

No 3626041

COSALT INDUSTRIAL SERVICES LIMITED

FINANCIAL STATEMENTS

for the sixty-one weeks ended 31 December 2011



COSALT INDUSTRIAL SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE SIXTY-ONE WEEKS ENDED 31 DECEMBER 2011

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COSALT INDUSTRIAL SERVICES LIMITED

Directors

N R Carrick (resigned 30/09/11)
M Lejman (appointed 17/05/11 resigned 26/10/11)
D Douglas (appointed 30/09/11 resigned 30/04/12)
DB Robinson (appointed 30/09/11)
T Sands (appointed 27/10/11)

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the sixty-one weeks ended 31 December 2011 ('the period')

Business review

The principal activity of the company is that of a holding company

The loss for the period is shown in the profit and loss account on page 5

On 25 August 2011 the company sold its investment in Cosalt International Limited to Survitec Group Limited for consideration of £13,103,312

On 24 August 2011 the directors declared the payment of an interim dividend of £4,900,000 (2010 £nil) which was paid on that date

Subsidiary undertakings

Details of subsidiary undertakings are shown in note 5 to the financial statements

Directors

The membership of the Board is shown above

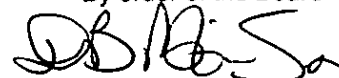
Disclosure of information to auditor

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

Auditors

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

By order of the Board



D B Robinson
Secretary
Suite 9

The Innovation Centre,
Innovation Way
Europarc
GRIMSBY DN37 9TT
7 February 2013

COSALT INDUSTRIAL SERVICES LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 judgments 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 the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis

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 have 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



KPMG Audit Plc

1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditor's report to the members of Cosalt Industrial Services Limited

We have audited the financial statements of Cosalt Industrial Services Limited for the 61 week period ended 31 December 2011 set out on pages 5 to 9. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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, and express an opinion on, 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 website at www.frc.org.uk/apb/scope/private.cfm.

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 31 December 2011 and of its loss for the 61 week period 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.

Independent auditor's report to the members of Cosalt Industrial Services Limited *(continued)*

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

Emphasis of matter – non-going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reasons set out in that note

Emphasis of matter – prior period financial statements

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited

David Morrill (Senior Statutory Auditor)

For and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

1 The Embankment

Neville Street

Leeds

LS1 4DW

7 February 2013

COSALT INDUSTRIAL SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE SIXTY-ONE WEEKS ENDED 31 DECEMBER 2011

	<i>Note</i>	61 weeks ended 31 December 2011 £	52 weeks ended 31 October 2010 £
Income from shares in group undertakings	2	4,900,000	-
Operating expenses	3	(13,103,312)	-
		<hr/>	<hr/>
Operating loss	3	(8,203,312)	-
Profit on disposal of subsidiary	5	4,103,312	-
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(4,100,000)	-
Taxation		-	-
		<hr/>	<hr/>
Loss for the financial period		(4,100,000)	-
		<hr/>	<hr/>

All operations are classed as discontinued

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

The notes on pages 7 to 9 form part of these financial statements

COSALT INDUSTRIAL SERVICES LIMITED

BALANCE SHEET – 31 DECEMBER 2011

	<i>Note</i>	31 December 2011 £	31 October 2010 £
Fixed assets			
Investments	5	-	9,000,000
		<hr/>	<hr/>
Net assets		-	9,000,000
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	6	100	100
Merger reserve	7	8,999,900	8,999,900
Profit and loss account	7	(9,000,000)	-
		<hr/>	<hr/>
Equity shareholders' funds	7	-	9,000,000
		<hr/>	<hr/>

Approved by the Board on 7 February 2013



DB Robinson
Director

Registered Number 3626041

COSALT INDUSTRIAL SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS – 31 December 2011

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 cashflow statement by Financial Reporting Standard No 1 on the grounds that it is a wholly owned subsidiary undertaking of a parent undertaking which should publish a consolidated cashflow statement

The Directors have decided that it is not their intention for the Company to continue to trade and therefore these financial statements have been prepared on the basis that the Company is not a going concern

Subsidiary undertakings

Group financial statements are not prepared for the company and its subsidiary undertakings by virtue of S400 of the Companies Act 2006

2 Income from shares in group undertakings

	61 weeks ended 31 December 2011 £	52 weeks ended 31 October 2010 £
Dividends received	4,900,000	-

3 Operating expenses

	61 weeks ended 31 December 2011 £	52 weeks ended 31 October 2010 £
Provision against amounts due from ultimate parent undertaking	(13,103,312)	-
The audit fee for this company was borne by another group undertaking		

4 Dividends

	61 weeks ended 31 December 2011 £	52 weeks ended 31 October 2010 £
Interim dividend paid of £49,000 per share (2010 £nil)	(4,900,000)	-

COSALT INDUSTRIAL SERVICES LIMITED
NOTES ON FINANCIAL STATEMENTS – 31 DECEMBER 2011

5 Investments

Shares in subsidiary undertakings	£
Valuation at 31 October 2010	9,000,000
Disposal	(9,000,000)
Valuation at 31 December 2011	<u> </u> <u> </u>

The subsidiary undertakings of Cosalt Industrial Services Limited and their principal activities are

Cosalt Ballyclare Limited	- Manufacturer and distributor of workwear clothing – now dormant
Cosalt Kilbirnie Two Limited	- Processor of synthetic carpet yarn and fibres – now dormant
Cosalt Kilbirnie One Limited	- Manufacturer of fish farm cages – now dormant

All subsidiaries are wholly owned and incorporated in England

On 25 August 2011 the company sold its investment in Cosalt International Limited to Survitec Group Limited for consideration of £13,103,312, resulting in a gain on sale of £4,103,312

6 Called up share capital

	2011 £	2010 £
<i>Authorised, issued and fully paid</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

COSALT INDUSTRIAL SERVICES LIMITED

NOTES ON FINANCIAL STATEMENTS – 31 DECEMBER 2011

7 Reserves

	Merger reserve £	Profit and loss account £	Total £
At 31 October 2010	8,999,900	-	8,999,900
Loss for the financial period	-	(4,100,000)	(4,100,000)
Dividends	-	(4,900,000)	(4,900,000)
Balance at 31 December 2011	<u>8,999,900</u>	<u>(9,000,000)</u>	<u>(100)</u>

	2011 £	2010 £
Reconciliation of movements in equity shareholders' funds		
Loss for the financial period	(4,100,000)	-
Dividends	(4,900,000)	-
Opening equity shareholders funds	<u>9,000,000</u>	<u>9,000,000</u>
Closing equity shareholders funds	<u>-</u>	<u>9,000,000</u>

8 Ultimate parent company

The company is a subsidiary undertaking of Cosalt plc which is the ultimate parent company, incorporated in England

9 Contingent liabilities

The company has given a guarantee in respect of the bank borrowings of the other group companies. At 31 December 2011, total group bank borrowings amounted to £11,418,000 (2010 £20,740,000)