

Reg.

**The Wakefield Shirt Company Limited  
and its Subsidiary Undertakings**

**Company Number 361629**

**Report and Financial Statements**

**Year ended 31st December 1995**



# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

**Year ended 31st December 1995**

## **Contents**

	<b>Page No</b>
Company Information	1
Report by the directors	2
Report by the auditors	6
Group Profit and Loss Account	7
Group Balance Sheet	8
Group Statement of Total Recognised Gains and Losses	9
Company Balance Sheet	10
Group Cash Flow Statement	11
Notes to the financial statements	12

# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

**Year ended 31st December 1995**

## **Company Information**

<b>Directors</b>	Mr I Donner	(Chairman)
	Mr R J Donner	(Managing Director)
	Mrs H Donner	
	Mr D P Sugden	
<b>Joint Secretaries</b>	Mr C G Freeman and	
	Mrs N Donner	
<b>Registered office</b>	Thornes Wharf Lane	
	Wakefield,	
	WF1 5RQ	
<b>Auditors</b>	Jolliffe Cork	
	33 George Street	
	Wakefield	
	WF1 1LX	
<b>Bankers</b>	Midland Bank plc	
	66 Westgate	
	Wakefield	
	WF1 1XB	
<b>Solicitors</b>	Booth & Co	Chadwick Lawrence
	Sovereign House	54 Bradford Road
	South Parade	Dewsbury
	Leeds LS1 1HQ	WF13 2DY

# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

## **Report by the directors**

The directors present their annual report and financial statements for the year ended 31st December 1995.

### **Review of activities**

The principal activities of the group are:

- The manufacture and wholesale of shirts, jeanswear  
workwear and fashion garments.
- The design, distribution and storage of corporate clothing.
- Retailers of mens and ladieswear garments.
- Property and investment managers.

The level of activity improved during the year, despite the toughest trading conditions the group has ever experienced. As a consequence the group made a substantial loss this year. The year has been one of significant change with restructuring and a reduction in the overall cost base. The directors believe that the actions taken should ensure a return to profitability of the group in future years.

The directors recommend the following dividend for the year ended 31st December 1995:-

On preference shares	8.5%
On ordinary shares	NIL

The consolidated profit and loss account and the amount proposed to be transferred from reserves are set out on page 7.

### **Charitable Contributions**

During the year the group made contributions to United Kingdom charities amounting to £4,611 (1994: £1,089).

### **Fixed assets**

Additions to, and disposals of, fixed assets are shown in note 9 on pages 17 and 18.

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Report by the directors (continued)

### Directors

The directors of the company at 31st December 1995 all of whom were directors throughout the year are shown below together with their respective beneficial interests in the shares of the company.

	Ordinary shares of £1 each			
	1995	1994		
Isaak Donner	-	-		
Richard John Donner	646	646		
Hermine Donner	-	-		
David Percy Sugden	-	-		

	Preference shares of £1 each			
	"A"		"B"	
	1995	1994	1995	1994
Isaak Donner	21,288	21,288	-	-
Richard John Donner	5,000	5,000	-	-
Hermine Donner	-	-	-	-
David Percy Sugden	-	-	-	-

The directors are not required to retire by rotation.

# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

## **Report by the directors (continued)**

### **Employment policies**

The group continues to encourage teamwork and communication between all of its employees in the management of the business.

- Consultation continues to take place through management and employee committees at varying levels within the group where a wide range of business and employment issues are discussed.

### **Employment of disabled people**

The group recognises its legal, social and moral obligation to provide for the employment of disabled people.

The group aims to provide appropriate facilities for the disabled and to give full and fair consideration to applications for employment having regard to the particular aptitudes and abilities of the applicant.

### **Equal opportunity policy**

The group is an equal opportunity employer. The aim of our policy is to ensure that no job applicant or employee receives less favourable treatment on the ground of race, colour, nationality, ethnic origins, religion or sex or is disadvantaged by conditions or requirements which cannot be shown to be justifiable.

The employment criteria and procedures are frequently reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees will be given equal opportunity and, where appropriate, special training to progress within the organisation. The group is committed to a programme of action to make this policy fully effective.

# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

## **Report by the directors (continued)**

### **Taxation Status**

The close company provisions of the Income and Corporation Taxes Act 1988, as amended, apply to the company.

### **Auditors**

Jolliffe Cork have intimated their willingness to continue in office and a resolution that they be re-appointed will be proposed at the annual general meeting.

### **Directors responsibilities for the financial statements**

Company law requires the directors to present financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:-

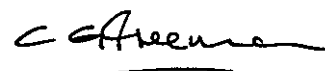
- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare 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 that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for ensuring that reasonable steps are taken for the prevention and detection of fraud and other irregularities.

Thornes Wharf Lane,  
Wakefield  
WF1 5RQ

Dated this 30th April 1996

By order of the board



C G Freeman  
Joint Secretary

# **Report of the Auditors to the Members of The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

We have audited the financial statements set out on pages 7 to 23 which have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and the accounting policies set out on page 12 to 14.

## **Respective responsibilities of directors and auditors**

As described on page 5, the directors of the company 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.

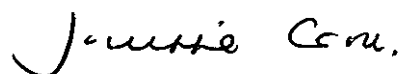
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 the group as at 31st December 1995 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Dated this 30th April 1996**

33 George Street  
Wakefield  
WF1 1LX



Jolliffe Cork  
Registered Accountants  
Chartered Accountants



# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

## **Group Profit and Loss Account for the year ended 31st December 1995**

Notes	1995 £	1994 £
2 <b>Turnover</b>	<b>26,864,587</b>	<b>23,977,404</b>
Cost of sales	<b>20,467,737</b>	<b>17,813,156</b>
<b>Gross profit</b>	<b>6,396,850</b>	<b>6,164,248</b>
Net operating expenses	<b>7,161,412</b>	<b>5,971,919</b>
3 <b>Other operating income</b>	<b>204,157</b>	<b>193,628</b>
4 <b>Operating loss</b>	<b>(560,405)</b>	<b>385,957</b>
Share of associated undertakings profit	<b>6,830</b>	<b>2,806</b>
Income from other investments	<b>802</b>	<b>801</b>
Interest receivable and similar income	-	<b>109</b>
<b>Loss on ordinary activities before interest</b>	<b>(552,773)</b>	<b>389,673</b>
7 <b>Interest payable and similar charges</b>	<b>330,599</b>	<b>191,854</b>
<b>Loss on ordinary activities before taxation</b>	<b>(883,372)</b>	<b>197,819</b>
8 <b>Tax on loss on ordinary activities</b>	<b>150,387</b>	<b>11,516</b>
<b>Loss on ordinary activities after taxation</b>	<b>(732,985)</b>	<b>186,303</b>
Dividends proposed	<b>3,825</b>	<b>3,825</b>
<b>Loss for the year transferred from reserves</b>	<b>(736,810)</b>	<b>182,478</b>

Of the result shown above, £40,002 is dealt with in the accounts of the ultimate parent company.

Of the result shown above, £5,540 is attributable to the associated Company.

There is no difference between the results presented above and the results on an unmodified historical cost profit basis, therefore a note of historical cost profit is not required.


The above results relate to continuing operations.

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Group Balance Sheet as at 31st December 1995

Notes		1995	1994
		£	£
	<b>Fixed assets</b>		
9a	Tangible assets	5,132,340	5,273,717
10	Investments	46,480	40,934
		<u>5,178,820</u>	<u>5,314,651</u>
	<b>Current assets</b>		
11	Stocks	9,885,424	7,765,272
12	Debtors	6,016,077	4,444,719
	Cash at bank and in hand	1,143,211	583,786
		<u>17,044,712</u>	<u>12,793,777</u>
	<b>Creditors</b>		
13	Falling due within one year	11,472,923	6,621,009
	<b>Net current assets</b>	<u>5,571,789</u>	<u>6,172,768</u>
		<u>10,750,609</u>	<u>11,487,419</u>
	<b>Capital and reserves</b>		
14	Called up share capital	49,504	49,504
	Capital redemption reserve	5,646	5,646
15	Other reserves	413,631	413,631
16	Profit and loss account	7,810,774	8,547,584
17	Revaluation reserve	2,471,054	2,471,054
18	<b>Shareholders' funds</b>	<u>10,750,609</u>	<u>11,487,419</u>

Approved by the board



)  
) Directors  
)

Dated this 30th April 1996

**The Wakefield Shirt Company Limited  
and its Subsidiary Undertakings**

**Group Statement of Total Recognised Gains and Losses  
*for the year ended 31st December 1995***

	1995 £	1994 £
Retained loss for the year	(736,810)	182,478
Unrealised surplus on revaluation of freehold land and buildings	-	2,471,054
Total recognised gains and losses	<u>(736,810)</u>	<u>2,653,532</u>

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Company Balance Sheet as at 31st December 1995

### Notes

Fixed assets		1995		1994	
		£	£	£	£
9b	Tangible assets		3,770,002		3,770,002
10	Investments		3,321,720		3,321,099
			<u>7,091,722</u>		<u>7,091,101</u>
Current assets					
12	Debtors		705,382		596,040
			<u>705,382</u>		<u>596,040</u>
Creditors					
13	Falling due within one year		1,778,445		1,708,484
			<u>1,778,445</u>		<u>1,708,484</u>
Net Current liabilities			(1,073,063)		(1,122,444)
			<u>6,018,659</u>		<u>5,978,657</u>
Capital and reserves					
14	Called up share capital		49,504		49,504
15	Capital redemption reserve		5,646		5,646
16	Profit and loss account		3,492,455		3,452,453
17	Revaluation reserve		2,471,054		2,471,054
18	Shareholders' funds		<u>6,018,659</u>		<u>5,978,657</u>

Approved by the board



)  
) Directors  
)

Dated this 30th April 1996

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Group Cash Flow Statement for the year ended 31st December 1995

Notes	1995		1994	
	£	£	£	£
22 Net cash outflow from operating activities		(1,355,511)		1,048,064
<b>Returns on investments and servicing of finance</b>				
Dividends paid	(3,825)		(3,825)	
Dividends received	692		801	
Interest received	-		109	
Interest paid	(330,599)		(191,854)	
<b>Net cash outflow from returns on investments and servicing of finance</b>		(333,732)		(194,769)
<b>Taxation</b>				
Corporation tax paid		(7,306)		(19,140)
<b>Investing activities</b>				
Purchase of subsidiary undertaking (net of cash and cash equivalents acquired)	-		(380,277)	
Payments to acquire investments	(731)		(622)	
Payments to acquire tangible fixed assets	(469,373)		(1,275,328)	
Receipts from sales of tangible fixed assets	87,225		13,025	
		(382,879)		(1,643,202)
23-24 Decrease in cash and cash equivalents		(2,079,428)		(809,047)

# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

## **Notes to the financial statements *for the year ended 31st December 1995***

### **1 Accounting policies**

#### **Basis of accounts**

The accounts have been prepared under the historical cost convention, subject to the revaluation of freehold land and buildings, and in accordance with applicable Accounting Standards.

#### **Group accounts**

The group accounts comprise the consolidated accounts of the company and its subsidiaries, after eliminating intra group transactions, and interests in related companies where such interests are material in relation to the state of affairs or results of the group.

Investments excluding those classified as subsidiaries, are regarded as associated companies where the group has a long term equity interest and is in a position to exercise a significant influence over the affairs of the company on a continuing basis. These are stated in the consolidated balance sheet at the group's share of net assets after adjustment for goodwill on acquisition.

As permitted by S230 of the Companies Act 1985, a separate profit and loss account for the parent company has not been presented.

#### **Goodwill arising on consolidation**

Goodwill relating to the acquisition of shares in subsidiary undertakings, being the excess of the cost of the shares over the value attributed to the underlying net tangible assets at the date of acquisition, is written off in the group accounts.

#### **Goodwill**

Purchased goodwill is written off against reserves immediately upon acquisition.

#### **Turnover**

Turnover is stated at the invoiced value of credit sales, less returns and allowance plus the value of retail cash sales, both net of value added tax.

# **The Wakefield Shirt Company Limited and its Subsidiary Undertakings**

## **Notes to the financial statements for the year ended 31st December 1995**

### **1 Accounting policies (Continued)**

#### **Depreciation**

The general policy is to provide depreciation on fixed assets, other than freehold land and buildings evenly over the estimated working life of the assets.

The periods generally applicable are:-

Plant and equipment	- 4 years
Motor vehicles	- 4 years
Computer and office equipment	- 4 years
Warehouse fixtures and fittings	- 10 years

#### ***Stock and work in progress***

Stocks are valued at the lower of cost, replacement price and the estimated amount realisable from disposal in the normal course of business.

The valuation of work in progress is at the lower of cost and net realisable value. Cost is defined as all direct expenses plus attributable overheads.

#### ***Deferred taxation***

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements. Provision is made for deferred taxation, except to the extent that there is a reasonable probability of the tax not falling due for payment in the foreseeable future.

#### ***Foreign currencies***

Profits and losses on foreign currency transactions and contracts are not separately accounted for in accordance with SSAP 20. The group's policy is to regard currency fluctuations as an element of cost related to the transaction concerned.

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements *for the year ended 31st December 1995*

### 1 Accounting policies (continued)

#### Leases

Assets held under leases which result in the company receiving substantially all risks and rewards of ownership are capitalised as tangible fixed assets at the estimated present value of the underlying lease payments. The corresponding finance obligations are included within borrowings.

#### Pension costs

The group operates two defined contribution schemes for the directors and other employees and the charges against profits are based on those contributions payable to the pension schemes in respect of the accounting period.  
The charges made to the schemes amount to:-

	1995 £	1994 £
Directors	62,150	62,150
Other employees	119,742	120,528
	<u>181,892</u>	<u>182,678</u>



# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

### 2 Turnover

Turnover relates to the principal trading activities of the group which are considered to be within the same class of business .

A geographical analysis of turnover is as follows:

	1995 £	1994 £
U.K.	26,085,062	23,178,891
Eire	438,296	352,476
Other	341,229	446,037
	<u>26,864,587</u>	<u>23,977,404</u>

### 3 Other operating income

Rental income	132,444	124,527
Royalties	58,698	62,432
Sundry income	13,015	6,669
	<u>204,157</u>	<u>193,628</u>

### 4 Operating loss

Operating loss is stated after charging:-

Auditor's remuneration	22,000	22,000
Depreciation of tangible fixed assets	539,635	391,187
Directors' emoluments (see note 5)	214,962	223,855
Hire of plant and machinery	-	12,447
	<u>776,602</u>	<u>649,491</u>
and after crediting:-		
Profit on sale of fixed assets	<u>16,110</u>	<u>9,212</u>

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

	1995 £	1994 £
<b>5 Directors' emoluments</b>		
Chairmans emoluments	35,439	34,625
Highest paid director	55,518	58,432
	=====	=====
Number of directors (excluding those above) whose emoluments were within the ranges:-	Number	Number
£            £		
10,001 - 15,000	1	1
50,001 - 55,000	-	1
45,001 - 50,000	1	-
	=====	=====
<b>6 Employee information</b>		
The aggregate employment cost for the year amounted to:-		
Wages and salaries	8,734,219	8,006,096
Social security costs	590,535	581,925
Other pension costs	181,892	182,678
	=====	=====
	9,506,646	8,770,699
	=====	=====
The average number of persons employed by the group during the year was:-		
	Number	Number
	897	985
	=====	=====
Being employed : Factory	662	741
: Administration	235	244
	=====	=====
<b>7 Interest payable and similar charges</b>		
Interest payable on sums:-		
Wholly repayable within five years, other than by instalments	330,599	191,854
	=====	=====

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

8

<b>Tax on loss on ordinary activities</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Corporation tax recoverable based on results for the year	<b>(155,450)</b>	5,054
Share of associated company's tax	<b>1,905</b>	1,104
Overseas taxation on royalties	<b>5,760</b>	6,241
Taxation attributable to franked investment income	<b>220</b>	124
Overprovision in previous years	<b>(2,822)</b>	(1,007)
	<b>(150,387)</b>	11,516

9a

<b>Tangible assets (The group)</b>	<b>Balance at 1.1.95</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance at 31.12.95</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>				
Freehold land and buildings	3,770,000	-	-	<b>3,770,000</b>
Plant and equipment	4,516,533	401,418	(93,820)	<b>4,824,131</b>
Motor vehicles	665,990	67,955	(69,020)	<b>664,925</b>
	<u>8,952,523</u>	<u>469,373</u>	<u>(162,840)</u>	<u><b>9,259,056</b></u>
<b>Depreciation</b>				
Freehold land and buildings	-	-	-	-
Plant and equipment	3,245,768	405,872	(46,910)	<b>3,604,730</b>
Motor vehicles	433,038	133,763	(44,815)	<b>521,986</b>
	<u>3,678,806</u>	<u>539,635</u>	<u>(91,725)</u>	<u><b>4,126,716</b></u>
<b>Net book value</b>				
Freehold land and buildings	3,770,000			<b>3,770,000</b>
Plant and equipment	1,270,765			<b>1,219,401</b>
Motor vehicles	232,952			<b>142,939</b>
	<u>5,273,717</u>			<u><b>5,132,340</b></u>

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

### 9b Tangible assets (The Company)

	Balance at 1.1.95 £	Additions £	Disposals £	Balance at 31.12.95 £
<b>Cost or valuation</b>				
Freehold land and buildings	3,770,000	-	-	3,770,000
Fixtures and fittings	21,036	-	-	21,036
	<u>3,791,036</u>	<u>-</u>	<u>-</u>	<u>3,791,036</u>
<b>Depreciation</b>				
Freehold land and buildings	-	-	-	-
Fixtures and fittings	21,034	-	-	21,034
	<u>21,034</u>	<u>-</u>	<u>-</u>	<u>21,034</u>
<b>Net book value</b>				
Freehold land and buildings	3,770,000			3,770,000
Fixtures and fittings	2			2
	<u>3,770,002</u>			<u>3,770,002</u>

Freehold land and buildings were revalued on 24th April 1995 by William Brown, Estate Agents, Surveyors and Valuers on an open market value for existing use basis. The revaluation placed on these assets is shown below:

	£
Freehold land and buildings at cost	1,298,946
Revaluation	2,471,054
Freehold land and buildings at valuation	<u>3,770,000</u>

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

10 Investments	The group		The company	
	1995	1994	1995	1994
	£	£	£	£.
<b>Cost</b>				
Interest in associated undertaking	29,902	24,977	25,000	25,000
Shares in group undertakings	-	-	3,280,142	3,280,142
Quoted investments	16,578	15,957	16,578	15,957
	<u>46,480</u>	<u>40,934</u>	<u>3,321,720</u>	<u>3,321,099</u>

Details of shareholdings in group undertakings are as follows:-

Name of company	Nature of trade	Description of Share	Proportion held
Double Two Ltd	Shirt and clothing Manufacturer	Redeemable ordinary/ Ordinary £1	100
Wm Sugden & Sons Ltd	Shirt and clothing Manufacturer	Ordinary £1	100
Threadneedle Company Image Ltd	Corporate clothing	Ordinary £1	100
Kingswells (Fashion Stores) Ltd )	Dormant	Ordinary £1	100
Wakefield Drapers Ltd )		Ordinary £1	100
Double Two International Ltd )		Ordinary £1	100
Company Image Ltd )		Ordinary £1	100
* Top Twenty Shirt Company Ltd )		Ordinary 25p	100
* Topflight Uniforms Ltd )		Ordinary 25p	100
* L J & M Refson Ltd )		Ordinary £1	100

The associated undertaking is Leading Labels Limited formerly The Clothes Warehouse Ltd a company registered in England in which the group has a 50% interest. The Company's trade is that of clothes retailing.

\* Companies owned by Wm Sugden and Sons Limited.

Quoted investments include investments listed on the London Stock Exchange with a market value of £2,587 and investments listed on an overseas stock exchange with a market value of £16,683.

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

11

Stocks (group)

1995

£

1994

£

Raw materials and consumables

3,377,054

2,883,871

Work in progress

667,688

502,762

Finished goods and goods for resale

5,840,682

4,378,639

9,885,424

7,765,272

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

### 14 Called up share capital (The group and the company)

	1995 £	1994 £
Authorised and issued:-		
Ordinary shares of £1 each	4,504	4,504
Preference shares of £1 each		
Class 'A' 8.5% (formerly 3.5%)	35,000	35,000
Class 'B' 8.5% (formerly 3.5%)	10,000	10,000
	<u>49,504</u>	<u>49,504</u>

### 15 Other reserves

	The Group		The Company	
	1995 £	1994 £	1995 £	1994 £
Capital reserves on consolidation	428,632	428,632	-	-
Goodwill written off	(15,001)	(15,001)	-	-
	<u>413,631</u>	<u>413,631</u>	<u>-</u>	<u>-</u>

### 16 Profit and loss account

Balance brought forward	8,547,584	8,365,106	3,452,453	3,430,681
Result for the year	(736,810)	182,478	40,002	21,772
	<u>7,810,774</u>	<u>8,547,584</u>	<u>3,492,455</u>	<u>3,452,453</u>

### 17 Revaluation reserve

	The Group		The Company	
	1995 £	1994 £	1995 £	1994 £
Balance brought forward and carried forward	<u>2,471,054</u>	<u>2,471,054</u>	<u>2,471,054</u>	<u>2,471,054</u>

The revaluation reserve relates to the revaluation of the group's freehold land and buildings carried out on 24th April 1995.

# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the financial statements for the year ended 31st December 1995

### 18 Reconciliation of movements in shareholders' funds

	The Group		The Company	
	1995	1994	1995	1994
	£	£	£	£
Result for the year	(736,810)	182,478	40,002	21,772
Surplus arising on the revaluation of freehold land and buildings	-	2,471,054	-	2,471,054
Capital reserve on consolidation of subsidiary acquired during the year	-	202,931	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Net reduction in shareholders' funds	(736,810)	2,856,463	40,002	2,492,826
Opening shareholders' funds	11,487,419	8,630,956	5,978,657	3,485,831
Closing shareholders' funds	<u>10,750,609</u>	<u>11,487,419</u>	<u>6,018,659</u>	<u>5,978,657</u>

### 19 Capital commitments

	1995	1994
	£	£
Capital expenditure authorised but not provided for in the accounts:		
Authorised and contracted	-	70,000
	<u>          </u>	<u>          </u>

### 20 Financial commitments

At 31st December 1995 there were financial commitments in respect of irrevocable documentary credits and acceptances of £603,132. (1994: £320,355).

### 21 Contingent liabilities

There are guarantees to HM Customs and Excise for £130,000 and to Northern Bank plc for £7,580, with recourse.



# The Wakefield Shirt Company Limited and its Subsidiary Undertakings

## Notes to the Consolidated Cash Flow Statement for the year ended 31st December 1995

	1995 £	1994 £
<b>22 Reconciliation of operating loss to net cash outflow from operating activities</b>		
Operating loss	(560,288)	385,957
Depreciation	539,635	391,187
Profit on sale of tangible fixed assets	(16,110)	(9,212)
Increase in stocks	(2,120,152)	604,334
Increase in debtors	(1,417,886)	(217,035)
Increase in creditors	2,219,290	(107,167)
<b>Net cash outflow from operating activities</b>	<b>(1,355,511)</b>	<b>1,048,064</b>

<b>23 Analysis of the changes in cash and cash equivalents during the year</b>		
Balance as at 1st January 1995	(3,952,619)	(3,143,572)
Net cash outflow	(2,079,428)	(809,047)
Balance as at 31st December 1995	(6,032,047)	(3,952,619)

**24 Analysis of the balances of cash and cash equivalents as shown in the balance sheet**

	1995 £	1994 £	Change in the year £
Cash at bank and in hand	1,143,211	583,786	559,425
Bank overdrafts	(7,175,258)	(4,536,405)	(2,638,853)
	<b>(6,032,047)</b>	<b>(3,952,619)</b>	<b>(2,079,428)</b>