

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

Financial Statements

For

31st December 2000



Company Registration Number 361629

JOLLIFFE CORK

Chartered Accountants & Registered Auditors
33 George Street
Wakefield
WF1 1LX

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Financial Statements

Year Ended 31st December 2000

Contents	Page
Officers and Professional Advisers	1
The Directors' Report	2
Auditors' Report to the Shareholders	5
Group Profit and Loss Account	6
Group Statement of Total Recognised Gains and Losses	6
Group Balance Sheet	7
Company Balance Sheet	8
Group Cash Flow Statement	9
Notes to the Financial Statements	11

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Officers and Professional Advisers

The Board of Directors

Mr R J Donner
Mr D P Sugden
Mr R John Donner

Company Secretary

Mr C G Freeman and Mrs N Donner

Registered Office

Thornes Wharf Lane
Wakefield
WF1 5RQ

Auditors

Jolliffe Cork
Chartered Accountants
& Registered Auditors
33 George Street
Wakefield
WF1 1LX

Bankers

HSBC Bank plc
66 Westgate
Wakefield
WF1 1XB

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

The Directors' Report

Year Ended 31st December 2000

The directors have pleasure in presenting their report and the financial statements of the group for the year ended 31st December 2000.

Principal Activities and Business Review

During the year the group progressed the actions identified in a strategic review carried out during 1998 in reorganising its activities reflecting a shift towards overseas manufacture and the downsizing of UK manufacturing operations to align capacity to market demand. The actions included plant closures, consolidation of warehouses and proportional reductions in central administration functions. Existing facilities have been integrated and duplicate facilities closed to reduce the cost base of operations.

Significant costs incurred relating to this fundamental reorganisation were incurred as a consequence of the above outlined strategic review, these costs amounted to £1,017,940 and have been treated as Exceptional Costs in preparing these financial Statements.

Results and Dividends

The trading results for the year, and the group's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2000	1999
	£	£
Dividend paid on preference shares	<u>73,682</u>	<u>69,857</u>

The Directors and their Interests

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		At	
	Class of share	31 December 2000	At 1 January 2000
Mr R J Donner	Ordinary shares of £1 each	646	646
	Preference shares of £1 each Class 'A'	5,000	5,000
	Preference shares of £1 each Class 'B'	-	-
	Preference shares of £1 each Class 'C'	247,050	247,050
Mr D P Sugden	Ordinary shares of £1 each	-	-
	Preference shares of £1 each Class 'A'	-	-
	Preference shares of £1 each Class 'B'	-	-
	Preference shares of £1 each Class 'C'	-	-
Mr R John Donner	Ordinary shares of £1 each	643	643
	Preference shares of £1 each Class 'A'	1,452	1,452
	Preference shares of £1 each Class 'B'	1,666	1,666
	Preference shares of £1 each Class 'C'	<u>177,950</u>	<u>177,950</u>

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

The Directors' Report *(continued)*

Year Ended 31st December 2000

Directors

It is with great regret that the directors record the death on 30 December 2000 of Mr Isaak Donner. Mr Isaak Donner founded The Wakefield Shirt Group of companies over 60 years ago and he served as Chairman until his death. The directors acknowledge the enormity of the contribution made by Mr Isaak Donner over the years and recognise that he will be sadly missed.

Mr D P Sugden retired as a director on 6 April 2001. Mr D P Sugden has been joint Managing Director of the Group for almost 30 years and the directors wish him a long and happy retirement.

Charitable donations

During the year the group made charitable donations amounting to £3,085 (1999 £3,475).

Fixed assets

Additions to, and disposals of fixed assets are shown in notes 12 and 13 on pages 15 to 18.

Taxation status

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

Employment Policies

a)Employee Involvement

The company continued to encourage teamwork and communications between all of its employees in the management of the business during the year. Consultation continues to take place through management and employee committees at varying levels within the company, where a wide range of business and employment issues are discussed.

b)Employment of disabled people

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

c)Equal opportunities policy

The company 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 grounds of race, colour, nationality, ethnic or national 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 company is committed to a programme of action to make this policy fully effective.

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

The Directors' Report *(continued)*

Year Ended 31st December 2000

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 group at the end of the year and of the group's profit or loss for the year then ended.

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

select suitable accounting policies, as described on pages 11 to 12, 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; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

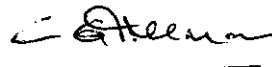
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Jolliffe Cork as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Thornes Wharf Lane
Wakefield
WF1 5RQ

Signed on behalf of the directors



C G Freeman
Joint Secretary

Approved by the directors on 9th July 2001

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Auditors' Report to the Shareholders

Year Ended 31st December 2000

We have audited the financial statements on pages 6 to 21 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 11 to 12.

Respective Responsibilities of the Directors and the Auditors

As described on page 4, the company's directors 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 group's circumstances, consistently applied and adequately disclosed.

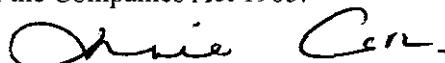
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 the company's affairs and of the group as at 31st December 2000 and of the loss of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

33 George Street
Wakefield
WF1 1LX

9th July 2001


JOLLIFFE CORK
Chartered Accountants
& Registered Auditors

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Group Profit and Loss Account

Year Ended 31st December 2000

	Note	2000 £	1999 £
Group Turnover	2	18,515,692	18,981,387
Cost of sales		(13,032,078)	(14,050,994)
Gross Profit		<u>5,483,614</u>	<u>4,930,393</u>
Distribution Costs		(2,286,501)	(2,370,348)
Administrative expenses		(3,347,230)	(3,258,850)
Other operating income	3	195,893	278,223
Operating Profit/(Loss)	4	<u>45,776</u>	<u>(420,582)</u>
Exceptional items	7	(1,017,940)	(510,275)
		<u>(972,164)</u>	<u>(930,857)</u>
Share of associate profit		95,109	220,697
Income from other fixed asset investments	8	373	679
Interest receivable		5,381	6,826
Interest payable	9	(402,105)	(348,712)
Loss on Ordinary Activities Before Taxation		<u>(1,273,406)</u>	<u>(1,051,367)</u>
Tax on loss on ordinary activities	10	(26,205)	(70,070)
Loss on Ordinary Activities after Taxation		<u>(1,299,611)</u>	<u>(1,121,437)</u>
Dividends (including non-equity)	11	(73,682)	(69,857)
Loss for the Financial Year		<u>(1,373,293)</u>	<u>(1,191,294)</u>

All of the activities of the company are classed as continuing.

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own Group Profit and Loss Account.

Group Statement of Total Recognised Gains and Losses

	2000 £	1999 £
Loss for the financial year		
attributable to the members of the parent company	(1,299,611)	(1,121,437)
Unrealised profit on revaluation of properties	682,500	-
Total gains and losses recognised since the last annual report	<u>(617,111)</u>	<u>(1,121,437)</u>

The notes on pages 11 to 21 form part of these financial statements.


The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Group Balance Sheet

31st December 2000

	Note	2000	1999
		£	£
Fixed Assets			
Tangible assets	12	5,428,158	4,840,487
Investments	13	442,847	373,628
		<u>5,871,005</u>	<u>5,214,115</u>
Current Assets			
Stocks	14	7,776,223	7,449,836
Debtors	15	3,156,422	3,374,351
Cash at bank		513,930	248,066
		<u>11,446,575</u>	<u>11,072,253</u>
Creditors: Amounts Falling due Within One Year	16	<u>(7,042,657)</u>	<u>(5,167,471)</u>
Net Current Assets		<u>4,403,918</u>	<u>5,904,782</u>
Total Assets Less Current Liabilities		<u>10,274,923</u>	<u>11,118,897</u>
Creditors: Amounts Falling due after More than One Year	17	<u>(1,855,806)</u>	<u>(2,008,987)</u>
		<u>8,419,117</u>	<u>9,109,910</u>
Capital and Reserves			
Called-up share capital	22	1,174,504	1,174,504
Revaluation reserve	23	3,018,039	2,471,054
Other reserves	23	394,277	394,277
Group Profit and Loss Account	23	3,832,297	5,070,075
Shareholders' Funds (including non-equity interests)	24	<u>8,419,117</u>	<u>9,109,910</u>

These financial statements were approved by the directors on the 9th July 2001 and are signed on their behalf by:



Mr R John Donner

The notes on pages 11 to 21 form part of these financial statements.

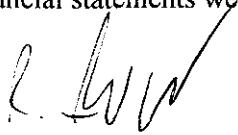
The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Company Balance Sheet

31st December 2000

	Note	2000	1999
		£	£
Fixed Assets			
Tangible assets	12	4,252,502	3,770,002
Investments	13	3,324,148	3,323,880
		<u>7,576,650</u>	<u>7,093,882</u>
Current Assets			
Debtors	15	2,214,098	1,972,133
Cash at bank		68,613	274,440
		<u>2,282,711</u>	<u>2,246,573</u>
Creditors: Amounts Falling due Within One Year	16	(176,572)	(157,606)
Net Current Assets		<u>2,106,139</u>	<u>2,088,967</u>
Total Assets Less Current Liabilities		<u>9,682,789</u>	<u>9,182,849</u>
Creditors: Amounts Falling due after More than One Year	17	(1,817,527)	(1,963,053)
		<u>7,865,262</u>	<u>7,219,796</u>
Capital and Reserves			
Called-up share capital	22	1,174,504	1,174,504
Revaluation reserve	23	3,018,039	2,471,054
Other reserves	23	5,646	5,646
Company Profit and Loss Account	23	3,667,073	3,568,592
Shareholders' Funds (including non-equity interests)		<u>7,865,262</u>	<u>7,219,796</u>

These financial statements were approved by the directors on the 9th July 2001 and are signed on their behalf by:



Mr R John Donner

The notes on pages 11 to 21 form part of these financial statements.

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Group Cash Flow Statement

Year Ended 31st December 2000

	2000		1999	
	£	£	£	£
Net Cash (Outflow)/Inflow From Operating Activities		(299,678)		520,986
Returns on Investments and Servicing of Finance				
Income from other fixed asset investments	373		679	
Interest received	5,381		6,826	
Interest paid	(401,670)		(346,908)	
Interest element of hire purchase	(435)		(1,804)	
Non-equity dividends paid	(66,032)		(79,028)	
Net Cash Outflow From Returns on Investments and Servicing of Finance		(462,383)		(420,235)
Taxation				
Corporation Tax paid	(47)		(8,997)	
Taxes Paid		(47)		(8,997)
Capital Expenditure and Financial Investment				
Payments to acquire tangible fixed assets	(423,442)		(343,380)	
Receipts from sale of fixed assets	187,444		30,500	
Acquisition of Quoted investments	(268)		(360)	
Net Cash Outflow for Capital Expenditure and Financial Investment		(236,266)		(313,240)
Cash Outflow Before Financing		(998,374)		(221,486)
Financing				
Repayment of bank loans	(138,112)		(100,850)	
Capital element of hire purchase	(11,856)		(25,628)	
Net Cash Outflow From Financing		(149,968)		(126,478)
Decrease in Cash		(1,148,342)		(347,964)

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Group Cash Flow Statement *(continued)*

Year Ended 31st December 2000

Reconciliation of Operating Profit/(Loss) to Net Cash Outflow From Operating Activities

	2000 £	1999 £
Operating profit/(loss)	45,776	(420,582)
Depreciation	318,271	387,618
Loss/(Profit) on disposal of fixed assets	12,556	(13,740)
(Increase)/Decrease in stocks	(326,387)	1,239,942
Decrease in debtors	217,929	158,687
Increase/(Decrease) in creditors	450,117	(320,664)
Cost of fundamental reorganisation	(1,017,940)	(510,275)
Net cash (outflow)/inflow from operating activities	(299,678)	520,986

Reconciliation of Net Cash Flow to Movement in Net Debt

	2000 £	1999 £
Decrease in cash in the period	(1,148,342)	(347,964)
Net cash inflow from bank loans	138,112	100,850
Net cash outflow in respect of hire purchase	11,856	25,628
	(998,374)	(221,486)
Change in net debt	(998,374)	(221,486)
Net debt at 1st January 2000	(5,051,076)	(4,829,590)
Net debt at 31st December 2000	(6,049,450)	(5,051,076)

Analysis of Changes in Net Debt

	At 1 Jan 2000 £	Cash flows £	At 31 Dec 2000 £
Net cash:			
Cash in hand and at bank	248,066	265,864	513,930
Bank overdraft	(3,195,850)	(1,414,206)	(4,610,056)
	(2,947,784)	(1,148,342)	(4,096,126)
Debt:			
Debt due within 1 year	(140,239)	4,442	(135,797)
Debt due after 1 year	(1,963,053)	145,526	(1,817,527)
	(2,103,292)	149,968	(1,953,324)
Net debt	(5,051,076)	(998,374)	(6,049,450)

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

Basis of Consolidation

The consolidated accounts incorporate the accounts of the company and all group undertakings, together with the group's share of the net assets and results of associated undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of section 230 of the Companies Act 1985.

Turnover

The turnover shown in the Group Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and equipment	- 4 years
Motor vehicles	- 4 years
Warehouse fixtures and fittings	- 20 years
Computer and office equipment	- 4 years

During the year the useful economic life of warehouse equipment was reviewed, the result being that such assets will now be written off over a maximum of 20 years.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in Progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

1. Accounting Policies *(continued)*

Hire Purchase Agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Group Profit and Loss Account on a straight line basis.

Finance Lease Agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Group Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Pension Costs

The company operates a defined benefit pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Group Profit and Loss Account.

Deferred Taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the group.

A geographical analysis of turnover is set out below:-

	2000	1999
	£	£
United Kingdom	17,611,424	18,243,921
Eire	406,447	399,852
Other	497,821	337,614
	<u>18,515,692</u>	<u>18,981,387</u>

3. Other Operating Income

	2000	1999
	£	£
Rent receivable	111,917	175,121
Amortisation of Government grants	7,655	7,655
Discounts received	76,321	93,638
Other operating income	-	1,809
	<u>195,893</u>	<u>278,223</u>

4. Operating Profit/(Loss)

Operating profit/(loss) is stated after charging/(crediting):

	2000	1999
	£	£
Depreciation	318,271	387,618
Loss/(Profit) on disposal of fixed assets	12,556	(13,740)
Auditors' remuneration		
- as auditors	<u>27,500</u>	<u>26,800</u>

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

5. Particulars of Employees

The average number of staff employed by the group during the financial year amounted to:

	2000	1999
	No.	No.
Number of production staff	186	298
Number of other staff	223	219
	<u>409</u>	<u>517</u>

The aggregate payroll costs of the above were:

	2000	1999
	£	£
Wages and salaries	4,996,725	5,617,012
Social security costs	312,745	361,731
Other pension costs	99,896	37,397
	<u>5,409,366</u>	<u>6,016,140</u>

6. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2000	1999
	£	£
Emoluments receivable	141,186	108,014
Value of company pension contributions to non-money purchase schemes	6,312	7,000
	<u>147,498</u>	<u>115,014</u>

7. Exceptional items

During the year the group progressed the actions identified in a strategic review carried out during 1998 in reorganising its activities reflecting a shift towards overseas manufacture and the downsizing of UK manufacturing operations to align capacity to market demand. The actions included plant closures, consolidation of warehouses and proportional reductions in central administration functions.

Existing facilities have been integrated and duplicate facilities closed to reduce the cost base by restructuring. Costs incurred relating to this fundamental reorganisation were incurred as a consequence of the strategic review. These costs, including millennium compliance costs were;

	2000	1999
	£	£
Redundancy and termination costs	275,619	225,913
Other reorganisation costs	742,321	175,308
Millennium compliance costs	-	109,054
	<u>1,017,940</u>	<u>510,275</u>

8. Income From Other Fixed Asset Investments

	2000	1999
	£	£
Gross investment income	373	679

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

9. Interest Payable

	2000 £	1999 £
Interest payable on bank borrowing	401,670	346,908
Finance charges	435	1,804
	<u>402,105</u>	<u>348,712</u>

10. Tax on Loss on Ordinary Activities

	2000 £	1999 £
Corporation Tax underprovision in previous year	-	11,179
Other adjustment	47	-
Associated undertakings	26,158	58,891
	<u>26,205</u>	<u>70,070</u>

11. Dividends

The following dividends have been paid in respect of the year:

	2000 £	1999 £
Dividend paid on preference shares	<u>73,682</u>	<u>69,857</u>

12. Tangible Fixed Assets

Group	Freehold Land and Buildings £	Plant & Machinery £	Motor Vehicles £	Total £
Cost or Valuation				
At 1st January 2000	3,770,000	6,196,834	488,595	10,455,429
Additions	-	354,477	68,965	423,442
Disposals	(200,000)	-	(40,850)	(240,850)
Revaluation	682,500	-	-	682,500
At 31st December 2000	<u>4,252,500</u>	<u>6,551,311</u>	<u>516,710</u>	<u>11,320,521</u>
Depreciation				
At 1st January 2000	-	5,202,038	412,904	5,614,942
Charge for the year	-	259,794	58,477	318,271
On disposals	-	-	(40,850)	(40,850)
At 31st December 2000	<u>-</u>	<u>5,461,832</u>	<u>430,531</u>	<u>5,892,363</u>
Net Book Value				
At 31st December 2000	<u>4,252,500</u>	<u>1,089,479</u>	<u>86,179</u>	<u>5,428,158</u>
At 31st December 1999	<u>3,770,000</u>	<u>994,796</u>	<u>75,691</u>	<u>4,840,487</u>

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

12. Tangible Fixed Assets *(continued)*

Hire purchase and finance lease agreements

There were no assets held under finance lease or hire purchase agreements as at 31st December 2000.

Company	Freehold Land and Buildings £	Fixtures & Fittings £	Total £
Cost or Valuation			
At 1st January 2000	3,770,000	21,036	3,791,036
Disposals	(200,000)	-	(200,000)
Revaluation	682,500	-	682,500
At 31st December 2000	4,252,500	21,036	4,273,536
Depreciation			
At 1st January 2000	-	21,034	21,034
At 31st December 2000	-	21,034	21,034
Net Book Value			
At 31st December 2000	4,252,500	2	4,252,502
At 31st December 1999	3,770,000	2	3,770,002

Freehold land and buildings were revalued on 5th September 2000 by Lambert Smith Hampton on an open market value for existing use basis. The revaluation placed on these assets is shown below:

	£
Freehold land and buildings at cost	1,234,461
Revaluation	3,018,039
Freehold land and buildings at valuation	<u>4,252,500</u>

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

13. Investments

Group	Associated Undertaking	Quoted Investments	Total
	£	£	£
Cost			
At 1st January 2000	354,890	18,738	373,628
Additions	68,951	268	69,219
At 31st December 2000	423,841	19,006	442,847
Net Book Value			
At 31st December 2000	423,841	19,006	442,847
At 31st December 1999	354,890	18,738	373,628

Subsidiary undertakings	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
All held by the company:				
Double Two Limited	England	Ordinary shares	100%	Shirt and Clothing Manufacturer and retailer
Wm Sugden & Sons Limited	England	Ordinary shares	100%	Shirt and Clothing Manufacturer
Threadneedle Company Image Limited	England	Ordinary shares	100%	Corporate Clothing
Kingswells (Fashion Stores) Limited	England	Ordinary shares	100%	Dormant
Wakefield Drapers Limited	England	Ordinary shares	100%	Dormant
Double Two International Limited	England	Ordinary shares	100%	Dormant
Company Image Limited	England	Ordinary shares	100%	Dormant
*Top Twenty Shirt Co Limited	England	Ordinary shares	100%	Dormant
*Topflight Uniforms Limited	England	Ordinary shares	100%	Dormant
*L J & M Refson Limited	England	Ordinary shares	100%	Dormant

* Companies owned by Wm Sugden & Sons Limited

Associated undertaking

All held by the company:				
Leading Labels Limited	England	Ordinary shares	50%	Clothes Retailer

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

13. Investments

Company	Group Companies	Associated Undertakings	Quoted Investments	Total
	£	£	£	£
Cost				
At 1st January 2000	3,280,142	25,000	18,738	3,323,880
Additions	-	-	268	268
At 31st December 2000	<u>3,280,142</u>	<u>25,000</u>	<u>19,006</u>	<u>3,324,148</u>
Net Book Value				
At 31st December 2000	<u>3,280,142</u>	<u>25,000</u>	<u>19,006</u>	<u>3,324,148</u>
At 31st December 1999	<u>3,280,142</u>	<u>25,000</u>	<u>18,738</u>	<u>3,323,880</u>

14. Stocks

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Raw Materials	1,917,189	2,196,846	-	-
Work in progress	248,904	257,967	-	-
Finished goods	5,610,130	4,995,023	-	-
	<u>7,776,223</u>	<u>7,449,836</u>	<u>-</u>	<u>-</u>

15. Debtors

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Trade debtors	2,565,046	2,867,117	-	-
Amounts owed by group undertakings	-	-	2,073,897	1,925,577
VAT recoverable	167	-	1,834	-
Other debtors	152,232	36,733	127,368	10,079
Prepayments and accrued income	438,977	470,501	10,999	36,477
	<u>3,156,422</u>	<u>3,374,351</u>	<u>2,214,098</u>	<u>1,972,133</u>

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

16. Creditors: Amounts falling due within one year

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Bank loans and overdrafts	4,745,853	3,324,233	135,797	128,383
Trade creditors	1,022,676	897,489	-	-
Hire purchase agreements	-	11,856	-	-
Dividends payable	17,208	9,558	17,208	9,558
Other creditors including taxation and social security:				
PAYE and social security	89,181	112,415	-	-
VAT	-	3,690	-	1,735
Other creditors	272,917	223,074	-	-
Accruals and deferred income	894,822	585,156	23,567	17,930
	<u>7,042,657</u>	<u>5,167,471</u>	<u>176,572</u>	<u>157,606</u>

17. Creditors: Amounts falling due after more than one year

	Group		Company	
	2000	1999	2000	1999
	£	£	£	£
Bank loans and overdrafts	1,817,527	1,963,053	1,817,527	1,963,053
Accruals and deferred income	38,279	45,934	-	-
	<u>1,855,806</u>	<u>2,008,987</u>	<u>1,817,527</u>	<u>1,963,053</u>

The bank loan, which is unsecured, is repayable by instalments and is not wholly repayable within five years. Interest is payable at rates varying with market rates.

18. Commitments under Hire Purchase Agreements

There were no future commitments under hire purchase agreements as at 31st December 2000.

19. Financial Commitments

At 31st December 2000 there were financial commitments in respect of irrevocable documentary credits and acceptances of £373,819 (1999: £682,665).

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

20. Contingencies

The Group has given guarantees dated 5th March 1996 and 5th March 1997 to H M Customs and Excise for £200,000 and to Northern Bank plc dated 22nd March 1984 and 26th November 1995 for £7,980 both with recourse.

Under Group banking arrangements the company is a party to an unlimited, multilateral guarantee given to HSBC Bank plc on 24th January 1996 by the following Group companies: Double Two Limited, Threadneedle Company Image Limited and the Wakefield Shirt Company Limited. At 31st December 2000 the borrowings guaranteed amounted to £6,107,901 (1999: £5,072,081).

21. Related Party Transactions

The Wakefield Shirt Company Limited, has a 50% interest in Leading Labels Limited, a company registered in England. Leading Labels Limited is regarded as a related party. The company has, in the normal course of business, supplied goods and management services to Leading Labels Limited. Goods supplied amounted to £236,677 and operating services charged amounted to £30,000. At 31st December 2000 Leading Labels Limited owed £35,488 to the group and this amount is included within trade debtors.

22. Share Capital

Authorised share capital:

	2000	1999
	£	£
5,150 Ordinary shares of £1.00 each	5,150	5,150
40,000 "A" Preference 8.5% shares of £1.00 each	40,000	40,000
10,000 "B" Preference 8.5% shares of £1.00 each	10,000	10,000
1,125,000 "C" Preference 6% shares of £1.00 each	1,125,000	1,125,000
	<u>1,180,150</u>	<u>1,180,150</u>

Allotted, called up and fully paid:

	2000		1999	
	No.	£	No.	£
Ordinary shares	4,504	4,504	4,504	4,504
"A" Preference 8.5% shares	35,000	35,000	35,000	35,000
"B" Preference 8.5% shares	10,000	10,000	10,000	10,000
"C" Preference 6% shares	1,125,000	1,125,000	1,125,000	1,125,000
	<u>1,174,504</u>	<u>1,174,504</u>	<u>1,174,504</u>	<u>1,174,504</u>

The Wakefield Shirt Company Limited and Its Subsidiary Undertakings

Notes to the Financial Statements

Year Ended 31st December 2000

23. Reserves

Group	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Other reserve £
Balance brought forward	5,070,075	2,471,054	5,646	388,631
Loss for the year	(1,373,293)			
Transfer from revaluation reserve	135,515			
Revaluation of fixed assets		682,500		
Transfer to profit and loss account		(135,515)		
Balance carried forward	<u>3,832,297</u>	<u>3,018,039</u>	<u>5,646</u>	<u>388,631</u>

Company	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £
Balance brought forward	3,568,592	2,471,054	5,646
Loss for the year	(37,034)		
Transfer from revaluation reserve	135,515		
Revaluation of fixed assets		682,500	
Transfer to profit and loss account		(135,515)	
Balance carried forward	<u>3,667,073</u>	<u>3,018,039</u>	<u>5,646</u>

24. Reconciliation of Movements in Shareholders' Funds

Equity Shareholders' Funds

	2000 £	1999 £
Loss for the financial year	(1,299,611)	(1,121,437)
Dividends	(73,682)	(69,857)
	<u>(1,373,293)</u>	<u>(1,191,294)</u>
Other net recognised gains and losses	682,500	-
Net reduction to funds	<u>(690,793)</u>	<u>(1,191,294)</u>
Opening shareholders' equity funds	7,939,910	9,131,204
Closing shareholders' equity funds	<u>7,249,117</u>	<u>7,939,910</u>

Non-Equity Shareholders' Funds

Opening and closing shareholders' non-equity funds	<u>1,170,000</u>	<u>1,170,000</u>
Total Shareholders' Funds	<u>8,419,117</u>	<u>9,109,910</u>