

JESSUPS LIMITED

(formerly Jessups p.l.c.)

REPORT AND FINANCIAL STATEMENTS

31 December 1995

Registered number 622158



JESSUPS LIMITED
DIRECTORS' REPORT

31 December 1995

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

Results and dividends

The profit for the year after taxation amounted to £94,226. It is recommended that no dividend be paid and that the profit of £94,226 be transferred to reserves.

Review of business

The company continues to operate as a parent undertaking.

The directors consider the state of affairs of the company to be satisfactory.

Change of name

On 26 May 1995 the company changed its name to Jessups Limited.

Fixed assets

The movements in tangible fixed assets during the year are set out in the notes to the financial statements.

Directors

The following were directors of the company at 31 December 1995

R.E.C. Marton) Directors of B.S.G.
P. Turnbull) International plc
J.B. Tustain)
S.G. Thompson	

On 31 October 1995 Mr. A.D. Dawson resigned as a director of the company and Mr. P. Turnbull was appointed in his place.

In accordance with the Articles of Association none of the directors retire.

Directors' shareholdings

None of the directors have any beneficial interest in the share capital of the company.

The directors of the ultimate parent undertaking disclose their interests in the share capital of B.S.G. International plc in the financial statements of that company. The beneficial interest in the share capital of B.S.G. International plc of Mr. S.G. Thompson is as follows

	31 December 1995 Ordinary shares of 10p each	31 December 1994 Ordinary shares of 10p each
S.G. Thompson	64,698	58,098

JESSUPS LIMITED
DIRECTORS' REPORT

31 December 1995
(continued)

Officers' insurance

The company has purchased and maintained insurance to cover its officers against liabilities in relation to their duties to the company.

Auditors

Kidsons Impey have intimated their willingness to continue in office, subject to the approval of the members in general meeting.

Registered Office

Burgess House
1270 Coventry Road
Birmingham
B25 8BB

By order of the board



S.D. McCaslin

Secretary

28 March 1996

JESSUPS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

31 December 1995

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 company as at the end of the year and of the profit or loss for that year.

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

- select suitable accounting policies and apply them consistently
- make reasonable and prudent judgements and estimates
- follow applicable accounting standards.

They are also responsible:

- for ensuring that the company keeps adequate accounting records
- to the company for safeguarding the company's assets and taking reasonable steps for the prevention and detection of fraud and other irregularities.

JESSUPS LIMITED
AUDITORS' REPORT

Auditors' report to the shareholders of Jessups Limited

We have audited the financial statements on pages 5 to 14 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company'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.

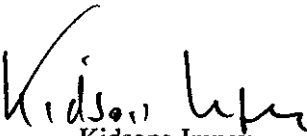
Basis of opinion

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, 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 at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Kidsons Impey

Registered Auditors

Chartered Accountants

Birmingham

28 March 1996

JESSUPS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1995

	Note	1995 £	1994 £
Administrative expenses		19,990	(2,797,274)
Other operating income	2	54,000	1,082,588
		<hr/>	<hr/>
Operating profit/(loss)	3	73,990	(1,714,686)
Interest receivable/(payable) (net)	4	7,578	(312,236)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation		81,568	(2,026,922)
Taxation	6	12,658	533,000
		<hr/>	<hr/>
Retained profit/(loss) for the year	14	94,226	(1,493,922)
		<hr/>	<hr/>

JESSUPS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

31 December 1995

There are no recognised gains and losses other than the profit for the year of £94,226 (31 December 1994 loss £1,493,922).

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995	1994
	£	£
Profit/(loss) for the year	94,226	(1,493,922)
New share capital subscribed	-	175,750
	<hr/>	<hr/>
Net addition to/(reduction in) shareholders' funds	94,226	(1,318,172)
Opening shareholders' funds	7,101,454	8,419,626
	<hr/>	<hr/>
Closing shareholders' funds	7,195,680	7,101,454
	<hr/>	<hr/>

JESSUPS LIMITED

BALANCE SHEET

at 31 December 1995

	Note	1995		1994	
		£	£	£	£
Fixed assets					
Tangible assets	7		-		687,941
Investments	8		<u>1</u>		<u>2,284,517</u>
			1		2,972,458
Current assets					
Debtors	9	7,048,864		9,368,217	
Cash at bank and in hand		<u>769,822</u>		<u>577,593</u>	
		7,818,686		9,945,810	
Creditors: amounts falling due within one year	10	<u>(506,302)</u>		<u>(5,588,483)</u>	
Net current assets			<u>7,312,384</u>		<u>4,357,327</u>
Total assets less current liabilities			7,312,385		7,329,785
Creditors: amounts falling due after more than one year	11		(86,677)		(198,303)
Deferred tax	12		<u>(30,028)</u>		<u>(30,028)</u>
			7,195,680		7,101,454
Capital and reserves					
Called up share capital	13		5,118,816		5,118,816
Profit and profit account	14		(1,102,292)		(1,196,518)
Share premium account	14		<u>3,179,156</u>		<u>3,179,156</u>
Total shareholders' funds			7,195,680		7,101,454
Attributable to:					
Equity shareholders			4,558,844		4,464,618
Non-equity shareholders			<u>2,636,836</u>		<u>2,636,836</u>
			7,195,680		7,101,454

The financial statements on pages 5 to 14 were approved by the board of directors on 28 March 1996

P. Turnbull - Director

JESSUPS LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

Depreciation

Depreciation is calculated on cost on a straight line basis to write off the relevant assets over their expected useful lives. The principal annual rates used are as follows

	%
Plant, equipment, fixtures, fittings and vehicles	10 - 25

Leases

Assets held under finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the term of the lease, including any secondary period, and the expected useful life. The obligation to pay future rentals is included in creditors net of finance charges allocated to future periods. The finance charge element of rentals is calculated on the reducing balance of capital outstanding and charged to the appropriate accounting period through the profit and loss account.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Deferred taxation

Deferred taxation is calculated on the liability method in respect of timing differences between profits as stated in the financial statements and as computed for tax purposes. Where such timing differences are anticipated to continue for the foreseeable future no provision is made.

Pensions

The ultimate parent undertaking operates a number of defined benefit pension schemes for its employees. All the schemes are funded; liabilities are provided on a systematic basis over the period of employment of scheme members. Variations disclosed by actuarial valuations are spread over the average remaining service lives of current scheme members.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement in accordance with Financial Reporting Standard No.1 as it is a wholly owned subsidiary undertaking and the ultimate parent undertaking publishes consolidated financial statements which include a consolidated cash flow statement.

JESSUPS LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

(continued)

2	Other operating income	1995 £	1994 £
	Rents receivable from fellow subsidiary undertakings	54,000	1,006,500
	Surplus on endowment policy	-	76,088
		54,000	1,082,588
3	Operating profit/(loss)		
	Operating profit/(loss) is stated after charging		
	Depreciation of tangible fixed assets		
	- Owned assets	4,680	313,138
	- Assets held under finance lease and hire purchase contracts	-	61,964
	Auditors' remuneration		
	- Audit fees	-	5,000
	The operating profit/(loss) is attributable to the principal activity of the company being that of a parent undertaking and relates wholly to continuing activities within the United Kingdom.		
4	Interest (receivable)/payable (net)		
	Interest payable on bank overdraft and other loans (wholly repayable within 5 years)	21,653	723,426
	Interest receivable	(29,231)	(411,190)
		(7,578)	312,236
5	Directors and employees		
	Staff costs including directors' emoluments		
	Wages and salaries	-	322,734
	Social security costs	-	18,610
	Pension costs	-	28,513
		-	369,857
	Average number of persons employed	Number	Number
	Administration	-	9

JESSUPS LIMITED
NOTES ON FINANCIAL STATEMENTS

31 December 1995
(continued)

5 Directors and employees (continued)

	1995	1994
	£	£
Directors' emoluments		
For management	-	200,994
Pension contributions	-	11,993
Compensation for loss of office	<u>-</u>	<u>217,000</u>
	-	429,987
	<u> </u>	<u> </u>

Emoluments excluding pension contributions are analysed as follows

Chairman	-	15,000
	<u> </u>	<u> </u>
Highest paid director	-	80,020
	<u> </u>	<u> </u>

Directors' emoluments were within the ranges	Number	Number
£0 - £5,000	5	4
£5,001 - £10,000	-	1
£10,001 - £15,000	-	1
£15,001 - £20,000	-	1
£35,001 - £40,000	-	1
£40,001 - £45,000	-	1
£80,001 - £85,000	-	1

6 Taxation

	£	£
The taxation credit for the year comprises		
Group taxation relief at 33% (1994 33%)	<u>12,658</u>	<u>533,000</u>

JESSUPS LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995
(continued)

7	Tangible fixed assets	Plant and vehicles £	Total £
	Cost		
	1 January 1995	1,472,599	1,472,599
	Inter-group transfers	(1,391,130)	(1,391,130)
	Disposals	<u>(81,469)</u>	<u>(81,469)</u>
	31 December 1995	-	-
	Depreciation		
	1 January 1995	784,658	784,658
	Charge for the year	4,680	4,680
	Inter-group transfers	(726,869)	(726,869)
	Disposals	<u>(62,469)</u>	<u>(62,469)</u>
	31 December 1995	-	-
	Net book amount		
	31 December 1995	-	-
	31 December 1994	687,941	687,941

The net book amount of plant and equipment includes £Nil (1994 £332,796) in respect of assets held under finance lease and hire purchase contracts.

8	Investments	1995 £	1994 £
	Shares in subsidiary undertakings at cost	1	1,034,517
	Loans to subsidiary undertaking	<u>-</u>	<u>1,250,000</u>
		1	2,284,517

The loan to subsidiary undertaking is repayable other than by instalments after more than five years.

The company owns the whole of the issued share capital of Inchmead Holdings Limited.

In accordance with the provisions of the Companies Act 1985 consolidated financial statements for the company and its subsidiaries have not been prepared as the company itself is a wholly-owned subsidiary of a company incorporated in England.

JESSUPS LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

(continued)

9	Debtors	1995 £	1994 £
	Taxes recoverable	8,253	18,002
	Amounts owed by ultimate parent undertaking	5,838,180	-
	Amounts owed by subsidiary undertakings	858,196	8,473,366
	Group taxation relief	330,117	863,116
	Prepayments and accrued income	<u>14,118</u>	<u>13,733</u>
		7,048,864	9,368,217
		<u> </u>	<u> </u>
10	Creditors: amounts falling due within one year		
	Trade creditors	-	1,002
	Amounts owed to fellow subsidiary undertakings	-	401,918
	Amounts owed to ultimate parent undertaking	-	4,498,809
	Finance lease and hire purchase contracts	102,067	93,061
	Other creditors and accruals	<u>404,235</u>	<u>593,693</u>
		506,302	5,588,483
		<u> </u>	<u> </u>
11	Creditors: amounts falling due after more than one year		
	Finance lease and hire purchase contracts	<u>86,677</u>	<u>198,303</u>
		<u> </u>	<u> </u>
	The above loans are repayable as follows		
	Between one and two years	86,677	102,067
	Between two and five years	<u>-</u>	<u>96,236</u>
		86,677	198,303
		<u> </u>	<u> </u>

JESSUPS LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995
(continued)

12 Deferred tax

The deferred tax liability at 31 December 1995 arising on timing differences, calculated on the liability method at 33% (1994 33%) is as follows:

	£	£
Accelerated capital allowances	30,028	30,028
	<u> </u>	<u> </u>

13 Called up share capital (1995 and 1994)

	Authorised £	Issued and fully paid £
Ordinary shares of £1 each (equity)	3,500,000	2,481,980
7.3p (net) convertible cumulative redeemable preference shares of 50 pence each (non-equity)	<u>2,636,836</u>	<u>2,636,836</u>
	<u>6,136,836</u>	<u>5,118,816</u>

7.3p (net) Convertible cumulative redeemable preference shares

The convertible preference shares are ordinarily convertible at the option of the holder on the last day in May in each of the years 1995 to 2002 (inclusive) on the basis of 51.948 ordinary shares for every 100 convertible preference shares. After conversion of 75 per cent of the convertible preference shares, the company has the right to require the conversion of the outstanding balance.

The convertible preference shares are redeemable at the company's option after the last date for conversion in 2002. Any convertible preference shares not previously converted, purchased or redeemed will be redeemed on 1 January 2005. Convertible preference shares will be redeemed at £1 per share, together with any arrears and accruals of dividends to the date of redemption.

The holders of preference shares are not entitled to dividends or any other distribution; they have no voting rights except where a resolution affecting their rights is tabled at the General Meeting; and they are only entitled to return of the nominal amount of capital paid up on the shares in the event of a winding up.

14 Reserves

	Share premium account £	Profit and profit account £
Balance at 1 January 1995	3,179,156	(1,196,518)
Retained profit for the year	<u> </u>	<u>94,226</u>
Balance at 31 December 1995	<u>3,179,156</u>	<u>(1,102,292)</u>

JESSUPS LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

(continued)

15 Capital commitments

There were no capital commitments at the end of the year (1994 £Nil).

16 Pensions

Pension costs have been assessed in accordance with advice received from the actuary to the schemes on the basis of reviews carried out for the purpose of Statement of Standard Accounting Practice No.24. Pension costs were assessed using the projected unit actuarial costing method based on assumptions including a long term rate of investment return on assets of 9% per annum, a general rate of increase in members' earnings 2% less than this figure, pension increases at the rate of 3% per annum and appropriate allowances for mortality, members leaving service and early retirements.

Actuarial valuations of all schemes are carried out triennially and full details of the valuation at 5 April 1995 appear in the published financial statements of the parent undertaking.

17 Ultimate parent undertaking

The ultimate parent undertaking is B.S.G. International plc, a company incorporated in England. The ultimate parent undertaking is a publicly quoted company and copies of its published accounts are available from Seton House, Warwick Technology Park, Gallows Hill, Warwick, CV34 6DE.