

REGISTRAR'S COPY

RAVEN OF BARNSLEY LIMITED

FINANCIAL STATEMENTS

**for the fifty-two weeks ended
29th August 1999**



RAVEN OF BARNSLEY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29TH AUGUST 1999

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RAVEN OF BARNLEY LIMITED

Directors

F.W. Wood (Chairman)
A.P.H. Thomas (Managing)
N.R. Carrick
G.R. Parton
Mrs. K.A. Ward
M. Hirst

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the fifty-two weeks ended 29th August 1999 ("the year").

Business review

As part of a group restructuring, the trading operations of the company were transferred to Cosalt Workwear Limited (formerly Jenbro Limited), a fellow subsidiary undertaking, with effect from the start of business on the 31st August 1998.

Directors

The membership of the Board is shown above. All served on the Board for the whole of the financial year.

Messrs. F.W. Wood and N.R. Carrick retire by rotation and, being eligible, offer themselves for re-election.

Directors' shareholdings

None of the directors has any beneficial interest in the share capital of the company. The interests of Messrs. F.W. Wood and N.R. Carrick in the share capital of Cosalt plc, the ultimate parent company, are disclosed by that company.

The interests of the other directors in the ordinary share capital of Cosalt plc are as follows:

	At 29th August 1999	At 30th August 1998
A.P.H. Thomas	2,211	1,765
G.R. Parton	3,693	3,247
Mrs. K.A. Ward	3,388	2,942
M. Hirst	1,068	783

These holdings include shares issued under the Cosalt plc Employees' Profit Sharing Scheme.

RAVEN OF BARNSELEY LIMITED

DIRECTORS' REPORT (continued)

Mr. A.P.H. Thomas also held options to purchase Cosalt plc ordinary shares under the various Cosalt plc Executive Share Option Schemes as follows:-

At 30th Aug 1998	Granted during year	Exercised during year	At 29th Aug 1999	Exercise price	Market price at date of exercise	Dates from which exercisable	Expiry date
2,750	-	-	2,750	219.50p		17.02.00*	16.02.04
7,250	-	-	7,250	219.50p		17.02.00*	16.02.07
10,000	-	-	10,000	232.50p		23.12.00*	22.12.04
-	<u>15,000</u>	-	<u>15,000</u>	204.50p		22.12.01*	22.12.05
<u>20,000</u>	<u>15,000</u>	-	<u>35,000</u>				

* Performance criteria must be met before exercise permitted.

No options lapsed during the year. No options were exercised during the year.

The market price of Cosalt plc ordinary shares at 29th August 1999 was 210.00p and the range during the year was 174.50p to 224.50p.

Fixed Assets

The movement in tangible fixed assets are set out in note 9 to the financial statements. In note 17 to the financial statements additional information is provided on assets used by the company which are subject to lease and hire purchase agreements.

Auditors

The auditors, KPMG Audit plc, have expressed their willingness to continue in office. In accordance with Section 384 of the Companies Act 1985, a resolution for their appointment will be proposed at the Annual General Meeting.

By order of the Board


A.B. Clark
Secretary

Fish Dock Road
GRIMSBY

28th April 2000

RAVEN OF BARNSLEY LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 at the end of the 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume 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 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.

**REPORT OF THE AUDITORS, KPMG AUDIT PLC, TO THE MEMBERS OF
RAVEN OF BARNSELEY LIMITED**

We have audited the financial statements on pages 5 to 14.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 29th August 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
Sheffield

28 April 2000

RAVEN OF BARNESLEY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE FIFTY-TWO WEEKS ENDED 29TH AUGUST 1999

		52 weeks ended 29th August 1999	52 weeks ended 30th August 1998
	Note	£	£
Turnover	2	<u>-</u>	<u>4,911,726</u>
Operating profit before exceptional item	3	-	501,437
Exceptional item	4	<u>-</u>	<u>26,433</u>
Operating profit after exceptional item		-	475,004
Interest payable and similar charges	5	<u>-</u>	<u>15,164</u>
Profit on ordinary activities before taxation		-	459,840
Taxation on ordinary activities	7	<u>-</u>	<u>144,116</u>
Profit for the financial year		-	315,724
Dividend on non-equity shares	8	<u>-</u>	<u>4</u>
Profit attributable to equity shares		-	315,720
Dividend on equity shares	8	<u>-</u>	<u>314,996</u>
Transferred to reserves	16	<u>-</u>	<u>724</u>

All operations are classed as discontinued.

The company has no recognised gains or losses other than the profits for the years disclosed above; accordingly, a statement of recognised gains and losses has not been included in these financial statements.

The notes on pages 7 to 14 form part of these financial statements.

RAVEN OF BARNESLEY LIMITED
BALANCE SHEET - 29TH AUGUST 1999

	Note	29th August 1999		30th August 1998	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9		-		71,310
Current Assets					
Stocks	10	-		340,603	
Debtors	11	223,940		997,473	
Bank and cash balances		<u>-</u>		<u>320,663</u>	
		223,940		1,658,739	
Creditors					
Amounts falling due within one year	12	<u>-</u>		<u>1,468,251</u>	
Net current assets			<u>223,940</u>		<u>190,488</u>
Total assets less current liabilities			223,940		261,798
Creditors					
Amounts falling due after more than one year	12	-		11,425	
Provisions for liabilities and charges	13	<u>-</u>	<u>-</u>	<u>26,433</u>	<u>37,858</u>
Net assets			<u>223,940</u>		<u>223,940</u>
Capital and reserves					
Called up share capital	15		166,318		166,318
Profit and loss account	16		<u>57,622</u>		<u>57,622</u>
Equity shareholders' funds (including Non-equity interest)	16		<u>223,940</u>		<u>223,940</u>

Approved by the Board on 28th April 2000



N.R. Carrick - Director

The notes on pages 7 to 14 form part of these financial statements.

RAVEN OF BARNESLEY LIMITED

NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999

1 Accounting policies

Basis of accounting

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is a wholly owned subsidiary undertaking of a parent undertaking which publishes a consolidated cash flow statement.

Depreciation

Tangible fixed assets are depreciated on a straight line basis at annual rates which vary depending on the type of asset but which are generally:

Plant and machinery	5% to 20%
Motor vehicles	20% - 25%

Leased Assets

Assets which are financed by leasing agreements transferring substantially all the risks and rewards of ownership (finance leases) are capitalised and depreciated over their useful lives. The liability to the leasing company is included in creditors. Leasing payments are treated as consisting of capital and interest elements and the interest is charged to profit and loss account. All other payments under lease agreements are charged in full to profit and loss account.

Stocks

Stocks are stated at the lower of cost, including an appropriate proportion of production overheads, and net realisable value.

Deferred taxation

Provision is made on the liability method for deferred taxation, arising from the different treatment of certain items for taxation and accounting purposes, unless there is reasonable probability that such deferred taxation will not be payable in the foreseeable future.

Pension costs

Contributions to the group's pension schemes are charged to profit and loss account so as to spread the cost of pensions over employees' service lives.

RAVEN OF BARNSELEY LIMITED

NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999

(continued)

2 Turnover

Turnover represents the goods and services, excluding value added tax, invoiced to customers arising from the principal activity of the design, manufacture and distribution of workwear clothing. The whole of the turnover arose within the United Kingdom.

3 Operating profit before exceptional items

Operating profit before exceptional items for 1998 was arrived at after charging/(crediting):

	£
Movement in stocks of finished goods and work in progress	(69,491)
Raw materials and consumables	2,556,499
Other external charges	257,763
Auditors' remuneration	3,650
Operating lease charges - plant	17,910
Staff costs (note 6)	1,609,581
Depreciation on owned assets	2,200
Depreciation on assets held under finance lease agreements	18,727
Other operating charges	<u>13,450</u>
	<u>4,410,289</u>

4 Exceptional item

	£
Exceptional item in 1998 was	
Reorganisation costs	<u>26,433</u>

5 Interest payable and similar charges

	£
Interest payable and similar charges for 1998 were:	
Capital charge by ultimate parent company	13,450
On finance leases	<u>1,714</u>
	<u>15,164</u>

6 Directors and employees

	£
Staff costs for 1998 were:	
Wages and salaries	1,475,082
Social security costs	103,770
Other pension costs	14,393
Employees' profit sharing scheme	<u>16,336</u>
	<u>1,609,581</u>

RAVEN OF BARNSELEY LIMITED

NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999

(continued)

6 Directors and employees (continued)	1999	1998
	£	£
Remuneration for management	<u>-</u>	<u>111,997</u>
	Number	Number
The number of directors accruing benefits under defined benefit pension schemes in respect of qualifying service was:	6	6
The number of directors exercising share options in respect of Cosalt plc shares during the year was:	-	1
The number of directors granted share options in respect of Cosalt plc shares during the year was:	3	3
The average number of employees of the company during 1998 was:		
Management and administration		5
Production and sales staff		<u>176</u>
		<u>181</u>
7 Taxation on ordinary activities		
The taxation charge based on the profit on ordinary activities in 1998 was:		£
U.K. Corporation tax payable at 31%		154,000
Deferred taxation		<u>(9,884)</u>
		<u>144,116</u>
8 Dividends	1999	1998
	£	£
On Non-Equity shares:		
Voting Special Ordinary shares at 7%	<u>-</u>	<u>4</u>
On Equity shares:		
Non-Voting Ordinary shares - proposed final	<u>-</u>	<u>314,996</u>

RAVEN OF BARNSELEY LIMITED

NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999

(continued)

9 Tangible fixed assets

	Plant and machinery £
Cost	
At 31st August 1998	235,638
Group transfer	<u>(235,638)</u>
At 29th August 1999	<u>-</u>
Depreciation	
At 31st August 1998	164,328
Group transfer	<u>(164,328)</u>
At 29th August 1999	<u>-</u>
Net book values	
At 29th August 1999	<u>-</u>
At 30th August 1998	<u>71,310</u>

The following tangible fixed assets held under finance lease agreements are included above:

	1999 £	1998 £
Cost	-	109,013
Depreciation	<u>-</u>	<u>88,101</u>
Net book values	<u>-</u>	<u>20,912</u>

10 Stocks

	1999 £	1998 £
Raw materials	-	138,876
Work in progress	-	34,743
Finished goods	<u>-</u>	<u>166,984</u>
	<u>-</u>	<u>340,603</u>

RAVEN OF BARNSELEY LIMITED

NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999

(continued)

11 Debtors

	1999 £	1998 £
Trade debtors	-	459,875
Amount due from ultimate parent company	223,942	-
Amounts due from fellow subsidiary undertakings	-	498,436
Deferred taxation (note 14)	-	11,484
Other debtors	-	300
Prepayments and accrued income	-	<u>27,378</u>
	<u>223,942</u>	<u>997,473</u>

12 Creditors

	1999 £	1998 £
Amounts falling due within one year:		
Trade creditors	-	641,126
Amount owed to ultimate parent company	-	79,262
Corporation tax	-	151,524
Other taxation	-	21,690
Social security	-	16,795
Other creditors	-	3,541
Accruals and deferred income	-	230,196
Dividends payable	-	315,000
Obligations under finance leases (note 17)	-	<u>9,117</u>
	<u>-</u>	<u>1,468,251</u>

Amounts falling due after one year:

Obligations under finance leases (note 17)	<u>-</u>	<u>11,425</u>
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13 Provisions for liabilities and charges

	1999 £	1998 £
Provision for reorganisation	<u>-</u>	<u>26,433</u>

RAVEN OF BARNSELEY LIMITED

NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999

(continued)

14 Deferred taxation

	1999 £	1998 £
Debtors include deferred taxation comprising of:		
Accelerated tax allowances	-	(801)
Other timing differences	<u>-</u>	<u>12,285</u>
	<u>-</u>	<u>11,484</u>

15 Called up share capital

	1999 £	1998 £
Authorised:		
Voting Special Ordinary shares of £1 each	1,000	1,000
Non-Voting Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
	<u>501,000</u>	<u>501,000</u>
Issued and fully paid:		
Voting Special Ordinary shares of £1 each	55	55
Non-Voting Ordinary shares of £1 each	<u>166,263</u>	<u>166,263</u>
	<u>166,318</u>	<u>166,318</u>

Voting Special Ordinary shareholders are entitled to vote at all general meetings of the company; to a fixed non-cumulative preference dividend of 7% net ranking in priority to other classes of shares and are entitled only to a return of capital in the event of a winding up of the company ranking in priority to other classes of shares.

16 Reserves

	1999 £	1998 £
Reconciliation of movements in equity shareholders' funds		
Profit for the financial year	-	315,724
Dividends	<u>-</u>	<u>(315,000)</u>
Net addition to shareholders' funds	-	724
Opening shareholders' funds	<u>223,940</u>	<u>223,216</u>
Closing shareholders' funds	<u>223,940</u>	<u>223,940</u>

Shareholders' funds include the following non-equity interests:

Voting Special Ordinary shares of £1 each	<u>55</u>	<u>55</u>
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Details of the rights attaching to these shares are shown in note 15.

RAVEN OF BARNSELEY LIMITED

NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999

(continued)

Profit and loss account		£
Balance at 31st August 1998 and 29th August 1999		<u>57,622</u>
17 Leasing obligations	1999	1998
	£	£
Future commitments due under finance leases are:		
Within one year	-	10,246
Between two and five years	<u>-</u>	<u>13,220</u>
	-	23,466
Less: future finance charges	<u>-</u>	<u>2,924</u>
	<u>-</u>	<u>20,542</u>
Shown in creditors (note 12) as:		
Amounts falling due within one year	-	9,117
Amounts falling due after more than one year	<u>-</u>	<u>11,425</u>
	<u>-</u>	<u>20,542</u>
Annual commitments due under non-cancellable operating leases are:		
Plant leases expiring:		
Within one year	-	12,854
Between two and five years	<u>-</u>	<u>4,469</u>
	<u>-</u>	<u>17,323</u>

18 Pension commitments

The company is part of the Cosalt plc group which operates several pension schemes, the major one being of the defined benefit type, and the assets of these schemes are held in separate trustee administered funds.

Contributions by the company which amounted to £14,393 in 1998 are based on pension costs across the group as a whole and are assessed in accordance with the advice of a qualified actuary. Particulars of actuarial valuations of the group schemes are disclosed in the financial statements of Cosalt plc. The latest actuarial assessment of the major scheme was made at 1st January 1997.

19 Related party transactions

The company has taken advantage of the exemption from disclosing related party transactions with other group companies, as permitted by Financial Reporting Standard No. 8 as the consolidated financial statements in which the company is included are publicly available.

RAVEN OF BARNSLEY LIMITED**NOTES ON FINANCIAL STATEMENTS - 29TH AUGUST 1999**

(continued)

20 Ultimate parent company

The company is a subsidiary undertaking of Cosalt plc which is the ultimate parent company, incorporated in England. The consolidated accounts of this company are available to the public and may be obtained from Fish Dock Road, Grimsby, DN31 3NW.