

# **Courtaulds Textiles (Holdings) Limited**

Annual report and financial statements

For the year ended 31 December 2017

Registered number: 01753996

TUESDAY



A31 \*A7EA0QQQ\* #284  
11/09/2018  
COMPANIES HOUSE

**Courtaulds Textiles (Holdings) Limited**  
**Annual report and financial statements**  
**For the year ended 31 December 2017**

**Contents Page**

	<b>Page</b>
Company information	2
Strategic report	3
Directors' report	4
Independent Auditor's report	6
Profit and loss account	9
Balance sheet	10
Statement of changes in equity	11
Notes to the financial statements	12

# **Courtaulds Textiles (Holdings) Limited**

## **Company information**

<b>Directors</b>	<b>J.R. Cook</b>
	<b>D.P.G. Jones</b>
<b>Company Secretary</b>	<b>Throgmorton Secretaries LLP</b> <b>4<sup>th</sup> Floor, Reading Bridge House</b> <b>George Street</b> <b>Reading</b> <b>Berkshire, RG1 8LS</b>  <b>S. Pashley</b>
<b>Company registration number</b>	<b>01753996</b>
<b>Country of incorporation</b>	<b>England and Wales</b>
<b>Company type</b>	<b>Private limited</b>
<b>Registered office</b>	<b>Horizon, Honey Lane</b> <b>Hurley, Maidenhead</b> <b>Berkshire, SL6 6RJ</b>
<b>Auditor</b>	<b>Deloitte LLP</b> <b>Statutory Auditor</b> <b>St Albans, United Kingdom</b>
<b>Bankers</b>	<b>Lloyds Bank</b>
<b>Incorporated</b>	<b>19 September 1983</b>

# **Courtaulds Textiles (Holdings) Limited**

## **Strategic report**

**For the year ended 31 December 2017**

The directors present their strategic report on Courtaulds Textiles (Holdings) Limited for the year ended 31 December 2017.

### **Review of the business**

The Company's principal activity is to act as a holding company, and it predominantly holds an industrial injury provision that relates mainly to current and estimated liabilities under a self-insurance scheme for employers' liability and other related matters. The provision is the best estimate of the directors based on an external actuarial valuation as at 31 December 2017.

The Company has net liabilities of £26,318,000 (2016: 28,592,000) and has received support from D.E Holding UK Limited that it will provide sufficient resources to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

The profit for the year was £2,274,000 (2016: £520,000).

The directors expect there to be no change in the Company's activity within the foreseeable future.

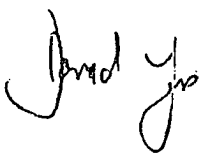
### **Principal risks and uncertainties**

The Company's principal risk is the uncertainty of the timing and amount of payments to be made for the settlement of industrial injury related claims. This is mitigated through bi-annual actuarial assessment of claims activity.

### **Financial key performance indicators**

Given the nature of the business as a holding company, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The development, performance and position of the group, which includes the Company, are discussed in the group's financial statements which do not form part of this annual report.

The strategic report of Courtaulds Textiles (Holdings) Ltd (registered number 01753996) were approved by the board of directors and authorised for issue on July 2018. They were signed on its behalf by:



D.P.G Jones  
Director

22 July 2018

# **Courtaulds Textiles (Holdings) Limited**

## **Directors' report**

**For the year ended 31 December 2017**

The directors present their report and the audited financial statements of Courtaulds Textiles (Holdings) Limited (the "Company") for the year ended 31 December 2017.

### **Principal activity and future developments**

The Company's principal activity is to act as a holding company; its registered number is 01753996.

The directors expect there to be no change in the Company's activity within the foreseeable future. Further details on future developments are included within the strategic report.

### **Going concern**

The Company has net liabilities of £26,318,000 (31 December 2016: £28,592,000) and has received support from D.E Holding UK Limited that it will provide sufficient resources to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. On this basis the directors consider that the presentation of the financial statements on a going concern basis is appropriate.

The directors have a reasonable expectation that the Company and the group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Notes to the financial statements.

### **Dividends and reserves**

The directors do not recommend the payment of a dividend for the year (31 December 2016: £nil).

### **Directors**

The directors who served during the year and to the date of signing of the financial statements:

J.R. Cook

D.P.G. Jones

Throgmorton Secretaries LLP continued as company secretary during the year.

Qualifying third party indemnity provisions are provided by a third party for the benefit of the directors of the Company, and were in force during the financial year and at the date of approval of the financial statements.

# **Courtaulds Textiles (Holdings) Limited**

## **Directors' report (continued)**

For the year ended 31 December 2017

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (United Kingdom Accounting Standards and applicable law) including FRS 101 "Related Disclosure Framework". Under company law, the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

### **Disclosure of information to auditor**

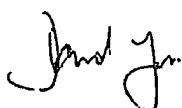
In accordance with Section 418, each person who is a director at the time when the report is approved confirms that:

- a) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Independent auditor**

The auditor, Deloitte LLP, has indicated its willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

The directors' report of Courtaulds Textiles (Holdings) Ltd (registered number 01753996) was approved by the board of directors and authorised for issue on July 2018. They were signed on its behalf by:



D.P.G Jones  
Director

13 July 2018

# **Courtaulds Textiles (Holdings) Limited**

## **Independent auditor's report to the members of Courtaulds Textiles (Holdings) Limited**

**For the year ended 31 December 2017**

### **Opinion**

In our opinion the financial statements of Courtaulds Textiles (Holdings) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the company which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

## **Courtaulds Textiles (Holdings) Limited**

### **Independent auditor's report to the members of Courtaulds Textiles (Holdings) Limited (continued)**

**For the year ended 31 December 2017**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **Courtaulds Textiles (Holdings) Limited**

### **Independent auditor's report to the members of Courtaulds Textiles (Holdings) Limited (continued)**

**For the year ended 31 December 2017**

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

#### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.



Heather Bygrave FCA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

St Albans, United Kingdom

Date: 23 July 2018

# **Courtaulds Textiles (Holdings) Limited**

## **Profit and loss account**

For the year ended 31 December 2017

		<b>Year ended 31 December 2017 £'000</b>	<b>Year ended 31 December 2016 £'000</b>
	<b>Note</b>		
Administrative income		<u>2,336</u>	<u>504</u>
<b>Profit on ordinary activities before interest and taxation</b>		2,336	504
Interest receivable and similar charges	6	<u>-</u>	<u>16</u>
<b>Profit on ordinary activities before taxation</b>		2,336	520
Tax on profit on ordinary activities	7	(62)	-
<b>Profit for the financial year</b>		<u><u>2,274</u></u>	<u><u>520</u></u>

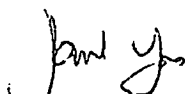
# Courtaulds Textiles (Holdings) Limited

## Balance sheet

As at 31 December 2017

	Note	2017 £'000	2016 £'000
<b>Fixed assets</b>			
Investments	8	<u>1,725</u>	<u>1,725</u>
<b>Current assets</b>			
Debtors	9	36	467
Creditors: amounts falling due within one year	10	<u>(14,588)</u>	<u>(14,505)</u>
<b>Net current liabilities</b>		<u>(14,552)</u>	<u>(14,038)</u>
<b>Total assets less current liabilities</b>		<u>(12,827)</u>	<u>(12,313)</u>
Provisions for liabilities	11	(13,491)	(16,279)
<b>Net liabilities</b>		<u><u>(26,318)</u></u>	<u><u>(28,592)</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	12,500	12,500
Profit and loss account		(38,818)	(41,092)
<b>Total shareholder's deficit</b>		<u><u>(26,318)</u></u>	<u><u>(28,592)</u></u>

The financial statements of Courtaulds Textiles (Holdings) Limited (registered number 01753996) were approved by the board of directors and authorised for issue on 23 July 2018. They were signed on its behalf by:

  
D.P.G Jones  
Director

## **Courtaulds Textiles (Holdings) Limited**

### **Statement of changes in equity**

As at 31 December 2017

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance at 1 January 2016</b>	12,500	(41,612)	(29,112)
Profit for the year	-	520	520
<b>Total comprehensive income for the year</b>	-	520	520
<b>Balance at 31 December 2016</b>	12,500	(41,092)	(28,592)
Profit for the year	-	2,274	2,274
<b>Total comprehensive income for the year</b>	-	2,274	2,274
<b>Balance at 31 December 2017</b>	12,500	(38,818)	(26,318)

# **Courtaulds Textiles (Holdings) Limited**

## **Notes to the financial statements**

**For the year ended 31 December 2017**

### **1. General information**

Courtaulds Textiles (Holdings) Limited (the Company) is a Company incorporated in the United Kingdom under the Companies Act 2006. It is a private Company limited by shares. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activity is set out in the strategic report on page 3.

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements and the Company is exempt from the preparation of consolidated financial statements under s405 of Companies Act 2006, because it is included in the group financial statements of Jacobs Douwe Egberts B.V. The group financial statements of Jacobs Douwe Egberts B.V. are available to the public and can be obtained as set out in note 14.

The Company has applied FRS 101 'Reduced Disclosure Framework' incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2016 that are effective for accounting periods beginning on or after 1 January 2015.

### **2. Significant accounting policies**

#### **Basis of accounting**

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

Where relevant, equivalent disclosures have been given in the group financial statements of Jacobs Douwe Egberts B.V. The financial statements of Jacobs Douwe Egberts B.V. are available to the public and can be obtained as set out in note 14.

The financial statements have been prepared on the historical cost basis as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The principal accounting policies adopted are set out below:

#### **Going concern**

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the strategic report on page 3.

The Company is not expected to generate positive cash flows on its own account for the foreseeable future. The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors have obtained a letter of support from the Company's parent company, D.E Holding UK Limited. The directors have also considered cash flow projections for the next 12 months and are, therefore, confident around the Company's ability to operate as a going concern or its ability to continue with the current banking arrangements.

The bank facilities are guaranteed by the parent company as part of cash pool arrangement. The parent company has committed to settle the expected overdraft on completion of the final claims.

# **Courtaulds Textiles (Holdings) Limited**

## **Notes to the financial statements For the year ended 31 December 2017**

### **2. Significant accounting policies (continued)**

#### **Investments in subsidiaries**

Investments in subsidiaries are accounted for at cost less loss for impairment.

#### ***Dividend and interest revenue***

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **Operating profit**

Operating profit is stated before investment income and finance costs.

#### **Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### ***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### ***Current tax and deferred tax for the year***

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

# **Courtaulds Textiles (Holdings) Limited**

## **Notes to the financial statements**

For the year ended 31 December 2017

### **2. Significant accounting policies (continued)**

#### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Industrial injury provision**

Management review the level, timing and value of anticipated industrial injury related claims arising from previous employment based on actuarial advice. This actuarial advice is based on the historic trend of claims received and the anticipated flow of future claims, and this forms the basis of the best estimate of the directors assuming that historic claim patterns and repudiation rates continue into the future. The future projected cash flows have been discounted using a methodology based on the Solvency II risk free rates as issued by EIOPA for Sterling liabilities.

### **4. Auditor's remuneration**

Fees payable for the audit of the Company's annual financial statements were £8,000 paid by a fellow group undertaking (2016: £8,000).

Fees payable for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent Company are required to disclose such fees on a consolidated basis.

### **5. Staff costs**

There were no employees in the company in the year (2016: nil).

The directors do not receive any remuneration in relation to their services to this Company (2016: nil).

# Courtaulds Textiles (Holdings) Limited

## Notes to the financial statements

For the year ended 31 December 2017

### 6. Interest (receivable)/payable and similar charges

	Year ended 2017 £'000	Year ended 2016 £'000
Interest on bank and other borrowings and similar charges	-	(16)

### 7. Tax

	Year ended 2017 £'000	Year ended 2016 £'000
Corporation tax: UK corporation tax	62	-

Corporation tax is calculated at 19.25 % (2016: 20.00 %) of the estimated taxable profit for the year.

The charge for the year can be reconciled to the profit in the profit and loss account as follows:

	Year ended 2017 £'000	Year ended 2016 £'000
Profit/(Loss) before tax	2,336	520
Tax at the UK corporation tax rate of 19.25 % (2016: 20.00%)	450	104
Effects of:		
Adjustments in respect of prior years	62	-
Expenses not deductible in determining taxable profit	95	184
Income not taxable in relation to tax losses	(544)	(284)
Transfer pricing adjustments	(2)	(5)
Amounts not recognised	1	1
Tax charge for the year	62	-



# Courtaulds Textiles (Holdings) Limited

## Notes to the financial statements

For the year ended 31 December 2017

### 7. Tax (continued)

The Finance (No.2) Act 2016, which provides for reductions in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 followed by a further reduction to 18% effective from 1 April 2020, was substantively enacted on 26 October 2016. This rate reduction has been reflected in the calculation of deferred tax at the balance sheet date. The closing deferred tax asset as at 31 December 2017 has been calculated at 17% reflecting the tax rate at which the deferred tax asset is expected to be utilised in future periods.

The Government intends to enact a further reduction in the main tax rate down to 17% effective from 1 April 2020 (superseding the 18% rate effective from that date introduced in the Finance (No.2) Act 2016). As this tax rate was not substantively enacted at the balance sheet date, the relevant rate reduction is not yet reflected in these financial statements.

### 8. Fixed asset investments

	2017 £'000	2016 £'000
At 1 January and 31 December	1,725	1,725

Shares held				
	Country of registration or incorporation	Class	%	Main activity
Linnysshaw Insurance Limited	Isle of Man	Ordinary	100	Insurance

Registered Office: Tower House, Loch Promenade, Douglas, Isle of Man.

In the opinion of the directors, the aggregate value of shares in and amounts owing by the subsidiary undertakings is not less than the aggregate of the amounts at which they are stated in the company's balance sheet.

### 9. Debtors

	2017 £'000	2016 £'000
Amounts due within one year:		
Other debtors	20	397
VAT	16	44
Balances owed from group undertakings	-	24
Prepayments	-	2
	36	467

# Courtaulds Textiles (Holdings) Limited

## Notes to the financial statements For the year ended 31 December 2017

### 10. Creditors

	2017 £'000	2016 £'000
Amounts due within one year:		
Bank overdrafts	14,499	14,295
Amounts owed to group undertakings	-	-
Tax and social security	62	-
Other creditors	15	-
Accruals and deferred income	12	210
	<u>14,588</u>	<u>14,505</u>

Amounts owed to group undertakings are intercompany balances which are unsecured, repayable on demand and do not bear interest. The company participates in group funding facility.

### 11. Provisions

	2017 £'000	2016 £'000
Industrial injury	13,438	16,226
Environmental	28	28
Rent provision	25	25
	<u>13,491</u>	<u>16,279</u>

	Industrial injury £'000	Environ- mental £'000	Rent provision	Total £'000
At 1 January 2017	16,226	28	25	16,279
Utilised during the year	-	-	-	-
Change in provision	(2,788)	-	-	(2,788)
	<u>13,438</u>	<u>28</u>	<u>25</u>	<u>13,491</u>
At 31 December 2017	13,438	28	25	13,491

#### *Industrial injury provision*

The provision relates mainly to current and estimated liabilities under a self-insurance scheme for employers' liability and other related matters. The provision is the best estimate of the directors based on an external actuarial valuation as at 31 December 2017 and assumes historic claim patterns and repudiation rates continue into the future. The future projected cash flows have been discounted using a methodology based on the Solvency II risk free rates as issued by EIOPA for Sterling liabilities.

# Courtaulds Textiles (Holdings) Limited

## Notes to the financial statements

For the year ended 31 December 2017

### 11. Provisions (continued)

#### *Environmental provision*

The provision relates to various environmental obligations that the company is required to settle. The balance has not been discounted as the impact would not be material.

#### *Rent provision*

The provision relates to various legal costs that can be incurred in future in relation to recovery of lease receivable.

### 12. Deferred tax

At the balance sheet date, the Company has unused tax losses of £18,272,543 (2016: £18,282,000) represented by non-trading deficits of £7,799,158 (2016: 7,799,000), management expenses of £524,051 (2016: £534,000) and capital losses of £9,949,334 (2016: £9,949,000).

No deferred tax assets have been recognised in respect of the above as the directors do not consider it probable that sufficient suitable profits will arise to utilise these assets.

The total unrecognised deferred tax asset is £3,106,332 (2016: £3,656,000), represented by non-trading deficits of £1,325,857 (2016: £1,560,000), management expenses of £89,089 (2016: £306,000) and capital losses of £1,691,386 (2016: £1,989,000).

### 13. Called up share capital

	2017 £'000	2016 £'000
<b>Authorised</b>		
15,000,000 (2016: 15,000,000) ordinary shares of £1 each	15,000	15,000
<b>Allotted and fully paid</b>		
12,500,000 (2016: 12,500,000) ordinary shares of £1 each	12,500	12,500

### 14. Controlling company

In the opinion of the directors, the Company's ultimate parent Company and ultimate controlling party is Jacobs Douwe Egberts B.V., a Company incorporated in the Netherlands. The parent undertaking of the largest group, which includes the Company and for which group financial statements are prepared, is Jacobs Douwe Egberts B.V. Copies of the group financial statements of Jacobs Douwe Egberts B.V. are available from the offices at Oosterdoksstraat 80, 1011 DK Amsterdam, The Netherlands.

D.E. Holding UK limited is the immediate controlling company.