

Registered No:

406925

CV Statutory Company No:

316

HICKING PENTECOST LIMITED

(formerly HICKING PENTECOST Plc)

REPORT AND ACCOUNTS FOR THE YEAR ENDED

31 DECEMBER 2000

COUNTRY OF REGISTRATION:

ENGLAND

REGISTERED OFFICE:

LEES STREET
SWINTON
MANCHESTER
M27 6DA

DIRECTORS:

S W DAVIES
M C FLOWER
C W HEALY
D J LEA
G M PERKS

SECRETARY:

D JENKINS

AUDITORS:

DELOITTE & TOUCHE
201 DEANSGATE
MANCHESTER
M60 2AT



HICKING PENTECOST LIMITED
(formerly **HICKING PENTECOST Plc**)

DIRECTORS' REPORT

The directors present their annual report and audited accounts for the year ended 31 December 2000.

CHANGE OF NAME

The company changed its name from Hicking Pentecost Plc to Hicking Pentecost Limited on 8 December 2000.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company is and will continue to be that of a holding company.

During the year the company provided £9.1m against its investments. The Directors do not recommend the payment of a dividend and as a result the retained loss for the period of £8.4 million has been transferred from reserves (1999 - £1.4 million)

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

DIRECTORS

The directors during the year were:

| | |
|------------|----------------------------|
| S W Davies | (appointed 18 June 2001) |
| M C Flower | |
| C W Healy | |
| C M Jones | (resigned 31 January 2000) |
| K T Kantor | (resigned 2 April 2001) |
| J D Lea | |
| G M Perks | |
| J Stephens | (resigned 18 June 2001) |

DIRECTORS' INTERESTS

The directors have no beneficial interests in the shares of the Company.

Details of the directors' interests in the ordinary shares of Coats plc are shown below:-

| | 31/12/00 | 31/12/99 |
|-----------|----------|----------|
| C W Healy | 4,000 | Nil |
| J D Lea | 23,079 | 23,079 |

The following share options in Coats plc have been granted to directors and not exercised:

| | <u>Options Granted</u> | <u>Price per Share</u> | <u>Period of Option</u> | <u>Number of Shares</u> |
|--|----------------------------|--------------------------------|---------------------------------|---------------------------------|
| 1984 Executive Share Option Scheme | 1991 to 1994 | 170.15p to 256.08p | 2001 to 2004 | 5,000 |
| 1994 Executive Share Option Scheme | 1994 to 1999 | 33.75p to 214.50p | 2001 to 2009 | 688,000 |
| Overseas Executive Share Option Scheme | 1991 to 1994 | 170.15p to 256.08p | 2001 to 2004 | 20,275 |
| Coats Sharesave | 1994 to 1997 | 110.00p to 183.00p | 2001 to 2002 | 6,204 |

The following were directors of Coats plc during the year and their interests are therefore shown in the Directors' Report of that company.

Mr. M C Flower
Miss K T Kantor

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of the company's affairs and of the result of the company for that period. In preparing accounts the directors are required to:

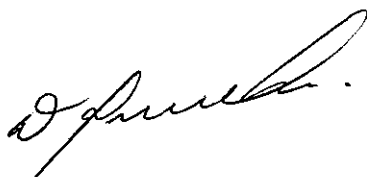
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



D Jenkins
Secretary

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

AUDITORS' REPORT TO THE SHAREHOLDERS OF HICKING PENTECOST LIMITED

We have audited the financial statements on pages 5 to 16 which have been prepared under the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the company's directors are responsible for the preparation of financial statements which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. 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 AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 as at 31 December 2000 and of its loss for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants
and Registered Auditors

14 September 2001

201 Deansgate
Manchester
M60 2AT

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

PROFIT AND LOSS ACCOUNT
For the Year ended 31 December 2000

| | <u>Notes</u> | Year ended 31 December 2000 £'000 | Period ended 31 December 1999 £'000 |
|---|--------------|--|--|
| Administration expenses and other expenses | | <u>(213)</u> | <u>(2,638)</u> |
| OPERATING (LOSS) | 1 | (213) | (2,638) |
| Interest receivable and similar income | 4 | 2,460 | 2,533 |
| Interest payable and similar charges | 4 | (1,766) | (1,580) |
| Income from shares in subsidiary undertakings | 5 | - | 335 |
| (Loss) on disposal of shares in subsidiary undertaking | | (89) | (96) |
| Gain on repayment of a subsidiary's loan | | 314 | - |
| Amounts written off investments in subsidiary undertakings | | <u>(9,139)</u> | <u>-</u> |
| (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION | | (8,433) | (1,446) |
| Taxation on (loss) on ordinary activities | 6 | <u>56</u> | <u>13</u> |
| (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION | 14 | <u>(8,377)</u> | <u>(1,433)</u> |

The notes on pages 8 to 16 form part of these accounts.

The above results all relate to continuing operations. There is no material difference between the results shown above and those on a historical cost basis.

HICKING PENTECOST LIMITED
(formerly HICKING PENTECOST Plc)

BALANCE SHEET

At 31 December 2000

| | <u>Notes</u> | 31 December 2000 £'000 | 31 December 1999 £'000 |
|---|--------------|------------------------------|------------------------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 7 | 1,802 | 1,893 |
| Investments in subsidiaries | 8 | <u>37,856</u> | <u>92,829</u> |
| | | <u>39,658</u> | <u>94,722</u> |
| CURRENT ASSETS | | | |
| DEBTORS - falling due within one year | 9 | 98 | 25 |
| - falling due in more than one year | 9 | 21,501 | - |
| CASH AT BANK AND IN HAND | | <u>490</u> | <u>4,470</u> |
| | | 22,089 | 4,495 |
| CREDITORS - amounts falling due within one year | 10 | <u>(987)</u> | <u>(8,967)</u> |
| NET CURRENT ASSETS/(LIABILITIES) | | <u>21,102</u> | <u>(4,472)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 60,760 | 90,250 |
| CREDITORS - amounts falling due after more than one year | 11 | (14,610) | (36,635) |
| PROVISIONS FOR LIABILITIES AND CHARGES | 12 | <u>(147)</u> | <u>(254)</u> |
| NET ASSETS | | <u>46,003</u> | <u>53,361</u> |
| CAPITAL AND RESERVES | | | |
| SHARE CAPITAL | 13 | 15,945 | 15,945 |
| SHARE PREMIUM ACCOUNT | 14 | 8,521 | 8,521 |
| OTHER CAPITAL RESERVES | 14 | 19,781 | 19,829 |
| PROFIT AND LOSS ACCOUNT | 14 | <u>1,756</u> | <u>9,066</u> |
| EQUITY SHAREHOLDERS' FUNDS | | <u>46,003</u> | <u>53,361</u> |

Approved by the Board of Directors on 20/7/2001 and signed on their behalf.

Christophe Healy
Director

The notes on pages 8 to 16 form part of these accounts.

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

| Year ended 31 December 2000 £'000 | Period ended 31 March 1999 £'000 |
|--|---|
|--|---|

STATEMENT OF RECOGNISED GAINS AND LOSSES

Year ended 31 December 2000

| | | |
|--|----------------|--------------|
| (Loss) for the financial year | (8,377) | (1,433) |
| Unrealised surplus on revaluation of properties | - | 811 |
| Currency translation differences | <u>1,019</u> | <u>244</u> |
| Total recognised gains and losses relating to the period | <u>(7,358)</u> | <u>(378)</u> |

RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Year ended 31 December 2000

| | | |
|---|---------------|---------------|
| (Loss) for the financial year | (8,377) | (1,433) |
| Dividends | <u>-</u> | <u>-</u> |
| | (8,377) | (1,433) |
| Unrealised surplus on revaluation of properties | - | 811 |
| Currency translation differences | 1,019 | 244 |
| Shares issued during period | <u>-</u> | <u>200</u> |
| Net movement in shareholders' funds | (7,358) | (178) |
| Opening shareholders' funds | <u>53,361</u> | <u>53,539</u> |
| Closing shareholders' funds | <u>46,003</u> | <u>53,361</u> |

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

STATEMENT OF ACCOUNTING POLICIES

| | | | | | | | | | |
|-----------------------|---|---------------|-----|--------------------|----------|---------------------|------------|----------------|-----|
| Basis of Accounting | The financial accounts are prepared on the basis of historical cost, as modified by the revaluation of land and buildings, and in accordance with applicable accounting standards. | | | | | | | | |
| Foreign Currencies | Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the year end. Profits and losses on exchange arising in the normal course of trading and realised exchange differences arising on the conversion of foreign currency borrowings are dealt with in the profit and loss account. Unrealised exchange differences arising on the translation of overseas net assets and matched long term foreign currency borrowings are taken direct to reserves. | | | | | | | | |
| Investments | Fixed asset investments are stated at cost, unless in the opinion of the Directors, there has been an impairment in the carrying value in which case an appropriate adjustment is made. | | | | | | | | |
| Tangible Fixed Assets | <p>Tangible fixed assets are stated at cost or open market existing use valuation less accumulated depreciation which is provided to write off the asset over its useful economic life at the following rates:</p> <table><tr><td>Freehold land</td><td>Nil</td></tr><tr><td>Freehold buildings</td><td>2% to 5%</td></tr><tr><td>Plant and equipment</td><td>20% to 33%</td></tr><tr><td>Motor vehicles</td><td>25%</td></tr></table> | Freehold land | Nil | Freehold buildings | 2% to 5% | Plant and equipment | 20% to 33% | Motor vehicles | 25% |
| Freehold land | Nil | | | | | | | | |
| Freehold buildings | 2% to 5% | | | | | | | | |
| Plant and equipment | 20% to 33% | | | | | | | | |
| Motor vehicles | 25% | | | | | | | | |
| Cash Flow Statement | The company is a wholly owned subsidiary undertaking of Coats plc. The company has therefore taken the advantage of the exemption under FRS1 of not producing its own cash flow statement as a consolidated cash flow statement has been included in the consolidated financial statements of Coats plc. | | | | | | | | |

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS

| | Year ended 31 December 2000 £'000 | Period ended 31 December 1999 £'000 |
|--|--|--|
| 1. OPERATING (LOSS) | | |
| Operating (loss) is stated after charging/ (crediting): | | |
| Depreciation | 83 | 63 |
| (Profit)/loss on disposal of fixed assets | (5) | 8 |
| Operating leases - plant and machinery | 5 | - |
| Audit fees | - | 15 |
| Non-audit fees payable to auditors | - | 22 |
| Bid defence costs | - | 1,425 |
| Reorganisation costs | (4) | 494 |
| Impairment of fixed assets | - | 13 |
| Empty property costs | 84 | - |
| 2. DIRECTORS' REMUNERATION | | |
| Aggregate emoluments | - | 425 |
| Company pension contributions to money purchase schemes | - | 49 |
| Compensation for loss of office | - | 474 |
| | - | 948 |
| Aggregate emoluments of highest paid director including compensation for loss of office | - | 443 |
| Company pension contributions to money purchase scheme for highest paid director | - | 24 |
| | - | 467 |
| Number of directors for whom retirements benefits provided: | <u>Number</u> | <u>Number</u> |
| under money purchase schemes | - | 3 |
| under defined benefit schemes | - | 1 |

The following directors do not receive any emoluments
in respect of their services to the company:

M C Flower
C W Healy

D J Lea
GMPerk

K T Kantor
J Stephens

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS (Continued)

| | Year ended 31 December 2000 | Period ended 31 December 1999 |
|---|--|--|
| 3. EMPLOYEES | Number | Number |
| Average number of persons employed | <u>1</u> | <u>7</u> |
| | £'000 | £'000 |
| Staff costs during the period: | | |
| Wages and salaries | 27 | 312 |
| Social security costs | 9 | 45 |
| Other pension costs | <u>23</u> | <u>62</u> |
| | <u>59</u> | <u>419</u> |
| 4. INTEREST RECEIVABLE AND PAYABLE | Year ended 31 December 2000 £'000 | Period ended 31 December 1999 £'000 |
| Receivable - bank interest | 18 | 239 |
| - group loans | 2,440 | 2,294 |
| - other | <u>2</u> | <u>-</u> |
| | <u>2,460</u> | <u>2,533</u> |
| Payable - bank loans | (1,249) | (1,580) |
| - group loans | (488) | - |
| - other | <u>(29)</u> | <u>-</u> |
| | <u>1,766</u> | <u>(1,580)</u> |
| 5. INCOME FROM SHARES IN SUBSIDIARY UNDERTAKINGS | | |
| Dividends receivable | <u>-</u> | <u>335</u> |
| 6. TAX ON (LOSS) ON ORDINARY ACTIVITIES | | |
| Corporation tax at 30% (prior year 30%) | (74) | 63 |
| Deferred tax | <u>18</u> | <u>(76)</u> |
| | <u>(56)</u> | <u>(13)</u> |

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS (Continued)

7. TANGIBLE FIXED ASSETS

| | Freehold land and buildings £'000 | Plant and equipment £'000 | Total £'000 |
|--------------------------|--|---------------------------------|----------------|
| Cost or valuation | | | |
| At 31 December 1999 | 2,177 | 103 | 2,280 |
| Disposals | <u>-</u> | <u>(73)</u> | <u>(73)</u> |
| At 31 December 2000 | <u>2,177</u> | <u>30</u> | <u>2,207</u> |
| Depreciation | | | |
| At 31 December 1999 | 301 | 86 | 387 |
| Charge for the period | 74 | 9 | 83 |
| Disposals | <u>-</u> | <u>(65)</u> | <u>(65)</u> |
| At 31 December 2000 | <u>375</u> | <u>30</u> | <u>405</u> |
| Net book amount | | | |
| At 31 December 2000 | <u>1,802</u> | <u>-</u> | <u>1,802</u> |
| At 31 December 1999 | <u>1,876</u> | <u>17</u> | <u>1,893</u> |

Depreciation is not provided on freehold land with a valuation of £827,000 (31 December 1999 - £827,000).

On a historical cost basis, freehold land and buildings would be included at a net book amount of £1,055,000 (31 December 1999 - £1,080,000).

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS (Continued)

8. INVESTMENTS

| | | <u>Group Companies</u> | |
|-----------------------|-----------------|------------------------|-----------------|
| | Shares £'000 | Loans £'000 | Total £'000 |
| COST | | | |
| At 31 December 1999 | 21,158 | 83,365 | 104,523 |
| Additions | 12,157 | - | 12,157 |
| Repayments | - | (44,897) | (44,897) |
| Disposal | <u>(13,094)</u> | <u>-</u> | <u>(13,094)</u> |
| At 31 December 2000 | <u>20,221</u> | <u>38,468</u> | <u>58,699</u> |
| PROVISIONS | | | |
| At 31 December 1999 | (6,858) | (4,836) | (11,694) |
| Provided | <u>(9,139)</u> | <u>-</u> | <u>(9,139)</u> |
| At 31 December 2000 | <u>(15,997)</u> | <u>(4,836)</u> | <u>(20,833)</u> |
| NET BOOK VALUE | | | |
| At 31 December 2000 | <u>4,224</u> | <u>33,632</u> | <u>37,856</u> |
| At 31 December 1999 | <u>14,300</u> | <u>78,529</u> | <u>92,829</u> |

The principal subsidiaries during the period were:

| Company | Country of operation | Effective % of issued share capital held |
|--|-------------------------|---|
| Barbour Threads | | |
| Barbour Threads Limited * | Northern Ireland | 100% |
| Barbour Campbell Industria Filati S.p.A. * | Italy | 100% |
| Barbour Threads B.V. * | Holland | 100% |
| Barbour Threads Proprietary Limited * | Australia | 100% |
| Barbour Threads Limited * | Hong Kong | 100% |

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS (Continued)

8. INVESTMENTS (Continued)

| Company | Country of operation | Effective % of issued share capital |
|-----------------------------------|----------------------|-------------------------------------|
| Other | | |
| Barbour Campbell Textiles Limited | Wales | 100% |

* shareholding held by a subsidiary undertaking.

During the year the company sold its investments in Hicking Pentecost Textiles Limited and Forgemasters Plc to its management. In addition, the company purchased an investment in Coats North American Consolidated Inc, a company incorporated in the USA from a subsidiary undertaking then subsequently sold it to a fellow Group undertaking at neither a profit or loss.

The country of incorporation is the same as the country of operation except for Barbour Threads Limited (Northern Ireland) and Barbour Campbell Textiles Limited, both incorporated in Scotland.

The effective percentage of share capital held by the Group relates to all classes of shares and is equivalent to the voting rights.

In the opinion of the directors the aggregate value of the assets of these subsidiaries is not less than the aggregate of the amounts at which those assets are included in the balance sheet.

As the company is a wholly-owned subsidiary of another company incorporated in Great Britain, consolidated accounts are not presented.

9. DEBTORS (Amounts falling due within one year)

| | 31 December 2000 £'000 | 31 December 1999 £'000 |
|---|---------------------------|---------------------------|
| Amounts owed by group companies | 6 | - |
| Other debtors | <u>92</u> | <u>25</u> |
| | <u>98</u> | <u>25</u> |
| DEBTORS (Amounts falling due in more than one year) | | |
| Amounts owed by Group companies | <u>21,501</u> | <u>-</u> |

The amounts owed from group undertakings have no specified dates of repayment and are only repayable on receipt of twelve month's notice and do not bear interest.

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS (Continued)

| | | | |
|-----|--|------------------------------|------------------------------|
| 10. | CREDITORS (Amounts falling due within one year) | 31 December 2000 £'000 | 31 December 1999 £'000 |
| | Bank and other loans | - | 7,629 |
| | Amounts owed to Group undertakings | 394 | - |
| | Trade creditors | - | 38 |
| | Corporation tax | 536 | 651 |
| | Other taxation and social security | 2 | 13 |
| | Other creditors | 7 | 7 |
| | Accruals and deferred income | <u>48</u> | <u>629</u> |
| | | <u>987</u> | <u>8,967</u> |
| 11. | CREDITORS (Amounts falling due after more than one year) | | |
| | Banks and other loans | - | 23,542 |
| | Amounts owed to group undertakings | <u>14,610</u> | <u>13,093</u> |
| | | <u>14,610</u> | <u>36,635</u> |
| | Borrowings, some of which are repayable by instalments, others by a single repayment at the end of their term, comprise: | | |
| | Due between 1 and 2 years | - | 11,134 |
| | Due between 2 and 5 years | - | 4,591 |
| | Due beyond 5 years | <u>-</u> | <u>7,817</u> |
| | | <u>-</u> | <u>23,542</u> |

The amounts owed to group undertakings have no specified dates of repayment and are only repayable on receipt of twelve month's notice and do not bear interest.

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS (Continued)

| | 31 December 2000 £'000 | 31 December 1999 £'000 |
|---|------------------------------|------------------------------|
| 12. PROVISIONS FOR LIABILITIES AND CHARGES | | |
| Deferred taxation | 18 | - |
| Reorganisation provisions | <u>129</u> | <u>254</u> |
| | <u>147</u> | <u>254</u> |

The movement on the deferred taxation provision
is as follows:-

| | |
|-------------------------|-------------|
| At 31 December 1999 | - |
| Profit and loss account | <u>(18)</u> |
| At 31 December 2000 | <u>(18)</u> |

| | 31 December 2000 £'000 | 31 December 1999 £'000 |
|--|------------------------------|------------------------------|
| The deferred taxation provision comprises: | | |
| Accelerated capital allowances | 58 | 75 |
| Short term timing differences | <u>(40)</u> | <u>(75)</u> |
| | <u>18</u> | <u>-</u> |

The movement on reorganisation provisions
is as follows:-

| | |
|----------------------------|--------------|
| At 31 December 1999 | 254 |
| Released during the period | (4) |
| Utilised | <u>(121)</u> |
| At 31 December 2000 | <u>129</u> |

HICKING PENTECOST LIMITED
(formerly Hicking Pentecost Plc)

NOTES TO THE ACCOUNTS (Continued)

| 13. | CALLED UP SHARE CAPITAL | 31 December 2000 £'000 | 31 December 1999 £'000 |
|-----|--------------------------------|------------------------------|------------------------------|
| | NUMBER | | |
| | Authorised | | |
| | Ordinary shares of 50p each | | |
| | 40,000,000 | <u>20,000</u> | <u>20,000</u> |
| | Allotted and fully paid | | |
| | Ordinary shares of 50p each | | |
| | 31,890,849 | <u>15,945</u> | <u>15,945</u> |

| 14. | RESERVES | Share premium £'000 | Capital redemption reserve £'000 | Capital reserve £'000 | Revaluation reserve £'000 | Profit and loss account £'000 |
|-----|--|---------------------------|---|-----------------------------|---------------------------------|--|
| | At 31 December 1999 | 8,521 | 5 | 19,029 | 795 | 9,066 |
| | Loss for the period | - | - | - | - | (8,377) |
| | Transfer to profit and loss account | - | - | - | (48) | 48 |
| | Exchange | - | - | - | - | <u>1,019</u> |
| | At 31 December 2000 | <u>8,521</u> | <u>5</u> | <u>19,029</u> | <u>747</u> | <u>1,756</u> |

15. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Coats plc, a company incorporated in England and Wales. Copies of the Group financial statements are available from the parent company's registered office at 1 The Square, Stockley Park, Uxbridge, Middlesex UB11 1TD.

16. RELATED PARTY TRANSACTIONS

The company is a wholly-owned subsidiary undertaking of Coats plc and has taken advantage of the exemption in FRS 8 "Related Party Disclosures" in not separately disclosing details of transactions with other group companies.