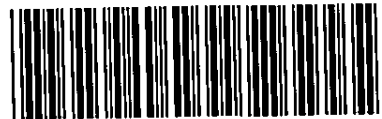


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**Report of the Directors and  
Consolidated Financial Statements  
for the year ended 30 April 2008  
for  
Thomas Ramsden (Holdings) Limited**

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**Thomas Ramsden (Holdings) Limited**

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for the year ended 30 April 2008**

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**Thomas Ramsden (Holdings) Limited**

**Company Information**  
**for the year ended 30 April 2008**

<b>DIRECTORS:</b>	Col. R A B Ramsden T B Ramsden R S Wright
<b>SECRETARY:</b>	R S Wright
<b>REGISTERED OFFICE:</b>	Netherfield Road Guiseley West Yorkshire LS20 9PD
<b>REGISTERED NUMBER:</b>	1632091 (England and Wales)
<b>AUDITORS:</b>	Kirk Newsholme Chartered Accountants Registered Auditors 16 Blenheim Terrace LEEDS LS2 9HN
<b>BANKERS:</b>	Lloyds TSB PO Box 96 6/7 Park Row Leeds West Yorkshire LS1 1NX
<b>SOLICITORS:</b>	The Beaumont Partnership PO Box 32 67 Westgate Wakefield WF1 1BP

## Thomas Ramsden (Holdings) Limited

### Report of the Directors for the year ended 30 April 2008

The directors present their report with the financial statements of the company and the group for the year ended 30 April 2008.

#### PRINCIPAL ACTIVITIES

The principal activities of the group in the year under review were those of the manufacture and sale of machine and hand knitting yarns and craft products.

#### REVIEW OF BUSINESS

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

The group operates in a market that is significantly affected by global supply and demand. The group is also affected by changes in fashion.

During the year a number of factors have been responsible for the decline in turnover. The principle factors have been:-

1. International over-supply from low-wage and low-cost economies.
2. Cyclical fashion changes that have reduced demand for some of the company's products.
3. The company suffered supply problems during the transition from being a primary producer. The Directors believe that these latter issues have now been resolved.

The Directors also reviewed the craft product operation. *It became clear that the manufacture and assembly operation could not compete with the manufacturers in low wage, low cost economies. Therefore the directors decided to cease all craft production operations with the loss of 13 jobs*

#### Key Performance Indicators

Key Performance Indicator	2008	2007
Return on Capital Employed (1)	-7%	-10%
Gross Margin (2)	31%	29%

#### Notes to KPIs

(1) Return on Capital Employed (ROCE) = Operating Profit after interest as a percentage of shareholders funds.

The group aims to increase shareholders funds over time and measures performance against this objective by measuring ROCE. Source data is taken from the audited financial statements.

(2) Gross Margin = Gross Profit as a percentage of Turnover.

The group aims to maximise the profit available to shareholders. The level of gross margin reflects operational and buying efficiency and selling prices achieved. Accordingly the directors believe that this is a key indicator of the operation of the business. Source data is taken from the audited financial statements.

#### Pension Schemes

The group has two Defined Benefit Pension Schemes, both of which are closed to future accrual. These schemes currently have deficits, but Recovery Plans for both schemes have been agreed with the Trustees and the Scheme Actuaries.

The results of the FRS17 valuations are shown in note 18 to the accounts. These show a significant reduction in the deficit of £332,100.

**Report of the Directors  
for the year ended 30 April 2008**

**Principal Risks and Uncertainties facing the Group**

The supply of knitting yarn and craft products is a global marketplace. The supply has increasingly moved to low-cost and low-wage economies. The group faces strong competition from suppliers in these countries. The groups products are also affected by changes in fashion. The group seeks to resist this competition by improving the costs of products and investing in the groups internationally recognised brand names Wendy, Robin and Twilleys of Stamford.

The changes to manufacturing operations implemented at the end of the previous financial year and to the craft operations outlined in the business review section have significantly reduced costs and increased business flexibility. The groups brand names are supported by advertising and by direct support to individual consumers.

Financial risks associated with currency exchange rate fluctuations are relatively modest. However the group seeks to moderate these by the use of forward currency contracts with major banks and financial institutions. All bank deposits are with major banks.

The group does not have any significant credit risks due to the very wide customer base.

**DIVIDENDS**

No dividends will be distributed for the year ended 30 April 2008.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 May 2007 to the date of this report.

Col. R A B Ramsden  
T B Ramsden  
R S Wright

**DISABLED EMPLOYEES**

The group gives every consideration to applications for employment from disabled persons where the requirements of the job may be adequately covered by a handicapped or disabled person.

With regard to existing disabled employees and those who have become disabled during the year, the group has continued to examine ways and means of providing continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

**EMPLOYEES**

The company's policy of providing employees with information about the group has continued. The company's employees who were affected by the decision to cease craft product assembly operations were consulted and involved in decision.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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;
- 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Thomas Ramsden (Holdings) Limited**

**Report of the Directors  
for the year ended 30 April 2008**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'R S Wright', is written over the printed name.

R S Wright - Secretary

1 December 2008

**Report of the Independent Auditors to the Members of  
Thomas Ramsden (Holdings) Limited**

We have audited the financial statements of Thomas Ramsden (Holdings) Limited for the year ended 30 April 2008 on pages six to twenty two. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 30 April 2008 and of the loss of the group for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



Kirk Newsholme  
Chartered Accountants  
Registered Auditors  
16 Blenheim Terrace  
LEEDS  
LS2 9HN

Date: 8 December 2008

**Thomas Ramsden (Holdings) Limited**

**Consolidated Profit and Loss Account  
for the year ended 30 April 2008**

	Notes	30.4.08		30.4.07	
		£	£	£	£
<b>TURNOVER</b>	2		5,368,871		7,128,039
Cost of sales			<u>3,727,439</u>		<u>5,078,211</u>
<b>GROSS PROFIT</b>			1,641,432		2,049,828
Distribution costs		534,365		688,070	
Administrative expenses		<u>1,502,838</u>		<u>1,832,102</u>	
			2,037,203		2,520,172
			(395,771)		(470,344)
Other operating income			<u>20,903</u>		<u>-</u>
<b>OPERATING LOSS</b>	4		(374,868)		(470,344)
Fundamental reorganisation	5		<u>594,203</u>		<u>390,365</u>
			(969,071)		(860,709)
Interest receivable and similar income			<u>65,540</u>		<u>29,725</u>
			(903,531)		(830,984)
Interest payable and similar charges	6	32,134		78,277	
Other finance costs	18	<u>38,400</u>		<u>15,000</u>	
			70,534		93,277
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			(974,065)		(924,261)
Tax on loss on ordinary activities	7		<u>(471)</u>		<u>(6)</u>
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>			<u>(973,594)</u>		<u>(924,255)</u>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements



**Thomas Ramsden (Holdings) Limited**

**Consolidated Statement of Total Recognised Gains and Losses  
for the year ended 30 April 2008**

	30.4.08 £	30.4.07 £
<b>LOSS FOR THE FINANCIAL YEAR</b>	(973,594)	(924,255)
Actuarial Gain/(Loss)	<u>277,100</u>	<u>262,100</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u><u>(696,494)</u></u>	<u><u>(662,155)</u></u>

**Note of Historical Cost Profits and Losses  
for the year ended 30 April 2008**

	30.4.08 £	30.4.07 £
<b>REPORTED LOSS</b>		
<b>ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	(974,065)	(924,261)
Transfer from revaluation reserve	<u>-</u>	<u>(244,273)</u>
<b>HISTORICAL COST LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u><u>(974,065)</u></u>	<u><u>(1,168,534)</u></u>
<b>HISTORICAL COST LOSS FOR THE YEAR RETAINED AFTER TAXATION</b>	<u><u>(973,594)</u></u>	<u><u>(1,168,528)</u></u>

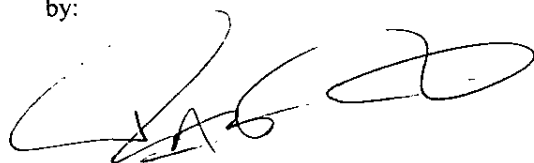
The notes form part of these financial statements

**Thomas Ramsden (Holdings) Limited**

**Consolidated Balance Sheet**  
**30 April 2008**

	Notes	30.4.08 £	£	30.4.07 £	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		-
Tangible assets	10		439,941		488,310
Investments	11		-		-
			<u>439,941</u>		<u>488,310</u>
<b>CURRENT ASSETS</b>					
Stocks	12	3,393,563		3,793,679	
Debtors	13	1,322,407		1,295,123	
Cash at bank		1,029,830		1,845,983	
		<u>5,745,800</u>		<u>6,934,785</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	884,858		1,093,618	
<b>NET CURRENT ASSETS</b>			<u>4,860,942</u>		<u>5,841,167</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>5,300,883</u>		<u>6,329,477</u>
<b>PENSION LIABILITY</b>	18		(621,700)		(953,800)
<b>NET ASSETS</b>			<u><u>4,679,183</u></u>		<u><u>5,375,677</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		95,000		95,000
Capital redemption reserve	17		5,000		5,000
Profit and loss account	17		4,579,183		5,275,677
<b>SHAREHOLDERS' FUNDS</b>	21		<u><u>4,679,183</u></u>		<u><u>5,375,677</u></u>

The financial statements were approved by the Board of Directors on 1 December 2008 and were signed on its behalf by:



Col. R A B Ramsden - Director

The notes form part of these financial statements

**Thomas Ramsden (Holdings) Limited**

**Company Balance Sheet**  
**30 April 2008**

	Notes	30.4.08 £	£	30.4.07 £	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		-
Tangible assets	10		-		-
Investments	11		242,117		242,117
			<u>242,117</u>		<u>242,117</u>
<b>CREDITORS</b>					
Amounts falling due within one year	14	142,117		142,117	
<b>NET CURRENT LIABILITIES</b>			<u>(142,117)</u>		<u>(142,117)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>100,000</u>		<u>100,000</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		95,000		95,000
Capital redemption reserve	17		5,000		5,000
<b>SHAREHOLDERS' FUNDS</b>	21		<u>100,000</u>		<u>100,000</u>

The financial statements were approved by the Board of Directors on 1 December 2008 and were signed on its behalf by:



Col. R A B Ramsden - Director

The notes form part of these financial statements

**Thomas Ramsden (Holdings) Limited**

**Consolidated Cash Flow Statement  
for the year ended 30 April 2008**

	Notes	30.4.08 £	30.4.07 £
<b>Net cash outflow from operating activities</b>	1	(543,910)	(419,734)
<b>Returns on investments and servicing of finance</b>	2	33,406	(48,552)
<b>Taxation</b>		471	(547)
<b>Capital expenditure</b>	2	(22,816)	1,840,435
		(532,849)	1,371,602
<b>Financing</b>	2	(283,304)	(722,634)
<b>(Decrease)/Increase in cash in the period</b>		<u>(816,153)</u>	<u>648,968</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
(Decrease)/Increase in cash in the period		<u>(816,153)</u>	<u>648,968</u>
Change in net funds resulting from cash flows		<u>(816,153)</u>	<u>648,968</u>
<b>Movement in net funds in the period</b>		<u>(816,153)</u>	<u>648,968</u>
<b>Net funds at 1 May</b>		<u>1,845,983</u>	<u>1,197,015</u>
<b>Net funds at 30 April</b>		<u>1,029,830</u>	<u>1,845,983</u>

The notes form part of these financial statements

**Thomas Ramsden (Holdings) Limited**

**Notes to the Consolidated Cash Flow Statement  
for the year ended 30 April 2008**

**1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	30.4.08 £	30.4.07 £
Operating loss	(374,868)	(470,344)
Depreciation charges	109,529	168,881
Profit on disposal of fixed assets	(38,345)	(16,429)
Exceptional items	(594,203)	(390,364)
Decrease in stocks	400,116	514,341
(Increase)/Decrease in debtors	(27,284)	829,999
Increase/(Decrease) in creditors	66,442	(971,618)
Difference between pension charge and cash contributions	(85,297)	(84,200)
<b>Net cash outflow from operating activities</b>	<b>(543,910)</b>	<b>(419,734)</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	30.4.08 £	30.4.07 £
<b>Returns on investments and servicing of finance</b>		
Interest received	65,540	29,725
Interest paid	(32,134)	(78,277)
<b>Net cash inflow/(outflow) for returns on investments and servicing of finance</b>	<b>33,406</b>	<b>(48,552)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(106,545)	(205,210)
Sale of tangible fixed assets	83,729	2,045,645
<b>Net cash (outflow)/inflow for capital expenditure</b>	<b>(22,816)</b>	<b>1,840,435</b>
<b>Financing</b>		
Amount withdrawn by directors	(283,304)	(722,634)
<b>Net cash outflow from financing</b>	<b>(283,304)</b>	<b>(722,634)</b>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.5.07 £	Cash flow £	At 30.4.08 £
Net cash:			
Cash at bank	1,845,983	(816,153)	1,029,830
	<u>1,845,983</u>	<u>(816,153)</u>	<u>1,029,830</u>
<b>Total</b>	<b><u>1,845,983</u></b>	<b><u>(816,153)</u></b>	<b><u>1,029,830</u></b>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements  
for the year ended 30 April 2008

1. ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Basis of consolidation**

The group accounts consolidate the accounts of Thomas Ramsden (Holdings) Limited and its subsidiaries made up to a date within 7 days of 30 April each year. Results of companies acquired during the year are included from the effective date of acquisition. No profit and loss account is presented for Thomas Ramsden (Holdings) Limited as provided by S.228(7) of the Companies Act 1985.

**Turnover**

Turnover represents the net invoiced value of the sale of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Over the duration of the lease
Plant and machinery	- 15%-33% on reducing balance

**Stocks**

Stocks are stated at the lower of cost and net realisable value as follows:

Cost incurred in bringing each product to its present location and condition:

Raw Materials	- purchase cost on a first in, first out basis
Work-in-progress and finished goods	- cost of direct materials and labour plus attributable overheads and certain administrative costs based on the normal level of activity.

Net realisable value is based on the estimated selling price less further costs expected to be incurred to completion and disposal.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008

1. ACCOUNTING POLICIES - continued

**Pension costs and other post-retirement benefits**

The group operates defined benefit and defined contribution pension schemes for its employees. A defined benefit plan is a pension plan which defines an amount of pension benefit which an employee will receive on retirement. A defined contribution plan is a pension plan under which the group usually pays fixed contributions into a separate entity. For each of these schemes a separate fund is being accumulated to meet the accruing liabilities. The assets of each of these funds are either held under trusts or managed by insurance companies and are entirely separate from the group's assets.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of corporate bonds.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Recognised Income and Expenditure as they arise.

Past service costs are recognised immediately in the income statement, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight line basis over the vesting period.

Contributions paid in respect of defined contribution schemes are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

2. TURNOVER

The turnover and loss before taxation are attributable to the principal activities of the group.

An analysis of turnover by geographical market is given below:

	30.4.08	30.4.07
	£	£
United Kingdom	4,197,632	5,542,505
Overseas Market	1,171,239	1,585,534
	<u>5,368,871</u>	<u>7,128,039</u>

Turnover is attributable to one continuing activity, the manufacturing and sale of machine and hand knitting yarns and craft products.

3. STAFF COSTS

	30.4.08	30.4.07
	£	£
Wages and salaries	946,789	1,772,043
Social security costs	119,990	189,251
Other pension costs	77,007	99,752
	<u>1,143,786</u>	<u>2,061,046</u>

**Thomas Ramsden (Holdings) Limited**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008**

**3. STAFF COSTS - continued**

The average monthly number of employees during the year was as follows:

	30.4.08	30.4.07
Office and management	36	45
Manufacturing	45	115
	<u>81</u>	<u>160</u>

**4. OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	30.4.08	30.4.07
	£	£
Other operating leases	229,078	79,930
Depreciation - owned assets	109,529	168,881
Profit on disposal of fixed assets	(38,345)	(16,429)
Auditors' remuneration	12,000	12,000
Foreign exchange differences	1,727	35,665
Operating lease income	<u>(20,903)</u>	<u>-</u>
Directors' emoluments	<u>251,898</u>	<u>287,601</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	30.4.08	30.4.07
	£	£
Emoluments etc	<u>103,604</u>	<u>100,781</u>

**5. EXCEPTIONAL ITEMS**

Exceptional items are separately disclosed on the face of the Profit & Loss account and comprise redundancy costs and stock losses totalling £337,002 arising from the closure of the Stamford operation.

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	30.4.08	30.4.07
	£	£
Bank loan and overdraft	<u>32,134</u>	<u>78,277</u>



Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008

7. TAXATION

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	30.4.08 £	30.4.07 £
Current tax:		
UK corporation tax	(471)	-
Under/(over) provision	-	(6)
	<u>          </u>	<u>          </u>
Tax on loss on ordinary activities	<u>(471)</u>	<u>(6)</u>

**Factors affecting the tax credit**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.4.08 £	30.4.07 £
Loss on ordinary activities before tax	<u>(974,065)</u>	<u>(924,261)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2007 - 30%)	(292,220)	(277,278)
Effects of:		
Expenses not deductible for tax purposes	2,192	1,156
Depreciation in excess of capital allowances	(21,345)	1,506
Other timing differences	360	4,445
Over provision in previous years	-	(6)
Movement in losses	311,013	270,171
Tax refund	(471)	-
	<u>          </u>	<u>          </u>
Current tax credit	<u>(471)</u>	<u>(6)</u>

**Factors that may affect future tax charges**

The following deferred tax asset (calculated at the standard rate of corporation tax in the UK of 30% (2007 - 30%)) has not been recognised on the grounds that there is insufficient evidence that the asset will be recoverable:

	30.4.08 £	30.4.07 £
Depreciation in advance of capital allowances	(4,493)	16,838
Unused tax losses for taxation purposes	972,363	764,591
Deferred tax asset on pension liabilities	186,510	266,140
	<u>          </u>	<u>          </u>
	<u>1,154,380</u>	<u>1,067,569</u>

8. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £0 (2007 - £0).

Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008

9. INTANGIBLE FIXED ASSETS

Group

	Patents and licences £
<b>COST</b>	
At 1 May 2007	
and 30 April 2008	<u>14,751</u>
<b>AMORTISATION</b>	
At 1 May 2007	
and 30 April 2008	<u>14,751</u>
<b>NET BOOK VALUE</b>	
At 30 April 2008	<u>-</u>
At 30 April 2007	<u>-</u>

10. TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Plant and machinery £	Totals £
<b>COST</b>			
At 1 May 2007	17,271	5,531,404	5,548,675
Additions	22,108	84,437	106,545
Disposals	-	(1,368,563)	(1,368,563)
At 30 April 2008	<u>39,379</u>	<u>4,247,278</u>	<u>4,286,657</u>
<b>DEPRECIATION</b>			
At 1 May 2007	288	5,060,078	5,060,366
Charge for year	1,201	108,328	109,529
Eliminated on disposal	-	(1,323,179)	(1,323,179)
At 30 April 2008	<u>1,489</u>	<u>3,845,227</u>	<u>3,846,716</u>
<b>NET BOOK VALUE</b>			
At 30 April 2008	<u>37,890</u>	<u>402,051</u>	<u>439,941</u>
At 30 April 2007	<u>16,983</u>	<u>471,326</u>	<u>488,309</u>

**Thomas Ramsden (Holdings) Limited**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008**

**11. FIXED ASSET INVESTMENTS**

**Company**

	Unlisted investments £
<b>COST</b>	
At 1 May 2007	
and 30 April 2008	<u>242,117</u>
<b>NET BOOK VALUE</b>	
At 30 April 2008	<u>242,117</u>
At 30 April 2007	<u>242,117</u>

It is the opinion of the directors that the value of the investments is not less than the amount at which they are stated in the accounts.

All subsidiary undertakings are wholly owned and registered in England and Wales. Details of the investments of the group or the company are as follows:

Name of company	Nature of business
Thomas B Ramsden & Co (Bradford) Limited	Manufacture and sale of hand knitting and industrial yarns and craft products.
Alfred Haley & Co Limited	Non trading
Carter & Parker Limited*	Non trading
Waterwheel Yarns Limited	Non trading
The Wool Fashion Bureau Limited*	Non trading
Charles Fox & Co (Dyers) Limited	Non trading
Itemdawn Limited	Non trading
Richard Poppleton & Sons Limited*	Non trading
Thomas B Ramsden & Co (Export) Limited*	Sale of hand knitting and industrial yarns and craft products.
Yarn Works Limited*	Non trading
Wendy Wools Limited*	Non trading
Wendy Handknits Limited*	Non trading

\* Held by a subsidiary company.

**Thomas Ramsden (Holdings) Limited**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008**

**12. STOCKS**

	<b>Group</b>	
	30.4.08	30.4.07
	£	£
Raw materials	771,978	942,286
Work-in-progress	578,789	648,432
Finished goods	2,042,796	2,202,961
	<u>3,393,563</u>	<u>3,793,679</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>	
	30.4.08	30.4.07
	£	£
Trade debtors	1,171,937	1,105,737
VAT	15,283	4,962
Prepayments and accrued income	135,187	184,424
	<u>1,322,407</u>	<u>1,295,123</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	30.4.08	30.4.07	30.4.08	30.4.07
	£	£	£	£
Trade creditors	460,194	368,878	-	-
Amounts owed to group undertakings	-	-	142,117	142,117
Social security and other taxes	107,986	163,007	-	-
Directors' current accounts	153,951	437,255	-	-
Accrued expenses	162,727	124,478	-	-
	<u>884,858</u>	<u>1,093,618</u>	<u>142,117</u>	<u>142,117</u>

**15. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

<b>Group</b>	<b>Land and buildings</b>	
	30.4.08	30.4.07
	£	£
Expiring:		
In more than five years	<u>210,000</u>	<u>250,000</u>

**Thomas Ramsden (Holdings) Limited**

**Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008**

**16. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	30.4.08	30.4.07
			£	£
250,000	Ordinary	£1	<u>250,000</u>	<u>250,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.4.08	30.4.07
			£	£
95,000	Ordinary	£1	<u>95,000</u>	<u>95,000</u>

**17. RESERVES**

**Group**

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 May 2007	5,275,677	5,000	5,280,677
Deficit for the year	(973,594)		(973,594)
Actuarial gain/(loss)	277,100	-	277,100
At 30 April 2008	<u>4,579,183</u>	<u>5,000</u>	<u>4,584,183</u>
Profit and loss account excluding pension liability	5,200,883		
Pension deficit	(621,700)		
Profit and loss account	<u>4,579,183</u>		

**Company**

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 May 2007	-	5,000	5,000
Profit for the year	-		-
At 30 April 2008	<u>-</u>	<u>5,000</u>	<u>5,000</u>

Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008

18. EMPLOYEE BENEFIT OBLIGATIONS

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	30.4.08	30.4.07
	£	£
Present value of funded obligations	(11,520,900)	(12,561,000)
Fair value of plan assets	10,899,200	11,607,200
	<u>(621,700)</u>	<u>(953,800)</u>
Present value of unfunded obligations	-	-
Deficit	<u>(621,700)</u>	<u>(953,800)</u>
Net liability	<u><u>(621,700)</u></u>	<u><u>(953,800)</u></u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	30.4.08	30.4.07
	£	£
Current service cost	16,500	11,400
Interest cost	664,200	567,300
Expected return	(625,800)	(552,300)
Past service cost	-	-
	<u>54,900</u>	<u>26,400</u>
Actual return on plan assets	<u><u>(254,400)</u></u>	<u><u>383,700</u></u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	30.4.08	30.4.07
	£	£
Opening defined benefit obligation	12,561,000	11,493,200
Current service cost	16,500	11,400
Interest cost	664,200	567,300
Charges paid	(11,600)	(4,400)
Actuarial losses/(gains)	(1,157,300)	(430,700)
Benefits paid	(551,900)	(275,300)
Additional obligation for insured pensioners	-	1,199,500
	<u><u>11,520,900</u></u>	<u><u>12,561,000</u></u>

Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008

18. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	30.4.08	30.4.07
	£	£
Opening fair value of scheme assets	11,607,200	10,208,100
Contributions by employer	109,900	95,600
Charges paid	(11,600)	(4,400)
Expected return	625,800	552,300
Actuarial gains/(losses)	(880,200)	(168,600)
Benefits paid	(551,900)	(275,300)
Additional obligation for insured pensioners	-	1,199,500
	<u>10,899,200</u>	<u>11,607,200</u>

The amounts recognised in the statement of recognised gains and losses are as follows:

	Defined benefit pension plans	
	30.4.08	30.4.07
	£	£
Actuarial gains/(losses)	<u>277,100</u>	<u>262,100</u>
	<u>277,100</u>	<u>262,100</u>
Cumulative amount of actuarial gains/(losses)	<u>715,200</u>	<u>438,100</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	30.4.08	30.4.07
Equities	27%	29%
Bonds	50%	47%
Insured annuities	21%	22%
Other	2%	2%
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	30.4.08	30.4.07
Discount rate	6.19%	5.41%
Expected return on scheme assets	5.58%	5.50%
Future pension increases	3.70%	3.39%

The expected return on scheme assets is calculated using the assumed rate of return applied to the year-end asset mix, excluding investment and administrative expenses.

Notes to the Consolidated Financial Statements - continued  
for the year ended 30 April 2008

18. EMPLOYEE BENEFIT OBLIGATIONS - continued

Amounts for the current and previous four periods are as follows:

	30.4.08	30.4.07	30.4.06	30.4.05	30.4.04
Defined benefit obligation	(11,520,900)	(12,561,000)	(11,493,200)	(11,140,800)	-
Fair value of scheme assets	10,899,200	11,607,200	10,208,100	9,359,000	-
Deficit	(621,700)	(953,800)	(1,285,100)	(1,781,800)	-
Experience adjustments on scheme liabilities	147,800	479,500	229,100	(8,300)	-
Experience adjustments on scheme assets	(639,900)	(147,100)	587,100	241,300	-

No information has been disclosed for the year ended 30 April 2004, as FRS.17 had not been adopted by the Company at the time.

19. TRANSACTIONS WITH DIRECTORS

Rent totalling £229,078 (2007: £79,930) was charged to the group by its director, Col. R A B Ramsden who owns the freehold land and buildings.

Also during the year, sales totalling £98,042 were made to Chequered Flag Karting Limited, a company in which Col. R A B Ramsden has a controlling interest. At 30 April 2008 £38,686 was due by Chequered Flag Karting Limited to the group.

20. ULTIMATE CONTROLLING PARTY

The company is controlled by Col. R A B Ramsden.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

<b>Group</b>	30.4.08	30.4.07
Loss for the financial year	(973,594)	(924,255)
Other recognised gains and losses relating to the year (net)	277,100	262,100
Revaluation reserve transfer	-	(155,727)
<b>Net reduction of shareholders' funds</b>	<b>(696,494)</b>	<b>(817,882)</b>
Opening shareholders' funds	5,375,677	6,193,559
<b>Closing shareholders' funds</b>	<b>4,679,183</b>	<b>5,375,677</b>
 <b>Company</b>	 30.4.08	 30.4.07
Profit for the financial year	-	-
Opening shareholders' funds	100,000	100,000
<b>Closing shareholders' funds</b>	<b>100,000</b>	<b>100,000</b>