

**UNISMART LIMITED**  
**Company No: 2754953**  
**Financial Statements**  
**For the year ended 30th November 1998**

**MYRUS SMITH**  
**Chartered Accountants**

Times House  
Throwley Way  
Sutton  
Surrey  
SM1 4AF



**UNISMART LIMITED**

**Company Information**

**Company No: 2754953**

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**Registered Office**

Times House  
Throwley Way,  
Sutton  
Surrey  
SM1 4AF

**Directors**

S M Smith  
F C Shepherd

**Secretary**

F C Shepherd

**Auditors**

Myrus Smith  
Times House  
Throwley Way  
Sutton  
Surrey  
SM1 4AF

**Page No.**

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## UNISMART LIMITED

### Directors' Report

for the year ended 30th November 1998

The directors submit their report together with the audited financial statements for the year ended 30th November 1998.

#### Directors' Statement

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the loss for that year. In preparing those financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the financial statements 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 the financial statements 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.

#### Principal Activity

The principal activity of the company during the year was as designers and retailers of school uniforms.

#### Year 2000

The directors are aware of the Year 2000 problem and will take adequate measures to minimise any adverse impact that it may have on the company's operations. The directors do not believe that the problem will affect the going concern of the company barring any unforeseen external factors that are out of the company's control.

All expenses to deal with this issue will be written off to the profit and loss account apart from those expense of a capital nature which will be capitalised as fixed assets.

#### Directors and their Interests

The directors who served during the year and their beneficial interests in the share capital of the company were as follows:

	Ordinary shares of £1	
	1998 No.	1997 No.
J Parfitt - (resigned 15/5/98)	-	1
S M Smith	1	1
F C Shepherd - (appointed 12/6/98)	1	-

**UNISMART LIMITED**

**Directors' Report**

**for the year ended 30th November 1998**

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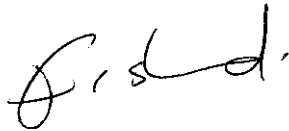
**Auditors**

The Auditors, Myrus Smith Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

**Exemption Statement**

This directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**Approved and signed on behalf of the Board**



**F C Shepherd  
Secretary**

**Times House  
Throwley Way,  
Sutton  
Surrey  
SM1 4AF**

**Registered Office of the Company**

**1st August 1999**

**Auditors' Report to the Shareholders**

**on the Financial Statements for the year ended 30th November 1998**

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We have audited the financial statements on pages 4 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

**Respective responsibilities of the directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

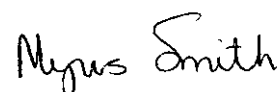
**Basis of Opinion**

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th November 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Times House  
Throwley Way  
Sutton  
Surrey  
SM1 4AF**

**MYRUS SMITH  
Chartered Accountants  
and Registered Auditor**

**5th August 1999**

**UNISMART LIMITED****Profit and Loss Account****for the year ended 30th November 1998**

	<b>Notes</b>	<b>1998 £</b>	<b>1997 £</b>
<b>Turnover</b>	<b>2</b>	391,251	412,439
Cost of sales		(222,596)	(208,214)
<b>Gross profit</b>		168,655	204,225
Administrative expenses		(158,099)	(124,154)
<b>Operating profit</b>	<b>3</b>	10,556	80,071
Interest payable	<b>5</b>	(6,263)	(6,310)
<b>Profit on ordinary activities before Taxation</b>		4,293	73,761
Tax on profit on ordinary activities		(992)	(17,730)
<b>Profit on ordinary activities after Taxation</b>		3,301	56,031
Dividends		(40,975)	(40,777)
<b>Retained (loss)/profit transferred (from)/to reserves</b>		(37,674)	15,254
Retained profit brought forward		44,603	29,349
<b>Retained profit carried forward</b>		6,929	44,603

*All amounts relate to continuing activities.*

*There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.*

*The notes on pages 6 to 10 form part of these financial statements.*

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**UNISMART LIMITED**

**Balance Sheet**

**as at 30th November 1998**

	Notes	1998 £	1998 £	1997 £	1997 £
<b>Fixed Assets</b>					
Tangible Fixed Assets	6		25,298		42,864
<b>Current Assets</b>					
Stock		99,008		105,607	
Debtors	7	11,452		6,857	
		110,460		112,464	
<b>Creditors:</b>					
Amounts falling due within one year	8	(115,706)		(82,076)	
<b>Net Current (Liabilities)/Assets</b>			(5,246)		30,388
<b>Total Assets less Current Liabilities</b>			20,052		73,252
<b>Creditors:</b>					
Amounts falling due after one year	9		(13,121)		(28,647)
			6,931		44,605
<b>Capital and Reserves</b>					
Called up share capital	12		2		2
Profit and loss account			6,929		44,603
Equity Shareholders' Funds	13		6,931		44,605

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 1st August 1999.

S M Smith  
Director

Signed on behalf of the Board

The notes on pages 6 to 10 form part of these financial statements.

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Notes to the Financial Statements

for the year ended 30th November 1998

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**1 Principal Accounting Policies**

***Accounting Convention***

The financial statements have been prepared under the historical cost convention.

***Turnover***

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

***Depreciation***

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Leasehold land and buildings	straight line over the period of the lease
Motor vehicles	25% reducing balance
Furniture and equipment	25% reducing balance

***Stocks***

Stocks are stated at the lower of cost and net realisable value.

***Contribution to Pension Funds***

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

***Leased Assets***

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight-line basis over the lease term.

**2 Turnover**

The turnover and operating profit for the year was derived from the company's principal activity and was carried out wholly in the UK.

**UNISMART LIMITED****Notes to the Financial Statements****for the year ended 30th November 1998****3 Operating Profit***The operating profit is stated after charging or crediting:*

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Other operating lease rentals	16,753	17,690
Auditors remuneration	1,400	2,236
Depreciation - owned assets	2,251	3,002
Depreciation - assets held under hire purchase or finance lease contracts	2,953	7,252
Amortisation of intangible assets	2,421	2,463
Loss on disposal of fixed assets	2,491	-

**4 Directors**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Total remuneration	7,057	-

**5 Interest Payable**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	4,620	4,577
Hire purchase & finance lease interest	1,643	1,733
	6,263	6,310

**UNISMART LIMITED**

**Notes to the Financial Statements**

**for the year ended 30th November 1998**

**6 Tangible Fixed Assets**

	<b>Leasehold Land and Buildings</b>	<b>Plant, Machinery and Other Assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1st December 1997	19,690	55,803	75,493
Disposals	-	(17,674)	(17,674)
At 30th November 1998	19,690	38,129	57,819
<b>Depreciation</b>			
At 1st December 1997	7,584	25,045	32,629
Charge for period	2,421	5,204	7,625
Depreciation on disposals	-	(7,733)	(7,733)
At 30th November 1998	10,005	22,516	32,521
<b>Net Book Value</b>			
Owned assets	-	6,753	6,753
Leased assets	9,685	8,860	18,545
At 30th November 1998	9,685	15,613	25,298
Owned assets	-	9,004	9,004
Leased assets	12,106	21,754	33,860
At 30th November 1997	12,106	30,758	42,864

**7 Debtors**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Trade debtors	5,017	1,821
Other debtors	6,435	5,036
	11,452	6,857

**8 Creditors: Amounts falling due within one year**

	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	25,304	20,404
Net obligations under hire purchase and finance lease contracts	6,186	5,180
Trade creditors	41,394	31,010
Other creditors	39,169	7,947
Corporation tax	3,653	17,535
	115,706	82,076

**UNISMART LIMITED**

**Notes to the Financial Statements**

**for the year ended 30th November 1998**

<b>9</b>	<b>Creditors: Amounts falling due after one year</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Bank loans	13,121	14,589
	Net obligations under hire purchase and finance lease obligations	-	14,058
		<u>13,121</u>	<u>28,647</u>

<b>10</b>	<b>Obligations Under Hire Purchase &amp; Finance Leases</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Obligations under finance leases and hire purchase contracts are analysed as follows:		
	Within one year	6,186	5,180
	Between one and two years	-	14,058
		<u>6,186</u>	<u>19,238</u>

Obligations under finance leases and hire purchase contracts are secured on the assets concerned.

**11 Operating lease commitments**

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the next financial year:

	<b>1998</b>	<b>1997</b>
	<b>Land and buildings</b>	<b>Land and buildings</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within two to five years	16,753	17,690

**12 Share Capital**

<b>Authorised</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
1,000 Ordinary shares of £1 (1997: 1,000)	1,000	1,000
<b>Allotted and fully paid</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
2 Ordinary shares of £1 (1997: 2)	2	2

## Notes to the Financial Statements

for the year ended 30th November 1998

<b>13</b>	<b>Reconciliation of the Movement in Shareholders' Funds</b>	<b>1998</b>	<b>1997</b>
		<b>£</b>	<b>£</b>
	Profit for the financial year	3,301	56,031
	Dividends	(40,975)	(40,777)
	(Decrease)/Increase in shareholders' funds	(37,674)	15,254
	Opening shareholders' funds	44,605	29,351
	Closing shareholders' funds	6,931	44,605

**14 Pensions - Money Purchase Scheme**

The company operates a money purchase pension scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The company contributed £2,932 (1997:nil) to the pension fund during the year.

**15 Related Party Transactions**

Details of related party transactions occurring during the year are as follows:

<b>Name of related party</b>	<b>Nature of Relationship</b>	<b>Transaction Details</b>	<b>Amount</b>	<b>Balance 1998</b>	<b>Balance 1997</b>
			<b>£</b>	<b>£</b>	<b>£</b>
S M Smith	Director	Loan	-	(15,000)	(1,638)
F C Shepherd	Director	Loan	-	(15,000)	-

**16 Controlling Party**

The controlling party of the company is S M Smith and F C Shepherd.