

Registration number 2832629

**Mint Corporation Limited**  
**Directors' report and financial statements**  
**for the year ended 31 December 2002**



## **Mint Corporation Limited**

### **Company information**

Directors	P Groom P Rudran
Secretary	R Batra
Company number	2832629
Registered office	726 Tudor Estate Abbey Road London NW10 7UN
Auditors	Ismail & Co 820a Green Lanes Winchmore Hill London N21 2RT

## **Mint Corporation Limited**

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# Mint Corporation Limited

## Directors' report for the year ended 31 December 2002

The directors present their report and the financial statements for the year ended 31 December 2002.

### Principal activity and review of the business

The principal activity of the company during the year was that of design and wholesale of clothing.

### Results and dividends

The results for the year are set out on page 3.

The directors do not recommend payment of a final dividend.

### Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	2001	2000
P Groom	-	-
P Rudran	-	-

### Directors' responsibilities

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

- select suitable accounting policies and 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 that 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.

### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Ismail & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

The directors recommend that Ismail & Co remain in office until further notice.

This report was approved by the Board on 5 July 2003 and signed on its behalf by

  
R Batra  
Secretary

## **Mint Corporation Limited**

### **Independent auditors' report to the shareholders of Mint Corporation Limited**

We have audited the financial statements of Mint Corporation Limited for the year ended 31 December 2002 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

As described in the statement of directors' responsibilities on page 1, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

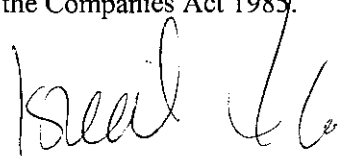
#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 the company's affairs as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Ismail & Co**  
**Registered Auditors**  
**5 July 2003**

**820a Green Lanes**  
**Winchmore Hill**  
**London**  
**N21 2RT**

# Mint Corporation Limited

## Profit and loss account for the year ended 31 December 2002

		Continuing operations	
		2002	2001
	Notes	£	£
<b>Turnover</b>	<b>2</b>	8,127,823	4,466,915
Cost of sales		(6,953,077)	(3,713,071)
<b>Gross profit</b>		1,174,746	753,844
Administrative expenses		(780,693)	(570,232)
<b>Operating profit</b>	<b>3</b>	394,053	183,612
Other interest receivable and similar income		41	849
Interest payable and similar charges	<b>5</b>	(94,476)	(41,541)
<b>Profit on ordinary activities before taxation</b>		299,618	142,920
Tax on profit on ordinary activities	<b>8</b>	(73,544)	(23,718)
<b>Retained profit for the year</b>		226,074	119,202
Retained profit brought forward		171,639	52,437
<b>Retained profit carried forward</b>		397,713	171,639

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 11 form an integral part of these financial statements.

# Mint Corporation Limited

## Balance sheet as at 31 December 2002

		2002	2001
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	9	37,221	13,438
<b>Current assets</b>			
Stocks	10	107,915	332,330
Debtors	11	2,909,019	1,439,871
Cash at bank and in hand		492,427	93,458
		<u>3,509,361</u>	<u>1,865,659</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,013,769)</u>	<u>(887,358)</u>
<b>Net current assets</b>		<u>2,495,592</u>	<u>978,301</u>
<b>Total assets less current liabilities</b>		<u>2,532,813</u>	<u>991,739</u>
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(2,125,000)</u>	<u>(810,000)</u>
<b>Net assets</b>		<u><u>407,813</u></u>	<u><u>181,739</u></u>
<b>Capital and reserves</b>			
Called up share capital	14	10,100	10,100
Profit and loss account		397,713	171,639
<b>Shareholders' funds</b>	15	<u><u>407,813</u></u>	<u><u>181,739</u></u>
<b>Equity interests</b>		<u>402,813</u>	<u>176,739</u>
<b>Non-equity interests</b>		<u><u>5,000</u></u>	<u><u>5,000</u></u>

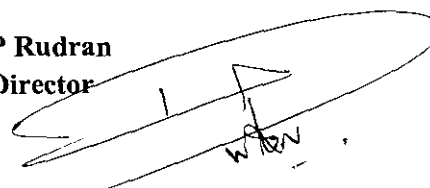
The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies .

The financial statements were approved by the Board on 5 July 2003 and signed on its behalf by

P Groom  
Director



P Rudran  
Director



The notes on pages 6 to 11 form an integral part of these financial statements.

# Mint Corporation Limited

## Cash flow statement for the year ended 31 December 2002

	Notes	2002 £	2001 £
<b>Reconciliation of operating profit to net cash outflow from operating activities</b>			
Operating profit		394,053	183,612
Depreciation		15,297	17,348
Decrease in stocks		224,415	(280,435)
(Increase) in debtors		(1,469,148)	(760,600)
Increase in creditors		80,160	661,969
<b>Net cash outflow from operating activities</b>		<u>(755,223)</u>	<u>(178,106)</u>

### Cash flow statement

Returns on investments and servicing of finance	17	(94,435)	(40,692)
Taxation	17	(27,293)	-
Capital expenditure	17	(39,080)	(5,734)
Financing	17	1,315,000	113,846
<b>Increase in cash in the year</b>		<u>398,969</u>	<u>(110,685)</u>

### Reconciliation of net cash flow to movement in net debt (Note 18)

<b>Increase in cash in the year</b>	398,969	(110,685)
Cash inflow from decrease in debts and lease financing	(1,315,000)	(113,846)
New finance leases and hire purchase contracts	-	2,153
<b>Net debt at 1 January 2002</b>	<u>(716,542)</u>	<u>(494,163)</u>
<b>Net debt at 31 December 2002</b>	<u>(1,632,573)</u>	<u>(716,541)</u>



## **Mint Corporation Limited**

### **Notes to the financial statements for the year ended 31 December 2002**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention .

##### **1.2. Turnover**

*Turnover represents the total invoice value, excluding value added tax, of sales made during the year.*

##### **1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	25% Straight Line
Fixtures, fittings and equipment	-	25% Straight Line
Motor vehicles	-	25% Straight Line

##### **1.4. Leasing**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

##### **1.5. Stock**

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

##### **1.6. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

##### **1.7. Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

#### **2. Turnover**

The total turnover of the company for the year has been derived from its principal activity, of which 96% is achieved in the UK.

**Mint Corporation Limited**

**Notes to the financial statements  
for the year ended 31 December 2002**

..... continued

<b>3. Operating profit</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	14,791	17,348
Loss on disposal of tangible fixed assets	506	-
Auditors' remuneration	4,000	3,200
	<u>          </u>	<u>          </u>
 <b>4. Interest receivable and similar income</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
Bank interest	41	849
	<u>          </u>	<u>          </u>
 <b>5. Interest payable and similar charges</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	94,476	41,224
Hire purchase interest	-	317
	<u>          </u>	<u>          </u>
	94,476	41,541
	<u>          </u>	<u>          </u>
 <b>6. Employees</b>		
<b>Number of employees</b>		
The average monthly numbers of employees (including the directors) during the year were:	<b>2002</b>	<b>2001</b>
	12	11
	<u>          </u>	<u>          </u>
 <b>Employment costs</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
Wages and salaries	354,318	230,491
Other pension costs	1,932	1,932
	<u>          </u>	<u>          </u>
	356,250	232,423
	<u>          </u>	<u>          </u>

# Mint Corporation Limited

## Notes to the financial statements for the year ended 31 December 2002

..... continued

<b>6.1. Directors' emoluments</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Remuneration and other emoluments	67,140	66,107
Pension contributions	1,932	1,932
Sums paid to third parties	15,075	-
	<u>84,147</u>	<u>68,039</u>
 Number of directors to whom retirement benefits are accruing under a money purchase scheme	 -	 -

### 7. Pension costs

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £1,932 (2001 - £1,932).

<b>8. Taxation</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
<b>UK current year taxation</b>		
UK corporation tax	73,544	27,293
<b>Prior years</b>		
UK corporation tax	-	(3,575)
	<u>73,544</u>	<u>23,718</u>

# Mint Corporation Limited

## Notes to the financial statements for the year ended 31 December 2002

..... continued

9. Tangible fixed assets	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2002	23,848	24,058	33,200	81,106
Additions	20,492	20,290	-	40,782
Disposals	-	-	(13,700)	(13,700)
At 31 December 2002	44,340	44,348	19,500	108,188
<b>Depreciation</b>				
At 1 January 2002	18,736	19,730	29,202	67,668
On disposals	-	-	(11,492)	(11,492)
Charge for the year	6,399	6,602	1,790	14,791
At 31 December 2002	25,135	26,332	19,500	70,967
<b>Net book values</b>				
At 31 December 2002	19,205	18,016	-	37,221
At 31 December 2001	5,112	4,328	3,998	13,438

10. Stocks	2002 £	2001 £
Finished goods and goods for resale	107,915	332,330

11. Debtors	2002 £	2001 £
Trade debtors	2,722,854	1,226,019
VAT recoverable	167,199	185,073
Prepayments and accrued income	18,966	28,779
	2,909,019	1,439,871

# Mint Corporation Limited

## Notes to the financial statements for the year ended 31 December 2002

..... continued

<b>12. Creditors: amounts falling due within one year</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
Trade creditors	678,472	673,197
Corporation tax	73,544	27,293
Other taxes and social security costs	8,776	6,325
Accruals and deferred income	252,977	180,543
	<u>1,013,769</u>	<u>887,358</u>
<b>13. Creditors: amounts falling due after more than one year</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
Bank loan	<u>2,125,000</u>	<u>810,000</u>
<b>14. Share capital</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
<b>Authorised equity</b>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b>		
5,100 Ordinary shares of £1 each	5,100	5,100
5,000 Preference shares of £1 each	5,000	5,000
	<u>10,100</u>	<u>10,100</u>
Equity interest	5,100	5,100
Non-equity interest	<u>5,000</u>	<u>5,000</u>
<b>15. Reconciliation of movements in shareholders' funds</b>	<b>2002</b> <b>£</b>	<b>2001</b> <b>£</b>
Profit for the year	226,074	119,203
Opening shareholders' funds	<u>181,739</u>	<u>62,537</u>
Closing shareholders' funds	<u>407,813</u>	<u>181,740</u>

# Mint Corporation Limited

## Notes to the financial statements for the year ended 31 December 2002

..... continued

### 16. Ultimate parent undertaking

BB Group Limited a company registered in the British Virgin Islands acquired 100% of the issued equity share capital on the 10 December 1999.

### 17. Gross cash flows

	2002 £	2001 £
<b>Returns on investments and servicing of finance</b>		
Interest received	41	849
Interest paid	(94,476)	(41,541)
	<u>(94,435)</u>	<u>(40,692)</u>
<b>Taxation</b>		
Corporation tax paid	<u>(27,293)</u>	<u>-</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(40,782)	(5,734)
Receipts from sales of tangible assets	1,702	-
	<u>(39,080)</u>	<u>(5,734)</u>
<b>Financing</b>		
New long term bank loan	<u>1,315,000</u>	<u>810,000</u>

### 18. Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	93,459	398,968	492,427
Debt due after one year	<u>(810,000)</u>	<u>(1,315,000)</u>	<u>(2,125,000)</u>
<b>Net funds</b>	<u>(716,541)</u>	<u>(916,032)</u>	<u>(1,632,573)</u>