Company Registration No. 458321

LOUIS DAVIS (NOTTINGHAM) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED

31 OCTOBER 2001



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COMPANIES HOUSE 15/05/02

LOUIS DAVIS (NOTTINGHAM) LIMITED

ABBREVIATED ACCOUNTS

Year ended 31 October 2001

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REPORT OF THE DIRECTORS

The directors present their annual report and the financial statements of the company for the year ended 31 October 2001.

Statement of 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 affairs of the company 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;

- 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.

Activities

The principal activity of the company during the year continued to be the manufacture and wholesale of lingerie.

Review of the business and post balance sheet event

Due to prolonged trading difficulties the directors have taken the decision to cease trading. This decision was announced on 18 February 2002. Since this date no new contracts or orders have been accepted and only commitments under contracts outstanding at 18 February 2002 have been completed.

Results and dividends

The trading profit for the year, after taxation, amounted to £156,129.

The directors do not recommend the payment of a dividend (2000: £51.00 per £1 ordinary share).

Going concern

In view of the decision to cease trading, the accounts are not prepared on a going concern basis. Consequently, fixed assets have been classified as current assets and all assets have been stated at the lower of cost and net realisable value.

REPORT OF THE DIRECTORS (CONTINUED)

Directors and their interests

The beneficial interests of the directors, including family interests, in the share capital of the company are as follows:

	Ordinary Shares of £1 each	
	31 October 2001	1 November 2000
J S Mordecai - Smith	1,923	1,923
B S Mordecai	3,954	3,954
J T Mordecai	1,923	1,923

In accordance with the company's Articles of Association, JS Mordecai-Smith retires by rotation and, being eligible, offers herself for re-election.

488 of the shares held by BS Mordecai, JS Mordecai-Smith and JT Mordecai are held in trust with themselves as beneficiaries.

AJ Kennedy, a partner of Cooper Parry, is a trustee in a trust holding shares in the company.

No director had, during or at the end of the year, any interest in a contract which was considered material in relation to the company's business except as disclosed in note 18.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing the re-appointment of Cooper Parry as auditors of the company will be put to the annual general meeting.

Signed on behalf of the board of directors

J T MORDECAI
Director

Approved by the board on 30/4/02

INDEPENDENT REPORT OF THE AUDITORS TO LOUIS DAVIS (NOTTINGHAM) LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 13, together with the financial statements of the company for the year ended 31 October 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 13 are properly prepared in accordance with that provision.

Cooper Parry

COOPER PARRY

Chartered Accountants

NOTTINGHAM

30 April 2002

Registered Auditor

LOUIS DAVIS (NOTTINGHAM) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

Year ended 31 October 2001

	Notes	2001 £	2000 £
Gross profit		517,155	553,254
Distribution costs		(29,441)	(20,242)
Administrative expenses		(360,383)	(492,644)
Operating profit		127,331	40,368
Other interest receivable and similar income	5	35,712	31,192
Profit on ordinary activities before taxation	2	163,043	71,560
Tax on profit on ordinary activities	6	(6,914)	(12,474)
Profit on ordinary activities after taxation		156,129	59,086
Dividends	7	-	(397,800)
Retained profit/(loss) for the year	15	156,129	(338,714)

The notes on pages 7 to 13 form part of these abbreviated accounts.

LOUIS DAVIS (NOTTINGHAM) LIMITED

ABBREVIATED BALANCE SHEET

At 31 October 2001

	Notes	£	2001 £	£	2000 £
Fixed assets					
Tangible assets	8		-		266,576
Current assets					
Tangible assets		354,685		-	
Stocks	9	168,053		158,867	
Debtors	10	244,282		721,502	
Cash at bank and in hand		445,332		315,273	
		1,212,352		1,195,642	
Creditors: amounts falling due within one year	11	(231,911)		(641,406)	
Net current assets			980,441		554,236
Total assets less current liabilities			980,441		820,812
Provisions for liabilities and charges	12		(37,000)		(33,500)
			943,441		787,312
Capital and reserves					
Called up share capital	14		7,800		7,800
Profit and loss account	15		935,641		779,512
Shareholders' funds	16		943,441		787,312

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

Signed on behalf of the board of directors

J T Mordecai
Director

Approved by the board on 30/4/02

The notes on pages 7 to 13 form part of these abbreviated accounts.

LOUIS DAVIS (NOTTINGHAM) LIMITED

ABBREVIATED CASH FLOW STATEMENT

Year ended 31 October 2001

	Notes		2001 £		2000 £
Net cash inflow/(outflow) from operating activities	20		476,660		(294,654)
Returns on investments and servicing of finance					
Interest received		35,712		31,192	
Net cash inflow for returns on investments and servicing of finance			35,712		31,192
Taxation			(1,324)		(7,826)
Capital expenditure					
Payments to acquire tangible assets		(31,514)		(37,236)	
Receipts from sales of tangible assets		54,043		-	
Net cash inflow/(outflow) for capital expenditure			22,529		(37,236)
Equity dividends paid			(397,800)		(500,000)
Increase/(decrease) in cash in the year	22		135,777		(808,524)

The notes on pages 7 to 13 form part of these abbreviated accounts.

NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 October 2001

1 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting convention

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

Going concern

As detailed in note 21, on 18 February 2002 the directors took the decision to cease trading. Since this date no new contracts or orders have been accepted and only commitments under contracts outstanding at 18 February 2002 have been completed.

In view of the decision to cease trading, the accounts are not prepared on a going concern basis. Consequently, fixed assets have been classified as current assets and all assets have been stated at the lower of cost and net realisable value.

Turnover

Turnover represents the amounts derived from the supply of goods and services which fall within the company's activities, and is stated net of value added tax.

Depreciation

No depreciation has been charged on freehold land. Depreciation has been provided on all other fixed assets using the following annual rates and bases:

Freehold buildings	2.5% - straight line
Plant and machinery	15% - straight line
Fixtures, fittings & equipment	10% straight line & 25% straight line (computer equipment)
Motor vehicles	25% - reducing balance

Stocks and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value. The cost of work in progress and finished goods includes the relevant proportion of overheads.

Deferred taxation

The charge for taxation is based on the profit for the year as adjusted for disallowable items. Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability will crystallise in the foreseeable future.

Leased assets

Payments made under operating leases are charged to the profit and loss account in the period to which they relate.

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

Year ended 31 October 2001

2 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging/(crediting) the following:

	2001 £	2000 £
Auditors' remuneration	5,000	5,000
Depreciation of owned tangible assets	24,918	34,801
Depreciation written back on reclassification	(139,819)	-
Loss on disposal of tangible fixed assets	4,263	-
Operating lease charges:		
Hire of plant and machinery	6,882	4,848

3 Directors' emoluments

	2001 £	2000 £
Remuneration (including personal pension contributions)	132,096	140,630

4 Staff costs

The aggregate payroll costs including directors' emoluments were as follows:

	2001 £	2000 £
Salaries and wages	479,091	637,497
Social security costs	41,725	42,339
	594,201	679,836

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

Manufacturing	38	52
Administration and management	11	12
	49	64

5 Other interest receivable and similar income

	2001 £	2000 £
Bank interest	35,712	31,192

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

Year ended 31 October 2001

6 Tax on profit on ordinary activities

	2001	2000
	£	£
UK corporation tax based on the results for the year	3,299	14,995
UK corporation tax under/(over)provided in previous year	115	-
Deferred taxation	3,500	(2,521)
	6,914	12,474

7 Dividends

	2001	2000
	£	£
Ordinary final proposed	-	397,800

8 Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 November 2000	284,413	199,149	81,563	130,780	695,905
Reclassification to current assets	(284,413)	(203,170)	(93,211)	(41,353)	(622,147)
Additions	-	4,021	11,648	15,845	31,514
Disposals	-	-	-	(105,272)	(105,272)
At 31 October 2001	-	-	-	-	-
Depreciation					
At 1 November 2000	133,653	167,368	66,933	61,375	429,329
Reclassification to current assets	-	(174,138)	(72,648)	(20,676)	(267,462)
Written back to profit and loss account	(139,819)	-	-	-	(139,819)
On disposals	-	-	-	(46,966)	(46,966)
Charge for the year	6,166	6,770	5,715	6,267	24,918
At 31 October 2001	-	-	-	-	-
Net book value					
At 31 October 2001	-	-	-	-	-
At 31 October 2000	150,760	31,781	14,630	69,405	266,576

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

Year ended 31 October 2001

9 Stocks and work in progress

	2001	2000
	£	£
Raw materials	36,348	85,617
Work in progress	59,574	38,249
Finished goods	72,131	35,001
	168,053	158,867

10 Debtors

	2001	2000
	£	£
Trade debtors	200,409	215,847
Other debtors	19,581	482,256
Prepayments and accrued income	24,292	23,399
	244,282	721,502

11 Creditors: amounts falling due within one year

	2001	2000
	£	£
Bank overdraft	4,032	9,750
Trade creditors	113,492	110,835
Corporation tax	3,299	1,209
Other taxes and social security costs	18,150	28,930
Other creditors	82,118	84,150
Accruals and deferred income	10,820	8,732
Proposed dividend	-	397,800
	231,911	641,406

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

Year ended 31 October 2001

12 Provisions for liabilities and charges

	Deferred taxation £
Balance at 1 November 2000	33,500
Profit and loss account	3,500
Balance at 31 October 2001	37,000

Deferred taxation

The amounts provided in respect of deferred taxation, using the liability method, at 30% (2000 - 30%) are as follows:

	Amount fully provided 2001 £	2000 £
Accelerated capital allowances	37,000	33,500

13 Leasing commitments

Annual commitments under operating leases at 31 October 2001 were as follows:

	2001 £	2000 £
Expiring within one year	-	1,105

14 Called up share capital

	2001 £	2000 £
Authorised:		
20,000 Ordinary Shares of £1 each	20,000	20,000
Allotted, issued and fully paid:		
7,800 Ordinary Shares of £1 each	7,800	7,800

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

Year ended 31 October 2001

15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 November 2000	779,512
Retained profit for the year	156,129
Balance at 31 October 2001	935,641

16 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the financial year	156,129	59,086
Dividends	-	(397,800)
Net addition to/(depletion in) shareholders' funds	156,129	(338,714)
Opening shareholders' funds at 1 November 2000	787,312	1,126,026
Closing shareholders' funds at 31 October 2001	943,441	787,312

17 Contingent liabilities

The directors are not aware of any material contigent liabilities.

18 Related party transactions

During the year the company had the following transactions with Maplezone Property Investment Limited, a company controlled and owned by the directors of Louis Davis (Nottingham) Limited.

Included within debtors is £19,331 (2000: £482,006) due from Maplezone Property Investment Limited.

19 Post balance sheet events

Due to prolonged trading difficulties the directors have taken the decision to cease trading. This decision was announced on 18 February 2002. Since this date no new contracts or orders have been accepted and only commitments under contracts outstanding at 18 February 2002 have been completed.

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

Year ended 31 October 2001

20 Reconciliation of operating profit to net cash inflow/(outflow) from operating activities

	2001	2000
	£	£
Operating profit	127,331	40,368
Depreciation of tangible assets	24,918	34,801
Depreciation written back on reclassification	(139,819)	-
Loss on disposal of tangible assets	4,263	-
(Increase)/decrease in stocks	(9,186)	120,350
Decrease/(increase) in debtors	477,220	(405,473)
Decrease in creditors within one year	(8,067)	(84,700)
Net cash inflow/(outflow) from operating activities	476,660	(294,654)

21 Reconciliation of net cash flow to movement in net funds

	2001	2000
	£	£
Increase/(decrease) in cash in the year	135,777	(808,524)
Opening net funds	305,523	1,114,047
Closing net funds	441,300	305,523

22 Analysis of changes in net funds

	1 November 2000	Cash flow	31 October 2001
	£	£	£
Net cash:			
Cash at bank and in hand	315,273	130,059	445,332
Bank overdrafts	(9,750)	5,718	(4,032)
Net funds	305,523	135,777	441,300