

110437
(1)
119

EMPIRE STORES LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report and Accounts for the Fifty Two weeks ended 29th January 1977, to be submitted at the Sixty-Seventh Annual General Meeting of the Shareholders to be held at the Registered Office on Monday the 18th April 1977.

1. GROUP STRUCTURE

From 1st February 1976 the Company has, for Accounting Purposes, become a fully operational Subsidiary instead of a Department of Empire Stores (Bradford) Limited.

2. ACTIVITIES

The Company carries on the business of Mail Order Retailers.

3. TURNOVER AND PROFITS

Turnover based upon actual sales amounted to £76,836,583.
Net Profit, before taxation, amounted to £5,403,957.
Exports amounted to £770,000.

4. DIVIDEND

The Directors recommend a Dividend of £2,692,257 on the Ordinary Shares in respect of the 52 weeks ended 29th January 1977.

5. SIGNIFICANT CHANGES IN FIXED ASSETS

The only significant change in the amount of Fixed Assets during the 52 weeks to 29th January 1977 was the purchase of additional Commercial Vehicles at a cost of £114,000.

6. DIRECTORS

The names of the persons who at any time during the period were Directors of the Company are:

Mr. C. T. Wells	Mr. R. Scott
Mr. M. E. Bragg	Mr. P. Fattorini
Mr. D. Hale	Mr. A. R. Jacks
Mr. J. H. Simon	Mr. K. M. Whitaker.

7. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Directors have no interest in the Shares of the Company.
The Directors have given notice to the Ultimate Holding Company of their interests in the Shares of that Company. They have no interest in the Debenture Stocks issued by the Ultimate Holding Company.


8. No Contracts or arrangements of significance in relation to the Company's business in which any Director had an interest subsisted at any time during the 52 weeks to 29th January 1977.

9. AUDITORS

R. S. Dawson & Co., have expressed their willingness to continue in office and offer themselves for re-election.

BY ORDER OF THE BOARD,

A. R. CLARE,
SECRETARY.



EMPIRE STORES LIMITED

BALANCE SHEET AS AT

29TH JANUARY 1977

31ST JANUARY 1976

	NOTE	COST OR VALUATION	DEPRECIATION	COST OR VALUATION	DEPRECIATION
	6				
<u>FIXED ASSETS</u>					
Plant and Furniture					
Motor Vehicles		1,655,561	756,944	898,617	613,994
		<u>1,031,825</u>	<u>452,070</u>	<u>579,756</u>	<u>358,852</u>
					<u>874,169</u>
					<u>463,392</u>
<u>CURRENT ASSETS</u>					
Stock		<u>£ 2,687,387</u>	<u>1,209,014</u>	<u>1,478,373</u>	<u>972,846</u>
Sundry Debtors and Prepayments	1e		8,885,941		
Balance at Bank	1b		29,329,137		5,835,109
Cash in Hand	7		707,619		20,036,634
			<u>23,789</u>		<u>26,404</u>
			<u>38,946,486</u>		<u>26,899,147</u>
Less:					
<u>CURRENT LIABILITIES</u>					
Sundry Creditors and Accrued Charges		10,778,629			8,279,494
Bank Overdraft		<u>176,319</u>	<u>10,954,948</u>	<u>162,241</u>	<u>8,441,735</u>
<u>NET CURRENT ASSETS</u>			<u>27,991,538</u>		<u>18,457,412</u>
Less:					
<u>FUTURE TAXATION</u>					
Corporation Tax due 1st January 1978					19,794,973
Deferred Taxation	1d	1,552,338			
		<u>916,390</u>	<u>2,468,728</u>	<u>88,412</u>	<u>88,412</u>
					<u>19,706,561</u>

BALANCE SHEET (Continued)

<u>REPRESENTING</u> <u>SHARE CAPITAL</u>	<u>29TH JANUARY, 1977</u>		<u>31ST JANUARY, 1976</u>	
	<u>AUTHORISED</u>	<u>ISSUED AND FULLY PAID</u>	<u>AUTHORISED</u>	<u>ISSUED AND FULLY PAID</u>
Ordinary Shares of £1 each	<u>100</u>	100	<u>100</u>	100
<u>AMOUNTS DUE TO GROUP COMPANIES</u>				
Parent	27,019,850		19,706,382	
Fellow Subsidiary	<u>-</u>		<u>79</u>	
	27,019,850		19,706,461	
Amount due from Fellow Subsidiary	<u>18,767</u>	27,001,083	<u>-</u>	19,706,461
		<u>£ 27,001,183</u>		<u>19,706,561</u>

C. T. WELLS

R. SCOTT

) DIRECTORS

PROFIT AND LOSS ACCOUNT

	<u>NOTE</u>	<u>52 WEEKS ENDED</u> <u>29TH JANUARY, 1977</u>	<u>YEAR ENDED</u> <u>31ST JANUARY, 1976</u>
<u>SALES (Excluding V.A.T.)</u>	1a	£ <u>76,836,583</u>	<u>59,739,025</u>
<u>TRADING PROFIT</u>		5,558,878	4,522,426
<u>After Charging:</u>			
Directors' Emoluments, inclusive			
of Pension Premiums	4	159,111	144,904
Auditors' Remuneration		13,000	9,000
Hire of Plant and Machinery		778,945	525,427
Depreciation	1c	<u>300,106</u>	<u>272,461</u>
Less:			
<u>Acceptance Credit and Bank Interest</u>		<u>154,921</u>	<u>94,825</u>
<u>NET PROFIT before Taxation</u>		5,403,957	<u>4,427,601</u>
Less:			
<u>Corporation Tax</u>	5	<u>2,711,700</u>	
<u>NET PROFIT after Taxation, available for Appropriation</u>		<u>£ 2,692,257</u>	
<u>PROPOSED DIVIDEND</u>		<u>£ 2,692,257</u>	

NOTES ON THE ACCOUNTS

1. ACCOUNTING POLICIES

a Sales

Sales have been shown exclusive of V.A.T. The Company's liability for V.A.T. on Mail Order Sales has been calculated in accordance with the provisions laid down by H. M. Customs and Excise in their "Special Schemes for Retailers".

b Debtors

Provision has been made for all bad and doubtful debts reflecting the Company's experience based upon the historical performance of its debtors.

c Depreciation

Depreciation for the 52 weeks ended 29th January 1977 has been provided on the following bases:

Plant on a reducing balance basis - the majority at 15% per annum
Furniture on a straight line basis at 10% per annum
Motor Vehicles on a reducing balance basis at 25% per annum.

d Deferred Taxation

Deferred Taxation has been calculated on the difference between the allowances made for taxation and the charge for depreciation in the accounts at the Corporation Tax rates applicable to such allowances.

Deferred Taxation liability includes relief amounting to £676,177 in respect of the increase in stock for the 52 weeks to 29th January 1977.

Advance Corporation Tax payable by the Parent Company has been treated as available to this Company.

e Stock

Stock has been valued at the lower of cost or net realisable value.

2. COMPARATIVE FIGURES

The Company has, for accounting purposes, become a fully operational subsidiary from 1st February 1976. The comparative figures for 31st January 1976 on both Profit and Loss Account and Balance Sheet have been restated to reflect this change.

3. CAPITAL CONTRACTS AND COMMITMENTS

The amount outstanding on Capital Contracts at 29th January 1977 was £30,000. (1976 £27,000).

There was no Capital Expenditure authorised but not contracted for at 29th January 1977 (1976 £nil).

4. DIRECTORS' EMOLUMENTS

The following table shows the number of Directors whose emoluments for the periods they held office were within the bands stated:

<u>Gross Emoluments</u>	<u>52 Weeks ended 29th January 1977</u>	<u>Year ended 31st January 1976</u>
£20,001 - £22,500	1	1
£17,501 - £20,000	1	1
£15,001 - £17,500	4	2
£12,501 - £15,000	1	1
£10,001 - £12,500	1	3

Included in the above are the Chairman's Emoluments of £21,750. (1976 - 53 weeks £21,990).

NOTES ON THE ACCOUNTS (Continued)

5. TAXATION

Corporation Tax on the profits has been provided at the rate of 52%.
(1976 Liability provided for and paid by Parent Company)

	52 Weeks ended 29th January 1977
Corporation Tax	1,899,323
Deferred Taxation (Note 1d)	<u>811,077</u>
Adjustment in respect of previous years	2,710,400
	<u>1,300</u>
	<u>£ 2,711,700</u>

6. FIXED ASSETS

	<u>1st Feb. 1976</u>	<u>Additions</u>	<u>Disposals</u>	<u>29th Jan. 1977</u>
<u>Plant and Furniture</u>				
1960 Valuation	16,548			16,548
Cost	<u>1,471,615</u>	<u>170,426</u>	<u>3,028</u>	<u>1,639,013</u>
	<u>1,488,163</u>	<u>170,426</u>	<u>3,028</u>	<u>1,655,561</u>
<u>Motor Vehicles</u>				
Cost	<u>822,244</u>	<u>372,321</u>	<u>162,739</u>	<u>1,031,826</u>
<u>TOTAL</u>	<u>£ 2,310,407</u>	<u>542,747</u>	<u>165,767</u>	<u>2,687,387</u>

7. BANK BALANCE

The Parent and Subsidiary Companies are jointly and severally liable for the Group Bank Overdraft.

8. THE COMPANY has created a Floating Charge on its undertaking and all its property and assets by way of a Collateral Security in favour of the Trustees of:

- (a) £1,000,000 6½% Debenture Stock, 1985/90
- (b) £1,250,000 8½% Debenture Stock, 1991/96
- (c) £2,000,000 9½% Debenture Stock, 1994/98.

Issued by the Parent Company.

9. THE COMPANY is the wholly-owned Subsidiary of Empire Stores (Bradford) Limited, which is incorporated in Great Britain.

Report of the Auditors to the Members of

EMPIRE STORES LIMITED

In our opinion, the Accounts and Notes thereon,
prepared under the Historical Cost Convention, together give
a true and fair view of the state of affairs of the Company
at 29th January 1977 and of the profit for the 52 weeks ended
on that date and comply with the Companies Acts 1948 and 1967.

R. S. DAWSON & CO.,

Chartered Accountants.

Clifton House,
Clifton Villas,
Manningham Lane,
BRADFORD,
BD8 7BY

18th April, 1977.

EMPIRE STORES LIMITED

Director

Secretary

PROFIT AND LOSS ACCOUNT

FOR THE 52 WEEKS ENDED

29TH JANUARY, 1977

A N D

BALANCE SHEET AS AT

29TH JANUARY, 1977

This is the copy referred to in the annexed Certificate (C)

R. S. DAWSON & CO.,

CLIFTON HOUSE,

CLIFTON VILLAS,

MANNINGHAM LANE,

BRADFORD,

Particulars of a Mortgage or Charge

Date of Instrument Creating or
Evidencing the Mortgage or Charge

-

Trust Deed 5th May 1935

Amount Secured

-

£1,000,000

Short Particulars

-

Contingent liability in respect of
a £1,000,000 6% Debenture Stock
1935/90 issued by Empire Stores
(Bradford) Ltd. by virtue of the
charge by way of collateral
security issued by the Company.

Name of the Mortgagee or Person
entitled to the Charge

-

Pearl Assurance Company Limited
for the Debenture Holders.
Registered Office: High Holborn,
London W.C.1.

EMPIRE STORES LIMITED

Particulars of a Mortgage or Charge

Date of Instrument Creating or Evidencing the Mortgage or Charge	-	Trust Deed 29th January 1969
Amount Secured	-	£1,250,000
Short Particulars	-	Contingent liability in respect of a £1,250,000 3½% Debenture Stock 1991/96 issued by Empire Stores (Bradford) Ltd. by virtue of the charge by way of collateral security issued by the Company.
Name of the Mortgages or Person entitled to the Charge	-	Pearl Assurance Company Limited for the Debenture Holders. Registered Office: High Holborn, London W.C.1.

Particulars of a Mortgage or Charge

Date of Instrument Creating or
Evidencing the Mortgage or Charge

-

Trust Deed 6th June 1972

Amount Secured

-

£2,000,000

Short Particulars

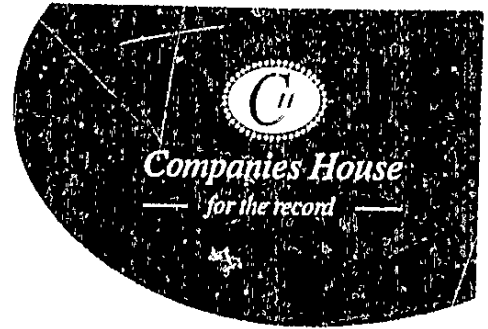
-

Contingent liability in respect of
a £2,000,000 9^{1/2}% Debenture Stock
1994/99 issued by Empire Stores
(Bradford) Ltd. by virtue of the
charge by way of collateral
security issued by the Company.

Name of the Mortgages or Person
entitled to the Charge

-

Pearl Assurance Company Limited
for the Debenture Holders.
Registered Office: High Holborn,
London W.C. 1.



NOTICE OF ILLEGIBLE DOCUMENT ON THE MICROFICHE RECORD

Companies House regrets that the microfiche record for this company, contain some documents, which are illegible.

The poor quality has been noted, but unfortunately steps taken to improve them were unsuccessful.

Companies House would like to apologise for any inconvenience this may cause

