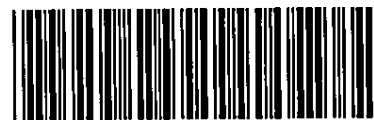


Huit Holdings (UK) Limited

Directors' report and financial statements

30 June 2009

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Registered number 05785822

Huit Holdings (UK) Limited
Directors' report and financial statements
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Huit Holdings (UK) Limited
Company Information

DIRECTORS

Ng Man Choong

R Hershan

S M Llewellyn

M Ellis (Resigned 25 February 2009)

SECRETARY AND REGISTERED OFFICE

C McQuoid

PO Box 54

Haydn Road

Nottingham

NG5 1DH

AUDITORS

KPMG LLP

St Nicholas House

Park Row

Nottingham

NG1 6FQ

BANKERS

Lloyds TSB Bank plc

PO Box 72

Bailey Drive

Gillingham

Kent

ME8 0LS

Huit Holdings (UK) Limited
Directors' Report

The directors present their directors' report and financial statements for the year ended 30 June 2009

Principal activities

The principal activity of the Company is that of a holding company which manages its subsidiaries

Review of the business

During the year ended 30 June 2009 the Company has incurred a loss of £20,000 (2008 £7,682,000) as detailed in the profit and loss account on page 5

Financial instruments

The management of the business and the execution of the Company's strategy are subject to a number of risks. The Company's exposure to financial risk is limited to exposure on related party loans. The risk of foreign exchange exposure and other financial risks are insignificant, and as such no further derivative instruments are used.

Dividends

The directors do not recommend the payment of an ordinary dividend.

Directors

The directors who served during the period are shown on page 1.

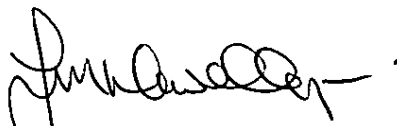
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



S M Llewellyn
Director

16 November 2009

Huit Holdings (UK) Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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 a 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 its financial statements comply with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditors' report to the members of Huit Holdings (UK) Limited

We have audited the financial statements of Huit Holdings (UK) Limited for the year ended 30 June 2009 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 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, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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.



P Charles (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

16 November 2009

Huit Holdings (UK) Limited
Profit and Loss Account
For the year ended 30 June 2009

	Note	2009 £000	2008 £000
Administrative expenses		(5)	(34)
Other operating income		1	-
Operating loss		<u>(4)</u>	<u>(34)</u>
Amounts written off investments		-	(7,635)
Net interest payable	4	(16)	(13)
Loss on ordinary activities before taxation	2	<u>(20)</u>	<u>(7,682)</u>
Taxation	5	-	-
Loss for the year	11	<u><u>(20)</u></u>	<u><u>(7,682)</u></u>

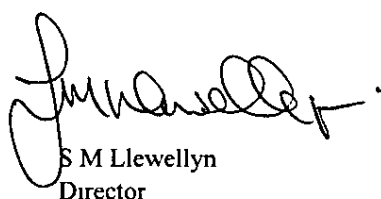
The Company has no recognised gains or losses in either the current or previous year other than the result for that year

The above results have arisen from continuing activities

Huit Holdings (UK) Limited
Balance Sheet
At 30 June 2009

	Note	2009 £000	2008 £000
Fixed assets			
Investments	6	-	-
Current assets			
Debtors	7	322	331
Cash at bank and in hand		<u>182</u>	<u>137</u>
		504	468
Creditors: amounts falling due within one year	8	(480)	(455)
Net current assets		<u>24</u>	<u>13</u>
Total assets less current liabilities		<u>24</u>	<u>13</u>
Creditors: amounts falling due after more than one year	9	(19,334)	(19,303)
Net liabilities		<u>(19,310)</u>	<u>(19,290)</u>
Capital and reserves			
Called up share capital	10	532	532
Profit and loss account	11	(19,842)	(19,822)
Shareholders' deficit		<u>(19,310)</u>	<u>(19,290)</u>

The accounts on pages 5 to 12 were approved by the board of directors on 16 November 2009 and signed on its behalf by


S M Llewellyn
Director

Company number - 05785822

Huit Holdings (UK) Limited
Reconciliation of Movements in Shareholders' Deficit
For the year ended 30 June 2009

	2009 £'000	2008 £'000
Loss for the year	(20)	(7,682)
Net increase in shareholders deficit	<u>(20)</u>	<u>(7,682)</u>
Opening shareholders' deficit	(19,290)	(11,608)
Closing shareholders' deficit	<u><u>(19,310)</u></u>	<u><u>(19,290)</u></u>

Huit Holdings (UK) Limited

Notes

(forming part of the financial statements)

1 Accounting policies

Huit Holdings (UK) Limited (the "Company") is a company incorporated in the UK

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group

Cash flow statement

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

Going concern

These financial statements have been prepared on a going concern basis. The Company is a member of a group with significant inter-group balances and the amounts owed external to the group are as follows

Courtaulds (UK) Limited	£82,000
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The above is a related party, by virtue of control, and has agreed to continue to support the group by not requesting repayment of the amount outstanding for the foreseeable future

Foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange rate ruling at the balance sheet date and the gains and losses on translation are included in the profit and loss account.

Taxation

The charge for taxation is based on the loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Investments held as fixed assets

Investments in subsidiary undertakings are shown at cost less any provision for impairment in value

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions

- a) they include no contractual obligations upon the Company 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, 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

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds, are dealt with as appropriations in the reconciliation of movements in shareholders' funds

Cash and liquid resources

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand

At the balance sheet date the Company did not hold any liquid resources

Huit Holdings (UK) Limited

Notes

(forming part of the financial statements)

2	Loss on ordinary activities before taxation	2009 £000	2008 £000
	Loss on ordinary activities before taxation is stated after charging / (crediting)		
	Increase in provision against investments in subsidiary undertakings	-	7,635
	(Decrease) / increase in provision against amounts owed by group undertakings	<u>(8)</u>	<u>1</u>

The audit fee for the years ended 30 June 2009 and 2008 has been borne by a related party

3 Directors' remuneration

None of the directors received any emoluments or accrued retirement benefits under defined contribution or defined benefit pension schemes in respect of their services to the company (2008 £nil)

4	Net interest payable	2009 £000	2008 £000
	Interest payable		
	Interest payable to group undertakings	20	20
	Interest receivable		
	Bank interest received	3	7
	Other interest received	<u>1</u>	<u>-</u>
	Net interest payable	<u>16</u>	<u>13</u>

5	Taxation	2009 £000	2008 £000
	<i>Analysis of charge in the year</i>		
	<i>UK corporation tax</i>		
	Current tax on income for the year	<u>-</u>	<u>-</u>
	Total current tax	<u>-</u>	<u>-</u>

Factors affecting the tax charge for the current year

The current tax for the year is different to the standard rate of corporation tax in the UK of 28% (2008 29.5%) The differences are explained below

	2009 £000	2008 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before taxation	<u>(20)</u>	<u>(7,682)</u>
Current tax at 28% (2008 29.5%)	(6)	(2,266)
Effects of		
Non-deductible expenses	8	2,258
Transfer pricing adjustments	(3)	(2)
Unrelieved tax losses	-	10
Utilisation of tax losses	<u>1</u>	<u>-</u>
Total current tax charge (see above)	<u>-</u>	<u>-</u>

A deferred tax asset in respect of the tax losses has not been recognised in the year due to the uncertainty over their future recoverability

Huit Holdings (UK) Limited
Notes
(forming part of the financial statements)

6 Fixed asset investments

**Shares in
group
undertakings
£000**

Cost

Balance at 30 June 2009 and 30 June 2008

8,167

Provision

Balance at 30 June 2009 and 30 June 2008

(8,167)

Net book value

At 30 June 2009

-

At 30 June 2008

-

The principal companies in which the Company has a 100% interest at the period end is as follows

Subsidiary undertakings

Principal activity

**Country of
incorporation**

Courtaulds Clothing Brands Ltd
Claremont Garments (Holdings) Ltd
Claremont Garments (Midlands) Ltd
Claremont Garments (South) Ltd
Courtaulds Ltd
Pretty Polly Ltd
Derby Nyla Ltd
Laces & Textiles Ltd
The Long Eaton Fabric Company Ltd
Meridian Ltd
Courtaulds Home Furnishings Ltd

Non trading
Dormant
Dormant
Dormant
Dormant
Dormant
Dormant
Dormant
Dormant
Dormant
Dormant

England
England
England
England
England
England
England
England
England
England
England

7 Debtors

2009

2008

£000

£000

Amounts owed by group undertakings

321

321

Corporation tax

-

10

Other debtors

1

-

322

331

8 Creditors: amounts falling due within one year

2009

2008

£000

£000

Amounts owed to group undertakings

321

321

Amounts owed to related undertakings

82

93

Other creditors

62

41

Accruals and deferred income

15

-

480

455

Included in amounts owed to group undertakings is a loan of £321,000 owed to the Company's parent. Interest of 6.25% is payable on the loan which is unsecured and repayable on demand.

9 Creditors: amounts falling due after one year

2009

2008

£000

£000

Amounts owed to group undertakings

19,334

19,303

Huit Holdings (UK) Limited**Notes***(forming part of the financial statements)***10 Called up share capital**

	2009 £000	2008 £000
Authorised, allotted, called up and fully paid		
532,307 ordinary shares of £1 each	<u>532</u>	<u>532</u>
 Shares classified in shareholders' funds	 <u>532</u>	 <u>532</u>

11 Reserves

	Profit and loss account £000
Balance at 1 July 2008	(19,822)
Loss for the year	(20)
Balance at 30 June 2009	<u>(19,842)</u>

12 Related party transactions

The following transactions were carried out with related parties	2009 £000	2008 £000
a) Increase in provision against investments in subsidiary undertakings Claremont Garments (Holdings) Ltd	<u>-</u>	<u>7,635</u>
b) (Decrease) / increase in provision against amounts owed by related parties		
Parent		
Huit Holdings Limited	-	(4)
Subsidiaries		
Claremont Garments (Holdings) Ltd	(5)	-
Meridian Ltd	(3)	-
Other related party		
Gossard Finland Oy	<u>-</u>	<u>4</u>
	<u>(8)</u>	<u>-</u>
c) Purchase of services		
Other related party		
Courtaulds (UK) Ltd	<u>(16)</u>	<u>-</u>
d) The following debtors were due from related parties at the balance sheet date		
Parent		
Huit Holdings Limited	<u>321</u>	<u>321</u>

At 30 June 2009 debtors of £8,535,000 (2008 £8,547,000) were also due to the company from related parties but fully provided against

Huit Holdings (UK) Limited

Notes

(forming part of the financial statements)

12 Related party transactions (continued)

e) The following creditors were due to related parties at the balance sheet date:	2009	2008
Parent	£000	£000
Huit Holdings Limited	321	321
Subsidiaries		
Courtaulds Clothing Brands Ltd	7,627	7,597
Courtaulds Home Furnishings Ltd	3,828	3,828
Laces & Textiles Ltd	1,978	1,978
The Long Eaton Fabric Company Ltd	5,900	5,900
Other related party		
Courtaulds (UK) Ltd	82	93
	<u>19,736</u>	<u>19,717</u>

Courtaulds (UK) Ltd and Gossard Finland Oy are considered to be related parties as they are under the common control of Ng Man Choong, the beneficial owner of 100% of the share capital of the Company's ultimate parent company

The amount owed to the parent relates to a loan of £321,000 on which interest of 6.25% is payable, the loan is unsecured and repayable on demand

13 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Huit Holdings Limited which is the ultimate parent company incorporated in Hong Kong

No other group financial statements include the results of the Company