

01-03-95

KPMG Peat Marwick

JE Mather & Sons Limited

Directors' report and financial statements

30 April 1994

Registered number 742586

JE Mather & Sons Limited**Directors' report and financial statements**

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JE Mather & Sons Limited

Directors' report

The directors submit their annual report and the audited financial statements for the year ended 30 April 1994.

Principal activities

The company has not traded during the year and accordingly made neither profit nor loss.

The directors do not recommend the payment of a dividend (1993: £213,731).

Directors and directors' interests

The directors who held office during the year were as follows:

P Aikens
HC Etheridge
TRB Hazell

The interests of P Aikens and HC Etheridge in the ordinary shares of Matthew Clark plc are disclosed in that company's annual report and accounts.

During the year TRB Hazell was granted 27,556 ordinary share options of Matthew Clark plc (1993: nil). The options are exercisable between 20 January 1997 and 19 January 2004, at the exercise price of 595p.

None of the directors who held office at the end of the financial year had any interests in the shares of the company.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG Peat Marwick as auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By order of the board


A Colquhoun
Secretary

The Clock House
London Road
Guildford
Surrey
GU1 1UW

JE Mather & Sons Limited

Statement of directors' responsibilities in respect of the financial statements

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 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.



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Auditors' report to the members of JE Mather & Sons Limited

We have audited the financial statements on pages 4 to 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 the company's affairs as at 30 April 1994 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants
Registered Auditors

9 December 1994

JE Mather & Sons Limited

Profit and loss account
for the year ended 30 April 1994

	1994 £	1993 £
Profit on ordinary activities before and after tax	-	-
Dividends	-	(213,731)
Loss for the financial year	-	(213,731)
Profit brought forward	-	213,731
Profit carried forward	-	-

A statement of total recognised gains and losses has not been included as part of these financial statements as there is no difference between the results as disclosed in the profit and loss account and the total recognised gains and losses relating to the year.

JE Mather & Sons Limited

Balance sheet
at 30 April 1994

	Note	1994 £	1993 £
Current assets			
Debtors	3	250,000	250,000
Net assets		250,000	250,000
Capital and reserves			
Called up share capital	5	250,000	250,000
		250,000	250,000

These financial statements were approved by the board of directors on 9th August 1994 and were signed on its behalf by:


HC Etheridge
Director

JE Mather & Sons Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Cash flow statement

Under the provisions of FRS1, the company is exempt from the requirement to produce a cash flow statement on the grounds that its parent undertaking prepares a consolidated cash flow statement for the Group.

2 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	1994	1993
Directors	3	3

No director received any emoluments from the company or other group undertakings in respect of duties performed on behalf of the company.

JE Mather & Sons Limited

Notes (continued)

3 Debtors: due within one year

	1994	1993
	£	£
Amount owed by parent and fellow subsidiary undertakings	<u>250,000</u>	<u>250,000</u>

4 Contingent liabilities

The company is the first lessee of five industrial units. As such, the company is liable for rents and repairs that are unpaid by the assignees. The leases expire in or before the year 2002. The business of JE Mather & Sons Limited was transferred to Matthew Clark & Sons Limited where full provision for any such arrears as at 30 April 1994 has been made, together with additional provisions for future rentals and repairs.

5 Called up share capital

	1994	1993
	£	£
<i>Authorised, allotted, called up and fully paid</i>		
250,000 ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

6 Reconciliation of movement in shareholders' funds

	1994	1993
	£	£
Profit on ordinary activities before and after tax	-	-
Dividends	-	(213,731)
Reduction in shareholders' funds	-	(213,731)
Opening shareholders' funds	<u>250,000</u>	<u>463,731</u>
Closing shareholders' funds	<u>250,000</u>	<u>250,000</u>

JE Mather & Sons Limited

Notes (continued)

7 Ultimate parent undertaking.

The company's ultimate parent undertaking is Matthew Clark plc, registered in England and Wales.

The only group in which the results of the company are consolidated is that headed by Matthew Clark plc. The consolidated financial statements of the Group are available to the public and may be obtained from the Company Secretary of Matthew Clark plc at The Clock House, London Road, Guildford, Surrey GU1 1UW.