

CLARKS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2001



CLARKS LIMITED

COMPANY INFORMATION

Directors

Mr M McMenemy
Mrs J E Derbyshire

Secretary

Mrs P E Alford

Company number

99857

Registered office

40 High Street
Street
BA16 0YA

Auditors

KPMG
Chartered Accountants
and Registered Auditors
Bristol

CLARKS LIMITED

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CLARKS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST JANUARY 2001

The directors present their report and the audited financial statements for the company for the year ended 31st January 2001.

Principal activities

The company's principal activity during the year was the purchase of footwear for resale. The company entered into a series of transactions during the year, which generated no profits or losses. The company expects to enter into similar transactions in the future.

Directors and their interests

The directors who held office during the year were:-

Mr M McMenemy

Mrs J E Derbyshire

Neither director has an interest in the share capital of the company.

Mr M McMenemy is a director of C & J Clark Limited, the company's ultimate holding company, and his interests in the share capital of C & J Clark Limited are shown in the accounts of that company.

Mrs J E Derbyshire and her family hold 201,188 (2000 : 168,464) Ordinary Shares of £1 each in the share capital of C & J Clark Limited, the company's ultimate holding company.

The requirements of the Companies Act 1985, results in the inclusion, in the case of the holdings of Mrs Derbyshire and her family, of 32,302 (2000 : nil) Ordinary Shares which the trustee of the C & J Clark Executive Share Trust holds. No director is as yet entitled to receive these shares from the trust.

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 for that year. 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

CLARKS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST JANUARY 2001

By order of the Board



Mrs P E Alford, Secretary
13th March 2001

AUDITORS' REPORT TO THE SHAREHOLDERS OF CLARKS LIMITED

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Directors' Report and, as described on page 1, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

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 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 the 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 31st January 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG

**Chartered Accountants
and Registered Auditors
Bristol
Date: 13th March 2001**

CLARKS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST JANUARY 2001

	Notes	2001 £	2000 £
Turnover	2	24,314	17,375
Cost of sales		(23,957)	(17,375)
Administrative expenses		(357)	-
Operating profit		-	-
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit for the financial year		-	-
Retained profit brought forward		9,245	9,245
Retained profit carried forward		9,245	9,245

All amounts relate to continuing activities.

There were no recognised gains or losses for 2001 or 2000 other than those included in the profit and loss account.

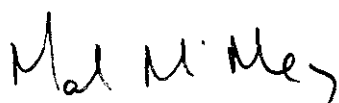
CLARKS LIMITED

BALANCE SHEET

AS AT 31ST JANUARY 2001

	Notes	£	2001 £	£	2000 £
Current assets					
Debtors	4		10,456		10,456
			<u>10,456</u>		<u>10,456</u>
Capital and reserves					
Share capital	5		1,211		1,211
Profit and loss account			9,245		9,245
Shareholders' funds			<u>10,456</u>		<u>10,456</u>

These financial statements were approved by the board on 13th March 2001 and signed on its behalf by:



Mr M McMenemy
Director

CLARKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 2001

1 Accounting policies

Basis of accounting

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

Under Financial Reporting Standard No. 1 (Revised 1996) the company is exempt from the requirement to produce a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Directors' remuneration

None of the directors received any emoluments in respect of their services to the company (2000 - nil).

4 Debtors

	2001 £	2000 £
Amounts owed by group undertakings	10,456	10,456
	<u>10,456</u>	<u>10,456</u>

5 Share capital

	2001 £	2000 £
Authorised		
8,000 Ordinary Shares of £1.00 each	8,000	8,000
	<u>8,000</u>	<u>8,000</u>
Allotted		
1,211 Allotted, called up and fully paid Ordinary Shares of £1.00 each	1,211	1,211
	<u>1,211</u>	<u>1,211</u>

6 Ultimate holding company

The company is a subsidiary undertaking of C & J Clark Limited, a company registered in England.

The group in which the results of the company are consolidated is that headed by C & J Clark Limited. The consolidated accounts of the group are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ. No other group accounts include the results of the company.