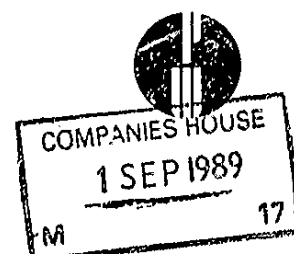


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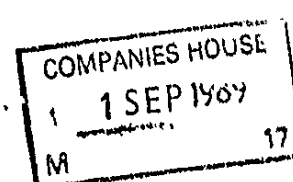
*Price Waterhouse*



DIRECTORS' REPORT AND ACCOUNTS

TIME RETAIL FINANCE LIMITED

31 January 1989



## TIME RETAIL FINANCE LIMITED

### DIRECTORS' REPORT FOR THE PERIOD FROM 11 APRIL 1988 TO 31 JANUARY 1989

The directors present their report and audited accounts of the company for the period ended 31 January 1989.

### SHARE CAPITAL AND ACCOUNTING REFERENCE DATE

The company was incorporated on 11 April 1988 under the name of Legibus 1147 Limited. The company has changed its name as follows:

21 June 1988	To Time Financial Services Limited
21 July 1988	To Time Retail Credit Limited
30 November 1988	To Time Retail Finance Limited

The company was incorporated with an authorised share capital of 100 Ordinary shares of £1 each. On incorporation, 2 shares were issued for cash at par value. At an extraordinary general meeting held on 30 November 1988 a special resolution was passed increasing the authorised share capital of the company to 2,000,002 Ordinary shares of £1 each divided into 1,000,000 "A" Ordinary shares and 1,000,002 "B" Ordinary shares of £1 each. The existing issued 2 Ordinary shares were classified as "B" Ordinary shares.

On the same day the company issued 1,000,000 "A" Ordinary shares and 1,000,000 "B" Ordinary shares of £1 each for cash at par value to Club 24 Limited and Woolworth Holdings plc respectively.

The issue of the shares was to provide the company with finance to enable it to commence trading.

The company has adopted an accounting reference date of 31 January, being the reference date of its shareholders.

### PRINCIPAL ACTIVITIES

The company's principal activity is the provision of retail credit card facilities, together with the financing of fixed term lending through retailers.

## TIME RETAIL FINANCE LIMITED

### DIRECTORS' REPORT FOR THE PERIOD FROM 11 APRIL 1988 TO 31 JANUARY 1989 (CONTINUED)

#### REVIEW OF THE BUSINESS AND RESULTS

The company commenced trading on 4 December 1988. The loss of the company for the year after taxation amounted to £231,307. The company incurred a loss principally due to the short period since the commencement of trading. The directors anticipate that the trading conditions in the coming year will be favourable. No dividend is proposed by the directors.

#### DIRECTORS AND THEIR INTERESTS

All persons who were directors of the company at any time between 11 April 1988 and 31 January 1989 are listed below:

TG Woodburn	(Appointed 11 April 1988, resigned 21 June 1988)
ME Richards	(Appointed 11 April 1988, resigned 21 June 1988)
GC Thomas	(Appointed 21 June 1988)
GJ Keniston-Cooper	(Appointed 21 June 1988)
A Iversen	(Appointed 30 November 1988)
BA Wood	(Appointed 30 November 1988)
H Kenworthy	(Appointed 30 November 1988)
PR Hutchinson	(Appointed 30 November 1988)

No director had an interest in the shares of the company or of Woolworth Holdings plc.

#### FIXED ASSETS

Movements in fixed assets are shown in note 6 to the accounts.

TIME RETAIL FINANCE LIMITED

DIRECTORS' REPORT FOR THE PERIOD FROM 11 APRIL 1988 TO 31 JANUARY 1989  
(CONTINUED)

AUDITORS

Price Waterhouse, who were appointed by the directors as auditors during the period, offer themselves for re-appointment.

By Order of the Board

*P. R. Hutchinson* — .

PR HUTCHINSON  
Secretary

13 March 1989

Registered Office

Claypit Lane  
Leeds  
LS2 8AP

# Price Waterhouse



## AUDITORS' REPORT TO THE MEMBERS OF TIME RETAIL FINANCE LIMITED

We have audited the accounts on pages 5 to 11 in accordance with approved Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31 January 1989 and of its loss for the period then ended and comply with the Companies Act 1985.

*Price Waterhouse*

PRICE WATERHOUSE

Chartered Accountants

13 March 1989

TIME RETAIL FINANCE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 JANUARY 1989

	<u>Notes</u>	
TURNOVER	2	<u>9,922</u>
GROSS PROFIT		9,922
Distribution costs		(1,475)
Administrative expenses		<u>(396,935)</u>
OPERATING LOSS	3	(388,488)
Interest receivable from shareholder companies		<u>41,181</u>
LOSS BEFORE TAXATION		(347,307)
TAXATION	5	<u>116,000</u>
LOSS AFTER TAXATION		<u>£(231,307)</u>

TIME RETAIL FINANCE LIMITED

BALANCE SHEET - 31 JANUARY 1989

	<u>Notes</u>	
FIXED ASSETS		
Tangible assets	6	49,116
CURRENT ASSETS		
Debtors	7	1,894,044
Cash at bank and in hand		<u>100</u>
		1,894,144
CREDITORS (amounts falling due within one year)	8	<u>(174,565)</u>
NET CURRENT ASSETS		<u>1,719,579</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£1,768,695</u>
CAPITAL AND RESERVES		
Called up share capital	9	2,000,002
Profit and loss account - deficit		<u>(231,307)</u>
		<u>£1,768,695</u>

A Iversen  
FR Hutchinson

DIRECTORS

APPROVED BY THE BOARD  
ON 13 MARCH 1989

*A. Iversen*  
*P. R. Hutchinson*

TIME RETAIL FINANCE LIMITED

NOTES TO THE ACCOUNTS - 31 JANUARY 1989

1 ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention.

2 ACCOUNTING POLICIES

(1) Debtors

Full provision is made for doubtful debts using an arrears based method which is designed to provide for those debts which will probably prove to be irrecoverable.

(2) Deferred taxation

No provision is made for deferred taxation unless there is reasonable probability that payment will be made in the foreseeable future.

(3) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost and are written off over the minimum length of the agreement between Time Retail Finance Limited, Woolworth Holdings plc and Club 24 Limited, which is 3 years.

(4) Turnover

Turnover represents interest charges on credit facilities provided to customers.

3 OPERATING LOSS

This is stated after charging:

Depreciation	2,909
Auditors' remuneration	11,000
	<hr/>

TIME RETAIL FINANCE LIMITED

NOTES TO THE ACCOUNTS - 31 JANUARY 1989 (CONTINUED)

4 DIRECTORS AND EMPLOYEES

Staff costs:

Wages and salaries	50,428
Social security costs	4,150
Other pension costs	<u>2,340</u>
	£56,918

Average number of employees (excluding directors)

4

The above includes the following remuneration in respect of directors:

Fees as directors	-
Other emoluments	<u>10,645</u>
	£10,645

The emoluments, excluding pension contributions, of the directors were as follows:

Chairman	£Nil
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Highest paid director	<u>£5,000</u>
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Other directors were in the following ranges:	<u>Number</u>
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£0 - £5,000	6
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# TIME RETAIL FINANCE LIMITED

## NOTES TO THE ACCOUNTS - 31 JANUARY 1989 (CONTINUED)

### 5 TAXATION

Taxation relief receivable from shareholder companies at 35%	£116,000
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### 6 TANGIBLE FIXED ASSETS

	<u>Motor vehicles</u>	<u>Office equipment</u>	<u>Total</u>
Additions	29,737	22,288	52,025
Charge for the period	<u>(1,652)</u>	<u>(1,257)</u>	<u>(2,909)</u>
At 31 January 1989	<u>£28,085</u>	<u>£21,031</u>	<u>£49,116</u>

There were no capital commitments at 31 January 1989.

### 7 DEBTORS

Trade debtors	380,019
Amounts owed by fellow subsidiaries	6,829
Amounts owed by holding company	722,730
Amounts owed by Club 24 Limited	758,823
Other debtors	<u>25,643</u>
	<u>£1,894,044</u>

Included within trade debtors is £7,025 which is receivable after more than one year.

### 8 CREDITORS (due within one year)

Social security and other taxes	48,324
Accruals and other creditors	<u>126,241</u>
	<u>£174,565</u>

# TIME RETAIL FINANCE LIMITED

## NOTES TO THE ACCOUNTS - 31 JANUARY 1989 (CONTINUED)

### CALLED UP SHARE CAPITAL

	<u>Issued and fully paid shares of £1 each</u>		
	<u>Ordinary</u>	<u>"A" Ordinary</u>	<u>"B" Ordinary</u>
11 April 1988 - issued fully paid	2	-	-
30 November 1988 - conversion	(2)	-	2
30 November 1988 - issued fully paid	-	1,000,000	1,000,000
	£-	£1,000,000	£1,000,002

The company was incorporated on 11 April 1988 with an authorised share capital of 100 Ordinary shares of £1 each, of which 2 shares were issued for cash at par on the same day.

At an extraordinary general meeting held on 30 November 1988 a special resolution was passed increasing the authorised share capital to 2,000,002 Ordinary shares of £1 each and converting the ordinary share capital into 1,000,000 "A" Ordinary shares and 1,000,002 "B" Ordinary shares of £1 each.

On the same day, the company issued 1,000,000 "A" Ordinary shares and 1,000,000 "B" Ordinary shares of £1 each for cash at par value.

The issue of shares was to provide the company with finance to enable it to commence trading.

The holders of the shares at 31 January 1989 were:

"A" shares	Club 24 Limited
"B" shares	Woolworth Holdings plc

### 10 PENSION COMMITMENTS

The company's employees, where eligible, are members of the pension schemes of one or other of the shareholder companies. These schemes are financed primarily through separate trustee administered funds. Contributions to these funds, which are charged against profits, are determined by the shareholder companies based on actuarial advice.

TIME RETAIL FINANCE LIMITED

NOTES TO THE ACCOUNTS - 31 JANUARY 1989 (CONTINUED)

11 ULTIMATE HOLDING COMPANY

The ultimate holding company is Woolworth Holdings plc which is incorporated in Great Britain.