971,051</u>	<u>£786,034</u>

TURNBULL & ASSER(HOLDINGS)LIMITED

BALANCE SHEET

31st January 1980

	Notes	1980	1979
		£	£
INVESTMENTS IN SUBSIDIARIES			
- at cost	5	373,439	373,439
DUE FROM SUBSIDIARIES		<u>114,220</u>	<u>104,616</u>
		487,659	478,055
CURRENT ASSETS			
Debtors		10,075	4,349
Due from trustees of The Turnbull & Asser(Holdings) Trust		10,780	20,380
Cash at bank		<u>987</u>	<u>606</u>
		<u>£21,842</u>	<u>£25,335</u>
CURRENT LIABILITIES			
Creditors		10,278	7,451
Due to directors		186	1,394
Taxation		436	-
Proposed dividend		<u>32,994</u>	<u>33,450</u>
		<u>£43,894</u>	<u>£42,295</u>
Net current liabilities		(22,052)	( 16,960)
NET ASSETS		<u>£465,607</u>	<u>£461,095</u>
SHAREHOLDERS' INTERESTS			
SHARE CAPITAL	4	30,200	30,200
SHARE PREMIUM ACCOUNT		320,741	320,741
RETAINED PROFIT		<u>114,666</u>	<u>110,154</u>
		<u>£465,607</u>	<u>£461,095</u>

Directors:

K.T. WILLIAMS

A.F.H. CARLISLE

*AFH*

TURNBULL & ASSER(HOLDINGS)LIMITED  
AND ITS SUBSIDIARY COMPANIES  
year ended 31st January 1980

STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies which are adopted in the preparation of the group accounts are set out below.

A. BASIS OF CONSOLIDATION

The consolidated accounts include the accounts of the company and all its subsidiaries with the exception of Hampton Bros.(New Cross)Limited. The cost of acquisition of Hampton Bros.(New Cross)Limited has been substantially written down, and it has not traded since its acquisition by the group. In these circumstances, the aforesaid company has not been consolidated as the amounts involved are not material.

B. DEPRECIATION

Depreciation is calculated to write off the cost of assets in equal instalments on the following basis:

Freehold property	Nil
Short leases	Over the unexpired period of the lease
Fixtures and fittings and plant	5% and 10% of cost
Vehicles	20% of cost

Insofar as depreciation has not been provided on freehold property the group has not complied with the Statement of Standard Accounting Practice No.12. In the opinion of the directors, the amounts involved are not material.

C. DEFERRED TAXATION

Provision is made in full for taxation deferred by capital allowances and stock appreciation relief.

D. STOCKS AND WORK IN PROGRESS

Stocks are valued at the lower of cost and net realisable value on bases consistent with those adopted in previous years.

Work in progress is valued at cost of direct materials and labour with no addition for overheads.

TURNBULL & ASSER(HOLDINGS)LIMITED  
AND ITS SUBSIDIARY COMPANIES  
year ended 31st January 1980

NOTES TO ACCOUNTS

	Freehold property £	Leasehold premises (short leases) £	Fixtures & fittings, plant and vehicles £	Total £
<b>1. FIXED ASSETS : GROUP</b>				
Cost: Opening total	162,911	10,542	229,694	403,147
Additions	-	-	58,404	58,404
Disposals	-	-	( 17,064)	( 17,064)
Closing total	<u>£162,911</u>	<u>£10,542</u>	<u>£271,034</u>	<u>£444,487</u>
Depreciation: Opening total	1,000	7,542	153,742	162,284
Provision	-	1,000	25,100	26,100
Disposals	-	-	( 13,234)	( 13,234)
Closing total	<u>£ 1,000</u>	<u>£ 8,542</u>	<u>£165,608</u>	<u>£175,150</u>
Net book values:				
At 31st January 1980	<u>£161,911</u>	<u>£ 2,000</u>	<u>£105,426</u>	<u>£269,337</u>
At 31st January 1979	<u>£161,911</u>	<u>£ 3,000</u>	<u>£ 75,952</u>	<u>£240,863</u>

A subsidiary company owns the lease of 23 Bury Street, for the period to 25th December 1981.

2. TAXATION

	1980 £	1979 £
a) Balance Sheet - Current Liabilities		
Corporation Tax - payable 1.11.80 or later	204,248	170,113
Deduct: Advance Corporation Tax	<u>( 14,356)</u>	<u>( 14,770)</u>
	<u>£189,912</u>	<u>£155,343</u>
b) Balance Sheet - Deferred Taxation		
Opening balance	439,898	344,461
Adjustments for the year:		
- Capital allowances	( 608)	2,877
- Stock appreciation relief	12,338	92,560
Provision for stock relief no longer required	<u>( 29,070)</u>	<u>-</u>
Closing balance	<u>£422,558</u>	<u>£439,898</u>
c) Profit and Loss Account		
Corporation Tax has been provided for at the rate of 52% as follows:		
Taxation on the year's profits	204,974	170,113
Deferred taxation adjustment	11,730	95,437
Prior year adjustment	<u>( 19)</u>	<u>-</u>
	<u>£216,685</u>	<u>£265,550</u>

TURNBULL & ASSER(HOLDINGS)LIMITED  
AND ITS SUBSIDIARY COMPANIES  
year ended 31st January 1980

NOTES TO ACCOUNTS (continued)

3. LONG TERM LIABILITIES	1980 £	1979 £
(i) Loan repayable in 1980	2,432	8,433
(ii) Loan repayable by equal annual instalments of £10,000	10,000	20,000
(iii) Loan repayable by equal annual instalments of £10,000	<u>20,000</u>	<u>30,000</u>
The loans and bank overdrafts are secured by charges over the group's freehold properties. A subsidiary company has guaranteed the loan shown at No.(iii) above.	<u>£32,432</u>	<u>£58,433</u>

The company has issued a guarantee in favour of one of  
Turnbull and Asser Limited subsidiary companies to the  
extent of £15,000. That company's overdraft at 31st  
January 1980 stood at £20,304 (1979: £14,835).

4. SHARE CAPITAL		
Authorised, issued and fully paid 302,000 Ordinary shares of 10p each	<u>£30,200</u>	<u>£30,200</u>

5. SUBSIDIARY COMPANIES

Shareholdings in subsidiary companies, expressed as a percentage of issued  
shares, are as follows:

Name of subsidiary	Held by Turnbull & Asser(Holdings) Limited	Held by sub- sidiaries	Country of Incorporation
Turnbull and Asser Ltd.	100%	-	England
Eagle Shirt Co.(London)Ltd.	55%	45%	England
Hawes and Curtis Ltd.	-	100%	England
Hawes & Curtis(Tailors)Ltd.	-	100%	England
Caldwell Young and Company Ltd.	-	100%	Scotland
Lansdowne Leather Goods Ltd.	-	100%	England
Hampton Bros.(New Cross)Ltd.	-	100%	England
Turnbull and Asser(Ontario)Ltd.	-	51%	Canada

6. GROUP PROFIT BEFORE TAXATION	1980 £	1979 £
a) Group turnover for the year(excluding intra group transactions)	<u>£2,978,873</u>	<u>£3,081,916</u>
b) The following items were charged in arriving at group profit before Taxation:		
Depreciation and amortisation	26,100	17,925
Auditors' remuneration	4,205	3,425
Amount written off investment in subsidiary company	1,400	1,400
Hire purchase interest payable	-	745
Loan interest payable	9,205	9,129
Bank interest payable	27,678	19,050
Plant hire	<u>192</u>	<u>313</u>
Bank interest receivable	<u>20,637</u>	<u>1,014</u>



NOTES TO ACCOUNTS (continued)

6. GROUP PROFIT BEFORE TAXATION (continued)	1980 £	1979 £
Directors' emoluments:		
Salaries and commission	49,634	44,834
Superannuation contributions	3,013	7,522
Estimated benefits	<u>1,200</u>	<u>1,200</u>
Chairman and highest paid director	<u>28,299</u>	<u>22,833</u>

The number of directors in each category of remuneration was as follows:

£ 1 - £ 5,000	1	1
£ 5,001 - £10,000	1	-
£10,001 - £15,000	1	-
£15,001 - £20,000	-	1
£20,001 - £25,000	-	1
£25,001 - £30,000	1	-

c) The accounts of all subsidiary companies which have been consolidated, are made up to 31st January 1980.

7. SUBSIDIARIES RETAINED PROFITS	1980 £	1979 £
Retained profits brought forward	675,880	464,434
Prior year tax adjustments	725	-
Provision for stock relief no longer required	<u>29,070</u>	<u>-</u>
Retained for the year	<u>705,675</u> <u>150,710</u>	<u>464,434</u> <u>217,182</u>
	856,385	681,616
Less: Amount written off cost of investment in a subsidiary company acquired during the year	<u>-</u>	<u>5,736</u>
Retained profits carried forward	<u>£856,385</u>	<u>£675,880</u>

8. DIVIDENDS

12½p (1979: 12½p) per share	37,750	37,750
Less amounts waived	<u>4,756</u>	<u>4,300</u>
	<u>£32,994</u>	<u>£33,450</u>

GROUP MOVEMENT OF FUNDS  
year ended 31st January 1980

	£	1980	£	1979	£
SOURCE OF FUNDS					
Group profit before taxation		395,784		519,371	
Adjustment for items not involving the movement of funds:					
Depreciation	26,100		17,925		
Profit on disposal of fixed assets	( 682)		( 615)		
Amount written off investment in a subsidiary company	<u>1,400</u>	26,818	<u>1,400</u>	18,710	
TOTAL GENERATED BY OPERATIONS		422,602		538,081	
FUNDS FROM OTHER SOURCES					
Disposal of fixed assets -proceeds	4,511		2,720		
Issue of shares in a subsidiary	<u>31,406</u>	35,917	<u>—</u>	2,720	
		458,519		540,801	
APPLICATION OF FUNDS					
Purchase of investment	12,568		7,040		
Dividends paid	33,450		29,987		
Tax paid	169,660		22,114		
Purchase of fixed assets	<u>58,403</u>	274,081	<u>21,901</u>	81,042	
		<u>£184,438</u>		<u>£459,759</u>	
INCREASE/(DECREASE)IN WORKING CAPITAL					
Stock and work in progress	75,458		252,893		
Debtors	110,128		75,503		
Creditors	(151,802)		( 36,559)		
Amount due to directors	<u>1,404</u>	35,188	<u>3,868</u>	295,705	
Movement of net liquid funds:					
Cash - increase	132,978		144,931		
Bank overdraft - increase	( 9,729)		( 6,877)		
Long term liabilities - decrease	<u>26,001</u>	149,250	<u>26,000</u>	164,054	
		<u>£184,438</u>		<u>£459,759</u>	

REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
TURNBULL & ASSER(HOLDINGS)LIMITED

We have examined the accounts and accounting policies stated therein, set out on pages 2 to 9, which have been prepared under the historical cost convention.

In our opinion, these accounts give, under the accounting convention stated above and so far as concerns the members of the holding company, a true and fair view of the state of the company's financial affairs at 31st January 1980 and of the results and movement of funds for the year ended on that date and comply with the Companies Acts 1948 and 1967.

22 Chancery Lane  
London, WC2A 1LL

*MacIntyre Hudson*  
MacIntyre Hudson

28th July 1980

Chartered Accountants