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TURNBULL & ASSER(HOLDINGS)LIMITED

DIRECTORS' REPORT

AND

ACCOUNTS

Year ended 31st January, 1979

MacIntyre Hudson
Chartered Accountants
22 Chancery Lane
London, WC2A 1LL



TURNBULL & ASSER(HOLDINGS)LIMITED

Notice is hereby given that the Sixth Annual General Meeting of the company will be held at 23, Bury Street, London, S.W.1. at 11 a.m. on Friday, 14th September 1979 for the following purposes:

1. The Secretary to read the notice convening the meeting.
2. To receive, consider and adopt the Report and accounts for the year ended 31st January, 1979.
3. To declare a dividend.
4. To elect a director.
5. To re-appoint the auditors.
6. To authorise the directors to fix the remuneration of the auditors.
7. To transact any other ordinary business of the company.

71/72 Jermyn Street,
London, S.W.1.
22nd August 1979

By order of the board
A.F.H. Carlisle
Secretary

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS
year ended 31st January 1979

DIRECTORS

The following were directors throughout the year:

Kenneth T. Williams
Alfred G. Arnold
Gerald A. Smith
Anthony F.H. Carlisle (appointed 15th March 1979)

It is with deep regret that the death of Mr. Alfred G. Arnold, on 15th March, 1979 was noted.

ACTIVITIES AND STATE OF AFFAIRS

The company continues to act as holding company of a group which trades as shirtmakers and clothiers.

In the directors' view the state of the company's affairs is satisfactory.

APPROPRIATIONS

The year's results are set out in the accounts which follow. A dividend of £33,450 is proposed by the board.

DIRECTORS' INTERESTS

The directors held the following shares in the company:

	31.1.79	31.1.78
K.T. Williams	34,400	34,400
A.G. Arnold	27,700	27,700
G.A. Smith (As Trustee)	24,875	24,875

FIXED ASSETS

During 1978/79 subsidiary companies acquired plant, machinery and vehicles costing £11,720, and freehold premises at a cost of £10,181.

The directors are unable to give an exact market value of the group's freehold properties, but are of the opinion that it is greater than book value. In the opinion of the directors the cost of professional valuation is not justified.

OTHER MATTERS

The company is a close company as defined for taxation purposes.

Of the group's total sales of £3,081,916, £429,235 (1978: £299,598) were export sales. In addition export commission of £14,111 (1978: £21,258) was earned.

The average number of persons employed by the group during the year was 407, and their aggregate remuneration was £1,003,402.

AUDITORS

Messrs. MacIntyre Hudson have expressed their willingness to be re-appointed.

71/72 Jermyn Street,
London, S.W.1.

14th August 1979

By order of the board
A.F.H. Carlisle
Secretary

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT
year ended 31st January 1979

	Notes	£	1979	£	£	1978	£
GROUP PROFIT before taxation	6			519,371		464,171	
TAXATION	2			<u>265,550</u>		<u>240,739</u>	
PROFIT after taxation				253,821		223,432	
Retained by subsidiaries				<u>217,182</u>		<u>195,723</u>	
HOLDING COMPANY'S PROFIT available for appropriation				36,639		27,709	
HOLDING COMPANY'S UNAPPROPRIATED PROFIT brought forward		106,965			103,074		
Add: Dividend waived in prior year		<u>-</u>		<u>106,965</u>	<u>6,170</u>	<u>109,244</u>	
				143,604		136,953	
DIVIDEND	8			<u>33,450</u>		<u>29,988</u>	
HOLDING COMPANY'S RETAINED PROFITS carried forward				110,154		106,965	
SUBSIDIARIES RETAINED PROFITS carried forward	7			<u>675,880</u>		<u>464,434</u>	
GROUP RETAINED PROFITS				<u>£786,034</u>		<u>£571,399</u>	

TURNBULL & ASSER(HOLDINGS)LIMITED

BALANCE SHEET

31st January 1979

	Notes	£	1979	£	£	1978	£
INVESTMENTS IN SUBSIDIARIES							
- at cost	5			373,439			373,439
DUE FROM SUBSIDIARIES				<u>104,616</u>			<u>99,964</u>
				478,055			473,403
CURRENT ASSETS							
Debtors			4,349			4,653	
Due from trustees of The Turnbull & Asser(Holdings) Trust				20,380		20,380	
Cash at bank				<u>606</u>		<u>1,827</u>	
				<u>£25,335</u>		<u>£26,860</u>	
CURRENT LIABILITIES							
Creditors			7,451			6,750	
Due to directors			1,394			5,093	
Taxation			-			527	
Proposed dividend			<u>33,450</u>			<u>29,987</u>	
			<u>£42,295</u>			<u>£42,357</u>	
Net current liabilities				(16,960)		(15,497)	
NET ASSETS				<u>£461,095</u>		<u>£457,906</u>	
SHAREHOLDERS' INTERESTS							
SHARE CAPITAL	4			30,200		30,200	
SHARE PREMIUM ACCOUNT				320,741		320,741	
RETAINED PROFIT				<u>110,154</u>		<u>106,965</u>	
				<u>£461,095</u>		<u>£457,906</u>	

Directors:

K.T. WILLIAMS

A.F.H. CARLISLE

We certify that the above Balance Sheet and annexed Profit and Loss Account, Report of the Directors and Report of the Auditors are true copies of those laid before the members during the period to which the 1979 Annual Return relates.

K.T. Williams.....Director

A.F.H. Carlisle.....Secretary

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1979

STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies which are adopted in the preparation of the group accounts are set out below.

A. BASIS OF CONSOLIDATION

The consolidated accounts include the accounts of the company and all its subsidiaries with the exception of Hampton Bros.(New Cross)Limited, which was acquired during the year. The cost of acquisition of Hampton Bros.(New Cross)Limited has been substantially written down during the year and it has not traded since its acquisition by the group. In these circumstances the aforesaid company has not been consolidated as the amounts involved are not material.

B. DEPRECIATION

Depreciation is calculated to write off the cost of assets in equal instalments on the following basis:

Freehold property	Nil
Short leases	Over the unexpired period of the lease
Fixtures and fittings and plant	5% and 10% of cost
Vehicles	20% of cost

Insofar as depreciation has not been provided on freehold property the group has not complied with the Statement of Standard Accounting Practice No.12. In the opinion of the directors, the amounts involved are not material.

C. DEFERRED TAXATION

Provision is made in full for taxation deferred by capital allowances and stock appreciation relief.

D. STOCKS AND WORK IN PROGRESS

Stocks are valued at the lower of cost and net realisable value on bases consistent with those adopted in previous years.

Work in progress is valued at cost of direct materials and labour with no addition for overheads.

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1979

NOTES TO ACCOUNTS

	Freehold property £	Leasehold premises (short leases) £	Fixtures & fittings, plant and vehicles £	Total £
1. FIXED ASSETS : GROUP				
Cost:				
Opening total	152,730	10,542	222,773	386,045
Additions	10,181	-	11,720	21,901
Disposals	-	-	(4,799)	(4,799)
Closing total	<u>£162,911</u>	<u>£10,542</u>	<u>£229,694</u>	<u>£403,147</u>
Depreciation:				
Opening total	1,000	6,000	140,053	147,053
Provision	-	1,542	16,383	17,925
Disposals	-	-	(2,694)	(2,694)
Closing total	<u>£ 1,000</u>	<u>£ 7,542</u>	<u>£153,742</u>	<u>£162,284</u>
Net book values:				
At 31st January 1979	<u>£161,911</u>	<u>£ 3,000</u>	<u>£ 75,952</u>	<u>£240,863</u>
At 31st January 1978	<u>£151,730</u>	<u>£ 4,542</u>	<u>£ 82,720</u>	<u>£238,992</u>

A subsidiary company owns the lease of 23 Bury Street, for the period to 25th December 1981.

	1979 £	1978 £
2. TAXATION		
a) Balance Sheet - Current Liabilities		
Corporation Tax - payable 1.11.79 or later	170,113	17,819
Deduct: Advance Corporation Tax	<u>(14,770)</u>	<u>(10,475)</u>
	<u>£155,343</u>	<u>£ 7,344</u>
b) Balance Sheet - Deferred Taxation		
The provision for deferred taxation comprises:		
(i) Taxation deferred by capital allowances	30,065	26,260
(ii) Taxation deferred by stock appreciation relief	<u>409,833</u>	<u>218,201</u>
	<u>£439,898</u>	<u>£244,461</u>
c) Profit and Loss Account		
Corporation Tax has been provided for at the rate of 52% as follows:		
Taxation on the year's profits	170,113	17,819
Deferred taxation adjustment	2,877	(935)
- Capital allowances	<u>92,560</u>	<u>223,855</u>
- Stock appreciation relief	<u>£265,550</u>	<u>£240,739</u>

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1979

NOTES TO ACCOUNTS (continued)

3. LONG TERM LIABILITIES	1979 £	1978 £
(i) Loan repayable by annual instalments of £6,000	8,433	14,433
(ii) Loan repayable by equal annual instalments of £10,000	20,000	30,000
(iii) Loan repayable by equal annual instalments of £10,000	<u>30,000</u>	<u>40,000</u>
The loans are secured by charges over the group's freehold properties. A subsidiary company has guaranteed the loan shown at No.(iii) above.	<u>£ 58,433</u>	<u>£ 84,433</u>

4. SHARE CAPITAL		
Authorised, issued and fully paid		
302,000 Ordinary shares of 10p each	<u>£ 30,200</u>	<u>£ 30,200</u>

5. SUBSIDIARY COMPANIES

Shareholdings in subsidiary companies, expressed as a percentage of issued shares, are as follows:

Name of subsidiary	Held by Turnbull & Asser(Holdings) Limited	Held by sub-sidiaries	Country of Incorporn.
Turnbull and Asser Ltd.	100%	-	England
Eagle Shirt Co.(London)Ltd.	55%	45%	England
Hawes and Curtis Ltd.	-	100%	England
Hawes & Curtis(Tailors)Ltd.	-	100%	England
Caldwell Young and Company Ltd.	-	100%	Scotland
Lansdowne Leather Goods Ltd.	-	100%	England
Hampton Bros.(New Cross)Ltd.	-	100%	England

6. GROUP PROFIT BEFORE TAXATION	1979 £	1978 £
a) Group turnover for the year(excluding intra group transactions)	<u>£3,081,916</u>	<u>£2,807,320</u>
b) The following items were charged in arriving at group profit before taxation:		
Depreciation and amortisation	17,925	21,034
Auditors' remuneration	3,425	3,150
Amount written off investment in subsidiary company	1,400	1,400
Hire purchase interest payable	745	991
Loan interest payable	9,129	11,206
Bank interest payable	19,050	8,252
Plant hire	<u>313</u>	<u>313</u>
Bank interest receivable	<u>1,014</u>	<u>2,258</u>

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1979

NOTES TO ACCOUNTS (continued)

6. GROUP PROFIT BEFORE TAXATION (continued)	1979 £	1978 £
Directors' emoluments:		
Salaries and commission	44,834	45,655
Superannuation contributions	7,522	5,648
Estimated benefits	<u>1,200</u>	<u>1,150</u>
Chairman and highest paid director	<u>22,833</u>	<u>22,333</u>
The number of directors in each category of remuneration was as follows:		
£ 1 - £ 2,500	1	1
£17,501 -£20,000	1	-
£20,001 -£27,500	-	2
£22,501 -£25,000	1	-

c) The accounts of all subsidiary companies which have been consolidated, are made up to 31st January 1979.

7. SUBSIDIARIES RETAINED PROFITS	1979 £	1978 £
Retained profits brought forward	464,434	267,766
Prior year tax adjustments	<u>-</u>	<u>945</u>
	464,434	268,711
Retained for the year	<u>217,182</u>	<u>195,723</u>
	681,616	464,434
Less: Amount written off cost of investment in a subsidiary company acquired during the year	<u>5,736</u>	<u>-</u>
Retained profits carried forward	<u>£675,880</u>	<u>£464,434</u>
8. DIVIDENDS		
12½p (1978: 12½p) per share	37,750	37,750
Less amounts waived	<u>4,300</u>	<u>7,762</u>
	<u>£ 33,450</u>	<u>£ 29,988</u>

9. CONTINGENT LIABILITIES

The company has issued a guarantee in favour of one of Turnbull and Asser Limited subsidiary companies to the extent of £15,000. That company's overdraft at 31st January 1979, stood at £14,835 (1978: £15,542).

TURNBULL & ASSER(HOLDINGS)LIMITED

GROUP MOVEMENT OF FUNDS
year ended 31st January 1979

	£	1979	£	1978	£
SOURCE OF FUNDS					
Group profit before taxation		519,371		464,171	
Adjustment for items not involving the movement of funds:					
Depreciation	17,925		21,034		
Profit on disposal of fixed assets	(615)		(1,127)		
Amount written off investment in a subsidiary company	<u>1,400</u>	<u>18,710</u>	<u>1,400</u>	<u>21,307</u>	
TOTAL GENERATED BY OPERATIONS		538,081		485,478	
FUNDS FROM OTHER SOURCES					
Disposal of fixed assets - proceeds		<u>2,720</u>		<u>3,759</u>	
		540,801		489,237	
APPLICATION OF FUNDS					
Purchase of investment	7,040		-		
Dividends paid	29,987		24,031		
Tax paid	22,114		161,843		
Purchase of fixed assets	<u>21,901</u>	<u>81,042</u>	<u>25,855</u>	<u>211,729</u>	
		<u>£459,759</u>		<u>£277,508</u>	
INCREASE/(DECREASE)IN WORKING CAPITAL					
Stock and work in progress	252,893		496,745		
Debtors	75,503		79,885		
Creditors	(36,559)		(82,900)		
Amount due to directors	<u>3,868</u>	<u>295,705</u>	<u>10,713</u>	<u>504,443</u>	
Movement of net liquid funds:					
Cash - increase/decrease	144,931		(103,005)		
Bank overdraft - increase	(6,877)		(139,930)		
Long term liabilities - decrease	<u>26,000</u>	<u>164,054</u>	<u>16,000</u>	<u>(226,935)</u>	
		<u>£459,759</u>		<u>£277,508</u>	

REPORT OF THE AUDITORS
TO THE MEMBERS OF
TURNBULL & ASSER(HOLDINGS)LIMITED

We have examined the accounts and accounting policies stated therein, set out on pages 2 to 9, which have been prepared under the historical cost convention.

In our opinion, these accounts give, under the accounting convention stated above and so far as concerns the members of the holding company, a true and fair view of the state of the company's financial affairs at 31st January 1979 and of the results and movement of funds for the year ended on that date and comply with the Companies Acts 1948 and 1967.

22 Chancery Lane
London, WC2A 1LL

14th August 1979

MacIntyre Hudson

Chartered Accountants