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TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

DIRECTORS' REPORT
AND
ACCOUNTS
Year ended 31st January 1981

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



TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

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REPORT OF THE DIRECTORS
year ended 31st January 1981

DIRECTORS

The following were directors during the year:

Kenneth T. Williams
Gerald A. Smith (resigned 8th May 1980)
Anthony F.H. Carlisle
Gavin F. Casey (appointed 8th May 1980)

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 125% is proposed by the board, which after waivers would amount to a payment of £32,957.

DIRECTORS' INTERESTS

The directors held the following shares in the company:

	31.1.81	31.1.80
K.T. Williams	38,350	37,750
A.F.H. Carlisle	7,100	6,500
G.A. Smith (as Trustee)	-	16,025

FIXED ASSETS

During 1980/81 subsidiary companies acquired plant, machinery and vehicles costing £53,733. A further £8,945 was expended on improving freehold premises.

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 £3,100,754, £339,500 (1980:£213,076) were export sales. In addition export commission of £32,402 (1980: £13,941) was earned.

The average number of persons employed by the group during the year was 406, and their aggregate remuneration was £1,248,006.

AUDITORS

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

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

23rd October 1981

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

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET
31st January 1981

	Notes	£	1981	£	£	1980	£
FIXED ASSETS	1			295,268			269,337
INVESTMENT IN SUBSIDIARY NOT CONSOLIDATED				1,304			1,304
CURRENT ASSETS							
Stock		1,586,285				1,413,868	
Debtors		408,212				436,264	
Bank and cash balances		200,242				321,041	
Tax recoverable		<u>16,316</u>				<u>-</u>	
		£2,211,055				£2,171,173	
CURRENT LIABILITIES							
Due to affiliated company		55,549				63,374	
Creditors		380,311				340,341	
Due to directors		3,880				186	
Taxation	2	4,545				189,912	
Bank overdraft	3	148,823				211,903	
Proposed dividend		<u>32,957</u>				<u>32,994</u>	
		£ 626,065				£ 838,710	
Net current assets				1,584,990			1,332,463
				1,881,562			1,603,104
OTHER LIABILITIES							
Long term liabilities	3			155,000			32,432
NET ASSETS				£1,726,562			£1,570,672
Represented by:							
SHARE CAPITAL	4			30,200			30,200
RESERVE ARISING ON CONSOLIDATION				150,187			137,141
RETAINED PROFITS				1,503,676			971,051
SHAREHOLDERS' INTERESTS				1,684,063			1,138,392
MINORITY INTEREST				2,187			9,722
DEFERRED TAXATION	2			40,312			422,558
				£1,726,562			£1,570,672

Directors:

K.T. Williams
K.T. WILLIAMS

A.F.H. CARLISLE

A.F.H. Carlisle

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT
year ended 31st January 1981

	Notes	£	1981 £	1980 £
GROUP PROFIT BEFORE TAXATION	7		186,753	395,784
TAXATION	2		14,698	216,685
DEFERRED TAXATION RELEASED			(395,824)	-
TAXATION (CREDIT)/CHARGE			(381,126)	216,685
GROUP PROFIT AFTER TAXATION BEFORE EXTRAORDINARY ITEMS			567,879	179,099
MINORITY SHARE OF LOSS			6,155	9,117
			<u>574,034</u>	<u>188,216</u>
EXTRAORDINARY ITEMS				
Amount written off cost of shares in subsidiary	12,728			
Less: Surplus on disposal of freehold property less tax	<u>2,912</u>		<u>9,816</u>	<u>-</u>
GROUP PROFIT AFTER TAXATION AND EXTRAORDINARY ITEMS			564,218	188,216
DIVIDEND PAYABLE	8		<u>32,957</u>	<u>32,994</u>
GROUP RETAINED PROFIT FOR YEAR 6				
Retained by holding company	6,070			4,512
Retained by subsidiaries	<u>525,191</u>			<u>150,710</u>
			<u>£531,261</u>	<u>£155,222</u>
EARNINGS (excluding the release of deferred taxation) per 10p ordinary share			56.97p	59.30p

TURNBULL & ASSER(HOLDINGS)LIMITED

BALANCE SHEET

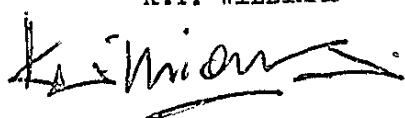
31st January 1981

	Notes	£	1981 £	£	1980 £
INVESTMENTS IN SUBSIDIARIES					
- at cost	5		373,439		373,439
DUE FROM SUBSIDIARIES			<u>136,068</u>		<u>114,220</u>
			509,507		487,659
CURRENT ASSETS					
Advance Corporation Tax recoverable	2	2,429		-	
Debtors		4,787		10,075	
Due from Trustees of The Turnbull & Asser(Holdings) Trust		7,400		10,780	
Cash at bank		<u>1,419</u>		<u>987</u>	
		£16,035		£21,842	
CURRENT LIABILITIES					
Creditors		16,153		10,278	
Due to directors		3,880		186	
Taxation		875		436	
Proposed dividend		<u>32,957</u>		<u>32,994</u>	
		£53,865		£43,894	
Net current liabilities			(37,830)		(22,052)
NET ASSETS			<u>£471,677</u>		<u>£465,607</u>
SHAREHOLDERS' INTERESTS					
SHARE CAPITAL	4		30,200		30,200
SHARE PREMIUM ACCOUNT			320,741		320,741
RETAINED PROFIT			<u>120,736</u>		<u>114,666</u>
			£471,677		£465,607

Directors:

K.T. WILLIAMS

A.F.H. CARLISLE




TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1981

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. The cost of acquisition of Hampton Bros.(New Cross)Limited has been substantially written down, 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.

The accounts of all subsidiary companies which have been consolidated are made up to 31st January 1981.

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, fittings and plant	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.

The provision for deferred tax in respect of stock appreciation relief has been written back in these accounts as in the directors' opinion there is no likelihood that the group will have to account for this to the Inland Revenue.

D. STOCKS AND WORK IN PROCESS

Stocks are valued at the lower of cost or 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.

E. FOREIGN CURRENCY

All assets, liabilities, turnover and profits or losses expressed in currencies other than Sterling, are translated to Sterling at rates of exchange ruling at the end of the financial year.

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1981

NOTES TO ACCOUNTS

	Freehold property £	Short lease- hold premises £	Fixtures, fittings, plant and vehicles £	Total £
1. FIXED ASSETS: GROUP				
Cost: Opening total	162,911	10,542	271,034	444,487
Exchange variation	-	-	(2,518)	(2,518)
Additions	8,945	-	53,733	62,678
Disposals	(1,155)	-	(51,282)	(52,437)
Closing total	<u>£170,701</u>	<u>£10,542</u>	<u>£270,967</u>	<u>£452,210</u>
Depreciation: Opening total	1,000	8,542	165,608	175,150
Exchange variation	-	-	(220)	(220)
Provision	-	1,000	28,071	29,071
Disposals	-	-	(47,059)	(47,059)
Closing total	<u>£ 1,000</u>	<u>£ 9,542</u>	<u>£146,400</u>	<u>£156,942</u>
Net book values:				
At 31st January 1981	<u>£169,701</u>	<u>£ 1,000</u>	<u>£124,567</u>	<u>£295,268</u>
At 31st January 1980	<u>£161,911</u>	<u>£ 2,000</u>	<u>£105,426</u>	<u>£269,337</u>

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

	1981 £	1980 £
2. TAXATION		
a) Balance Sheet - Current Assets		
Corporation Tax recoverable	13,887	-
Advance Corporation Tax carried forward as recoverable	<u>2,429</u>	<u>-</u>
	<u>£16,316</u>	<u>£ -</u>
b) Balance Sheet - Current Liabilities		
Corporation Tax - payable 1.11.81 or later	16,255	204,248
Deduct: Advance Corporation Tax	<u>(11,710)</u>	<u>(14,336)</u>
	<u>£ 4,545</u>	<u>£189,912</u>
c) Balance Sheet - Deferred Taxation		
Opening balance	422,558	439,898
Adjustments for the year:		
- Capital allowances	13,576	(608)
- Stock appreciation relief	-	12,338
Provision for stock relief no longer required	<u>(395,824)</u>	<u>(29,070)</u>
Closing balance	<u>£ 40,312</u>	<u>£422,558</u>

The provision for deferred tax in respect of stock appreciation relief has been written back as in the directors' opinion there is no likelihood that the company will have to account for past relief. The potential tax liability if group companies had to account to the Inland Revenue for unrecovered stock appreciation relief at rates between 40% and 52% is £487,332.

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1981

NOTES TO ACCOUNTS (continued)

2. TAXATION (continued)	1981 £	1980 £
d) Profit and Loss Account		
U.K. Corporation Tax has been provided for at rates between 40% and 52% as follows:		
Taxation on the year's profits	16,255	204,955
Recoverable from prior year	(13,887)	-
Loss relief on chargeable gain	(1,248)	-
Deferred Tax adjustment	<u>13,578</u>	<u>11,730</u>
	14,698	216,685
Release of deferred taxation provision in respect of stock appreciation relief	(395,824)	-
	<u>£(381,126)</u>	<u>£216,685</u>

3. LONG TERM LIABILITIES

i) Loan repayable in 1980	-	2,432
ii) Loan repayable by equal annual instalments of £10,000	-	10,000
iii) Loan repayable by equal annual instalments of £10,000	10,000	20,000
iv) Loan repayable by equal annual instalments of £30,000	<u>145,000</u>	-
	<u>£155,000</u>	<u>£ 32,432</u>

The loans and bank overdrafts are secured by charges over the group's freehold properties. A subsidiary company has guaranteed the loan shown at No.(iii) above.

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 1981 stood at £20,156 (1980: £20,304).

4. SHARE CAPITAL

Authorised, issued and fully paid 302,000 Ordinary shares of 10p each	<u>£ 30,200</u>	<u>£ 30,200</u>
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TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1981

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NOTES TO ACCOUNTS (continued)

5. SUBSIDIARY COMPANIES

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

<u>Name of subsidiary</u>	<u>Held by Turnbull & Asser(Holdings) Limited</u>	<u>Held by sub-sidiaries</u>	<u>Country of incorporation</u>
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
James Drew Ltd.	-	100%	England
Turnbull and Asser(Ontario)Ltd.	-	51%	Canada

6. GROUP REVENUE RESERVES

	1981 £	1980 £
At 1st February		
Exchange variation	971,051	786,034
Prior year tax adjustments	1,364	-
Provision for stock relief no longer required	-	725
Retained profit for year -	-	29,070
Holding company	6,070	4,512
Subsidiaries	525,191	150,710
At 31st January	<u>£1,503,676</u>	<u>£971,051</u>

TURNBULL & ASSER(HOLDINGS)LIMITED
AND ITS SUBSIDIARY COMPANIES
year ended 31st January 1981

NOTES TO ACCOUNTS (continued)

7. GROUP PROFIT BEFORE TAXATION	1981 £	1980 £
a) Group turnover for the year (excluding intra group transactions)	<u>£3,100,754</u>	<u>£2,978,873</u>
b) The following items were charged in arriving at group profit before taxation:		
Depreciation and amortisation	29,071	26,100
Auditors' remuneration	5,100	4,205
Amount written off investment in subsidiary company	1,400	1,400
Plant hire	168	192
Loan interest payable	16,548	9,205
Bank interest payable	40,347	27,678
	<hr/>	<hr/>
Bank interest receivable	<u>26,144</u>	<u>20,637</u>
Directors' emoluments:		
Salaries and commission	49,596	49,634
Superannuation contributions	1,894	3,013
Estimated benefits	800	1,200
	<hr/>	<hr/>
Chairman and highest paid director	<u>29,846</u>	<u>28,299</u>
The number of directors in each category of remuneration was as follows:		
£ 1 - £ 5,000	2	1
£ 5,001 - £10,000	-	1
£10,001 - £15,000	-	1
£15,001 - £20,000	1	-
£25,001 - £30,000	1	1
8. DIVIDENDS		
12½p (1980: 12½p) per share	37,750	37,750
Less amounts waived	<u>4,793</u>	<u>4,756</u>
	<u>£32,957</u>	<u>£32,994</u>

TURNBULL & ASSER(HOLDINGS)LIMITED

GROUP MOVEMENT OF FUNDS
year ended 31st January 1981

	£	1981	£	1980	£
SOURCE OF FUNDS					
Group profit before taxation			186,753		395,784
Adjustment for items not involving the movement of funds:					
Depreciation and amortisation	29,071			26,100	
Profit on disposal of fixed assets	(67)			(682)	
Amount written off investment in a subsidiary company	1,400			1,400	
Formation expenses written off	(160)		30,244	-	26,818
TOTAL GENERATED BY OPERATIONS			216,997		422,602
FUNDS FROM OTHER SOURCES					
Disposal of fixed assets - proceeds	9,605			4,511	
Issue of shares in a subsidiary	2			31,406	
Exchange variation	1,361		10,968	-	35,917
			227,965		458,519
APPLICATION OF FUNDS					
Purchase of investment	2			12,568	
Dividends paid	32,994			33,450	
Tax paid	204,052			169,660	
Purchase of fixed assets	62,678		299,726	58,403	274,081
			£(71,761)		£184,438
(DECREASE)/INCREASE IN WORKING CAPITAL					
Stock and work in progress	172,417			75,458	
Debtors	(28,052)			49,132	
Creditors	(32,145)			(90,806)	
Amount due to directors	(3,694)		108,526	1,404	35,188
Movement of net liquid funds:					
Cash - decrease/increase	(120,799)			132,978	
Bank overdraft - decrease/increase	63,080			(9,729)	
Long term liabilities - increase/decrease	(122,568)		(180,287)	26,001	149,250
			£(71,761)		£184,438

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

We have audited the accounts and accounting policies stated therein, set out on pages 2 to 10, which have been prepared under the historical cost convention. Our audit was conducted in accordance with approved Auditing Standards.

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 1981 and of the results and movement of funds for the year then ended and comply with the Companies Acts 1948 to 1980.

22 Chancery Lane
London, WC2A 1LL

23rd October 1981

MacIntyre Hudson
MacIntyre Hudson

Chartered Accountants