

**Courtaulds Clothing Brands
Limited**

**Unaudited Abridged Consolidated
Financial Statements**

Registered number 00165158

30 June 2021

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Company information

Directors R I H Broadberry
Huit Holdings (UK) Limited

Secretary R I H Broadberry

Registered office The Courtaulds Building
292 Haydn Road
Nottingham
NG5 1EB

Statement of financial position
as at 30 June 2020

	Note	Group 2021 £000	2020 £000	Company 2021 £000	2020 £000
Non-current assets					
Investments in subsidiaries	3	-	-	3,839	3,839
Other receivables	4	9	9	-	-
		<u>9</u>	<u>9</u>	<u>3,839</u>	<u>3,839</u>
Current assets					
Other receivables	5	37	37	28	28
Cash and cash equivalents		-	-	-	-
		<u>37</u>	<u>37</u>	<u>28</u>	<u>28</u>
Total assets		<u>46</u>	<u>46</u>	<u>3,867</u>	<u>3,867</u>
Current liabilities					
Other payables	6	(38)	(38)	(4,212)	(4,212)
Total liabilities		<u>(38)</u>	<u>(38)</u>	<u>(4,212)</u>	<u>(4,212)</u>
Net assets/(liabilities)		<u>8</u>	<u>8</u>	<u>(345)</u>	<u>(345)</u>
Equity					
Share capital	7	26,204	26,204	26,204	26,204
Retained earnings		(26,164)	(26,164)	(26,549)	(26,549)
Cumulative translation adjustments		(32)	(32)	-	-
Total equity		<u>8</u>	<u>8</u>	<u>(345)</u>	<u>(345)</u>

The directors have elected not to include a copy of the profit and loss account within these financial statements.

For the period ending 30th June 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of directors on 29 March 2022 and signed on its behalf by:



Roger Ian Harry Broadberry
Director

Company number: 00165158

Statement of changes in equity
for the year ended 30 June 2021

Group	Share Capital £000	Retained earnings £000	Translation reserve £000	Total equity £000
Balance at 1 July 2019	26,204	(26,164)	(32)	8
Total comprehensive income for the year				
Result for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 30 June 2020	26,204	(26,164)	(32)	8
Balance at 1 July 2020	26,204	(26,164)	(32)	8
Total comprehensive income for the year				
Result for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 30 June 2021	26,204	(26,164)	(32)	8

Company	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 July 2019	26,204	(26,549)	(345)
Total comprehensive income for the year			
Result for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 30 June 2020	26,204	(26,549)	(345)
Balance at 1 July 2020	26,204	(26,549)	(345)
Total comprehensive income for the year			
Result for the year	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 30 June 2021	26,204	(26,549)	(345)

Notes

(forming part of the financial statements)

1 Accounting policies

Courtaulds Clothing Brands Limited (the "Company") is a company incorporated in the UK. The registered number is 00165158 and the registered address is The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB.

The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The parent company financial statements present information about the Company as a separate legal entity and not about its group.

Both the parent company financial statements and the group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"). On publishing the parent company financial statements here together with the group financial statements, the Company has taken advantage of the exemption in s408 of the Companies Act 2006 not to present its individual income statement and related notes that form part of the approved financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with Adopted IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period only, or in the period of the revision and future periods if the revision affects both the current and future periods.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding that the Company has net liabilities of £345,000 (2020 £345,000). The directors believe this continues to be appropriate because the Company is a member of a group with significant inter-group balances and the other group companies have agreed to continue to support the Company by not requesting payment of the outstanding balances for the foreseeable future.

Measurement convention

The financial statements are prepared on the historical cost basis. Non-current assets are stated at the lower of previous carrying amount and fair value.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Foreign currency

The assets and liabilities of foreign operations, including the goodwill and fair value adjustments arising on consolidation, are translated at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are taken directly to the translation reserve. They are released into the income statement upon disposal.

Notes (continued)

1 Accounting policies (continued)

Classification of financial instruments issued by the Group

Following the adoption of IAS 32, financial instruments issued by the Group are treated as equity to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company (or group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company (or group); and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments in debt and equity securities

Investments in subsidiaries and associates are carried at cost less impairment in the parent company accounts.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Impairment excluding inventories and deferred tax assets

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment; a financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Financing income

Financing income comprises interest receivable on funds invested and dividend income.

Interest income is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

Notes (continued)

1 Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Adoption of new standards

There are no new standards, amendments to standards or interpretations that must be applied for the first time in the year ended 30 June 2021 or that are available for early adoption that are relevant to the Group or Company.

2 Staff numbers and costs

The number of persons employed by the Company (including directors) during the period was nil (2020: nil).

3 Investment in subsidiaries

	Subsidiary Undertakings	Total
	Shares £000	£000
<i>Net book values:</i>		
At 30 June 2021	3,839	3,839
At 30 June 2020	3,839	3,839

Notes (continued)

3 Investments in subsidiaries (continued)

The principal investments are the company's 100% owned subsidiary undertakings:

Name	Country of incorporation	Registered office address
Kayser Bondor Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB
Macanie (London) Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB
Bairns-Wear Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB
Courtaulds Clothing Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB
Courtaulds C.P.G. (Holdings) Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB
Courtaulds Intimate Apparel Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB
Gossard (Holdings) Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB
Bramblegate Limited	England	The Courtaulds Building, 292 Haydn Road, Nottingham, NG5 1EB

4 Other receivables – non-current

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Amounts due from third parties	9	9	-	-
	<u>9</u>	<u>9</u>	<u>-</u>	<u>-</u>
	<u><u>9</u></u>	<u><u>9</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

5 Other receivables - current

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Amounts due from related parties (note 10)	37	37	28	28
	<u>37</u>	<u>37</u>	<u>28</u>	<u>28</u>
	<u><u>37</u></u>	<u><u>37</u></u>	<u><u>28</u></u>	<u><u>28</u></u>

Notes (continued)

6 Other payables

	Group		Company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Amounts due to related parties (note 10)	9	9	4,187	4,187
Non-trade payables and accrued expenses	29	29	25	25
	38	38	4,212	4,212

7 Capital and reserves

Share capital

	2021	2020
	£000	£000
<i>Allotted, called up and fully paid:</i>		
900,000 7.5% preferences shares of £1 each	900	900
101,216,000 ordinary shares of 25p each	25,304	25,304
	26,204	26,204

The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The preference shares carry no voting rights. They are entitled to dividends half yearly provided the directors consider that the profits of the company justify such payment. On a winding up the surplus assets of the company available for distribution among the members shall be applied first in repaying the capital paid up on the preference shares together with any dividend arrears on those shares. The preference shares are not redeemable. The dividend on 350,427 preference shares owned by the Company's parent has been waived from 1995 until such waiver is revoked. From 6 April 1999 the dividend rate on a £1 preference share increased from 5.25% to 7.5%, a requirement following changes in UK tax legislation.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

8 Operating leases

At the balance sheet date neither the Company nor the Group had any non-cancellable operating lease commitments (2020: £nil).

9 Capital commitments

At the balance sheet date neither the Company nor the Group had any capital commitments (2020: £nil).

Notes (continued)

10 Related parties

The following are considered to be related parties of the Company:

Parent companies:

Huit Holdings Limited – ultimate parent

Huit Holdings (UK) Limited – immediate parent

Subsidiaries:

Kayser Bondor Limited

Macanie (London) Limited

Bairns-Wear Limited

Courtaulds Clothing Limited

Courtaulds C.P.G. (Holdings) Limited

Courtaulds Intimate Apparel Limited

Gossard (Holdings) Limited

Bramblegate Limited

Key management personnel of the Company and its parents:

Directors are as detailed on page 1 of these financial statements

11 Ultimate parent company and parent company of larger group

The company is a subsidiary of Huit Holdings Limited which is the ultimate parent company incorporated in Hong Kong. The ultimate controlling party is Chan Ngai Ming, the 100% beneficial shareholder of Huit Holdings Limited.

No other group financial statements include the results of the Company.