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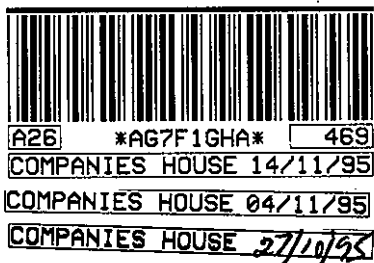
RUPERT MAGNUS TRADING CO PLC

ANNUAL REPORT AND ACCOUNTS

- for the year ended -

30TH APRIL 1995

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# RUPERT MAGNUS TRADING CO PLC

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**RUPERT MAGNUS TRADING CO PLC**

**COMPANY INFORMATION**

**DIRECTORS**

R V Magnus (Chairman)  
E M Magnus  
T P Magee

**SECRETARY**

Mrs P Magnus

**REGISTERED OFFICE**

66 Wigmore Street  
London  
W1H 0HQ

**COMPANY NUMBER**

2374993 (England)

**AUDITORS**

Levy Gee  
Chartered Accountants  
66 Wigmore Street  
London  
W1H 0HQ

# **RUPERT MAGNUS TRADING CO PLC**

## **REPORT OF THE DIRECTORS**

The Directors present their Annual Report together with the Audited Accounts for the year ended 30th April 1995.

### **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 of the profit or loss of the Company 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;
- \* state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Accounts;
- \* prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **RESULTS**

	<u>1995</u>	<u>1994</u>
The results for the year are set out below:		
Profit for the Year before Taxation	4,363	15,726
Taxation	(1,750)	(15,202)
	-----	-----
Retained Profit for the Year after Taxation	£ 2,613	£ 524
	=====	=====

### **DIVIDENDS**

The Directors do not propose a final dividend (1994: Nil).

# RUPERT MAGNUS TRADING CO PLC

## REPORT OF THE DIRECTORS

### REVIEW OF ACTIVITIES

The principal activities of the Company continue to be the wholesaling and publishing of greeting cards and stationery. The Directors are satisfied with the results for the year which were achieved in very difficult economic and trading conditions.

### FIXED ASSETS

Changes during the year are summarised in the Notes to the Accounts.

### DIRECTORS

The Directors during the year and their beneficial interests in the Company's shares at the dates specified were as follows:-

	<u>30th April 1995</u>	<u>1st May 1994</u>
	<u>Ordinary</u>	<u>Ordinary</u>
	<u>Shares</u>	<u>Shares</u>
	<u>of £1 each</u>	<u>of £1 each</u>
R V Magnus	-	-
E M Magnus	-	-
T P Magee	4,000	4,000
	=====	=====

The Directors' beneficial interests in the shares of the Parent Company at the dates specified were as follows:-

	<u>1st May 1994 and 30th April 1995</u>	
	<u>Ordinary "A"</u>	<u>Ordinary</u>
	<u>Shares</u>	<u>Shares</u>
	<u>of £1 each</u>	<u>of £1 each</u>
R V Magnus	2,000	2,000
E M Magnus	4,000	6,000
T P Magee	-	-
	=====	=====

### CHARITABLE CONTRIBUTIONS

During the year there were charitable contributions totalling £675 (1994: £605).

**RUPERT MAGNUS TRADING CO PLC**

**REPORT OF THE DIRECTORS**

**AUDITORS**

In accordance with the Companies Act 1985, a resolution proposing the re-appointment of Levy Gee as Auditors of the Company will be put to the Annual General Meeting.

By Order of the Board



MRS P MAGNUS  
Secretary

24th October 1995

**RUPERT MAGNUS TRADING CO PLC**

**REPORT OF THE AUDITORS TO THE MEMBERS**

We have audited the Accounts on pages 7 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

**Respective Responsibilities of Directors and Auditors**

As described on page 3 the Company's Directors are responsible for the preparation of Accounts. It is our responsibility to form an independent opinion, based on our audit, on those Accounts and to 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.

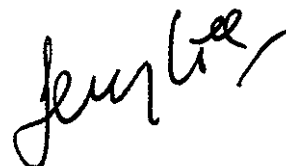
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Accounts.

**Opinion**

In our opinion the Accounts give a true and fair view of the state of the Company's affairs at 30th April 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

66 Wigmore Street  
LONDON W1H 0HQ

24th October 1995



LEVY GEE  
Registered Auditor  
Chartered Accountants

**RUPERT MAGNUS TRADING CO PLC**

**PROFIT AND LOSS ACCOUNT**

**- for the year ended -**

**30TH APRIL 1995**

	<u>Note</u>	<u>1995</u>	<u>1994</u>
		£	£
Turnover	2	3,557,401	3,931,856
Cost of Sales		(2,793,965)	(3,092,648)
Gross Profit		763,436	839,208
Distribution Costs		547,282	700,954
Administrative Expenses		215,777	122,528
		(763,059)	(823,482)
Operating Profit		377	15,726
Interest Receivable		3,986	-
Profit on Ordinary Activities before Taxation	2	4,363	15,726
Taxation on Profit on Ordinary Activities	4	(1,750)	(15,202)
Retained Profit for the Year	10	£ 2,613	£ 524

There are no gains or losses for the year other than those recognised in the Profit and Loss Account.

All amounts relate to continuing activities.



**RUPERT MAGNUS TRADING CO PLC**

**BALANCE SHEET AT 30TH APRIL 1995**

	<u>Note</u>	<u>£</u>	<u>1995</u>	<u>£</u>	<u>1994</u>	<u>£</u>
<b><u>FIXED ASSETS</u></b>						
Tangible	5		30,218		36,638	
<b><u>CURRENT ASSETS</u></b>						
Stock	6	726,103		735,711		
Debtors	7	373,911		558,717		
Cash at Bank and in Hand		400		400		
			1,100,414		1,294,828	
<b><u>CREDITORS - Amounts</u></b>						
<b><u>Falling Due Within One Year</u></b>	8	(1,051,339)		(1,254,786)		
<b><u>NET CURRENT ASSETS</u></b>			49,075		40,042	
			£79,293		£76,680	
<b><u>CAPITAL AND RESERVES</u></b>						
Called Up Share Capital	9	54,000		54,000		
Profit and Loss Account	10	25,293		22,680		
			£79,293		£76,680	

These Accounts were approved by the Board of Directors on 24th October 1995.

  
R V MAGNUS  
Director

  
E M MAGNUS  
Director

**RUPERT MAGNUS TRADING CO PLC**

**CASH FLOW STATEMENT**

- for the year ended -

**30TH APRIL 1995**

	<u>Note</u>	<u>1995</u>	<u>1994</u>
		£	£
Net cash inflow from operating activities	14a	35,120	144,821
Returns on investments and servicing of finance:			
Dividends Paid		-	(40,000)
Interest Received		3,986	-
Net cash inflow from returns on investments and servicing of finance		3,986	(40,000)
Taxation:			
Corporation Tax Paid		(13,953)	(23,795)
Income Tax Paid		(997)	-
		(14,950)	(23,795)
Investing Activities:			
Receipts from sale of fixed assets		13,750	10,750
Payments to dispose of fixed assets		-	(35,000)
Payments to acquire tangible fixed assets		(20,520)	(22,003)
Net cash outflow from investing activities		(6,770)	(46,253)
Increase in Cash and Cash Equivalents	14b,c	£17,386	£34,773

# RUPERT MAGNUS TRADING CO PLC

## NOTES TO THE ACCOUNTS

### 1 ACCOUNTING POLICIES

#### a) Accounting Convention

The Accounts are prepared in accordance with applicable Accounting Standards recognised in the United Kingdom under the Historical Cost Convention.

#### b) Depreciation

Depreciation is provided on all tangible fixed assets in order to write off their cost over their expected useful lives. The rates adopted are as follows:-

Motor Vehicles	20% per annum on reducing balance basis
Plant and Equipment	33 1/3% per annum on straight line basis
Fixtures and Fittings	15% per annum on a straight line basis

#### c) Stock

Stock is valued at the lower of cost and net realisable value.

#### d) Turnover

Turnover represents sales, excluding returns and Value Added Tax, of goods sold during the year.

#### e) Deferred Taxation

Deferred Taxation is provided at the current tax rate on the differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the Accounts. No provision is made where these timing differences are not expected to give rise to a tax liability.

#### f) Pension Costs

Defined contribution pension arrangements are made for certain employees of the Company. The Company's contributions are charged against the profit and loss account in the year in which they become payable. The assets of the pension schemes are held separately from those of the Company in independently administered funds.

# RUPERT MAGNUS TRADING CO PLC

## NOTES TO THE ACCOUNTS

### 2 TURNOVER AND DISCLOSABLE EXPENSES

Turnover and Profit before Taxation are attributable to the main activities of the Company.  
The geographical split of Turnover has been omitted.

The profit before taxation is stated after charging:-

	<u>1995</u>	<u>1994</u>
	£	£
Auditors' Remuneration	11,000	11,000
Depreciation	11,995	12,238
Loss on Disposal of Fixed Asset	1,196	35,702
	=====	=====

### 3 DIRECTORS AND EMPLOYEES INFORMATION

#### Directors Emoluments

	<u>1995</u>	<u>1994</u>
Remuneration	140,252	164,361
Pension Contributions	7,920	27,973
	-----	-----
	£148,172	£192,334
	=====	=====
Chairman (Excluding Pension Contributions)	£34,016	£41,469
	=====	=====
Highest Paid Director (Excluding Pension Contributions)	£62,057	£83,937
	=====	=====

The Emoluments of the other Director excluding pension contributions fell within the following ranges:-

	<u>No.</u>	<u>No.</u>
£40,001 - £45,000	1	-
£45,001 - £50,000	-	1
	=====	=====

# RUPERT MAGNUS TRADING CO PLC

## NOTES TO THE ACCOUNTS

### 3 DIRECTORS AND EMPLOYEES INFORMATION (Continued)

#### Employees Information (Excluding Directors)

	<u>1995</u>	<u>1994</u>
Staff Costs:		
Wages and Salaries	259,705	266,688
Social Security Costs (Including Directors)	36,589	39,579
Staff Pension Costs	719	719
	-----	-----
	£297,013	£306,986
	=====	=====

#### Numbers of Employees:

The average weekly number of employees during the year was:

	<u>1995</u>	<u>1994</u>
Distribution and Sales	11	11
Administration	12	12
	-----	-----
	23	23
	=====	=====

### 4 TAXATION ON ORDINARY ACTIVITIES

	<u>1995</u>	<u>1994</u>
Corporation Tax at 25% (1994:25%) based on the Results for the Year	3,000	15,202
Overprovision in respect of Prior Years	(1,250)	-
	-----	-----
	£ 1,750	£15,202
	=====	=====

### 5 TANGIBLE FIXED ASSETS

	<u>Fixtures and Fittings</u>	<u>Motor Vehicles</u>	<u>Plant and Equipment</u>	<u>Total</u>
Cost at 1st May 1994	6,655	35,599	20,838	63,092
Additions	1,675	15,300	3,545	20,520
Disposals	-	(20,218)	-	(20,218)
	-----	-----	-----	-----
Cost at 30th April 1995	8,330	30,681	24,383	63,394
	-----	-----	-----	-----
Depreciation at 1st May 1994	1,996	8,504	15,954	26,454
Charge for Year	1,249	4,679	6,067	11,995
Eliminated on Disposal	-	(5,273)	-	(5,273)
	-----	-----	-----	-----
Depreciation at 30th April 1995	3,245	7,910	22,021	33,176
	-----	-----	-----	-----
<u>Net Book Value at 30th April 1995</u>	£ 5,085	£22,771	£ 2,362	£30,218
	=====	=====	=====	=====
<u>Net Book Value at 30th April 1994</u>	£ 4,659	£27,095	£ 4,884	£36,638
	=====	=====	=====	=====

**RUPERT MAGNUS TRADING CO PLC**

**NOTES TO THE ACCOUNTS**

**6 STOCK**

	<u>1995</u>	<u>1994</u>
Finished Goods	£726,103 =====	£735,711 =====

**7 DEBTORS**

	<u>1995</u>	<u>1994</u>
<u>Amounts Falling Due Within One Year</u>		
Trade Debtors	246,371	410,156
Amounts owed by Parent Company	79,847	-
Other Debtors	8,264	102,374
Called Up Share Capital Not Paid	1,000	1,600
Prepayments	38,429	44,587
	-----	-----
	£373,911 =====	£558,717 =====

The called up share capital not paid is owed by T P Magee, a director of the Company.

**8 CREDITORS**

	<u>1995</u>	<u>1994</u>
<u>Amounts Falling Due Within One Year</u>		
Bank Overdraft	127,132	144,518
Trade Creditors	834,769	911,241
Amounts owed to Parent Company	-	11,292
Current Corporation Tax	3,000	15,202
Other Taxes and Social Security Costs	12,776	62,823
Other Creditors	58,098	93,377
Accruals	15,564	16,333
	-----	-----
	£1,051,339 =====	£1,254,786 =====

The Bank Overdraft is secured by a fixed and floating charge over the assets of the Company.

**RUPERT MAGNUS TRADING CO PLC**

**NOTES TO THE ACCOUNTS**

**9 SHARE CAPITAL**

	<u>1995</u> <u>Ordinary</u> <u>Shares</u> <u>of £1 each</u>	<u>1994</u> <u>Ordinary</u> <u>Shares</u> <u>of £1 each</u>
<u>Authorised</u>	£250,000	£250,000
	=====	=====
<u>Issued, Called Up and Fully Paid</u>	53,000	52,400
<u>Issued and Called Up</u>	1,000	1,600
	-----	-----
	£54,000	£54,000
	=====	=====

**10 STATEMENT OF RETAINED PROFITS**

	<u>1995</u>	<u>1994</u>
Balance at 1st May 1994	22,680	22,156
Profit for the Year	2,613	524
	-----	-----
Balance at 30th April 1995	£25,293	£22,680
	=====	=====

**11 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<u>1995</u> £	<u>1994</u> £
Profit for the Financial Year and Net Increase in Shareholders' Funds	2,613	524
Opening Shareholders' Funds	76,680	76,156
	-----	-----
Closing Shareholders' Funds	£79,293	£76,680
	=====	=====

**12 TRANSACTIONS WITH DIRECTORS**

During the year the Company sold goods and services at arms length transactions totalling £129,145 to Magnus Imprints Limited, a company of which E Magnus is a Director. In addition, the Company levied a management charge of £80,000 to Magnus Imprints Limited.

# RUPERT MAGNUS TRADING CO PLC

## NOTES TO THE ACCOUNTS

### 13 ULTIMATE PARENT COMPANY

The Ultimate Parent Company is Rupert Magnus Group Limited, a company registered in England and Wales.

### 14 NOTES TO THE CASH FLOW STATEMENT

#### a) Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

	<u>1995</u> £	<u>1994</u> £
Operating Profit	377	45,726
Depreciation Charges	11,995	12,238
Decrease in Stocks	9,608	(145,010)
Decrease in Debtors	185,803	(111,531)
Decrease in Creditors	(173,859)	307,696
Loss on Sale of Fixed Assets	1,196	35,702
	-----	-----
Net Cash Inflow from Operating Activities	£35,120	£144,821
	=====	=====

#### b) Analysis of Changes in Cash and Cash Equivalents during the Year

	£
Balance at 1st May 1994	(144,118)
Net Cash Inflow	17,386
	-----
Balance at 30th April 1995	£(126,732)
	=====

#### c) Analysis of the Balance of Cash and Cash Equivalents as Shown in the Balance Sheet

	<u>1995</u> £	<u>1994</u> £	<u>Change in Year</u> £
Cash at Bank and in Hand	400	400	-
Bank Overdraft	(127,132)	(144,518)	17,386
	-----	-----	-----
	£(126,732)	£(144,118)	£17,386
	=====	=====	=====