

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

REPORT AND ACCOUNTS

31st JULY 1979

COMINS & CO.,
LONDON.



JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

DIRECTORS

L.N. Caring - Chairman	Mrs. F.A. Nott
Mrs. S. Caring	Miss J. Gale
P. Brisebois	N. Ray
M. Bines	G. Nylk

SECRETARY

N. Ray

REPORT OF THE DIRECTORS

The Directors present their annual report and the audited accounts for the period ended 31st July 1979.

1. CHANGE OF NAME

At an Extraordinary General Meeting held on 1st August 1979 a special resolution was passed changing the name of the Company to Jump Knitwear Limited.

2. PRINCIPAL ACTIVITY

The principal activity of the Group is the manufacture and distribution of womens clothing.

3. TRADING RESULTS

The Group profit before taxation amounted to £377,425 (1978 : £435,988) and after taxation and extraordinary items to £357,883 (1978 : £476,198).

4. DIVIDENDS AND RESERVES

The Directors do not recommend the payment of a dividend (1978 : Nil).

5. FIXED ASSETS

There were no significant changes in the fixed assets of the Group other than in the normal course of business.

6. EXPORTS

The value of the Group's direct exports from the United Kingdom was £600,819 (1978 : £835,354).

7. CHARITABLE CONTRIBUTIONS

Charitable contributions during the year totalled £224 (1978 : £163).

REPORT OF THE DIRECTORS (CONTINUED)

8. DIRECTORS AND THEIR INTERESTS

The names of those who have been Directors during the period and their interests in the shares of the company are as follows:-

	<u>Ordinary Shares</u>	
	<u>31st July 1979</u>	<u>19th July 1978</u>
L.N. Caring	3,333	3,333
R.A. Caring (Resigned 23rd April 1979)	3,333	3,333
Mrs. S. Caring	3,333	3,333
P. Brisebois	-	-
N. Ray	-	-

The following were appointed Directors on the undermentioned dates:-

N. Ray	- 23rd April 1979
G. Nytk	- 1st August 1979
Mrs. F.A. Nott	- 1st August 1979
Miss J. Gale	- 1st August 1979
M. Bines	- 1st August 1979

9. AUDITORS

In accordance with Section 14 of the Companies Act 1976, a resolution proposing the re-appointment of Messrs. Comins & Co., as auditors of the Company will be put to the Annual General Meeting.

BY ORDER OF THE BOARD



N. Ray
Secretary

Registered Office:-

22 St. Andrew Street,
London, EC4A 3AN.

22nd January 1980

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

STATEMENT OF ACCOUNTING POLICIES

(i) Basis of Consolidation

The Group accounts include the accounts of the parent company and its subsidiaries for the period ended 31st July 1979 but exclude Acorn Dress Limited, which ceased to trade in March 1976.

(ii) Turnover

Turnover represents sales invoiced and excludes inter-company sales and value added tax.

(iii) Fixed Assets

The Leasehold Property, which was revalued by the Directors at 19th July 1978 at £50,000, is amortised in equal instalments over a period of three years to coincide with the next rent review.

Depreciation of other fixed assets is provided over the anticipated life of the assets on the reducing balance basis, with the exception of trade marks which are depreciated on a straight line basis.

(iv) Stocks

Stock is valued at the lower of cost or net realisable value. Cost includes freight, duty, commission and outworkers charges. No material attributable overheads exist within the meaning of the Institute of Chartered Accountants in England and Wales Statement of Standard Accounting Practice Number 9.

(v) Exchange Rates

Liabilities in respect of imported goods have been expressed at the sterling rates ruling at the time the liability was recorded.

(vi) Debtors

Known bad debts are written off and specific provision is made for debts considered to be doubtful of collection.

(vii) Design Expenditure

Expenditure on new designs is written off when incurred.

(viii) Deferred Taxation

It is the Group's policy to provide for the effect of the allocation of income, expenditure and depreciation for taxation purposes to periods different from those used for accounting purposes. However at 31st July 1979 there is no liability to deferred tax on account of trading losses to be carried forward.

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the period

20th JULY 1978 to 31st JULY 1979

	<u>Note</u>	<u>1979</u>	<u>1978</u>
<u>GROUP TURNOVER</u>		<u>£3,708,466</u>	<u>£3,474,709</u>
<u>GROUP PROFIT BEFORE TAX</u>	2	377,425	435,988
<u>TAXATION</u>	3	<u>19,542</u>	<u>-</u>
<u>GROUP PROFIT AFTER TAX</u>		357,883	435,988
<u>EXTRAORDINARY ITEMS</u>	4	<u>-</u>	<u>40,210</u>
		357,883	476,198
<u>TRANSFER TO CAPITAL RESERVE</u>		<u>-</u>	<u>40,210</u>
<u>RETAINED PROFIT</u>		357,883	435,988
<u>BALANCE BROUGHT FORWARD</u>		<u>(150,598)</u>	<u>(586,586)</u>
<u>BALANCE CARRIED FORWARD</u>			
Parent Company		212,654	20,122
Subsidiary Companies		<u>(5,369)</u>	<u>(170,720)</u>
		<u>£ 207,285</u>	<u>£ (150,598)</u>

The notes on pages 6 to 9 form part of these accounts.

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

BALANCE SHEET
31st JULY 1979

		<u>Group</u>		<u>Parent</u>	
	<u>Note</u>	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>
Employment of Capital:					
<u>FIXED ASSETS</u>	1	141,065	136,810	-	82,877
<u>SUBSIDIARY COMPANY</u> - Shares					
at Cost	5	-	-	5,000	5,000
<u>ASSOCIATED COMPANY</u>	6	46,070	-	50	-
<u>INVESTMENT</u>	7	20,000	20,000	-	20,000
		<u>207,135</u>	<u>156,810</u>	<u>5,050</u>	<u>107,877</u>
<u>CURRENT ASSETS</u>					
Stock		275,590	153,202	-	-
Debtors		250,076	225,036	192,532	1,308
Directors' Loan Accounts		-	58,903	-	58,903
Taxation Recoverable		11,281	28,692	-	5,238
Cash		47,584	70,882	-	-
		<u>584,531</u>	<u>536,715</u>	<u>192,532</u>	<u>65,449</u>
<u>CURRENT LIABILITIES</u>					
Creditors		534,172	793,768	-	98,481
Bank Overdraft		-	146	-	146
		<u>534,172</u>	<u>793,914</u>	<u>-</u>	<u>98,627</u>
<u>NET CURRENT ASSETS</u>		<u>50,359</u>	<u>(257,199)</u>	<u>192,532</u>	<u>(33,178)</u>
<u>INTER GROUP INDEBTEDNESS</u>	8	-	-	65,281	(4,368)
		<u>£257,494</u>	<u>£(100,389)</u>	<u>£262,863</u>	<u>£ 70,331</u>
Financed by:					
<u>SHARE CAPITAL</u>	9	9,999	9,999	9,999	9,999
<u>CAPITAL RESERVE</u>		40,210	40,210	40,210	40,210
<u>RESERVES</u>		<u>207,285</u>	<u>(150,598)</u>	<u>212,654</u>	<u>20,122</u>
		<u>£257,494</u>	<u>£(100,389)</u>	<u>£262,863</u>	<u>£ 70,331</u>
..L.N..Caring.....					
..N..Ray.....					
The notes on pages 6 to 9 form part of these accounts.					

NOTES ON THE ACCOUNTS

31st JULY 1979

1. FIXED ASSETS

(i) Group

Cost or Valuation

20th July 1978

Additions

Disposals

Depreciation

20th July 1978

Disposals

Charge for the Period

Net Book Value

31st July 1979

	<u>Short Leasehold Property</u>	<u>Plant & Machinery</u>	<u>Trade Marks</u>	<u>Total</u>
	50,000	160,862	1,448	212,310
	-	49,633	-	49,633
	-	(11,621)	-	(11,621)
	<u>£50,000</u>	<u>£198,874</u>	<u>£1,448</u>	<u>£250,322</u>
	-	75,212	288	75,500
	-	(6,180)	-	(6,180)
	17,214	22,655	68	39,937
	<u>£17,214</u>	<u>£ 91,687</u>	<u>£ 356</u>	<u>£109,257</u>
	<u>£32,786</u>	<u>£107,187</u>	<u>£1,092</u>	<u>£141,065</u>

Analysis of Cost or Valuation at 31st July 1979

At Directors' valuation on
19th July 1978

At Cost

£50,000	£ -	£ -	50,000
<u>£ -</u>	<u>£198,874</u>	<u>£1,448</u>	<u>200,322</u>
			<u>£250,322</u>

(ii) Parent Company

Cost or Valuation

20th July 1978

Transfer to Subsidiary Company

Depreciation

20th July 1978

Transfer to Subsidiary Company

Net Book Value

31st July 1979

	<u>Short Leasehold Property</u>	<u>Plant & Equipment</u>	<u>Total</u>
	50,000	86,154	136,154
	(50,000)	(86,154)	(136,154)
	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>
	-	53,277	53,277
	-	(53,277)	(53,277)
	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>
	<u>£ -</u>	<u>£ -</u>	<u>£ -</u>

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

NOTES ON THE ACCOUNTS (Continued)

2.(1) GROUP PROFIT BEFORE TAX

The group profit has been arrived at after charging:

	<u>1979</u>	<u>1978</u>
Depreciation	39,937	15,434
Emoluments of the Directors of the Parent Company	50,261	60,041
Audit Fee	7,500	5,500
Bank Interest	<u>27,672</u>	<u>18,898</u>
and after crediting:		
Interest Receivable	<u>1,322</u>	<u>1,326</u>

(ii) DIRECTORS' REMUNERATION

The Chairman's emoluments were £11,845 (1978 : £14,860). The remuneration of the highest paid Director was £14,190 (1978 : £15,481). The Directors' received the following emoluments:

	<u>1979</u>	<u>1978</u>
£ 0 - £ 2,500	1	-
£ 7,501 - £10,000	1	-
£10,001 - £12,500	1	-
£12,501 - £15,000	2	3
£15,001 - £17,500	-	1

3. TAXATION

	<u>1979</u>	<u>1978</u>
Corporation tax at 42%	550	-
Prior Year Adjustments	<u>18,992</u>	<u>-</u>
	<u>£19,542</u>	<u>£ -</u>

No further liability arises in respect of taxation on the profits of the period on account of the substantial losses brought forward from previous years. These losses have yet to be agreed by the Inland Revenue.

4. EXTRAORDINARY ITEMS

The amount included under extraordinary items was as follows:

	<u>1979</u>	<u>1978</u>
Surplus arising on revaluation of leasehold property	<u>£ -</u>	<u>£40,210</u>

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

NOTES ON THE ACCOUNTS (Continued)

5. SUBSIDIARY COMPANIES

The subsidiary companies, which are all registered in England and the proportion of the share capital held by the parent company are as follows:

	<u>Class of Shares</u>	<u>%</u>
Louis Caring (Sales) Limited	Ordinary	100
(formerly Jump Knitwear Limited)	Ordinary	100
Bombay Ducks Limited	Ordinary	70
Acorn Dress Limited		

6. ASSOCIATED COMPANY

	<u>Group</u>	<u>Parent</u>
Shares at cost	50	50
Amount owed by associated company	46,020	-
	<u>£46,070</u>	<u>£50</u>

The parent company held 50% of the ordinary share capital of Kate Nolan Accessories Limited at 31st July 1979. The remaining 50% of the ordinary shares were acquired by the parent company after 31st July 1979 and the name of the Company was changed to Jump Accessories Limited on 19th November 1979.

As the associated company commenced to trade only two months before the end of the financial year ended 31st July 1979, the results have not been incorporated in these accounts as, in the opinion of the Directors, their inclusion would be of no real value to members in view of the insignificant amount involved.

7. INVESTMENT (Unquoted)

This is stated at cost and the Directors are of the opinion that the market value is not less than that amount.

8. INTER GROUP INDEBTEDNESS

	<u>1979</u>	<u>1978</u>
Amount owing to parent company	106,934	37,285
Amount owing by parent company	(41,653)	(41,653)
	<u>£ 65,281</u>	<u>£(4,368)</u>

9. SHARE CAPITAL

Authorised

10,000 Ordinary Shares of £1 each

<u>1979</u>	<u>1978</u>
£10,000	£10,000

Issued

9,999 Ordinary Shares of £1 each

<u>1979</u>	<u>1978</u>
£ 9,999	£ 9,999

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

NOTES ON THE ACCOUNTS (Continued)

10. SUBSIDIARY COMPANY NOT CONSOLIDATED

Acorn Dress Limited ceased trading in March 1976. This Company's accounts have not been consolidated, as the Directors consider that they are not material in the context of the Group's activities.

11. DIRECTORS' LOAN ACCOUNTS

Two Directors had debit balances on loan accounts with the Company at 19th July 1978. Both Directors have now repaid the balances owed.

12. CAPITAL COMMITMENTS

There were no capital commitments authorised or contracted for at 31st July 1979.

13. TAX STATUS

The Company is a close company as defined by the Income and Corporation Taxes Act 1970.

JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

SOURCE AND APPLICATION OF GROUP FUNDS

for the period ended

31st JULY 1979

	<u>1979</u>	<u>1978</u>
<u>SOURCE</u>		
Group profit before tax	377,425	435,988
Extraordinary items	-	40,210
Adjustment for items not involving the movement of funds:-		
Depreciation	39,937	15,434
Valuation adjustment	-	(40,210)
Profit/Loss on sale of fixed assets	(4,109)	6,759
Proceeds of sales of fixed assets	9,550	18,449
	<hr/>	<hr/>
<u>TOTAL GENERATED FROM OPERATIONS</u>	422,803	476,630
 <u>APPLICATION</u>		
Purchase of fixed assets	49,633	38,412
Taxation paid	2,131	-
Investment in Associated Company	46,070	-
	<hr/>	<hr/>
	97,834	38,412
	<hr/>	<hr/>
	£324,969	£438,218
	<hr/>	<hr/>
 <u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>		
Stocks	122,388	31,021
Debtors	25,040	(178,871)
Creditors	259,596	463,610
Directors' Loan Accounts	(58,903)	5,606
Cash	(23,298)	65,286
Borrowings	146	51,566
	<hr/>	<hr/>
	£324,969	£438,218
	<hr/>	<hr/>

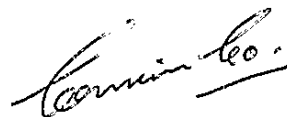
JUMP KNITWEAR LIMITED
(formerly Louis Caring (Sales) Limited)

REPORT OF THE AUDITORS TO THE MEMBERS OF
JUMP KNITWEAR LIMITED

We have examined the accounts set out on pages 3 to 10 which have been prepared under the historical cost convention, (supplemented by the revaluation of leasehold property).

Leasehold property was revalued by the Directors as at 19th July 1978. No professional valuation was made. The determination of the value of leasehold property involves a judgement which is not capable of substantiation by auditing procedures.

With this reservation, in our opinion the accounts give, under the accounting convention stated, a true and fair view of the state of affairs of the company and the group at 31st July 1979, and of the profit and of the source and application of group funds for the period ended on that date, and comply with the Companies Acts 1948 and 1967.



COMINS & CO.
CHARTERED ACCOUNTANTS

22 St. Andrew Street,
London, EC4A 3AN.

22nd January 1980.