

Company Registration No. 3834291

# Clissold Group Limited

## STATUTORY FINANCIAL STATEMENTS

for the year ended

31 December 2002



Baker Tilly Chartered Accountants  
2 Whitehall Quay, Leeds, LS1 4HG

Offices at: Basingstoke, Birmingham, Brighton, Bristol, Bromley,  
Bury St Edmunds, Chelmsford, Chester, Coventry, Crawley, Edinburgh, Glasgow, Grimsby, Guildford, Hereford, Hull, Ipswich, Leeds, Lerwick, Liverpool, London, Manchester, Milton  
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# Clissold Group Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

Adrian Berry  
Michael Harburn  
Christopher Holdsworth  
Malcolm Styring  
Ronald Taylor

### SECRETARY

Ronald Taylor

### COMPANY NUMBER

3834291 (England and Wales)

### REGISTERED OFFICE

Oldgate Mill  
North Wing  
Otley Road  
Bradford  
BD3 0DH

### AUDITORS

Baker Tilly  
Chartered Accountants  
2 Whitehall Quay  
Leeds  
LS1 4HG

# Clissold Group Limited

## DIRECTORS' REPORT

The directors submit their report and the financial statements of Clissold Group Limited for the year ended 31 December 2002.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of a holding company.

### RESULTS AND DIVIDENDS

The company has not traded during the year.

No preference dividend has been proposed (2001: £625). A preference dividend of £2,500 has been paid in the year (2001: £1,875). A final ordinary dividend of £29,600 (2001: £Nil) has been proposed.

### DIRECTORS

Adrian Berry  
Michael Harburn  
Christopher Holdsworth  
Malcolm Styring  
Ronald Taylor

### DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

		Ordinary Shares of £1 each		"B" Preference Shares of £1 each
	31.12.02	31.12.01	31.12.02	31.12.01
Adrian Berry	50,000	50,000	25,000	25,000
Michael Harburn	10,000	10,000	-	-
Christopher Holdsworth	50,000	50,000	25,000	25,000
Malcolm Styring	50,000	50,000	-	-
Ronald Taylor	25,000	25,000	-	-

# Clissold Group Limited

## DIRECTORS' REPORT

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### AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants as auditors will be put to the members at the annual general meeting.

By Order of the Board



R Taylor

Secretary

July 8<sup>th</sup> 2003

# Clissold Group Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of 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.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLISSOLD GROUP LIMITED

We have audited the financial statements on pages 6 to 14.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report (if applicable, the Chairman's Statement, the Operating and Financial Review, specify any other). We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **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 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BAKER TILLY  
Registered Auditor  
Chartered Accountants  
Leeds

18 July 2003

**Clissold Group Limited**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2002

	<i>Notes</i>	2002 £	2001 £
Other operating expenses (net)	1	69,000	69,000
Investment income	2	-	-
		<hr/>	<hr/>
OPERATING PROFIT		69,000	69,000
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		69,000	69,000
Taxation	3	-	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		69,000	69,000
Dividends	4	32,100	24,700
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	11	36,900	44,300
		<hr/>	<hr/>

The operating profit for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

# Clissold Group Limited

## BALANCE SHEET

31 December 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Negative goodwill	5	( 169,525)	( 238,525)
Investments	6	2,724,419	2,724,419
		<u>2,554,894</u>	<u>2,485,894</u>
CURRENT ASSETS			
Debtors	7	109,860	817,574
CREDITORS: Amounts falling due within one year	8	32,958	2,692,154
		<u>76,902</u>	<u>(1,874,580)</u>
NET CURRENT ASSETS / (LIABILITIES)			
		2,631,796	611,314
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS: Amounts falling due after one year	9	1,983,582	-
		<u>648,214</u>	<u>611,314</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	10	235,000	235,000
Capital redemption reserve	11	175,000	175,000
Profit and loss account	11	238,214	201,314
		<u>648,214</u>	<u>611,314</u>
SHAREHOLDERS' FUNDS	12		
		<u>648,214</u>	<u>611,314</u>
Equity interests		598,214	561,314
Non-equity interests		50,000	50,000
		<u>648,214</u>	<u>611,314</u>

Approved by the board on *July 18<sup>th</sup>* 2003

*R Taylor*  
R Taylor Director



# Clissold Group Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

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

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### NEGATIVE GOODWILL

The event of the fair value of the underlying net assets over the cost of acquisition is capitalised and amortised over a period of five years, which in the directors' opinion is its expected usual economic life.

### GROUP ACCOUNTS

The company has taken advantage of the exemption conferred by s248 of the Companies Act 1985 from the requirement to prepare group accounts. Accordingly the financial statements present information about the company as an individual undertaking.

# Clissold Group Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2002

### 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2002 £	2001 £
Profit on ordinary activities before taxation is stated after crediting:		
Negative goodwill released	( 69,000)	( 69,000)

The directors consider that the company operates in only one business segment.

### 2 INVESTMENT INCOME

	2002 £	2001 £
Dividends receivable	-	-

### 3 TAXATION

	2002 £	2001 £
Corporation tax:		
Current tax	-	-
Total current tax	-	-
Deferred taxation:		
Current period	-	-
Total deferred tax	-	-
Tax on loss on ordinary activities	-	-
Factors affecting the tax charge for the period:		

The tax charge assessed for the period is lower than the standard rate of corporation tax in the UK (20%). The differences are explained below:

	2002 £	2001 £
Profit on ordinary activities before tax	69,000	69,000
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20%	13,800	13,800
Effects of:		
Non-taxable income	( 13,800)	( 13,800)
Current tax charge for the period	-	-

**Clissold Group Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2002

4	DIVIDENDS	2002 £	2001 £
	Non-equity interests:		
	Interest paid on redeemable preference shares	2,500	1,875
	Interest proposed on redeemable preference shares	-	625
	Equity interests:		
	Dividend paid	-	22,200
	Dividend proposed	29,600	-
		<u>32,100</u>	<u>24,700</u>
5	NEGATIVE GOODWILL		2002 £
	Cost:		
	1 January 2002 and 31 December 2002		( 376,525)
			<u>          </u>
	Amortisation		
	1 January 2002		138,000
	Released in the period		69,000
			<u>          </u>
	31 December 2002		207,000
			<u>          </u>
	Net book value		
	31 December 2002		( 169,525)
			<u>          </u>
	31 December 2001		( 238,525)
			<u>          </u>

# Clissold Group Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2002

### 6 FIXED ASSET INVESTMENTS £

Investment in subsidiary undertakings at cost:  
At 1 January 2002 and 31 December 2002 2,724,419

Shares in subsidiary undertakings comprise the following:-

	<i>Country of incorporation or registration</i>	<i>Class of shares</i>	<i>% Held by group</i>	<i>% Held by parent</i>	<i>Principal activity</i>
Clissold Holdings Limited	England and Wales	Ordinary	100%	100%	Holding Company
Cashlux Limited	England and Wales	Ordinary	100%	100%	Dormant
Taylor & Holdsworth Limited	England and Wales	Ordinary	100%	100%	Manufacturer of cloth
J H Clissold & Son Limited	England and Wales	Ordinary	100%	100%	Manufacturer of cloth
Robert Laidlaw & Sons Limited	Scotland	Ordinary	100%	100%	Manufacturer of cloth
Scottish Crofter Weavers Limited	Scotland	Ordinary	100%	-	Dormant
Beaumont, Carr & Co Limited	England	Ordinary	100%	-	Dormant
Glen Hunt Woollens Limited	Scotland	Ordinary	100%	-	Dormant

The aggregate amount of capital and reserves and the results for the year of the subsidiary companies are as follows:-

	<i>Capital and Reserves</i>	<i>Profit/(loss) for the year</i>
Clissold Holdings Limited	1,738,332	-
Cashlux Limited	100	-
Taylor & Holdsworth Limited	( 108,710)	-
J H Clissold & Son Limited	767,277	10,148
Robert Laidlaw & Sons Limited	164,713	43,529
Scottish Crofter Weavers Limited	-	-
Beaumont, Carr & Co Limited	( 1,150)	-
Glen Hunt Woollens Limited	-	-

**Clissold Group Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2002

7	DEBTORS	2002 £	2001 £
	Amounts owed within one year:		
	Amounts due from subsidiary undertakings	-	817,574
	Amounts owed after one year:		
	Amounts due from subsidiary undertakings	109,860	-
		<u>109,860</u>	<u>817,574</u>
8	CREDITORS: Amounts falling due within one year	2002 £	2001 £
	Amounts due to subsidiary undertakings	-	2,688,796
	Accruals	3,358	3,358
	Proposed dividends	29,600	-
		<u>32,958</u>	<u>2,692,154</u>
9	CREDITORS: Amounts falling due after one year	2002 £	2001 £
	Amounts due to subsidiary undertakings	1,983,582	-
		<u>1,983,582</u>	<u>-</u>

**Clissold Group Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2002

10	SHARE CAPITAL	2002 £	2001 £
	Authorised		
	<b>Equity share capital</b>		
	Ordinary shares of £1 each	185,000	185,000
	<b>Non-equity share capital</b>		
	“A” 2.5% fixed rate cumulative redeemable preference shares	175,000	175,000
	“B” 5% fixed rate cumulative redeemable preference shares	50,000	50,000
		<u>410,000</u>	<u>410,000</u>
	Allotted, issued and fully paid		
	<b>Equity share capital</b>		
	Ordinary shares of £1 each	185,000	185,000
	<b>Non-equity share capital</b>		
	“B” 5% fixed rate cumulative redeemable preference shares	50,000	50,000
		<u>235,000</u>	<u>235,000</u>

**Income**

The profits of the company available for distribution shall be applied in the following order:

- 1 AA preference shares, a cumulative preferential net cash dividend of 2.5 pence per share per annum.
- 2 AB preference shares, a cumulative preferential net cash dividend of 5 pence per share.
- 3 Ordinary shareholders will receive the balance in the proportion of ordinary shares held by them respectively.

**Assets on winding up**

The assets of the company remaining after the payment of its liabilities shall be applied in the following order:

- 1 AA preference shareholders will receive, 1 per AA preference share together with a sum equal to any arrears, deficiency or accruals of the AA preference dividend.
- 2 AB preference shareholders as above
- 3 Ordinary shareholders will receive the balance in the proportion of ordinary shares held by them respectively.

**Voting**

Each ordinary share carries one vote per share.

Preference shares do not carry a vote.

# Clissold Group Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2002

### 10 SHARE CAPITAL (Continued)

#### Redemption of the preference shares

The AA preference shares were redeemed at par by two equal instalments on 30 June 2000 and on 31 December 2000 in accordance with the articles.

The AB preference shares shall be redeemed at par and in full on 31 January 2004.

11	RESERVES	<i>Profit and loss account £</i>	<i>Capital redemption reserve £</i>
	At 1 January 2002	201,314	175,000
	Profit for the period	36,900	-
	Transfer to capital redemption reserve	-	-
	At 31 December 2002	238,214	175,000
12	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2002 £	2001 £
	Profit for the financial period	69,000	69,000
	Dividends	32,100	24,700
	Net addition to shareholders' funds	36,900	44,300
	Opening shareholders' funds	611,314	567,014
	Closing shareholders' funds	648,214	611,314

### 13 GROUP UNDERTAKING BALANCES

During the year the company rationalised balances owed to and from group undertakings to more fairly and accurately reflect the group position. All balances have also been restated as 'due after one year'.