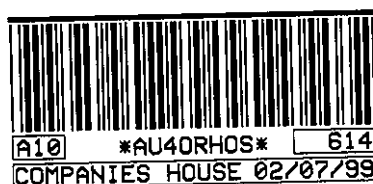


**ROBINSON WEBSTER (HOLDINGS) LIMITED  
AND ITS SUBSIDIARIES**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE 52 WEEK PERIOD ENDED  
26 SEPTEMBER 1998**



**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**Annual report and financial statements for the 52 week period ended  
26 September 1998**

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**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**DIRECTORS, OFFICERS AND ADVISERS**

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**Directors:**

J G Robinson  
C J Bailey  
C S J Atterton  
R Bailey

**Secretary and registered office:**

C S J Atterton,  
159 Mortlake Road, Kew, Surrey, TW9 4AW

**Company number:**

1069599

**Auditors:**

Simmons Gainsford  
Chartered Accountants & Registered Auditors  
7/10 Chandos Street, London W1M 9DE

**Bankers:**

Generale Bank  
HSBC Bank  
Allied Irish Bank  
ING Bank  
Den Danske Bank

**Solicitors:**

Manches & Co.  
Paull & Williamsons

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**DIRECTORS' REPORT**

---

The directors present their report together with the audited financial statements for the 52 week period ended 26 September 1998.

**Results and dividends**

The consolidated profit and loss account is set out on page 6 and shows the profit for the period. Dividends of £1,000,000 on the ordinary shares were recommended for the period under review.

**Principal activities and business review**

The principal activity of the group during the financial year is that of retailers of leisure and fashion wear (under the divisions of 'Jigsaw', 'Jigsaw Menswear', and 'Jigsaw Junior').

Both the level of business and the year end financial position remain satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

**Year 2000 compliance**

We have identified the key risks to the business and have developed a plan to minimise their impact. We have considered not only our own systems but also those of our major suppliers and customers. Although no organisation can guarantee that no year 2000 problems will arise, we believe that, having identified and removed the major risks to the business in accordance with the plan we have developed, it will be possible to quickly resolve any such problems as may arise without significant additional costs

**Post balance sheet event**

The Jigsaw Menswear division was disposed with effect from the 27 September 1998. More details are provided in note 22 to the financial statements

**Fixed assets**

The changes in fixed assets during the year are summarised in notes 10 to 12 to the accounts.

**Market value of land and buildings**

In the opinion of the directors the market value of land and buildings is not less than their book value.

**Employment policies**

Group employment policies respect the individual and offer career opportunities regardless of gender, race or religion. Full and fair consideration is given to the opportunities for training and development of people with disabilities according to their skills and capacity.

**Directors**

The directors of the company at 26 September 1998, all of whom have been directors for the whole period, are listed on page 2.

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**  
**DIRECTORS' REPORT**

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**Directors' interests**

The interests of the directors in the shares of the company and their share options were:

	Shares		1998	Share Options		1997
	1998	1997		Granted	Exercised	
J G Robinson	90,250	95,000	-	-	-	-
C J Bailey	4,750	-	166	166	-	-
C S J Atterton	-	-	166	166	-	-
R Bailey	-	-	166	166	-	-

**Overseas branches**

The company has a branch in Eire.

**Directors' responsibilities**

The directors are required by law to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the group and the company as at the end of the financial year, and of the profit or loss, total recognised gains or losses and cash flows of the group for that period. The directors confirm their responsibility to ensure that appropriate accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the period ended 26 September 1998. The directors also confirm their responsibility to 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 maintaining adequate accounting records, for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

**Donations**

During the year the group made charitable donations of £19,905 (1997: £22,102). No political contributions were made.

**Auditors**

Simmons Gainsford have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

On behalf of the board



**Aldwych Secretaries Limited**  
**Company Secretary**

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**REPORT OF THE AUDITORS**

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To the members of

**Robinson Webster (Holdings) Limited**

We have audited the financial statements on pages 6 to 22 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 to 11.

**Respective responsibilities of directors and auditors**

As described on page 4, the group's directors are responsible for the preparation of 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.

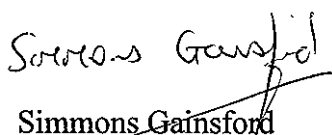
**Basis of opinion**

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 group'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 financial statements 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 financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company and of the group as at 26 September 1998, and of the group's profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.

  
Simmons Gainsford  
Chartered Accountants  
& Registered Auditors  
7/10 Chandos Street  
London W1M 9DE

Date: 17/6/99

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**Consolidated profit and loss account for the 52 week period ended  
26 September 1998**

	Notes	<u>1998</u> £'000	<u>1998</u> £'000	<u>1997</u> £'000	<u>1997</u> £'000
<b>Turnover</b>	2				
Continuing operations		49,584		45,232	
Discontinued operations		<u>10,752</u>		<u>8,614</u>	
			60,336		53,846
Cost of sales	3		<u>(28,880)</u>		<u>(25,425)</u>
<b>Gross profit</b>			31,456		28,421
Net operating costs	3		<u>(25,167)</u>		<u>(20,698)</u>
<b>Operating profit</b>					
Continuing operations		5,809		7,480	
Discontinued operations		<u>480</u>		<u>243</u>	
Operating profit	3, 4		6,289		7,723
<b>Profit on sale of properties</b>					
Continuing operations		86		-	
Discontinued operations		<u>516</u>		<u>-</u>	
			602		-
<b>Profit on ordinary activities before interest</b>			6,891		7,723
Interest receivable and similar income		256		218	
Interest payable and similar charges	5	<u>(198)</u>		<u>(176)</u>	
			58		42
<b>Profit on ordinary activities before taxation</b>			6,949		7,765
Tax on profit on ordinary activities	8		<u>(2,685)</u>		<u>(2,806)</u>
<b>Profit on ordinary activities after taxation</b>			4,264		4,959
Dividends	9		<u>(1,000)</u>		<u>(1,000)</u>
<b>Profit for the financial period</b>	19		<u>3,264</u>		<u>3,959</u>

The group has no recognised gains and losses other than those included in the profit above and, therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference in profit on ordinary activities before taxation and profit for the financial year stated above and the historical cost equivalents and, therefore, no separate note of historical cost profits and losses has been presented.

The notes on pages 9 to 20 form part of these financial statements.

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**Consolidated and company balance sheet as at 26 September 1998**

		Group		Company	
	Notes	1998	1997	1998	1997
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible assets	10	512	539	511	538
Tangible assets	11, 12	16,239	16,281	12,423	12,435
Investment	13	-	-	16	16
		<u>16,751</u>	<u>16,820</u>	<u>12,950</u>	<u>12,989</u>
<b>Current assets</b>					
Stocks	14	13,150	11,072	13,150	11,072
Debtors	15	3,142	2,537	5,981	4,834
Cash at bank and in hand		<u>1,479</u>	<u>743</u>	<u>1,085</u>	<u>448</u>
		<u>17,771</u>	<u>14,352</u>	<u>20,216</u>	<u>16,354</u>
<b>Creditors</b>					
Amounts falling due within one year	16	<u>(12,594)</u>	<u>(11,746)</u>	<u>(12,673)</u>	<u>(11,583)</u>
<b>Net current assets</b>		<u>5,177</u>	<u>2,606</u>	<u>7,543</u>	<u>4,771</u>
<b>Total assets less current liabilities</b>		<u>21,928</u>	<u>19,426</u>	<u>20,493</u>	<u>17,760</u>
<b>Creditors</b>					
Amounts falling due after one year	17	<u>(1,508)</u>	<u>(2,270)</u>	<u>(400)</u>	<u>(800)</u>
		<u>20,420</u>	<u>17,156</u>	<u>20,093</u>	<u>16,960</u>
<b>Capital and reserves</b>					
Called up share capital	18	95	95	95	95
Profit and loss account	19	<u>20,325</u>	<u>17,061</u>	<u>19,998</u>	<u>16,865</u>
Shareholders' funds (equity interests)	20	<u>20,420</u>	<u>17,156</u>	<u>20,093</u>	<u>16,960</u>

The financial statements of the group and the company were approved by the board  
on: 14 June 1999

**J G Robinson**

**Director**

The notes on pages 9 to 20 form part of these financial statements.



**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**Consolidated cash flow statement for the 52 week period ended 26 September 1998**

	Notes	<u>1998</u> (Group) £'000	<u>1997</u> (Group) £'000
<b>Net cash inflow from operating activities</b>	26a	<b>5,448</b>	<b>7,056</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		256	218
Interest paid		<u>(198)</u>	<u>(176)</u>
		<u>58</u>	<u>42</u>
<b>Taxation</b>			
Corporation tax paid		(2,850)	(2,919)
<b>Capital expenditure and financial investment</b>			
Payments to acquire fixed assets		(3,626)	(8,150)
Receipts from sale of fixed assets		<u>1,951</u>	<u>6</u>
		<u>(1,675)</u>	<u>(8,144)</u>
<b>Equity dividends paid</b>		<u>(500)</u>	<u>(1,000)</u>
<b>Net cash inflow/(outflow) before financing</b>	26c	<u>481</u>	<u>(4,965)</u>
<b>Financing activities</b>			
New bank loans		-	3,138
Repayment of short term bank loan		(1,215)	-
Repayment of long term bank loan		<u>(764)</u>	<u>(400)</u>
<b>Net cash (outflow)/inflow from financing</b>		<u>(1,979)</u>	<u>2,738</u>
<b>Decrease in cash balances</b>	27	<u>(1,498)</u>	<u>(2,227)</u>

The notes on page 21 to 22 form part of these financial statements.

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**Notes to the financial statements for the 52 week period ended 26 September 1998**

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**1. Accounting policies**

There have been no changes in accounting policies during the year.

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards. The financial statements adopt the following principal accounting policies:

**Basis of consolidation**

The consolidated profit and loss account and balance sheet include the results of the company and all its subsidiaries with the exception of Promcase Limited, which remained dormant during the period.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated profit and loss account from the date of their acquisition or up to the date of their disposal.

As permitted by section 230 of the Companies Act 1985, no separate profit and loss account for the company is presented. A profit of £3,133,000 (1997: £3,861,000) has been dealt with in the accounts of that company.

Intra group sales and profits are eliminated on consolidation and all sales and profit figures relate to external transactions only.

Goodwill arising on consolidation is written off against reserves.

**Turnover**

Turnover, which excludes value added tax and sales between group companies, represents the invoiced value of goods and services supplied, and includes royalties.

**Depreciation**

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated on the written down value of the assets at the following rates:

Leasehold properties	-	Over remaining life of lease
Freehold buildings	-	2% straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	25% straight line
Motor vehicles	-	25% straight line
Charter yacht	-	10% straight line

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**Notes to the financial statements for the 52 week period ended 26 September 1998**

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**1. Accounting policies (continued)**

**Leasehold property acquisition costs**

Premiums paid and legal and professional costs incurred in the acquisition of leasehold properties are capitalised and written off over the initial period of the lease.

**Intangible assets**

Significant costs of trademark investments are capitalised in the balance sheet where the directors consider there to be an enduring benefit to the company. The cost of assets so acquired are amortised over the lesser of 20 years or the estimated useful life.

Immaterial costs of acquiring trademarks and ongoing maintenance costs are written off as incurred.

**Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value.

**Deferred taxation**

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, except that no provision is made where it can be reasonably foreseen that such deferred taxation will not be payable in the future.

**Leased assets**

Assets held under finance lease are included under fixed assets at the capitalised value of future minimum lease payments. The assets are depreciated over the lease term. Rentals payable under operating leases are charged to profit and loss account.

**Foreign currencies**

The trading transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the relevant dates. The exchange differences arising are therefore dealt with in the profit and loss account. Monetary assets and liabilities in foreign currency are translated at the exchange rate ruling at the balance sheet date.

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

Notes to the financial statements for the 52 week period ended 26 September 1998

**1. Accounting policies (continued)**

**Pension costs**

The group operates a money purchase retirement benefit scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

**2. Turnover**

The analyses by class of business and geographical area of the group's turnover are set out below:

	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>
<b>Class of business:</b>		
Sales of clothing	59,481	53,105
Yacht chartering	44	67
Royalties	<u>811</u>	<u>674</u>
	<u>60,336</u>	<u>53,846</u>

	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>
<b>Geographical area:</b>		
UK	56,320	51,010
Eire	1,858	1,558
Rest of the world	<u>2,158</u>	<u>1,278</u>
	<u>60,336</u>	<u>53,846</u>

**3. Cost of sales and other operating expenses**

	<b>Cont- inuing £'000</b>	<b>1998 Discont- inued £'000</b>	<b>Total £'000</b>	<b>Cont- inuing £'000</b>	<b>1997 Discont- inued £'000</b>	<b>Total £'000</b>
<b>Cost of sales</b>	<u>23,689</u>	<u>5,191</u>	<u>28,880</u>	<u>20,352</u>	<u>5,073</u>	<u>25,425</u>
<b>Gross profit</b>	25,895	5,561	31,456	24,880	3,541	28,421
<b>Net operating costs</b>	<u>(20,086)</u>	<u>(5,081)</u>	<u>(25,167)</u>	<u>(17,400)</u>	<u>(3,298)</u>	<u>(20,698)</u>
<b>Operating profit</b>	<u>5,809</u>	<u>480</u>	<u>6,289</u>	<u>7,480</u>	<u>243</u>	<u>7,723</u>

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

**Notes to the financial statements for the 52 week period ended 26 September 1998**

**4. Operating profit**

	<u>1998</u> £'000	<u>1997</u> £'000
Operating profit is stated		
After charging:		
Depreciation of fixed assets	2,324	1,512
Amortisation of intangible assets	27	12
Auditors' remuneration:		
Audit fee	88	49
Non audit fees	<u>56</u>	<u>28</u>
After crediting:		
Rents receivable	178	144
Profit on disposal of fixed assets	<u>5</u>	<u>5</u>

**5. Interest payable**

On bank loans, overdrafts and other loans:		
Repayable within 5 years by instalments	180	175
Other interest	<u>18</u>	<u>1</u>
	<u>198</u>	<u>176</u>

**6. Staff costs (excluding directors)**

Wages and salaries	7,934	6,580
Social security costs	666	525
Pension costs	<u>73</u>	<u>-</u>
	<u>8,673</u>	<u>7,105</u>

The average weekly number of employees during the year was as follows:

	<u>1998</u> Number	<u>1997</u> Number
UK	636	551
Rest of Europe	26	25
Hong Kong	<u>10</u>	<u>10</u>
	<u>672</u>	<u>586</u>

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

Notes to the financial statements for the 52 week period ended 26 September 1998

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**7. Directors' emoluments**

	<u>1998</u> £'000	<u>1997</u> £'000
Emoluments	551	355
Pension scheme contributions	<u>-</u>	<u>5</u>
Total emoluments	<u>551</u>	<u>360</u>

The emoluments of the highest paid director were:

Emoluments	197	183
Pension scheme contributions	<u>-</u>	<u>5</u>
	<u>197</u>	<u>188</u>

**8. Taxation on profits from ordinary activities**

	<u>1997</u> £'000	<u>1997</u> £'000
UK corporation tax at 32% based on profits for the period	2,700	2,750
Tax on profits of overseas subsidiaries	<u>(15)</u>	<u>56</u>
	<u>2,685</u>	<u>2,806</u>

If provision were to be made for deferred taxation on the basis of the full potential liability, the tax charge for the year would increase by £322,000 (1997 : £331,000)

**9. Dividends - final proposed**

	<u>1998</u>	<u>1997</u>
Ordinary shares	<u>1,000,000</u>	<u>1,000,000</u>

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

Notes to the financial statements for the 52 week period ended 26 September 1998

**10. Intangible assets - Group and Company**

	Investment in trading name	
	Group	Company
	£'000	£'000
<b>Cost:</b>		
At 27 September 1997	551	550
Additions	-	-
<b>At 26 September 1998</b>	<b><u>551</u></b>	<b><u>550</u></b>
<b>Amortisation:</b>		
At 27 September 1997	12	12
Charge for the period	<u>27</u>	<u>27</u>
<b>At 26 September 1998</b>	<b><u>39</u></b>	<b><u>39</u></b>
<b>Net book value:</b>		
<b>At 26 September 1998</b>	<b><u>512</u></b>	<b><u>511</u></b>
At 27 September 1997	<u>539</u>	<u>538</u>

**11. Tangible assets – Group**

	Freehold and long leasehold properties £'000	Short leasehold properties £'000	Plant, fixtures & fittings, equipment £'000	Total £'000
<b>Cost:</b>				
At 27 September 1997	11,855	1,462	10,730	24,047
Exchange differences	18	-	1	19
Additions	7	25	3,575	3,607
Disposals	<u>(1,311)</u>	<u>(36)</u>	<u>(184)</u>	<u>(1,531)</u>
<b>At 26 September 1998</b>	<b><u>10,569</u></b>	<b><u>1,451</u></b>	<b><u>14,122</u></b>	<b><u>26,142</u></b>
<b>Depreciation:</b>				
At 27 September 1997	409	529	6,828	7,766
Charge for the period	167	79	2,078	2,324
Disposals	<u>(14)</u>	<u>(7)</u>	<u>(166)</u>	<u>(187)</u>
<b>At 26 September 1998</b>	<b><u>562</u></b>	<b><u>601</u></b>	<b><u>8,740</u></b>	<b><u>9,903</u></b>
<b>Net book value:</b>				
<b>At 26 September 1998</b>	<b><u>10,007</u></b>	<b><u>850</u></b>	<b><u>5,382</u></b>	<b><u>16,239</u></b>
At 27 September 1997	<u>11,446</u>	<u>933</u>	<u>3,902</u>	<u>16,281</u>

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

Notes to the financial statements for the 52 week period ended 26 September 1998

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Long leasehold and freehold land and buildings (net book value) comprise:

	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>
Freehold	2,666	2,714
Long leasehold	<u>7,341</u>	<u>8,732</u>

**12. Tangible fixed assets - Company**

	Freehold and long leasehold properties £'000	Short leasehold properties £'000	Plant, fixtures & fittings, equipment £'000	Total £'000
<b>Cost:</b>				
At 27 September 1997	8,273	1,462	10,299	20,034
Additions	-	25	3,504	3,529
Disposals	<u>(1,311)</u>	<u>(36)</u>	<u>(185)</u>	<u>(1,532)</u>
At 26 September 1998	<u>6,962</u>	<u>1,451</u>	<u>13,618</u>	<u>22,031</u>
<b>Depreciation:</b>				
At 27 September 1997	384	529	6,686	7,599
Charge for the period	111	79	2,005	2,195
Disposals	<u>(14)</u>	<u>(7)</u>	<u>(165)</u>	<u>(186)</u>
At 26 September 1998	<u>481</u>	<u>601</u>	<u>8,526</u>	<u>9,608</u>
<b>Net book value:</b>				
At 26 September 1998	<u>6,481</u>	<u>850</u>	<u>5,092</u>	<u>12,423</u>
At 27 September 1997	<u>7,889</u>	<u>933</u>	<u>3,613</u>	<u>12,435</u>

Freehold and long leasehold land and buildings (net book value) comprise:

	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>
Freehold	2,666	2,714
Long leasehold	<u>3,815</u>	<u>5,175</u>



**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
**AND ITS SUBSIDIARIES**

Notes to the financial statements for the 52 week period ended 26 September 1998

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**13. Investments**

		Subsidiary undertakings £'000	
At 27 September 1997 and at 26 September 1998		<u>16</u>	
Principal operating subsidiary	Principal activities	Percentage of share capital owned	Country of registration
Scanhead Limited	Yacht chartering	100%	England
Robinson Webster International (Holdings) BV	Holding company	100%	Netherlands
<b>Indirect subsidiary</b> Bonfine Limited	Manufacturing/ Buying agent	100%	Hong Kong
Robinson Webster (Denmark) A/S	Clothing retailer	100%	Denmark

**14. Stocks and work in progress**

	Group		Company	
	<u>1998</u> £'000	<u>1997</u> £'000	<u>1998</u> £'000	<u>1997</u> £'000
Finished goods and goods for resale	11,027	9,739	11,027	9,739
Work in progress and materials	<u>2,123</u>	<u>1,333</u>	<u>2,123</u>	<u>1,333</u>
	<u>13,150</u>	<u>11,072</u>	<u>13,150</u>	<u>11,072</u>

The replacement cost at the balance sheet date was not materially different from that shown above.

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Notes to the financial statements for the 52 week period ended 26 September 1998

**15. Debtors falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Trade debtors	519	215	413	134
Amounts owed by subsidiary undertakings	-	-	2,947	2,345
Other debtors	454	257	452	290
CT recoverable	212	337	212	337
Prepayments and accrued income	<u>1,957</u>	<u>1,728</u>	<u>1,957</u>	<u>1,728</u>
	<u>3,142</u>	<u>2,537</u>	<u>5,981</u>	<u>4,834</u>

'Other debtors' includes a loan to C J Bailey, a director, of £281,391. (1997 : £165,592) and the maximum liability during the year was £281,391 (1997 : £165,592). Interest is being charged at a commercial rate.

**16. Creditors falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Bank loans and overdrafts	3,268	2,251	2,817	1,883
Trade creditors	3,370	4,484	3,344	3,845
Amounts owed to subsidiary undertakings	-	-	818	1,072
Corporation tax	2,163	2,328	2,099	2,231
Other taxation and social security	606	706	606	703
Other creditors	799	630	632	562
Accruals and deferred income	888	347	857	287
Proposed dividend	<u>1,500</u>	<u>1,000</u>	<u>1,500</u>	<u>1,000</u>
	<u>12,594</u>	<u>11,746</u>	<u>12,673</u>	<u>11,583</u>

**17. Creditors falling due after one year**

	<b>Group</b>		<b>Company</b>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Loans	<u>1,508</u>	<u>2,270</u>	<u>400</u>	<u>800</u>

Bank loans and overdrafts are secured by certain fixed and floating charges over the assets of the company.

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Notes to the financial statements for the 52 week period ended 26 September 1998

**17. (continued)**

**Bank loans and overdrafts - Group and Company**

	<b>Group</b>		<b>Company</b>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Amounts falling due within one year	<u>3,268</u>	<u>2,251</u>	<u>2,817</u>	<u>1,883</u>
Amounts falling due after more than one year:				
Repayable 2 - 5 years	<u>1,508</u>	<u>2,270</u>	<u>400</u>	<u>800</u>

- a) A bank loan of £800,000 is repayable in equal annual instalments until 2000. Interest is chargeable at Generale Bank's base rate plus 1.25% and the loan is secured by a charge over the company's properties at 83 Heath Street, Hampstead and 9/10 Floral Street, London together with a fixed charge over the company's other assets.
- b) A bank loan of DKK16,000,000 is repayable in equal annual instalments until 2002. Interest is chargeable at a fixed rate of 5.97% and the loan is secured by a charge over the group's property at 15, Ostergade Stroget, Copenhagen.

**18. Share capital**

	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>
<b>Authorised</b>		
500,000 ordinary shares of £1 each	<u>500</u>	<u>500</u>
<b>Allotted, called up and fully paid</b>		
95,000 ordinary shares of £1 each	<u>95</u>	<u>95</u>

**19. Revenue reserves**

	<b>Group</b>		<b>Company</b>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
At 27 September 1997	17,061	13,189	16,865	13,091
Profit for the period	3,264	3,959	3,133	3,861
Capitalised as bonus issue of shares	-	(87)	-	(87)
<b>At 26 September 1998</b>	<u>20,325</u>	<u>17,061</u>	<u>19,998</u>	<u>16,865</u>

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Notes to the financial statements for the 52 week period ended 26 September 1998

**20. Reconciliation of movements in shareholders' funds**

	<b>Group</b>		<b>Company</b>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Profit for the financial year	4,264	4,959	4,133	4,861
Dividends	(1,000)	(1,000)	(1,000)	(1,000)
Net addition to shareholders' funds	3,264	3,959	3,133	3,861
Opening shareholders' funds	17,156	13,197	16,960	13,099
Closing shareholders' funds	<u>20,420</u>	<u>17,156</u>	<u>20,093</u>	<u>16,960</u>
Equity interests	<u>20,420</u>	<u>17,156</u>	<u>20,093</u>	<u>16,960</u>

**21. Operating leases**

The annual rental payable by the group and company under non-cancellable operating leases relating to land and buildings at 26 September 1998 was as follows:

	<b>Group</b>		<b>Company</b>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Leases which expire:				
Within one year	-	23	-	23
Between two and five years	620	532	532	532
After five years	3,742	3,488	3,690	3,488
	<u>4,362</u>	<u>4,043</u>	<u>4,222</u>	<u>4,043</u>

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
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**Notes to the financial statements for the 52 week period ended 26 September 1998**

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**22. Post balance sheet events**

The company sold the Menswear division to a new company, majority owned by the management of the Menswear division. Robinson Webster (Holdings) Limited will retain a minority shareholding in this new company. The effective date of sale was 27 September 1998.

The impact of this sale on the trading results of Robinson Webster (Holdings) Limited is indicated by the disclosure of 'discontinued operations' in these accounts.

**23. Capital commitments**

The group has contracted for capital expenditure of £438,249.

**24. Contingent liabilities**

The company has a VAT guarantee of £800,000.

**25. Related party transactions**

- a) During the period the company made purchases from and received rents from Arena Design Ltd, a company in which J G Robinson and C J Bailey are directors and shareholders. Such transactions were made at a commercial rate and they amounted to;

Purchases from (including commission)	£11,651,134
Rents received	£83,328

The balance due to Arena Design Limited at 26 September 1998 amounted to £23,156

- b) During the period the company had contracts with RBS Limited, a company under the control of a relative of one of the directors. All work was charged at commercial rates and the transactions in the year amounted to £1,934,763. The balance due to RBS Limited at 26 September 1998 amounted to £510.

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Notes to the consolidated cash flow statement for the 52 week period ended  
26 September 1998

**26a. Reconciliation of operating profit to  
net cash inflow from operating activities**

	<b>Group 1998 £'000</b>	<b>Group 1997 £'000</b>
Operating profit	6,891	7,723
Depreciation	2,351	1,524
Profit on sale of tangible fixed assets	(607)	(5)
Increase in stocks	(2,078)	(3,035)
(Increase)/decrease in debtors	(605)	201
(Decrease)/increase in creditors	(504)	648
	<u>5,448</u>	<u>7,056</u>

**26b. Reconciliation of net cashflow to  
movement in net debt**

	<b>1998 £'000</b>	<b>1997 £'000</b>
Decrease in cash and cash equivalents	(1,498)	(2,227)
New short term loan	-	(1,300)
New long term loan	-	(1,838)
Repayment of short term loans	1,215	-
Repayment of long term loans	764	400
Reallocation	-	64
<b>Movement in net debt</b>	<b>481</b>	<b>(4,901)</b>
Net debt at 27 September 1997	<u>(3,778)</u>	<u>1,123</u>
<b>Net debt at 26 September 1998</b>	<b><u>(3,297)</u></b>	<b><u>(3,778)</u></b>

**26c. Analysis of net debt**

	<b>At 27 September 1997</b>	<b>Other Movements</b>	<b>Cashflow</b>	<b>At 26 September 1998</b>
Cash at bank and in hand	743	-	736	1,479
Bank overdrafts	(183)	-	(2,234)	(2,417)
Loans	<u>(4,338)</u>	=	<u>(1,979)</u>	<u>(2,359)</u>
	<u>(3,778)</u>	=	<u>481</u>	<u>(3,297)</u>

**ROBINSON WEBSTER (HOLDINGS) LIMITED**  
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**Notes to the consolidated cash flow statement for the 52 week period ended  
26 September 1998**

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**27. Analysis of changes in cash and cash  
equivalents during the year**

	<u>1998</u>	<u>1997</u>
	<u>£'000</u>	<u>£'000</u>
Balance at 27 September 1997	560	2,787
Net cash outflow	<u>(1,498)</u>	<u>(2,227)</u>
<b>Balance at 26 September 1998</b>	<u><u>(938)</u></u>	<u><u>560</u></u>