

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

DIRECTORS' REPORT

AND ACCOUNTS

Year ended 31st January 1984

MacIntyre Hudson
Chartered Accountants
28 Ely Place
London EC1N



TURNBULL & ASSEH (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS

Year ended 31st January 1984

PRINCIPAL ACTIVITIES

The company continues to act as holding company of a group which trades as shirtmakers and clothiers. During the year a subsidiary company commenced trading as lessors of plant and equipment.

RESULTS AND APPROPRIATIONS

The results for the year are set out in the financial statements which follow. A dividend of 125% is proposed by the Board.

REVIEW OF THE BUSINESS

Turnover and gross profit increased substantially, the latter by 37%, when compared with 1983. This improvement was largely due to a return to a more favourable economic climate and a favourable pound/dollar exchange rate.

FUTURE DEVELOPMENTS

Trading conditions and the pound/dollar exchange rate continue to be favourable and the directors expect the 1983/84 levels will continue.

DIRECTORS

The following were directors during the year :

Kenneth T. Williams
Gavin F. Casey

DIRECTORS' INTERESTS

The directors held the following shares in the company :

	31.1.84	31.1.83
K. T. Williams	38,350	38,350
G.F. Casey	-	-

FIXED ASSETS

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.

AUDITORS

Messrs. MacIntyre Hudson have signified their willingness to continue in office and a resolution proposing their re-appointment as Auditors of the company, at a fee to be fixed by the directors, will be submitted at the Annual General Meeting.

71/72 Jermyn Street
London SW 1

24th August 1984

By order of the Board

Amin Samji
A. Samji A.C.A.
Secretary

JRN BULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

BALANCE SHEET

at 31st January 1984

	Notes	1984 £	Group 1983 £	1984 £	Parent 1983 £
FIXED ASSETS					
Tangible assets	1	330,151	366,587	-	-
Investment in subsidiaries	2	-	1,304	373,439	373,439
Net investment in finance leases	3	300,661	-	-	-
		<u>630,812</u>	<u>367,891</u>	<u>373,439</u>	<u>373,439</u>
CURRENT ASSETS					
Stock		1,511,945	1,698,421	-	-
Net investment in finance leases	3	87,350	-	-	-
Debtors	4	766,447	433,734	335,732	256,796
Cash and bank balances		808,839	458,596	5,312	891
		<u>3,174,581</u>	<u>2,590,751</u>	<u>341,044</u>	<u>257,687</u>
DEBTORS - due within one year	5	940,927	865,009	211,546	137,584
NET CURRENT ASSETS		<u>2,233,654</u>	<u>1,725,742</u>	<u>129,498</u>	<u>120,103</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,864,466</u>	<u>2,093,633</u>	<u>502,937</u>	<u>493,542</u>
DEBTORS - due after more than one year	6	266,864	55,000	-	-
		<u>2,597,602</u>	<u>2,038,633</u>	<u>502,937</u>	<u>493,542</u>
PROVISION FOR LIABILITIES AND CHARGES					
Deferred taxation	7	(231,256)	(63,660)	-	-
Amplifications		-	(10,000)	-	-
		<u>£2,366,346</u>	<u>£1,964,973</u>	<u>£502,937</u>	<u>£493,542</u>
CAPITAL AND RESERVES					
Called up share capital	8	30,200	30,200	30,200	30,200
Share premium		-	-	320,741	320,741
Capital reserve on consolidation		151,109	151,109	-	-
Profit and loss account	9	2,183,219	1,779,127	151,996	142,601
		<u>2,364,528</u>	<u>1,960,436</u>	<u>502,937</u>	<u>493,542</u>
Minority interest		1,818	4,537	-	-
		<u>£2,366,346</u>	<u>£1,964,973</u>	<u>£502,937</u>	<u>£493,542</u>

K.T. Williams *G.F. Casey*

Directors:

K.T. WILLIAMS

G.F. CASEY

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 31st January 1984

	NOTES	£	1984 £	£	1983 £
GROUP TURNOVER	10		4,729,487		4,036,785
Cost of sales			2,857,182		2,667,065
GROSS PROFIT			1,872,305		1,369,720
Other operating income			114,535		105,020
Interest receivable			30,134		26,477
			2,016,974		1,501,217
Operating expenses		1,088,898		842,935	
Administration expenses		249,008		386,336	
Interest payable		36,193		49,932	
			1,374,099		1,279,203
GROUP PROFIT BEFORE TAXATION	11		642,875		222,014
TAXATION	12		243,075		80,242
GROUP PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			399,800		141,772
EXTRAORDINARY ITEM	13		39,031		-
			438,831		141,772
MINORITY SHARE OF PROFIT			2,719		(1,313)
			441,550		140,459
DIVIDEND	14		37,750		37,750
GROUP RETAINED PROFIT FOR THE YEAR	8				
Holding company		9,395		12,997	
Subsidiaries		394,405		89,712	
			£ 403,800		£102,709

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

STATEMENT OF ACCOUNTING POLICIES

Year ended 31st January 1984

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

A. BASIS OF CONSOLIDATION

The group accounts consolidate the accounts of Turnbull & Asser (Holdings) Limited and all its subsidiaries made up to 31st January 1984.

The results of Hampton Bros (New Cross) Ltd which was disposed of during the accounting year have not been included due to their immateriality.

B. DEPRECIATION

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

Freehold property	NIL
Short leases	Over the unexpired period of the lease
	10%
Fixtures, fittings and plant	20%
Vehicles	

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 other timing differences.

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, labour and a proportion of production overheads.

E. FOREIGN CURRENCY

All assets, liabilities, turnover and profits or losses expressed in currencies other than Sterling, are translated to Sterling at rates of exchange ruling at the end of the financial year. All exchange variations are dealt with through the profit and loss account.

F. INTEREST

Finance charges on leases are taken to profit and loss using the "Rule of 78". No income has been taken in the current year. Bank interest is accounted for as paid.

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS

Year ended 31st January 1984

1. FIXED ASSETS : GROUP

	Freehold Property £	Short Leasehold Premises	Fixtures, Fittings, Plant and Vehicles £	Total £
Cost :				
Opening total	178,577	30,000	350,605	559,182
Exchange variation	-	-	6,262	6,262
Additions	482	-	58,836	59,318
Disposals and adjustments	(46,505)	-	(27,265)	(73,770)
Closing total	<u>132,554</u>	<u>30,000</u>	<u>388,438</u>	<u>550,992</u>
Depreciation :				
Opening total	1,000	6,000	185,595	192,595
Exchange variation	-	-	2,611	2,611
Provision	-	6,000	45,666	51,666
Disposals and adjustments	-	-	(26,031)	(26,031)
Closing total	<u>1,000</u>	<u>12,000</u>	<u>207,841</u>	<u>220,841</u>
Net book values :				
At 31st January 1984	<u>131,554</u>	<u>18,000</u>	<u>180,597</u>	<u>330,151</u>

2. 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 Subsidiaries	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 Co Ltd	-	100%	Scotland
James Drew Ltd	-	100%	England
Turnbull and Asser (Ontario) Ltd	-	51%	Canada

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS

Year ended 31st January 1984

3. NET INVESTMENT IN FINANCE LEASES

	Group		Parent	
	1984	1983	1984	1983
	£	£	£	£
The net investment in finance leases at 31st January 1984 comprises:				
Total minimum lease payments receivable	458,115	-	-	-
Less: Finance charges allocated to future periods	(70,104)	-	-	-
	<u>£388,011</u>	<u>-</u>	<u>-</u>	<u>-</u>
Split as follows:				
Non current	300,661	-	-	-
Current	87,350	-	-	-
	<u>£388,011</u>	<u>-</u>	<u>-</u>	<u>-</u>

	Group		Parent	
	1984	1983	1984	1983
	£	£	£	£
4. DEBTORS				
Trade debtors	606,691	347,834	-	-
Other debtors	114,971	39,228	5,634	4,531
Prepayments	30,671	33,272	-	-
Due from subsidiaries	-	-	315,984	238,865
Loan to trustees	14,114	13,400	14,114	13,400
	<u>£766,447</u>	<u>£433,734</u>	<u>£335,732</u>	<u>£256,796</u>

	Group		Parent	
	1984	1983	1984	1983
	£	£	£	£
5. CREDITORS - due within one year				
Trade creditors	340,340	190,819	-	-
Other creditors	169,314	186,429	26,737	12,576
Due to subsidiary company	-	-	134,822	60,267
Due to affiliated company	134,127	96,255	-	-
Bank loan	30,000	30,000	-	-
Bank overdraft	28,406	212,371	-	-
Leasing obligations	64,309	-	-	-
Corporation tax	70,878	55,447	139	933
Advanced corporation tax payable	-	16,178	-	16,178
Other tax and social security costs	65,803	39,760	12,098	9,880
Proposed dividend	37,750	37,750	37,750	37,750
	<u>940,927</u>	<u>865,009</u>	<u>211,546</u>	<u>137,584</u>

The loans and bank overdrafts are secured by charges over the group's freehold properties.

Turnbull & Asser (Holdings) Limited has guaranteed the overdraft of a subsidiary company up to £25,000. That company's overdraft at 31st January 1984 stood at £26,182. (1983 :- £28,620)

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (continued)

Year ended 31st January 1984

	Group		Parent	
	1984 £	1983 £	1984 £	1983 £
6. CREDITORS - due after more than one year				
Bank loan (see note 5)	25,000	55,000	-	-
Leasing obligations	241,864	-	-	-
	<u>£266,864</u>	<u>£ 55,000</u>	<u>-</u>	<u>-</u>

The long term bank loan bears interest at a rate of 16% per annum and is repayable in annual instalments of £30,000.

The analysis of creditors due after more than one year is as follows:

Amounts repayable within 1-2 years
Amounts repayable within 2-5 years

	1984 £	1983 £
	97,138	30,000
	169,726	25,000
	<u>£266,864</u>	<u>£ 55,000</u>

	Group		Parent	
	1984 £	1983 £	1984 £	1983 £
7. DEFERRED TAXATION				
Opening balance	63,660	54,464	-	-
Adjustments for the year :				
Capital allowances	172,180	4,308	-	-
Other timing differences	(4,584)	4,888	-	-
Closing balance	<u>£231,256</u>	<u>£ 63,660</u>	<u>-</u>	<u>-</u>

8. CALLED UP SHARE CAPITAL

Authorised, issued, allotted and fully paid
302,000 Ordinary shares of 10p each

	1984 £	1983 £
	<u>£ 30,200</u>	<u>£ 30,200</u>

	Group		Parent	
	1984 £	1983 £	1984 £	1983 £
9. PROFIT AND LOSS ACCOUNT				
At 1st February	1,779,127	1,673,562	142,601	129,604
Exchange variation	292	2,856	-	-
Retained profit for year	403,800	102,709	9,395	12,997
At 31st January	<u>2,183,219</u>	<u>1,779,127</u>	<u>151,996</u>	<u>142,601</u>

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (continued)

Year ended 31st January 1984

10. TURNOVER

Turnover for the year is attributable to the one principal activity. The geographical split is as follows:

	Turnover	
	1984	1983
	£	£
United Kingdom	3,374,228	3,201,239
United States and Canada	1,355,259	835,546
	<u>4,729,487</u>	<u>4,036,785</u>

11. GROUP PROFIT BEFORE TAXATION

	1984	1983
	£	£
Profit is stated after charging:		
Depreciation and amortisation	51,666	41,189
Auditors' remuneration	9,550	7,510
Directors' emoluments (see below)	<u>66,891</u>	<u>78,437</u>

Directors' emoluments:

Remuneration	57,551	51,625
Superannuation contributions	8,540	2,737
Estimated benefits	800	800
Compensation for loss of office	-	23,275
	<u>66,891</u>	<u>78,437</u>

Chairman and highest paid director

	<u>39,551</u>	<u>33,507</u>
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The number of directors in each category of remuneration was as follows:

£ 1 - £ 5,000	-	1
£ 5,001 - £10,000	-	-
£10,001 - £15,000	-	-
£15,001 - £20,000	1	1
£20,001 - £30,000	-	-
£30,001 - £35,000	-	1
£35,001 - £40,000	1	-

Group staff costs during the year amounted to:

	1984	1983
	£	£
Wages and salaries	1,295,702	1,251,322
Social security costs	135,989	143,422
Other pension costs	38,744	19,251
	<u>1,470,435</u>	<u>1,413,995</u>

The average number of employees in the group during the year was:

	<u>293</u>	<u>326</u>
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TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS (continued)

Year ended 31st January 1984

12. TAXATION	1984 £	1983 £
UK corporation tax has been provided for at rates between 38% and 52% as follows :		
Taxation on the year's profits	75,050	71,411
Adjustment in respect of prior year	429	(365)
Deferred tax adjustment	167,596	9,196
	<u>£243,075</u>	<u>£ 80,242</u>
13. EXTRAORDINARY ITEM	1984 £	1983 £
Surplus on sale of leasehold property	10,250	-
Loss on sale of subsidiary	(304)	-
Surplus on sale of freehold property	33,291	-
	<u>51,237</u>	<u>-</u>
Tax thereon	(12,206)	-
	<u>39,031</u>	<u>-</u>
14. DIVIDENDS	1984 £	1983 £
(1983 : 12½p) per 10p ordinary share	<u>£ 37,750</u>	<u>£ 37,750</u>
15. HOLDING COMPANY PROFIT AND LOSS ACCOUNT		
The company has taken advantage of the exemption in the Companies Act 1948 not to present its own profit and loss account.		
16. APPROVAL OF ACCOUNTS		
The accounts were approved by the board of directors on 24th August 1984.		

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

GROUP MOVEMENT OF FUNDS

Year ended 31st January 1984

	1984	1983
	£	£
SOURCE OF FUNDS		
Group profit before taxation	642,875	222,014
Adjustment for items not involving the movement of funds:		
Depreciation and amortisation	51,666	41,189
(Profit)/loss on disposal of fixed assets	(6,469)	2,385
Exchange variation	(2,255)	(3,629)
	<u>42,942</u>	<u>39,945</u>
TOTAL GENERATED FROM OPERATIONS	685,817	261,959
FUNDS FROM OTHER SOURCES		
Disposals of fixed assets - proceeds	105,445	8,540
Tax repayment received	-	13,887
Lease income	95,477	-
	<u>200,922</u>	<u>22,427</u>
	886,739	284,386
APPLICATION OF FUNDS		
Leased assets (see below)	177,315	-
Dividends paid	37,750	37,750
Tax paid	88,232	60,721
Purchases of fixed assets	59,318	80,435
Loan repayment	30,000	30,000
	<u>392,615</u>	<u>208,906</u>
	£494,124	£ 75,480
INCREASE/(DECREASE) IN WORKING CAPITAL		
Stock and work in progress	(186,476)	(51,160)
Debtors	332,713	23,960
Creditors	(148,449)	52,841
Due to affiliated company	(37,872)	(7,482)
	<u>(40,084)</u>	<u>18,159</u>
MOVEMENT OF NET LIQUID FUNDS:		
Cash	350,243	34,362
Bank overdraft	183,965	22,959
	<u>534,208</u>	<u>57,321</u>
	£494,124	£ 75,480
Leased Assets		
Gross investment in leased assets	£ 483,488	
Less: Money received to finance purchase	(306,173)	
	<u>£177,315</u>	

REPORT OF THE AUDITORS

TO THE MEMBERS OF

TURNBULL & ASSER (HOLDINGS) LIMITED

We have audited the financial statements on pages 2 to 10 in accordance with approved auditing Standards and have carried out such procedures as we considered necessary.

In our opinion the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the financial affairs of the company and the group at 31st January 1984 and of the results and movement of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

24th August 1984

MacIntyre Hudson
MacIntyre Hudson
CHARTERED ACCOUNTANTS