

**MOVITEX (UK) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

**Registered No. 400458**



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COMPANIES HOUSE

\*H13CYR60\*

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08/06/00

## **MOVITEX (UK) LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 1<sup>st</sup> January 2000.

#### **Principal Activity**

The principal activity of the Company is catalogue mail order retailing.

#### **Review of Developments and Future Prospects**

The directors consider the performance of the company to be satisfactory and remain optimistic about its future prospects.

#### **Results and Dividends**

The results of the company are set out on page 5. The retained profit for the year is £80,000 (year ended 2<sup>nd</sup> January 1999 : £336,000). The directors recommend a dividend for the year of £593,000 (year ended 2<sup>nd</sup> January 1999 : £736,200) and the retained profit for the year has been transferred to reserves.

#### **Creditors Payment Policy**

The company pays its creditors in accordance with the payment terms agreed with its suppliers. As at 1<sup>st</sup> January 2000 creditor days were 33 days (2<sup>nd</sup> January 1999 : 29 days).

#### **Year 2000**

Following their initial review, the directors continue to be alert to the potential risks and uncertainties surrounding the year 2000 issue. As at the date of this report, the directors are not aware of any significant factors which have arisen, or that may arise, which will affect the activities of the business; however, the situation is still being monitored. Any future costs associated with this issue cannot be quantified but are not anticipated to be significant.

#### **Euro**

The directors have considered the risks involved with the Euro issue and are of the opinion that group systems are adequately designed to cope with the impact of this additional currency. It is not anticipated that the Euro will have a material impact upon the company.

**MOVITEX (UK) LIMITED**

**DIRECTORS' REPORT**

**(Continued)**

**Directors**

The Directors who served during the year are shown below:

J-M. Bernard	
P. Duquesne	(resigned 25 <sup>th</sup> July 1999)
J-P. Glarmet	
M. L. Hawker	
A. R. Hill	
J-L. Jonville	(appointed 23 <sup>rd</sup> June 1999)
A. J. Skelsey	

The directors and their families have at 1<sup>st</sup> January 2000 and had at 2<sup>nd</sup> January 1999 no interests in the issued share capital of the company or any group company.

**Auditors**

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

**Statement of Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

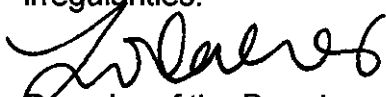
**MOVITEX (UK) LIMITED**

**DIRECTORS' REPORT**

**(Continued)**

**Statement of Directors' Responsibilities (continued)**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



By order of the Board.

F. W. OAKES,  
Secretary.

25<sup>th</sup> February 2000.

18, Canal Road,  
Bradford.  
BD99 4XB.

**REPORT OF THE AUDITORS TO THE MEMBERS OF**  
**MOVITEX (UK) LIMITED**

We have audited the financial statements on pages 5 to 14 which have been prepared under the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors.**

As described on page 2 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

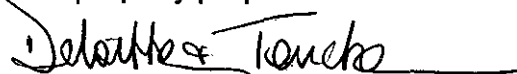
**Basis of opinion.**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion.**

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 1<sup>st</sup> January 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants  
and Registered Auditors

25 February 2000.

10-12 East Parade  
Leeds  
LS1 2AJ

**MOVITEX (UK) LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

	Notes	Year ended 1 <sup>st</sup> January 2000 ----- £'000	Year ended 2 <sup>nd</sup> January 1999 ----- £'000
<b>Turnover - Continuing Operations</b>	1	26,947	25,110
Cost of Sales		(10,191) -----	(9,525) -----
<b>Gross Profit</b>		16,756	15,585
Net Operating Expenses	1	(16,040) -----	(14,157) -----
<b>Operating Profit - Continuing Operations</b>	1	716	1,428
Interest receivable and similar income	2	288	185
Interest payable and similar charges	3	(37) -----	(45) -----
<b>Profit on ordinary activities before taxation</b>	1	967	1,568
Tax on profit on ordinary activities	5	(294) -----	(496) -----
<b>Profit on ordinary activities after taxation</b>		673	1,072
Dividends	6	(593) -----	(736) -----
<b>Retained profit for the financial year transferred to reserves</b>	13	80 ===	336 ===

There are no recognised gains and losses other than as stated in the profit and loss account for the current year and the previous year. Accordingly no statement of total recognised gains and losses is given.

The notes on pages 8 to 14 form part of these accounts.

**MOVITEX (UK) LIMITED**

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

	Year ended 1 <sup>st</sup> January 2000 ----- £'000	Year ended 2 <sup>nd</sup> January 1999 ----- £'000
Profit for the financial year	80	336
Opening Shareholders' funds	423 -----	87 -----
Closing Shareholders' funds	503 ===	423 ===

The notes on pages 8 to 14 form part of these accounts.

**MOVITEX (UK) LIMITED**  
**BALANCE SHEET**  
**AS AT 1<sup>st</sup> JANUARY 2000**

	Note	1 <sup>st</sup> January 2000 £'000	2 <sup>nd</sup> January 1999 £'000
<b>Fixed assets</b>			
Tangible Assets	7	-	135
<b>Current Assets</b>			
Stocks	8	333	227
Debtors	9	5,626	6,122
Cash at bank and in hand		318	104
		6,277	6,453
<b>Creditors: amounts falling due within one year</b>	10	(5,774)	(6,157)
<b>Net current assets</b>		503	296
<b>Total assets less current liabilities</b>		503	431
Provisions for liabilities and charges	11	-	(8)
<b>Net assets</b>		503	423
<b>Capital and reserves</b>			
Called up share capital	12	1	1
Profit and loss account	13	502	422
<b>Total Equity Shareholders' Funds</b>		503	423

Approved by the Board on 25<sup>th</sup> February 2000.

A. R. HILL



Director

Notes on pages 8 to 14 form part of these accounts.



**MOVITEX (UK) LIMITED**

**ACCOUNTING POLICIES**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

The principal accounting policies of the Company have not changed during the year.

a. **Tangible Fixed Assets**

Depreciation is provided to write off the cost in equal instalments over the estimated useful economic lives of the assets.

The rates of depreciation are as follows :

Plant and equipment between 10% and 25% per annum.

b. **Deferred Taxation**

Deferred taxation has been provided at current and expected future corporation tax rates on all timing differences between the accounting and taxation treatment of income and expense to the extent that it is considered that these could become payable in the foreseeable future. Unprovided deferred taxation is disclosed as a potential liability.

c. **Stocks**

Stocks are valued at the lower of cost and net realisable value. Net realisable value represents estimated selling price less all costs incurred in selling and distribution. Cost is valued at actual purchase price.

d. **Catalogue costs**

The costs of catalogue production and printing are charged to the profit and loss account as they are incurred.

e. **Foreign exchange**

Transactions denominated in foreign currencies are translated at the contracted rate or at the rate ruling at that date. Assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

**MOVITEX (UK) LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

	Year ended 1 <sup>st</sup> January 2000 ----- £'000	Year ended 2 <sup>nd</sup> January 1999 ----- £'000
<b>1. Turnover and profit on ordinary activities before taxation</b>		
The turnover (all of which arises in the United Kingdom) and profit on ordinary activities before taxation are attributable to catalogue mail order retailing.		
Net operating expenses:		
Distribution costs	2,306	2,808
Administration expenses	13,734	11,349
	-----	-----
	16,040	14,157
	=====	=====
Operating profit is stated after charging:		
Depreciation	-	22
Auditors' remuneration - audit	7	5
	-----	-----
	=====	=====
<b>2. Interest receivable and similar income</b>		
Amounts due from group companies	288	185
	====	===

**MOVITEX (UK) LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

**(Continued)**

	Year ended 1 <sup>st</sup> January 2000	Year ended 2 <sup>nd</sup> January 1999
	----- £'000	----- £'000
<b>3. Interest payable and similar charges</b>		
Amounts due to group companies	37	45
	==	==

**4. Staff Costs**

The company has no employees. The activities of the company are undertaken by staff employed by Empire Stores Limited. None of the directors received any remuneration from the company during the year or the previous year

	Year ended 1 <sup>st</sup> January 2000	Year ended 2 <sup>nd</sup> January 1999
	----- £'000	----- £'000
<b>5. Tax on profit on ordinary activities</b>		
U.K. Corporation tax at 30.25% (year ended 2 <sup>nd</sup> January 1999 : 31%)	302	493
Deferred tax	(8)	3
	----- 294	----- 496
	====	====

**6. Dividends**

A dividend of £593,000 (£988 per share) has been proposed for the year (year ended 2<sup>nd</sup> January 1999 : £736,200 (£1.227 per share) ).

**MOVITEX (UK) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**  
**(Continued)**

**7. Tangible fixed assets**

	Plant and Equipment £'000
Cost	
At 3 <sup>rd</sup> January 1999	159
Transfer to fellow subsidiaries	(159) -----
At 1 <sup>st</sup> January 2000	- -----
Accumulated depreciation	
At 3 <sup>rd</sup> January 1999	24
Transfer to fellow subsidiaries	(24) -----
At 1 <sup>st</sup> January 2000	- =====
Net book amount at 1 <sup>st</sup> January 2000	- =====
Net book amount at 2 <sup>nd</sup> January 1999	135 =====

**MOVITEX (UK) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR YEAR ENDED 1<sup>st</sup> JANUARY 2000**  
**(Continued)**

**8. Stocks**

Stocks comprise goods for resale. The directors consider that the replacement value of stock is not significantly different from the value shown in the balance sheet.

1 <sup>st</sup> January 2000	2 <sup>nd</sup> January 1999
-----	-----
£'000	£'000

**9. Debtors**

Amounts due from fellow subsidiaries	5,620	6,048
Prepayments and accrued income	6	74
	-----	-----
	5,626	6,122
	=====	=====

**10. Creditors: amounts falling due within one year**

Bank loans and overdrafts	77	1
Trade creditors	733	457
Amounts due to parent company and fellow subsidiaries	1,133	652
Other taxation and social security	982	2,042
Corporation tax	234	493
Other creditors	357	357
Accruals and deferred income	1,665	1,419
Dividends proposed	593	736
	-----	-----
	5,774	6,157
	=====	=====

**MOVITEX (UK) LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

**(Continued)**

**11. Provisions for liabilities and charges**

**Deferred Taxation :**

	£'000
At 3 <sup>rd</sup> January 1999	8
Released in the year	(8)
	---
At 1 <sup>st</sup> January 2000	-
	==

The provision for deferred tax represents capital allowances in excess of depreciation. There are no unprovided deferred taxation liabilities.

**12. Called up Share Capital**

	1 <sup>st</sup> January 2000 £'000	2 <sup>nd</sup> January 1999 £'000
2,000 authorised shares of £1 each	2,000 =====	2,000 =====
600 ordinary shares of £1 each called up, allotted and fully paid	600 ===	600 ===

**13. Profit and Loss Account**

	£'000
At 3 <sup>rd</sup> January 1999	422
Profit for the year	80
	----
At 1 <sup>st</sup> January 2000	502
	===

**MOVITEX (UK) LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 1<sup>st</sup> JANUARY 2000**

**(Continued)**

**14. Capital commitments**

	1 <sup>st</sup> January 2000 £'000	2 <sup>nd</sup> January 1999 £'000
Contracted for but not provided in the financial statements	- =====	- =====

**15. Contingent liabilities**

The company is jointly and severally liable for the bank borrowings of its parent company and fellow subsidiaries totalling £120,000,000 (2<sup>nd</sup> January 1999 : £111,600,000).

**16. Cash flow statement**

The Company has taken advantage of the exemption contained in FRS 1 (Revised 1996) not to publish its own cash flow statement as it is indirectly a wholly owned subsidiary of Pinault Printemps-Redoute S.A. and its cash flows are dealt with in the consolidated cash flow statement of that company.

**17. Related party transactions**

The company has taken advantage of the exemption contained in FRS 8 not to disclose related party transactions with other group companies as it is indirectly a wholly owned subsidiary of Pinault Printemps-Redoute S.A.

**18. Ultimate parent company**

The company's immediate parent company is REDCATS (UK) plc (formerly Empire Stores Group plc), which is registered in England and Wales.

The Company is indirectly a wholly owned subsidiary of La Redoute S.A., which is incorporated in France.

The Company's ultimate parent company and ultimate controlling party is Pinault Printemps-Redoute S.A., which is incorporated in France.

Copies of the group accounts of Pinault Printemps-Redoute S.A. are available from the Company Secretary, REDCATS (UK) plc, 18 Canal Road, Bradford, West Yorkshire, BD99 4XB.