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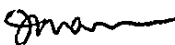
J.D. WILLIAMS & CO. LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 1984 ANNUAL GENERAL MEETING of the Company will be held at 53 Dale Street, Manchester M60 6ES on 25th July 1984 at 2.00 p.m. for the following purposes:

1. To consider and, if thought fit, to adopt the Accounts and the Report of the Directors for the 53 weeks to 3rd March 1984.
2. To approve the payment of a Final Dividend of £12.39 per Ordinary Share in respect of the 53 weeks to 3rd March 1984.
3. To reappoint Thornton Baker as Auditors to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.
4. To transact any other ordinary business.

BY ORDER OF THE BOARD


J. MARTIN F.C.C.A.

53 Dale Street
Manchester M60 6ES
4th July 1984

Secretary

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the company.



J.D. WILLIAMS & CO. LIMITED

REPORT OF THE DIRECTORS

for the 53 weeks ended 3rd March 1984

The Directors submit their Report and Accounts for the 53 weeks to 3rd March 1984.

Principal Activity

The principal activity of the Company is retailing by direct mail order. In 1984 this activity accounted for 97% of turnover, the balance being from leasing plant and equipment to third parties. This additional activity had an insignificant effect on the company's results.

Results and review of the business

The profit for the period after taxation and extraordinary items amounted to £800,549. The Directors recommend a Final Dividend of £12.39 per Ordinary Share amounting to £1,487,310. After accounting for retained profits brought forward of £3,283,500, reserves at 3rd March 1984 stand at £2,596,739.

The Directors consider that the Accounts now presented adequately reflect the satisfactory position which they consider subsists within the Company. They have no reason to believe that an acceptable rate of growth and expansion will not continue in the future. In this connection they have certain developments in mind embodying an extended range of products and services, particularly for the Company's established mail order customers. As many of these developments need testing prior to their implementation in full, it is recognised that the resulting benefits are more likely to materialise gradually over a few years. Such gradual growth is, however, felt to be the most advantageous course from all points of view.

Turnover

The turnover for the period, excluding V.A.T., amounted to £13,257,732 compared with £10,303,599 for the previous period.

Directors

The Directors in office at the end of the period are listed below. All served on the Board throughout the period.

Mr. J.N. Chatburn retired from the Board on 30th November 1983.

The Directors have no interests in the shares of the Company. The interests of the Directors in the shares of N. Brown Investments P.L.C., the ultimate holding Company, at 26th February 1983 and 3rd March 1984 were as follows:

1984 and 1983

G.D. Williams	10,000
D.G.M. Williams, M.A.	1,000
D. Alliance, C.B.E.	per ultimate holding company's accounts
D.T. Hand	- do -
J. Martin, F.C.C.A.	per J.D. Williams Group Ltd.'s accounts
A.T. Street, M.C.A.M.	- do -
R.D. Yates	- do -

J.D. WILLIAMS & CO. LIMITED

REPORT OF THE DIRECTORS - CONTINUED

Tangible Fixed Assets

The only significant changes in the tangible fixed assets of the Company during the 53 weeks to 3rd March 1984 were the purchase and sale of various items of computer equipment; the equipment was purchased at an aggregate cost of £337,000 and that sold had a net book value of £298,000.

The directors are of the opinion that the current market value of the company's land and buildings is not materially different from the net book value.

Disabled Persons

The company recognises, and has a policy to ensure, that it fulfills its legal, moral and social obligations with regard to the recruitment, employment, training and advancement of disabled persons.

Employee Involvement

During the year the company has continued to provide employees with information on matters which concern them in a manner appropriate to the circumstances.

Tax Status

The Directors are of the opinion that the Company is a close company as defined by Section 282 of the Income and Corporation Taxes Act, 1970.


Charitable and Political Donations

Payments made by the company for charitable purposes during the 53 weeks to 3rd March 1984 totalled £449 (1983: £950). No political contributions were made during the period (1983: Nil).

Auditors

Thornton Baker offer themselves for reappointment as Auditors in accordance with Section 14 (1) of the Companies Act 1976.

ON BEHALF OF THE BOARD



J. MARTIN, F.C.C.A.

Secretary

53 Dale Street
Manchester M60 6ES
19th June 1984



**Thornton
Baker** Chartered Accountants

Brazenose House, Brazenose Street,
Manchester, M2 5AX

REPORT OF THE AUDITORS

TO THE MEMBERS OF J.D. WILLIAMS & CO. LIMITED

We have audited the Accounts on pages 5 to 15 in accordance with approved Auditing Standards.

In our opinion the Accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 3rd March 1984 and of its profit and source and application of funds for the 53 weeks then ended and comply with the Companies Acts 1948 to 1981.

19th June 1984

THORNTON BAKER

J.D. WILLIAMS & CO. LIMITED

ACCOUNTING POLICIES

for the 53 weeks ended 3rd March 1984

The Accounts have been prepared under the historical cost convention. The principal accounting policies of the Company are set out below and have remained unchanged from the previous period.

1 ACCOUNTING PERIOD

Accounts of the Company are made up each year to the Saturday nearest to the last day of February. Throughout the Accounts, the Notes to the Accounts and the Report of the Directors, reference to "1984" means "at 3rd March 1984" or, as the case may be, "for the 53 weeks to 3rd March 1984"; reference to "1983" means "at 26th February 1983" or, as the case may be, "for the 52 weeks to 26th February 1983".

2 TURNOVER

Turnover, which excludes sales between Group companies, represents:

- (a) the invoice value of goods in which the property has irrevocably passed to the purchaser at the date of the Accounts
- and
- (b) credit and other charges made on mail order customers' credit accounts.

3 VALUE ADDED TAX

Liability to V.A.T. is computed under the provisions of H.M. Customs & Excise "Special Schemes for Retailers" under which V.A.T. output tax is ascertained by reference to cash received rather than to sales made. However, in accordance with the Accounting Standards Committee's ruling on the matter, V.A.T. has been provided for in the Accounts at the effective rate on sales made.

The difference between V.A.T. provided for in this manner and the actual current liability to V.A.T. as computed under the Special Schemes has been transferred to a V.A.T. Equalisation Account which is included in creditors falling due within one year in the Balance Sheet.

4 DEPRECIATION

Depreciation has been calculated to write down the cost of all tangible fixed assets over their estimated useful lives. In this respect the following annual depreciation rates apply:

On Freehold buildings	1% of cost
On Motor vehicles	20% of cost
On Computer equipment	between 20% and 50% of cost
On all other tangible fixed assets	15% of written down value

ACCOUNTING POLICES - CONTINUED

5 LEASED ASSETS

Assets leased to third parties under finance leases have been included in the Balance Sheet at cost less capital repayments receivable up to the Balance Sheet date. Income receivable in respect of these leases has been recognised in order to give a constant periodic return on the net cash investment in the leases.

6 STOCK

Stock is stated at the lower of cost and net realisable value. Cost means purchase price, transport and handling costs, less trade discounts, calculated on a first in first out basis.

Net realisable value means estimated selling price, less trade discounts, less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

7 DEFERRED TAXATION

Deferred taxation is provided for at the appropriate future rate of corporation tax where it is expected that a liability will become payable in future years.

J.D. WILLIAMS & CO. LIMITED

PROFIT AND LOSS ACCOUNT

for the 53 weeks ended 3rd March 1984

	<u>Note</u>	<u>1984</u>	<u>1983</u>
		£	£
Turnover(including V.A.T.)	1	14,829,284	11,464,810
V.A.T.		<u>1,571,552</u>	<u>1,161,211</u>
Turnover(excluding V.A.T.)		13,257,732	10,303,599
Cost of sales	2	<u>7,687,345</u>	<u>5,788,358</u>
Gross profit		5,570,387	4,515,241
Distribution costs		1,363,396	1,078,782
Selling and administration expenses		<u>2,976,038</u>	<u>2,274,829</u>
		4,339,434	3,353,611
Other operating income		<u>62,750</u>	<u>190,674</u>
Operating profit	3	1,293,703	1,352,304
Exceptional expenditure	4	<u>66,091</u>	<u>-</u>
Profit on ordinary activities before taxation		1,227,612	1,352,304
Tax on profit on ordinary activities	5	<u>312,647</u>	<u>459,995</u>
Profit on ordinary activities after taxation		914,965	892,309
Extraordinary items	6	<u>114,416</u>	<u>94,357</u>
Profit for the financial year		800,549	797,952
Retained profits brought forward		<u>3,283,500</u>	<u>2,775,548</u>
		4,084,049	3,573,500
Dividends:			
On Ordinary Shares - proposed		<u>1,487,310</u>	<u>290,000</u>
Retained profits carried forward		<u>£2,596,739</u>	<u>£3,283,500</u>

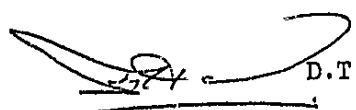
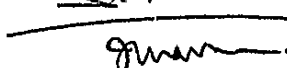
The accounting policies on pages 5 and 6 and notes on pages 10 to 15
form part of these Accounts.

J.D. WILLIAMS & CO. LIMITED

BALANCE SHEET - 3rd March 1984

	<u>Note</u>	<u>1984</u>	<u>1983</u>
		£	£
FIXED ASSETS			
Tangible assets	7	1,681,198	1,797,637
Investments	8	20	20
NET INVESTMENT IN FINANCE LEASES	9	919,332	731,757
CURRENT ASSETS			
Stock	10	4,339,655	3,736,822
Debtors	11	22,365,755	21,621,382
Cash at bank and in hand		<u>6,164,389</u>	<u>5,623,307</u>
		32,869,799	30,981,511
CREDITORS: amounts falling due within one year	12	<u>32,274,883</u>	<u>29,466,335</u>
NET CURRENT ASSETS		<u>594,916</u>	<u>1,515,176</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,195,466	4,044,590
PROVISIONS FOR LIABILITIES AND CHARGES	13	<u>478,687</u>	<u>641,050</u>
		<u>£2,716,779</u>	<u>£ 3,403,540</u>
CAPITAL AND RESERVES			
Called up share capital	14	120,040	120,040
Profit and loss account		<u>2,596,739</u>	<u>3,283,500</u>
		<u>£2,716,779</u>	<u>£3,403,540</u>

The Accounts were approved by the Board of Directors on 19th June 1984.

	D.T. HAND) DIRECTORS
	J. MARTIN	

The accounting policies on pages 5 and 6 and notes on pages 10 to 15 form part of these Accounts.

J.D. WILLIAMS & CO. LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the 53 weeks ended 3rd March 1984

	<u>1984</u>	<u>1983</u>
	£	£
SOURCE OF FUNDS		
FROM OPERATIONS		
Profit on ordinary activities before taxation	1,227,612	1,352,304
Extraordinary items before attributable taxation charge of £79,544 (1983: £94,506 credit)	<u>34,872</u>	<u>188,863</u>
	1,192,740	1,163,441
Adjustments for items not involving the movement of funds:		
Depreciation - normal	296,502	162,231
- extraordinary	-	150,000
Loss (profit) on sale of tangible fixed assets - normal	(5,214)	(2,930)
- extraordinary	<u>34,872</u>	<u>-</u>
	1,518,900	1,472,742
FROM OTHER SOURCES		
Sale of tangible fixed assets	280,205	28,063
Capital receipts under finance leases	<u>248,226</u>	<u>15,944</u>
	<u>528,431</u>	<u>44,007</u>
	2,047,331	1,516,749
APPLICATION OF FUNDS		
Purchase of tangible fixed assets	489,926	942,004
Dividends paid	290,000	300,000
Investment in finance leases	435,801	747,701
Tax paid	<u>43,600</u>	<u>328,000</u>
	<u>1,259,327</u>	<u>2,317,705</u>
NET INFLOW (OUTFLOW) OF FUNDS	<u>£ 788,004</u>	<u>£ (800,956)</u>
INCREASES(DECREASES) IN WORKING CAPITAL		
Stock	602,833	1,231,827
Debtors: amounts falling due within one year	744,373	(3,232,175)
Creditors: amounts falling due within one year	1,528,744	(5,025,827)
Net liquid funds		
Bank overdrafts	(2,629,028)	11,058,367
Cash at bank and in hand	<u>541,082</u>	<u>(4,833,148)</u>
	<u>(2,087,946)</u>	<u>6,225,219</u>
NET INCREASE (DECREASE) IN WORKING CAPITAL	<u>£ 788,004</u>	<u>£ (800,956)</u>

J.D. WILLIAMS & CO. LIMITED

NOTES TO THE ACCOUNTS

for the 53 weeks ended 3rd March 1984

1. TURNOVER AND FIRE LOSSES

Insurance indemnity in respect of additional costs of working and loss of profits consequent upon a fire at the Group's principal mail order warehouse in June 1981 is included in the Accounts for 1984 and 1983. The Directors are of the opinion that, but for the fire, turnover (inclusive of V.A.T.) in the accounting period ended 3rd March 1984 would have been £110,000 (1983: £350,000) more than achieved; for the calculation of ratios involving turnover, the Directors feel that the stated turnover should be increased accordingly. Loss of profits insurance on the above mentioned estimates of reduction in turnover is included in Other Operating Income in the Profit and Loss Account for 1984 and 1983.

2. COST OF SALES

In the light of accounting policy No. 2 under which credit and other charges made on mail order customers' accounts are included in turnover, the Directors feel it appropriate to include bank and other short term interest payable in the cost of sales. The amount of such interest for the period ended 3rd March 1984 was £423,375 (1983: £327,392).

3. OPERATING PROFIT

Operating profit is stated after charging:	<u>1984</u> £	<u>1983</u> £
Depreciation	296,502	162,231
Hire and lease of equipment	123,289	194,759
Auditors' remuneration	<u>7,500</u>	<u>7,500</u>
and after crediting:		
Rents receivable	<u>17,775</u>	<u>19,742</u>
Staff costs	<u>1984</u> £	<u>1983</u> £
Wages and salaries	3,274,995	2,918,792
Social security costs	338,546	315,461
Other pension costs	<u>116,348</u>	<u>81,951</u>
	<u>£3,729,889</u>	<u>£3,316,204</u>
Staff numbers		
Selling and administration	484	515
Distribution	<u>208</u>	<u>190</u>
	<u>692</u>	<u>705</u>
of the above:		
Full-time employees	615	558
Part-time employees	<u>77</u>	<u>147</u>
	<u>692</u>	<u>705</u>

J.D. WILLIAMS & CO. LIMITED
NOTES TO THE ACCOUNTS - CONTINUED

3. OPERATING PROFIT (Continued)

	<u>1984</u> £	<u>1983</u> £
Directors' remuneration:		
Fees	-	-
Other emoluments	<u>143,764</u>	<u>144,119</u>
	<u>£143,764</u>	<u>£144,119</u>

The Directors' emoluments (excluding pension scheme contributions) were as follows:

	<u>1984</u>	<u>1983</u>
Chairman	Nil	Nil
Highest paid Director	£33,535	£30,871
Other Directors in the range:		
£0 - £ 5,000	2	2
£10,001 - £15,000	-	2
£15,001 - £20,000	1	-
£20,001 - £25,000	1	2
£25,001 - £30,000	1	1
£30,001 - £35,000	1	-

4. EXCEPTIONAL EXPENDITURE

Exceptional expenditure represents rationalisation and reorganisation costs which the Directors do not consider appropriate to be charged against Operating Profit.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge based on the profit of the period is made up as follows:-

	<u>1984</u> £	<u>1983</u> £
Corporation tax @ 50% (1983: 52%)	440,874	23,134
Deferred tax	<u>59,451</u>	<u>395,988</u>
	500,325	419,122
Adjustment in respect of prior financial years:		
Corporation tax	113,680	-
Deferred tax	<u>(301,358)</u>	<u>40,873</u>
	<u>£312,647</u>	<u>£459,995</u>

The taxation charge has been reduced, as shown below, as a result of stock relief, timing differences not provided through the deferred tax account, and losses surrendered by group companies by way of group relief for which no payment has been made.

	<u>1984</u> £	<u>1983</u> £
Stock relief	104,618	66,406
Accelerated capital allowances	-	203,132
Group relief	<u>-</u>	<u>40,710</u>
	<u>£104,618</u>	<u>£310,248</u>

J.D. WILLIAMS & CO. LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

6. EXTRAORDINARY ITEMS

	<u>1984</u> £	<u>1983</u> £
Extraordinary charges		
Deferred taxation adjustment arising from the Finance (No.2) Bill 1984	102,044	-
Loss on disposal of obsolete computer equipment	12,372	-
Provision against future lease payments on computer equipment surplus to existing requirements	-	18,654
Obsolete computer equipment written down	-	<u>75,703</u>
	<u>£114,416</u>	<u>£94,357</u>

7. TANGIBLE FIXED ASSETS

	<u>Total</u> £	<u>Freehold</u> <u>property</u> £	<u>Fixtures</u> <u>and</u> <u>fittings</u> £	<u>Plant</u> <u>and</u> <u>equipment</u> £	<u>Motor</u> <u>vehicles</u> £
Cost					
At 26th February 1983	2,520,874	828,596	243,287	1,176,066	272,925
Additions	<u>489,926</u>	<u>73</u>	<u>36,991</u>	<u>349,730</u>	<u>103,132</u>
	3,010,800	828,669	280,278	1,525,796	376,057
Disposals	<u>537,820</u>	<u>-</u>	<u>-</u>	<u>482,315</u>	<u>55,505</u>
At 3rd March 1984	<u>£2,472,980</u>	<u>£828,699</u>	<u>£280,278</u>	<u>£1,043,481</u>	<u>£320,552</u>
Depreciation					
At 26th February 1983	723,237	15,712	126,193	457,354	123,978
Provided in the period	<u>296,502</u>	<u>4,143</u>	<u>20,829</u>	<u>207,963</u>	<u>63,567</u>
	1,019,739	19,855	147,022	665,317	187,545
Disposals	<u>227,957</u>	<u>-</u>	<u>-</u>	<u>183,750</u>	<u>44,207</u>
At 3rd March 1984	<u>£ 791,782</u>	<u>£ 19,855</u>	<u>£147,022</u>	<u>£481,567</u>	<u>£143,338</u>
Net book amount at 3rd March 1984	<u>£1,681,198</u>	<u>£808,844</u>	<u>£133,256</u>	<u>£561,914</u>	<u>£177,214</u>
Net book amount at 26th February 1983	<u>£1,797,637</u>	<u>£812,884</u>	<u>£117,094</u>	<u>£718,712</u>	<u>£148,947</u>

J.D. WILLIAMS & CO. LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

8. FIXED ASSET INVESTMENTS

1984 and 1983

Shares in Group companies at cost

£ 20

Throughout the period the Company's wholly owned subsidiaries, which all operate within the United Kingdom, were as follows:

	<u>Nature of business</u>	<u>Share capital</u>	
		<u>Class</u>	<u>Amount issued £</u>
Brightventure Ltd.	Non-trading	Ordinary	4,000 (1)
J.D. Williams & Co. (Wholesale) Ltd.	Non-trading	Ordinary	10 (1)
J.D. Williams & Co. (Mail Order) Ltd.	Non-trading	Ordinary	10 (1)
Burrowcourt Ltd.	Non-trading	Ordinary	100 (2)
Flaxenfield Ltd.	Non-trading	Ordinary	2 (3)

- (1) Shares held by the company
 (2) Shares held by Brightventure Ltd.
 (3) Shares held by Burrowcourt Ltd.

In the opinion of the directors, the aggregate value of the shares in the subsidiaries is not less than the aggregate amounts at which those assets are stated in the Company's balance sheet.

During the period a subsidiary of the Company disposed of two non-trading subsidiaries, Alec Brook Ltd. and Alec Brook (Wholesale) Ltd. No significant gain or loss arose on their disposal.

Group accounts have not been prepared as the Company is itself a wholly owned subsidiary.

9. NET INVESTMENT IN FINANCE LEASES

The net investment in finance leases comprises:

	<u>1984 £</u>	<u>1983 £</u>
Total minimum lease payments receivable (net of bad debt provision)	1,157,901	998,999
Less: finance charges allocated to future periods	<u>238,569</u>	<u>267,242</u>
	<u>£ 919,332</u>	<u>£731,757</u>

The total investment in finance leases is divided as follows:

	<u>1984 £</u>	<u>1983 £</u>
Amounts falling due within one year	320,540	182,235
Amounts falling due after more than one year	<u>598,792</u>	<u>549,522</u>
	<u>£919,332</u>	<u>£731,757</u>

J.D. WILLIAMS & CO. LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

10. STOCK

	<u>1984</u> £	<u>1983</u> £
Finished goods	4,232,757	3,649,493
Raw materials	19,244	-
Sundry stocks	<u>87,654</u>	<u>87,329</u>
	<u>£4,339,655</u>	<u>£3,736,822</u>

11. DEBTORS

	<u>1984</u> £	<u>1983</u> £
Amounts falling due within one year:		
Trade debtors	6,325,695	4,831,943
Amounts owed by subsidiaries	451,803	434,754
Amounts owed by holding company and fellow subsidiaries	13,754,701	13,271,433
Other debtors	65,590	20,680
Prepayments and accrued income	<u>1,017,966</u>	<u>2,312,572</u>
	21,615,755	20,871,382
Amount falling due after more than one year:		
Amount owed by fellow subsidiary	<u>750,000</u>	<u>750,000</u>
	<u>£22,365,755</u>	<u>£21,621,382</u>

12. CREDITORS: amounts falling due within one year

	<u>1984</u> £	<u>1983</u> £
Bank overdrafts	13,140,578	10,511,550
Trade creditors	5,390,927	5,261,483
Bills and notes payable	879,475*	765,539
Amounts owed to subsidiaries	14,101	14,101
Amounts owed to holding company and fellow subsidiaries	8,591,717	10,793,653
Current taxation	512,506	1,552
Social security and other taxes	389,742	193,574
Other creditors	459,396	555,393
Loans	492,550	-
Accruals and deferred income	916,581	1,079,490
Proposed dividend	<u>1,487,310</u>	<u>290,000</u>
	<u>£32,274,883</u>	<u>£29,466,335</u>

* Bills and notes payable in 1984 represents an advance which is guaranteed by E.C.G.D. This sum is secured by a Legal Charge on the related export debtors.

J.D. WILLIAMS & CO. LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

13. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation

	£
At 26th February 1983	641,050
Provided during the period	
- normal	59,451
- extraordinary items	79,544
Utilised during the period	<u>(301,358)</u>
At 3rd March 1984	<u>£478,687</u>

The following shows the total potential liability for deferred taxation in respect of each of the timing differences and the corresponding amounts provided in the accounts. The amount not provided for in the accounts of £136,767 (1983: £329,458) represents a contingent liability at the balance sheet date.

	Provided in the accounts		Total potential liability	
	1984 £	1983 £	1984 £	1983 £
Accelerated capital allowances	541,658	403,109	696,417	732,567
Other timing differences	<u>(62,971)</u>	<u>237,941</u>	<u>(80,963)</u>	<u>237,941</u>
	<u>£478,687</u>	<u>£641,050</u>	<u>£615,454</u>	<u>£970,508</u>

14. CALLED UP SHARE CAPITAL

	1984 and 1983	
	Authorised	Allotted, called up and fully paid
Ordinary shares of £1 each	<u>£120,040</u>	<u>£120,040</u>

15. CONTINGENT LIABILITIES

The Company has jointly and severally guaranteed certain bank overdrafts and other liabilities of the Company's ultimate holding company and certain fellow subsidiaries. The contingent liability of the company on this account was £4,494,462 at 3rd March 1984 (1983: £1,782,861).

The Company had no other contingent liabilities at 3rd March 1984 other than in respect of deferred taxation (see note 13) (1983: £Nil).

16. HOLDING COMPANY

The ultimate holding company of this company is N. Brown Investments P.L.C., which is incorporated in England.