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TURNBULL & ASSER(HOLDINGS)LIMITED

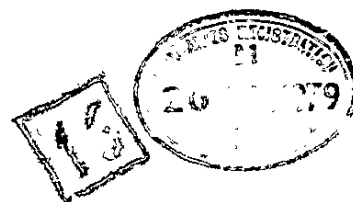
DIRECTORS' REPORT

AND

ACCOUNTS

Year ended 31st January, 1978

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




TURNBULL & ASSER(HOLDINGS)LIMITED

Notice is hereby given that the Fifth Annual General Meeting of the Company will be held at 23, Bury Street, London, S.W.1. at 12 Noon on Tuesday, 12th September, 1978, for the following purposes:-

1. The Secretary to read the Notice convening the meeting.
2. To receive, consider and adopt the Report and Accounts for the year ended 31st January, 1978.
3. To declare a dividend.
4. To elect a director.
5. To re-appoint the auditors.
6. To authorise the directors to fix the remuneration of the auditors.
7. To transact any other ordinary business of the Company.

By order of the Board,


A.F.H. Carlisle,

Secretary.

21st August 1978

71/72 Jemyn Street,
London, S.W.1.

TURNBULL & ASSER (HOLDINGS) LIMITED
AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS
year ended 31st January 1978

DIRECTORS

The following were directors throughout the year -

Kenneth T. Williams
Alfred G. Arnold
Gerald A. Smith

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 £29,988 is proposed by the board.

DIRECTORS' INTERESTS

The directors held the following shares in the company -

	31.1.78	31.1.77
K.T. Williams	34,400	28,000
A.G. Arnold	27,700	22,700
G.A. Smith	-	-

FIXED ASSETS

During 1977/78 subsidiary companies acquired plant, machinery and vehicles costing £25,855.

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 £2,807,320, £259,598 (1977:£197,994) were export sales. In addition export commission of £21,258 (1977:£10,121) was earned.

The average number of persons employed by the group during the year was 395, and their aggregate remuneration was £812,642.

AUDITORS

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

71/72 Jermyn Street,
London, S.W.1.
18th July 1978

A.F.H.

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

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET
31st January 1978

	Notes	£	1978	£	£	1977	£
FIXED ASSETS	1			238,992			236,803
CURRENT ASSETS							
Stock	2	1,085,517				588,772	
Debtors		311,629				230,583	
Bank and cash balances		<u>43,132</u>				<u>146,137</u>	
		£1,440,278				£965,492	
Deduct:							
CURRENT LIABILITIES							
Creditors		276,342				194,185	
Due to directors		5,466				16,179	
Taxation	3	7,344				150,503	
Bank overdraft		195,297				55,367	
Proposed dividend		<u>29,987</u>				<u>30,200</u>	
		£ 514,436				£446,434	
Net current assets				925,842			519,058
				<u>1,164,834</u>			<u>755,861</u>
OTHER LIABILITIES							
Long-term liabilities	4			<u>84,433</u>			<u>100,433</u>
NET ASSETS				<u>£1,080,401</u>			<u>£ 655,428</u>
SHAREHOLDERS' INTERESTS							
SHARE CAPITAL	5			30,200			30,200
RESERVE ARISING ON CONSOLIDATION				134,341			132,941
RETAINED PROFITS				<u>571,399</u>			<u>370,840</u>
				735,940			533,981
DEFERRED TAXATION	3			<u>344,461</u>			<u>121,447</u>
				<u>£1,080,401</u>			<u>£ 655,428</u>

Directors:

K. WILLIAMS

A. ARNOLD

K. Williams *A. Arnold*

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT
year ended 31st January 1978

	Notes	£	1978 £	£	1977 £
GROUP PROFIT before taxation	7		464,171		401,673
TAXATION	3		<u>240,739</u>		<u>206,815</u>
PROFIT after taxation			223,432		194,858
Retained by subsidiaries			<u>195,723</u>		<u>124,858</u>
HOLDING COMPANY'S PROFIT available for appropriation			27,709		70,000
HOLDING COMPANY'S UNAPPROPRIATED PROFIT brought forward		103,074		60,474	
Add: Dividend waived in prior year		<u>6,170</u>	<u>109,244</u>	<u>2,800</u>	<u>63,274</u>
			136,953		133,274
DIVIDEND	9		<u>29,988</u>		<u>30,200</u>
HOLDING COMPANY'S RETAINED PROFITS carried forward			106,965		103,074
SUBSIDIARIES RETAINED PROFITS carried forward	8		<u>464,434</u>		<u>267,766</u>
GROUP RETAINED PROFITS			<u>£571,399</u>		<u>£370,840</u>

TURNBULL & ASSER(HOLDINGS)LIMITED

BALANCE SHEET

31st January 1978

	Notes	£	1978	£	1977	£
INVESTMENTS IN SUBSIDIARIES						
- at cost	6		373,439		373,439	
DUE FROM SUBSIDIARIES			<u>99,964</u>		<u>111,943</u>	
			473,403		485,382	
CURRENT ASSETS						
Debtors		4,653		-		
Due from trustees of The Turnbull & Asser(Holdings)Trust		20,380		-		
Cash at bank		<u>1,827</u>		<u>-</u>		
		<u>£26,860</u>		<u>£ -</u>		
CURRENT LIABILITIES						
Creditors		6,750		-		
Due to directors		5,093		1,167		
Taxation		527		-		
Proposed dividend		<u>29,987</u>		<u>30,200</u>		
		<u>£42,357</u>		<u>£31,367</u>		
Net current liabilities			(15,497)		(31,367)	
NET ASSETS			<u>£457,906</u>		<u>£454,015</u>	
SHAREHOLDERS' INTERESTS						
SHARE CAPITAL	5		30,200		30,200	
SHARE PREMIUM ACCOUNT			320,741		320,741	
RETAINED PROFIT			<u>106,965</u>		<u>103,074</u>	
			<u>£457,906</u>		<u>£454,015</u>	

Directors:

K. WILLIAMS

A. ARNOLD

K. Williams *A. Arnold*

NOTES TO ACCOUNTS

1. FIXED ASSETS : GROUP	Freehold property £	Leasehold premises (short leases) £	Fixtures & fittings, plant & vehicles £	Total £
Cost:				
Opening total	152,730	10,542	204,944	368,216
Additions	-	-	25,855	25,855
Disposals	-	-	(8,028)	(8,028)
Closing total	<u>152,730</u>	<u>10,542</u>	<u>222,771</u>	<u>386,043</u>
Depreciation:				
Opening total	1,000	5,000	125,413	131,413
Provision	-	1,000	20,034	21,034
Disposals	-	-	(5,396)	(5,396)
Closing total	<u>1,000</u>	<u>6,000</u>	<u>140,051</u>	<u>147,051</u>
Net book values:				
At 31st January 1978	<u>£151,730</u>	<u>£ 4,542</u>	<u>£ 82,720</u>	<u>£238,992</u>
At 31st January 1977	<u>£151,730</u>	<u>£ 5,542</u>	<u>£ 79,531</u>	<u>£236,803</u>

Depreciation is calculated by equal annual instalments over the expected lives of fixed assets.

No depreciation is provided in respect of freehold property. International Accounting Standard No.4 has not been applied in these accounts as regards depreciation of buildings.

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

2. STOCK has been valued at the lower of cost and net realisable value.

WORK IN PROGRESS has been valued at the cost of direct materials and labour with no addition for overheads.

3. TAXATION

	1978	1977
a) Balance Sheet - Current Liabilities		
Corporation Tax - payable 1.11.78 or later	17,819	161,661
Deduct: Advance Corporation Tax	(10,475)	(14,754)
: Group loss relief surrendered	-	(5,602)
Corporation Tax - payable currently	<u>7,344</u>	<u>141,305</u>
	<u>£ 7,344</u>	<u>£150,503</u>
b) Balance Sheet - Deferred Taxation		
The provision for deferred taxation comprises -		
(i) Taxation deferred by capital allowances	26,260	27,195
(ii) Taxation deferred by stock appreciation relief	<u>318,201</u>	<u>94,252</u>
	<u>£344,461</u>	<u>£121,447</u>

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1978

NOTES TO ACCOUNTS (continued)

c) Profit and Loss Account

Corporation Tax has been provided for at the rate of 52% as follows -

	1978 £	1977 £
Taxation on the year's profits	17,819	161,661
Deferred taxation adjustment		
- Capital allowances	(935)	(5,019)
- Stock appreciation relief	223,855	56,039
Adjustment relating to previous year	-	(264)
Loss relief surrendered by subsidiary company	-	(5,602)
	<u>£240,739</u>	<u>£206,815</u>

4. LONG TERM LIABILITIES

(i) Loan repayable by annual instalments of £6,000	14,433	20,433
(ii) Loan repayable by equal annual instalments of £10,000	30,000	40,000
(iii) Loan repayable by equal annual instalments of £10,000 commencing 20th May 1978	<u>40,000</u>	<u>40,000</u>
	<u>£ 84,433</u>	<u>£100,433</u>

The loans are secured by charges over the group's freehold properties. A subsidiary company has guaranteed the £40,000 loan repayable from 20th May 1978.

5. SHARE CAPITAL

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

£ 30.200 £ 30.200

6. 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 Incorporn.
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
Landsdowne Leather Goods Ltd.	-	100%	England

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1978

NOTES TO ACCOUNTS (continued)

7. GROUP NET PROFIT BEFORE TAXATION

	1978 £	1977 £
a) Group turnover for the year(excluding intra group transactions)	<u>£2,807,320</u>	<u>£2,203,694</u>
b) The following items were charged in arriving at group net profit before taxation -		
Depreciation and amortisation	21,034	19,375
Auditors' remuneration	3,150	2,325
Amount written off investment in subsidiary company	1,400	1,400
Hire purchase interest payable	991	671
Loan interest payable	11,206	13,665
Bank interest payable	8,252	11,707
Plant hire	<u>313</u>	<u>3,767</u>
Bank interest receivable	<u>2,258</u>	<u>2,354</u>
Directors' emoluments:		
Salaries and commission	45,655	35,500
Superannuation contributions	5,648	500
Estimated benefits	<u>1,150</u>	<u>150</u>
Chairman's remuneration	<u>22,333</u>	<u>12,500</u>
Highest paid director	<u>22,333</u>	<u>21,000</u>
The number of directors in each category of remuneration was as follows -		
£ 0 - £ 2,500	1	1
£ 2,501 - £ 5,000	-	-
£10,001 - £12,500	-	1
£12,501 - £15,000	-	-
£17,501 - £20,000	-	-
£20,001 - £22,500	2	1

c) The accounts of all subsidiary companies are made up to 31st January 1978.

8. SUBSIDIARIES RETAINED PROFITS

	1978 £	1977 £
Retained profits brought forward	267,766	140,049
Prior year tax adjustments	<u>945</u>	<u>2,859</u>
Retained for the year	<u>268,711</u>	<u>142,908</u>
Retained profits carried forward	<u>195,723</u>	<u>124,858</u>
	<u>£464,434</u>	<u>£267,766</u>

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1978

Page 8

NOTES TO ACCOUNTS (continued)

9. DIVIDENDS

	1978 £	1977 £
12½p (1977: 10p) per share	37,750	30,200
Less amounts waived	<u>7,762</u>	<u>-</u>
	<u>£29,988</u>	<u>£30,200</u>

10. CONTINGENT LIABILITIES

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 1978 stood at £15,542 (1977:£15,681).

TURNBULL & ASSER(HOLDINGS)LIMITED

GROUP MOVEMENT OF FUNDS
year ended 31st January 1978

	£	1978	£	£	1977	£
SOURCE OF FUNDS						
Group profit before taxation			464,171			401,673
Adjustment for items not involving the movement of funds:						
Depreciation	21,034			19,375		
Profit/Loss on disposal of fixed assets	(1,127)			1,906		
Amount written off investment in subsidiary company	<u>1,400</u>		<u>21,307</u>	<u>1,400</u>		<u>22,681</u>
TOTAL GENERATED BY OPERATIONS			485,478			424,354
FUNDS FROM OTHER SOURCES						
Disposal of fixed assets - proceeds			<u>3,759</u>			<u>3,225</u>
			489,237			427,579
APPLICATION OF FUNDS						
Dividends paid	24,031			27,400		
Tax paid	161,843			79,047		
Purchase of fixed assets	<u>25,855</u>		<u>211,729</u>	<u>93,680</u>		<u>200,127</u>
INCREASE IN WORKING CAPITAL			£277,508			£227,452
ACCOUNTED FOR BY:						
Increase in stock and work in progress	496,745			171,896		
Increase in debtors	79,885			75,316		
Increase in creditors	(82,900)			(27,690)		
Decrease/Increase in amount due to directors	<u>10,713</u>		504,443	(<u>3,550</u>)		215,972
Movement of net liquid funds:						
Cash - decrease/increase	(103,005)			56,583		
Bank overdraft - increase/decrease	(139,930)			28,897		
Long term liabilities - decrease/increase	<u>16,000</u>		(226,935)	(<u>74,000</u>)		<u>11,480</u>
			£277,508			£227,452

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

We have examined the accounts set out on
pages two to nine, 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 affairs at 31st January 1978
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
18th July 1978


MacIntyre Hudson
Chartered Accountants