
Jump Knitwear Limited

Report and Accounts

Year Ended 31 July 1994



JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Company Information

Directors

P M Foster
J Macaulay

Secretary

J P Service

Company Number

895642

Registered Office

2 Milman's Street
Kings Road
London
SW10 0DA

Auditors

H W Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER

Bankers

The Hongkong and Shanghai Banking
Corporation Limited
PO Box 757
6 Arthur Street
London
EC4R 9HS

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Report of the Directors

The Directors present their report and accounts for the year ended 31 July 1994.

Principal Activity

The principal activity of the Company continues to be the sale and distribution of clothing and accessories.

Results and Dividends

The Group's turnover has increased by 63% to £48.7m in the year of which 35% was generated by the acquisition of Pamplermousse, Helium and Urban Tribe during the year. Operating losses on existing activities were almost eliminated and an overall operating profit of £104,000 was achieved. This profit was, however, reduced by interest charges to a loss of £327,000. The Directors do not recommend the payment of a dividend (1993: NIL).

The Directors believe that the benefits of the Group's investment in expansion, both organically and by acquisition, will result in improved profitability in the coming year.

Directors and their Interests

The Directors during the year and their interests in the share capital of the Company were as follows:

	Ordinary Shares of £1 each	
	31 July 1994	1 August 1993
Mrs S Caring (resigned 8 November 1994)	6,666	6,666
P M Foster	NIL	NIL
J Macaulay	NIL	NIL

Fixed Assets

Details of movements in fixed assets during the year are set out in notes 5 and 6 of the accounts.

Close Company

In the opinion of the Directors the Company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

Auditors

Messrs. Comins & Co resigned as auditors to the Company with effect from 31 July 1994. H W Fisher & Company were appointed by the Directors to fill the casual vacancy.

A resolution proposing the re-appointment of H W Fisher & Company as auditors will be put to the members at the next Annual General Meeting.

On behalf of the Board



P M Foster
Director

29 March 1995

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Statement of Directors' Responsibilities

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of the profit or loss of the Group for that period.

In preparing those accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Group 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 the Group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Report of the Auditors to the Members of Jump Knitwear Limited

We have audited the accounts on pages 4 to 18 which have been prepared under the accounting policies set out on pages 8 and 9.

Respective Responsibilities of Directors and Auditors

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

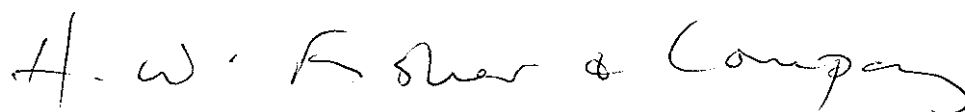
Basis of Opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts 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 accounts are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall accuracy of the presentation of the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company and the Group at 31 July 1994 and of the loss of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



H W Fisher & Company

Chartered Accountants

Registered Auditor

Acre House

11-15 William Road

London

NW1 3ER

Dated: 29 March 1995

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Consolidated Profit and Loss Account for the Year Ended 31 July 1994

	Notes	1994 £'000	1993 £'000
Turnover	2		
Continuing operations		38,268	29,957
Acquisitions		10,463	-
		<u>48,731</u>	<u>29,957</u>
Cost of sales		(38,538)	(23,859)
Gross Profit		<u>10,193</u>	<u>6,098</u>
Distribution costs		(2,221)	(442)
Administrative expenses		(7,888)	(5,878)
Other operating income		20	28
		<u>(10,089)</u>	<u>(6,292)</u>
Operating Profit / (Loss)			
Continuing operations		(32)	(194)
Acquisitions		136	-
		<u>104</u>	<u>(194)</u>
Interest payable (net)		(465)	(438)
Loss on Ordinary Activities before Taxation	3	<u>(361)</u>	<u>(632)</u>
Tax on Loss on Ordinary Activities	4	14	(23)
Loss on Ordinary Activities after Taxation		<u>(347)</u>	<u>(655)</u>
Minority interests		20	8
Retained Loss for the Financial Year	13	<u>(327)</u>	<u>(647)</u>

Statement of Total Recognised Gains and Losses

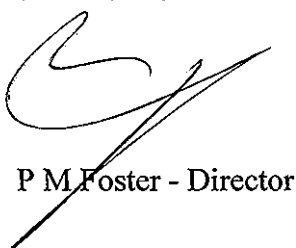
	1994 £'000	1993 £'000
Loss for the financial year	(327)	(647)
Increase in minority entitlements	(128)	-
Disposal of subsidiary company	(3)	-
Total Recognised Losses for the Year	<u>(458)</u>	<u>(647)</u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Consolidated Balance Sheet at 31 July 1994

	Notes	1994 £'000	1993 £'000
Fixed Assets			
Intangible assets	5	2,529	1,290
Tangible assets	6	774	448
Investments	7	-	8
		<u>3,303</u>	<u>1,746</u>
Current Assets			
Stocks	8	4,446	2,195
Debtors	9	9,813	5,770
Cash at bank and in hand		344	536
		<u>14,603</u>	<u>8,501</u>
Creditors (due within one year)	10	<u>(16,641)</u>	<u>(9,873)</u>
Net Current Liabilities		<u>(2,038)</u>	<u>(1,372)</u>
Total Assets less Current Liabilities		<u>1,265</u>	<u>374</u>
Creditors (due after more than one year)	11	<u>(53)</u>	<u>(29)</u>
Net Assets		<u><u>1,212</u></u>	<u><u>345</u></u>
Capital and Reserves			
Called up share capital	13 / 14	1,210	10
Other reserves	13	-	3
Profit and loss account	13	(173)	282
		<u>1,037</u>	<u>295</u>
Shareholders' Funds	13	<u>1,037</u>	<u>295</u>
Minority interests		175	50
		<u><u>1,212</u></u>	<u><u>345</u></u>

Approved by the Board and signed on its
behalf on 29 March 1995 by



P M Foster - Director

JUMP KNITWEAR LIMITED

Balance Sheet at 31 July 1994

	Notes	1994 £'000	1993 £'000
Fixed Assets			
Tangible assets	6	33	98
Investments	7	624	41
		<u>657</u>	<u>139</u>
Current Assets			
Stocks	8	278	420
Debtors	9	1,621	1,065
Cash at bank and in hand		1	482
		<u>1,900</u>	<u>1,967</u>
Creditors (due within one year)	10	(429)	(1,237)
Net Current Assets		<u>1,471</u>	<u>730</u>
Net Assets		<u>2,128</u>	<u>869</u>
Capital and Reserves			
Called up share capital	13 / 14	1,210	10
Profit and loss account	13	918	859
Shareholders' Funds	13	<u>2,128</u>	<u>869</u>

Approved by the Board and signed on its
behalf on 29 March 1995 by



P M Foster - Director

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Consolidated Cash Flow Statement for the Year Ended 31 July 1994

	Notes	1994 £'000	1993 £'000
Net Cash Inflow / (Outflow) from Operating Activities	15	<u>483</u>	<u>(515)</u>
Returns on Investments and Servicing of Finance			
Interest received		60	52
Interest paid		<u>(525)</u>	<u>(490)</u>
		<u>(465)</u>	<u>(438)</u>
Taxation			
Corporation tax received / (paid)		<u>14</u>	<u>(202)</u>
Investing Activities			
Purchase of subsidiaries (net of cash acquired)		(1,865)	(483)
Sales of fixed assets		131	32
Purchase of fixed assets		<u>(562)</u>	<u>(95)</u>
Net cash outflow from investing activities		<u>(2,296)</u>	<u>(546)</u>
Net Cash Outflow before Financing		(2,264)	(1,701)
Financing			
Issue of preference share capital		1,200	-
Net inflow / (outflow) on finance liabilities		<u>33</u>	<u>(42)</u>
Decrease in Cash and Cash Equivalents	16	<u><u>(1,031)</u></u>	<u><u>(1,743)</u></u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

1. Accounting Policies

a) Basis of Preparation

The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards.

b) Consolidation

The Group accounts include the accounts of the Company and its subsidiary companies to the extent of the Group's interest in those companies, made up to 31 July 1994. The Group profit and loss account includes the results of subsidiary companies acquired during the year from the effective date of acquisition.

No profit and loss account is presented for the Company as permitted by Section 230 of the Companies Act 1985.

c) Depreciation of Tangible Fixed Assets

Depreciation is provided to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Short leasehold property	-	over the period of the lease
Fixtures, fittings and equipment	-	at 25% on a reducing balance basis and at 25% and 33.33% on a straight line basis
Motor vehicles	-	at 25% on a reducing balance basis and at 33.33% on a straight line basis

d) Goodwill

Goodwill arising on acquisitions made after 1 August 1993 is amortised on a straight line basis over its expected useful economic life of 10 years. Goodwill on previous acquisitions is amortised over 15 years.

e) Trade Marks

Amortisation has been charged to write off the cost over the expected useful life which is considered to be ten years.

f) Deferred Taxation

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts, to the extent that it is probable that a liability or asset will crystallise in the future.

g) Stocks

Stocks are stated at the lower of cost and net realisable value.

h) Design Expenditure

Expenditure on new designs is written off in the year in which it is incurred.

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

1. Accounting Policies (cont'd)

i) Foreign Currencies

Transactions on trading accounts have been accounted for at the exchange rate at the date of the transaction. Assets and liabilities have been converted at the rate ruling on the balance sheet date unless covered by a forward currency contract, when the contracted rate is used.

j) Finance Leases and Hire Purchase Contracts

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligation is charged to the profit and loss account on a basis which gives a constant rate of charge on the net liability outstanding.

k) Pensions

Pension payments are written off to the profit and loss account in the year in which they are incurred.

2. Turnover

Turnover comprises sales of clothing and accessories and fees from freight forwarding services, arising in the following geographical markets:

	1994 £'000	1993 £'000
United Kingdom	46,925	29,270
Rest of Europe	1,139	644
Rest of World	667	43
	<u>48,731</u>	<u>29,957</u>

3. (a) Loss on Ordinary Activities before Taxation

The loss on ordinary activities before taxation is stated after charging the following amounts:

	1994 £'000	1993 £'000
Depreciation - tangible assets	260	104
- assets held under finance leases and hire purchase agreements	33	10
Amortisation - intangible assets	176	93
Auditors' remuneration	67	47
Loss / (profit) on sale of fixed assets	(5)	2
	<u></u>	<u></u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

3. (a) Loss on Ordinary Activities before Taxation (cont'd)

Interest payable on:

Bank loans, overdrafts and other loans repayable within five years	483	472
Finance lease charges	13	16
Other interest payable	29	2
	<u>525</u>	<u>490</u>
Interest receivable	(60)	(52)
	<u>465</u>	<u>438</u>
Net interest payable	<u>465</u>	<u>438</u>

3. (b) Directors' Emoluments and Staff Costs

(i) Directors' emoluments	1994 £'000	1993 £'000
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Remuneration for management services (including pension contributions)	47	57
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Remuneration of the Chairperson and highest paid Director	47	57
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Emoluments of the Directors, excluding pension contributions, were within the following scales:	Number	Number
£ NIL - £5,000	2	2
£45,001 - £50,000	1	-
£55,001 - £60,000	-	1
	<u>=</u>	<u>=</u>

(ii) Employee costs during the year:	1994 £'000	1993 £'000
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Wages and salaries	5,240	2,894
Social security costs	430	295
Other pension costs	59	27
	<u>5,729</u>	<u>3,216</u>

The average number of employees during the year were:	Number	Number
Selling, distribution and administration	244	114

(iii) Pensions

The Group made payments of £59,000 (1993: £27,000) to private pension schemes for the benefit of certain employees.

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

4. Taxation

	1994 £'000	1993 £'000
UK Corporation Tax at 33%	(14)	(18)
Overseas tax	-	19
ACT written off	-	22
	<u>(14)</u>	<u>23</u>

5. Intangible Assets

The Group

	Goodwill £'000	Trade marks £'000	Total £'000
Cost			
At 1 August 1993	1,369	20	1,389
Arising on acquisition of subsidiary companies	1,425	-	1,425
Disposals	(11)	-	(11)
	<u>2,783</u>	<u>20</u>	<u>2,803</u>
At 31 July 1994	<u>2,783</u>	<u>20</u>	<u>2,803</u>
Amortisation			
At 1 August 1993	95	4	99
Charge	174	2	176
Disposals	(1)	-	(1)
	<u>268</u>	<u>6</u>	<u>274</u>
At 31 July 1994	<u>268</u>	<u>6</u>	<u>274</u>
Net Book Value 1994	<u>2,515</u>	<u>14</u>	<u>2,529</u>
Net Book Value 1993	<u>1,274</u>	<u>16</u>	<u>1,290</u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

6. Tangible Assets

(a) The Group

	Long leasehold investment property £'000	Short leasehold property £'000	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Total £'000
Cost or Valuation					
At 1 August 1993	95	23	301	353	772
Additions	-	112	212	238	562
Arising on acquisition of subsidiary companies	-	-	188	51	239
Disposals	(95)	-	(80)	(115)	(290)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 July 1994	-	135	621	527	1,283
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation					
At 1 August 1993	-	12	142	170	324
Arising on acquisition of subsidiary companies	-	-	37	29	66
Charge	-	11	161	121	293
Disposals	-	-	(80)	(94)	(174)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 July 1994	-	23	260	226	509
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value 1994	-	112	361	301	774
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value 1993	95	11	159	183	448
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The net book value of group tangible fixed assets includes £181,000 (1993: £72,000) in respect of assets held under finance leases and hire purchase contracts.

There were no commitments for capital expenditure either authorised or contracted for at the balance sheet date.

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

6. Tangible Assets (cont'd)

(b) The Company

	Fixtures, fittings and equipment £'000	Motor vehicles £'000	Total £'000
Cost			
At 1 August 1993	59	153	212
Disposals	(20)	(85)	(105)
	<u> </u>	<u> </u>	<u> </u>
At 31 July 1994	39	67	106
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 August 1993	28	86	114
Charge	5	16	21
Disposals	(6)	(56)	(62)
	<u> </u>	<u> </u>	<u> </u>
At 31 July 1994	27	46	73
	<u> </u>	<u> </u>	<u> </u>
Net Book Value 1994	12	21	33
	<u> </u>	<u> </u>	<u> </u>
Net Book Value 1993	31	67	98
	<u> </u>	<u> </u>	<u> </u>

The net book value of tangible fixed assets includes £NIL (1993: £17,000) in respect of assets held under finance leases and hire purchase contracts.

There were no commitments for capital expenditure either authorised or contracted for at the balance sheet date.

7. Investments

(a) The Group

	Interest in associated company £'000
At 1 August 1993	8
Transfer to subsidiary status	(8)
	<u> </u>
At 31 July 1994	-
	<u> </u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

7. Investments (cont'd)

(b) The Company

	Group companies £'000	Participating interests £'000	Total £'000
At 1 August 1993	39	2	41
Additions	583	-	583
Transfer to subsidiary status	2	(2)	-
At 31 July 1994	<u>624</u>	<u>-</u>	<u>624</u>

<i>Name of Subsidiary Company</i>	<i>Proportion Held</i>	<i>Trading activity</i>
The Associated Clothing Company Limited	75%	Clothing
Baby Face Limited	75%	Clothing
Bi-Axident Limited *	76%	Clothing
By Flamingo Limited *	100%	Clothing
Farbex Limited	76%	Freight forwarding
Helium Limited *	100%	Clothing
International Clothing Designs (Holdings) Limited	100%	Clothing / Management services
Melmart of London Limited *	100%	Clothing
The Nashville Corporation Limited *	100%	Clothing
Pamplemousse Limited *	100%	Clothing
Tapestry Design Company Limited *	100%	Clothing
Urban Tribe Limited *	100%	Clothing

(* = Indirectly held)

All holdings are of ordinary share capital and all companies are incorporated in England. None of the investments are listed.

On 30 September 1993, the Company's interest in The Associated Clothing Company Limited and Baby Face Limited was increased to 75%.

8. Stocks

	1994		1993	
	<i>Group</i> £'000	<i>Company</i> £'000	<i>Group</i> £'000	<i>Company</i> £'000
Raw materials	137	-	64	-
Work in progress	961	-	617	-
Finished goods	3,348	278	1,514	420
	<u>4,446</u>	<u>278</u>	<u>2,195</u>	<u>420</u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

9. Debtors

	1994		1993	
	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	£'000	£'000	£'000	£'000
Trade debtors	8,760	20	4,588	975
Owed by group companies	-	1,550	-	3
Other debtors	549	27	392	29
Prepayments and accrued income	504	24	790	58
	<u>9,813</u>	<u>1,621</u>	<u>5,770</u>	<u>1,065</u>

10. Creditors (due within one year)

	1994		1993	
	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	£'000	£'000	£'000	£'000
Bank overdraft (secured)	6,593	4	5,754	-
Current portion of financing obligations (Note 12)	63	-	54	30
Trade creditors	6,571	46	2,518	512
Due to group companies	-	208	-	211
Due to associated companies	-	-	79	-
Other creditors	2,056	19	682	167
Accruals	1,358	152	786	317
	<u>16,641</u>	<u>429</u>	<u>9,873</u>	<u>1,237</u>

Bank overdrafts are secured by a fixed and floating charge over the Group's present and future assets together with intercompany guarantees.

The Group has guaranteed an amount of £238,000 (1993: £110,000) in respect of a third party.

11. Creditors (due after more than one year)

	1994		1993	
	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	£'000	£'000	£'000	£'000
Obligations under finance leases and hire purchase contracts (Note 12)	<u>53</u>	<u>-</u>	<u>29</u>	<u>-</u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

12. Obligations under Finance Leases and Hire Purchase Contracts

	1994		1993	
	<i>Group</i>	<i>Company</i>	<i>Group</i>	<i>Company</i>
	£'000	£'000	£'000	£'000
Current obligations	63	-	54	30
Repayable between two to five years	53	-	29	-
	<u>116</u>	<u>-</u>	<u>83</u>	<u>30</u>

13. Reconciliation of Movements in Shareholders' Funds

	Issued share capital £'000	Capital reserve £'000	Profit and loss account £'000	Total £'000
<i>The Group</i>				
Balance at 1 August 1993	10	3	282	295
Preference share issue	1,200	-	-	1,200
Loss for the year	-	-	(327)	(327)
Increase in minority entitlements	-	-	(128)	(128)
Adjustment on disposal of subsidiary company	-	(3)	-	(3)
Balance at 31 July 1994	<u>1,210</u>	<u>-</u>	<u>(173)</u>	<u>1,037</u>
<i>The Company</i>				
Balance at 1 August 1993	10	-	859	869
Share issue	1,200	-	-	1,200
Profit for the year	-	-	59	59
Balance at 31 July 1994	<u>1,210</u>	<u>-</u>	<u>918</u>	<u>2,128</u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

14. Share Capital

	1994 £'000	1993 £'000
Authorised:		
10,000 Ordinary shares of £1 each	10	10
1,200,000 Redeemable preference shares of £1 each	1,200	-
	<u>1,210</u>	<u>10</u>
Allotted and fully paid:		
9,999 Ordinary shares of £1 each	10	10
1,200,000 Redeemable preference shares of £1 each	1,200	-
	<u>1,210</u>	<u>10</u>

The Company increased its authorised share capital to £1,210,000 on 29 July 1994 and issued 1,200,000 preference shares of £1 each, redeemable at par on 31 July 1996.

15. Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities

	1994 £'000	1993 £'000
Operating profit / (loss)	104	(194)
Depreciation and amortisation	469	207
Loss / (profit) on sale of tangible fixed assets	(5)	2
Decrease / (increase) in stocks	(1,802)	(206)
Decrease / (increase) in debtors	(1,666)	(775)
Increase / (decrease) in creditors	3,361	426
Deficit in minority interest acquired	22	25
Net cash outflow from operating activities	<u>483</u>	<u>(515)</u>

16. Analysis of Changes in Cash and Cash Equivalents

	1994 £'000	1993 £'000	Net Cash Outflow £'000
Cash at bank and in hand	344	536	(192)
Bank overdrafts	(6,593)	(5,754)	(839)
	<u>(6,249)</u>	<u>(5,218)</u>	<u>(1,031)</u>

JUMP KNITWEAR LIMITED AND SUBSIDIARY COMPANIES

Notes to the Accounts for the Year Ended 31 July 1994

17. Acquisitions

The Group acquired:

- the issued share capital of Melmart of London Limited, trading under the brand name "Pamplemousse", on 24 December 1993;
- the assets and liabilities of Cairnplace Limited, trading as "Helium", and the issued share capital of Urban Tribe Limited on 3 March 1994.

The book values and fair values of the assets and liabilities of the above at the date of acquisition were as follows:

	Book Value		Fair Value Adjustments		Fair Value to the Group	
	<i>Pample- mousse</i>	<i>Helium /Urban Tribe</i>	<i>Pample- mousse</i>	<i>Helium /Urban Tribe</i>	<i>Pample- mousse</i>	<i>Helium /Urban Tribe</i>
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	167	6	-	-	167	6
Stocks	439	10	-	-	439	10
Debtors	2,193	184	-	-	2,193	184
Cash at bank and in hand	196	169	-	-	196	169
	<u>2,995</u>	<u>369</u>	<u>-</u>	<u>-</u>	<u>2,995</u>	<u>369</u>
Creditors	(2,035)	(178)	(346)	-	(2,381)	(178)
Net tangible assets	<u>960</u>	<u>191</u>	<u>(346)</u>	<u>-</u>	<u>614</u>	<u>191</u>
Goodwill					1,258	167
					<u>1,872</u>	<u>358</u>
Satisfied by cash					<u>1,872</u>	<u>358</u>

The net assets at acquisition of those companies previously treated as associated companies were equivalent to the carrying value of the investment in associates.

18. Operating Lease Commitments

The Group had annual commitments under non-cancellable operating leases in respect of leasehold property as set out below:

	1994 £'000	1993 £'000
Expiring between two and five years	80	-
Expiring in over five years	641	403
	<u>721</u>	<u>403</u>