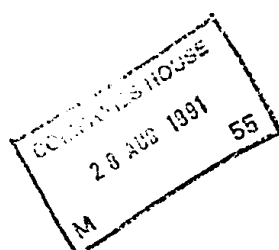


JERROLD MANUFACTURING COMPANY (TEXTILES) LTD.

MODIFIED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 1990

5210091



JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report and the Audited Financial Statements for the year ended 30 June 1990.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was the manufacture and wholesaling of bed linen.

REVIEW OF BUSINESS

A summary of the results of the year's trading is given on page 3 of the Accounts.

Trading conditions were difficult during the year and the Company was forced to make redundancies to reduce overheads.

DIVIDENDS

The Directors do not recommend the payment of a dividend for the year.

FIXED ASSETS

Acquisitions and disposals of Fixed Assets during the year are recorded in the notes to the Accounts.

DIRECTORS

The Directors in office in the year and their interests in the Issued Ordinary Share Capital of the Company were as follows :-

	<u>At 30. 6.1990</u>	<u>At 1. 7.1989</u>	
G. Moser	7,150	7,150	Shares
H.N. Moser	34,650	34,650	"
Mrs. L. Moser	-	-	"

Mr.H.N. Moser retires by rotation and, being eligible, offers himself for re-election.

AUDITORS

The Auditors, Messrs. N. Shacter, Cohen & Co. will be proposed for re-appointment in accordance with Section 384(1) of the Companies Act 1985.

By Order of the Board,

H.N. Moser,

Secretary.

14 June 1991.

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

Full Financial Statements for Shareholders for the year ended 30 June 1990 were approved by the Board of Directors on 14 June 1991. The Directors have prepared the attached Financial Statements for the year ended 30 June 1990 in compliance with Sections 248(2) and 249 4(b) of the Companies Act 1985, for filing with the Registrar of Companies.

REPORT OF THE AUDITORS TO THE DIRECTORS OF

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

UNDER SECTION 248 OF THE COMPANIES ACT 1985

We have examined the Modified Accounts set out on pages 2 - 4 which have been properly prepared in accordance with Section 247 of the Companies Act 1985. In our opinion, the Company satisfies the requirements of Section 248 (2.) of the Companies Act 1985, for exemption as a medium Company for the year ended 30 June 1990. We are not required to express an audit opinion on the truth and fairness of these Modified Financial Statements.


As Auditors of Jerrold Manufacturing Company (Textiles) Limited on 14 June 1991, we reported to the Members on the Accounts of the Company prepared under Section 228 of the Companies Act 1985 for the year ended 30 June 1990, as follows :-

We have audited the Financial Statements set out on pages 3 - 10. Our audit was conducted in accordance with auditing standards.

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 Company's affairs at 30 June 1990 and of its Profit and Source and Application of Funds for the year then ended, and comply with the Companies Act 1985.

Caxton Buildings,
3, Paton Street,
Piccadilly,
Manchester M1 2BB.

14 June 1991.


W. Shacter, Cohen & Co.,
Accountants.

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

MODIFIED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 1990

	<u>Note</u>	<u>1990</u>	<u>1989</u>
		£	£
GROSS PROFIT		724,344	808,281
Production Costs		393,845	436,514
Establishment Expenses		92,405	118,547
Overhead Expenses		165,708	138,834
Financial Expenses		22,306	12,989
		<u>674,264</u>	<u>706,884</u>
OPERATING PROFIT	3	50,080	101,397
Investment Income :			
Bank Interest Received		138	125
		<u>50,218</u>	<u>101,522</u>
Interest Payable	5	(64,022)	(62,897)
PROFIT/(LOSS) on Ordinary Activities before Taxation		(13,804)	38,625
TAXATION on Profit/(Loss) on Ordinary Activities	6	21,549	-
PROFIT on Ordinary Activities after Taxation		7,745	38,625
RETAINED PROFIT at 1. 7.1989		43,063	4,438
RETAINED PROFIT at 30. 6.1990		<u>£ 50,808</u>	<u>£ 43,063</u>

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

BALANCE SHEET AS AT 30 JUNE 1990 (MODIFIED)

	Note	1990	1989
		£	£
FIXED ASSETS			
Tangible Assets	7	34,686	67,664
CURRENT ASSETS			
Stocks	8	621,244	632,322
Debtors	9	496,020	740,213
Cash at Bank and in Hand		3,214	3,093
		<u>1,120,478</u>	<u>1,375,628</u>
CREDITORS : Amounts falling due within one year	10	<u>1,049,356</u>	<u>1,341,722</u>
NET CURRENT ASSETS		<u>71,122</u>	<u>33,906</u>
		105,808	101,570
CREDITORS : Amounts falling due after more than one year	10	-	3,507
NET ASSETS		<u>£105,808</u>	<u>£ 98,063</u>
CAPITAL AND RESERVES			
Called Up Share Capital	13	55,000	55,000
Profit and Loss Account	14	<u>50,808</u>	<u>43,063</u>
		<u>£105,808</u>	<u>£ 98,063</u>

In preparing these Modified Accounts, we have relied upon the exemptions for individual Accounts provided by Section 247(2) the Companies Act 1985 and we have done so on the ground that the Company is entitled to the benefit of these exemptions as a medium Company.

The Financial Statements on pages 3 - 9 were approved by the Board of Directors on 14 June 1991 and were signed on its behalf by :-

G. Moser.....)
H.N. Moser.....) DIRECTORS

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

NOTES TO THE ACCOUNTS - MODIFIED

FOR THE YEAR ENDED 30 JUNE 1990

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The Accounts have been prepared under the historical cost convention.

(b) Turnover

Turnover represents net sales after returns, excluding Value Added Tax.

(c) Tangible Fixed Assets

Depreciation has been provided on the Tangible Fixed Assets required to write off their cost over their estimated useful lives, on the following bases :-

Plant & Machinery	-	25%	Reducing Balance Basis
Fixtures & Fittings	-	25%	-do-
Motor Vehicles	-	25%	-do-

(d) Stocks

Stock & Work in Progress has been valued and certified by the Directors at the lower of cost and net realisable value, after making due allowance for slow moving and obsolete items.

(e) Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the Directors, there is reasonable probability that the liability will not arise in the foreseeable future.

(f) Foreign Currency Transactions

Expenditure incurred in foreign currencies is translated into Sterling at the exchange rate prevailing at the date of purchasing those currencies.

Foreign currency gains or losses relating to loans and revenue transactions are credited or debited to the Profit and Loss Account except for unrealised gains or losses which are not credited or debited to the Profit and Loss Account until realised.

(g) Contribution to Pension Fund

In arriving at the Operating Profit, normal pension contributions are charged at basic rates calculated by the Actuaries to provide for the current scale of retirement benefits related to projected final salaries.

2. GROSS PROFIT

Gross Profit is purely Turnover less Cost of Sales .

MODIFIED

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

Notes to the Accounts for the year ended 30 June 1990 (Continued)

3. OPERATING PROFIT/(LOSS)

The Operating Profit of £50,080 (1989 Profit £101,397) is stated after charging :-

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
Depreciation of Tangible Fixed Assets	11,228	22,585
Staff Costs (Note 4)	444,680	483,085
Auditors' Remuneration	500	500

4. STAFF COSTS

The average weekly number of persons (including Directors) employed by the Company during the year was :-

	<u>1990</u>	<u>1989</u>
	<u>Number</u>	<u>Number</u>
Directors	3	3
Production Workers	6	58
Administration	5	5
Cleaner	1	1
Transport	1	4
General Manager	1	1
	<u>17</u>	<u>72</u>

Staff Costs for the above persons :

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
Wages and Salaries	412,130	445,737
Social Security Costs	30,350	35,148
Other Pension Costs	2,200	2,200
	<u>£444,680</u>	<u>£483,085</u>

The remuneration paid to Directors was :-

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
Fees	55,660	31,720
Other Emoluments (including Pension Contributions)	-	-
	<u>£ 55,660</u>	<u>£ 31,720</u>

Fees and other emoluments disclosed above (excluding pension contributions) include amounts paid to :-

The Chairman	<u>£ 8,580</u>	<u>£ 8,580</u>
The Highest-paid Director	<u>£ 38,500</u>	<u>£ 14,560</u>

The number of other Directors who received fees and other emoluments (excluding Pension Contributions) in the following ranges was :-

	<u>1990</u>	<u>1989</u>
	<u>Number</u>	<u>Number</u>
£5,001 - £10,000	1	1

MODIFIED

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

Notes to the Accounts for the year ended 30 June 1990 (Continued)

5. INTEREST PAYABLE

	<u>1990</u>	<u>1989</u>
Interest Payable on Loans and Overdrafts	<u>£ 64,022</u>	<u>£ 62,897</u>

6. TAXATION

There is no tax charge (1989 £Nil) on the Profit/(Loss) on Ordinary Activities for the year.

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
Corporation Tax at 25%	Nil	Nil
Corporation Tax overprovision written back	<u>£(21,549)</u>	<u>-</u>

7. TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u>	<u>Plant & Machinery</u>	<u>Fixtures & Fittings</u>	<u>Total</u>
<u>Cost or Valuation</u>				
At 1. 7.1989	77,010	77,372	30,217	184,599
Additions	-	-	519	519
Disposals	-	(77,372)	(29,519)	(106,891)
At 30. 6.1990	<u>£77,010</u>	<u>£ -</u>	<u>£ 1,217</u>	<u>£ 78,227</u>
<u>Depreciation</u>				
At 1. 7.1989	32,096	62,492	22,347	116,935
Charge for the year	11,228	-	-	11,228
Eliminated in respect of disposals	-	(62,492)	(22,130)	(84,622)
At 30. 6.1990	<u>£43,324</u>	<u>£ -</u>	<u>£ 217</u>	<u>£ 43,541</u>
<u>Net Book Value</u>				
At 1. 7.1989	<u>£44,914</u>	<u>£14,880</u>	<u>£ 7,870</u>	<u>£ 67,664</u>
At 30. 6.1990	<u>£33,686</u>	<u>£ -</u>	<u>£ 1,000</u>	<u>£ 34,686</u>

8. STOCKS

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
Raw Materials	228,103	207,662
Work in Progress	-	159,786
Finished Goods	<u>393,141</u>	<u>264,874</u>
	<u>£621,244</u>	<u>£632,322</u>

9. DEBTORS

	<u>1990</u>	<u>1989</u>
	<u>£</u>	<u>£</u>
Amounts falling due within one year :-		
Debtors	480,064	735,321
Prepayments	<u>15,956</u>	<u>4,892</u>
	<u>£496,020</u>	<u>£740,213</u>

MODIFIED

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

Notes to the Accounts for the year ended 30 June 1990 (Continued)

10. CREDITORS

	<u>1990</u>	<u>1989</u>
Amounts falling due within one year :-	<u>£</u>	<u>£</u>
Hire Purchase Creditors	3,507	7,540
Trade Creditors	199,902	175,561
Social Security & Other Taxes	19,683	47,552
Directors' Loan Accounts	118,019	112,752
Amounts due to Pension Fund	198,019	161,153
Corporation Tax	-	21,549
Other Creditors	10,607	90,921
Accruals	35,153	36,699
Bank Overdraft (See Note 11)	329,866	553,395
Loan from Factfocus Limited	134,600	134,600
	<u>£1,049,356</u>	<u>£1,341,722</u>
Amounts falling due after more than one year :-		
Hire Purchase Creditor	-	3,507
	<u>£1,049,356</u>	<u>£1,345,229</u>

11. BANK OVERDRAFT

The Bank Overdraft is repayable within one year, being subject to normal review procedures. The Bank holds an unscheduled mortgage debenture and a specific equitable charge over the lease relating to the basement and the second floor of the premises from where the Company trades.

12. DEFERRED TAXATION

No provision to Deferred Taxation has been made as the Directors do not anticipate any liability to Deferred Taxation arising in the foreseeable future. However, if a reserve was to be provided, it would be :-

	<u>1990</u>		<u>1989</u>	
	<u>Amount</u>	<u>Potential</u>	<u>Amount</u>	<u>Potential</u>
	<u>Provided</u>	<u>Liability</u>	<u>Provided</u>	<u>Liability</u>
Short Term Timing Differences	£ -	£1,031	£ -	£1,335

13. CALLED UP SHARE CAPITAL

	<u>1990</u>	<u>1989</u>
Authorised :		
55,000 Ordinary Shares of £1 each	£ 55,000	£ 55,000
Allotted, Issued and Fully Paid :		
55,000 Ordinary Shares of £1 each	£ 55,000	£ 55,000

MODIFIED

JERROLD MANUFACTURING COMPANY (TEXTILES) LIMITED

Notes to the Accounts for the year ended 30 June 1990 (Continued)

14. RESERVES

	Profit and Loss Account
	£
At 1. 7.1989	43,063
Profit for the year	<u>7,745</u>
At 30. 6.1990	<u>£50,808</u>

15. TRANSACTIONS WITH DIRECTORS

A large proportion of the Company's Turnover comprises sales to Dortex Limited, a Company which is controlled by two of the Directors of Jerrold Manufacturing Company (Textiles) Limited.

16. PENSION FUND COMMITMENTS

Pension Funds exist for the benefit of the Directors and other Senior long-term employees.