

Registered No: 240049

Coats Statutory Company No: 40

JOHN MURGATROYD LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED

31 DECEMBER 2002

COUNTRY OF REGISTRATION:

ENGLAND

REGISTERED OFFICE:

1 THE SQUARE
STOCKLEY PARK
UXBRIDGE
MIDDLESEX
UB11 1TD

DIRECTORS

G.J.C. ALDRIDGE
S.W. DAVIES
C.W. HEALY

SECRETARY:

G.J.C. ALDRIDGE



JOHN MURGATROYD LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and statement of accounts for the year ended 31 December 2002.

1. PRINCIPAL ACTIVITY

The company did not trade during the year and consequently did not incur any liabilities and has no recognised gains or losses or movements in shareholders' funds. The directors do not recommend the payment of a dividend (prior year : £nil).

2. DIRECTORS

The following served as Directors during the year:-

G.J.C. ALDRIDGE
S.W. DAVIES
C.W. HEALY

3. DIRECTORS' INTEREST

The Directors have no beneficial interest in the shares of the company.

The above directors are also directors of Carrington Viyella (Northern) Limited, and their interests in the shares of Coats plc, the ultimate parent company, are disclosed in the directors' report of that company's report and accounts.

JOHN MURGATROYD LIMITED

DIRECTORS' REPORT (Continued)

4. DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those 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 accounting standards have been followed;
- # prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board


Secretary

2913 2003

JOHN MURGATROYD LIMITED

BALANCE SHEET - 31 DECEMBER 2001

	Notes	31 DEC 2002 £'000	31 DEC 2001 £'000
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	3	<u>(2,211)</u>	<u>(2,211)</u>
NET LIABILITIES		<u>(2,211)</u>	<u>(2,211)</u>
CAPITAL AND RESERVES			
CALLED UP SHARE CAPITAL	4	71	71
PROFIT AND LOSS ACCOUNT - DEFICIT		<u>(2,282)</u>	<u>(2,282)</u>
		<u>(2,211)</u>	<u>(2,211)</u>
SHAREHOLDERS' FUNDS ARE ATTRIBUTABLE TO:			
Equity shareholders' funds		(2,241)	(2,241)
Non-equity shareholders' funds		<u>30</u>	<u>30</u>
		<u>(2,211)</u>	<u>(2,211)</u>

The company is entitled to exemption under Subsection (1) of Section 249AA of the Companies Act 1985 in respect of its accounts for the year ended 31 December 2002. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with Section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

Approved by the Board of Directors on 24 March 2003 and signed on their behalf.



Director

JOHN MURGATROYD LIMITED

NOTES TO ACCOUNTS - 31 DECEMBER 2002

1. ACCOUNTING POLICY

BASIS OF ACCOUNTING

The accounts are prepared on the basis of historical cost and in accordance with applicable accounting standards.

2. PROFIT AND LOSS ACCOUNT

The company has not traded during the year and has made neither profit nor loss in the year or the preceding year and accordingly a profit and loss account has not been prepared. There were no other recognised gains or losses on movements in shareholders' funds in either year. Other than the directors, who did not receive any emoluments in either year, there were no other employees in either year.

3. CREDITORS – AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Amounts owed to parent or fellow subsidiary undertaking:

2002	2001
£'000	£'000
<u>(2,211)</u>	<u>(2,211)</u>

The amounts owing to group companies have no specified dates of repayment but are only repayable on receipt of 12 month's notice.

JOHN MURGATROYD LIMITED

NOTES TO THE ACCOUNTS (Continued)

4. CALLED UP SHARE CAPITAL

	AUTHORISED		FULLY PAID	
	2002	2001	2002	2001
	£'000	£'000	£'000	£'000
<u>EQUITY SHARES</u>				
48,000 Deferred shares at £1 each of which 39,402 have been allotted and fully paid	48	48	39	39
40,000 Ordinary shares of 5p each of which 39,402 have been allotted and fully paid	<u>2</u> 50	<u>2</u> 50	<u>2</u> 41	<u>2</u> 41
<u>NON-EQUITY SHARES</u>				
30,000 6% Preference shares of £1 each	<u>30</u>	<u>30</u>	<u>30</u>	<u>30</u>
	<u>80</u>	<u>80</u>	<u>71</u>	<u>71</u>

The holders of 6% preference shares, who have waived their rights to dividends, may attend and vote at meeting where their rights may be altered. On a winding up they are entitled to their fully paid up capital.

5. 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.