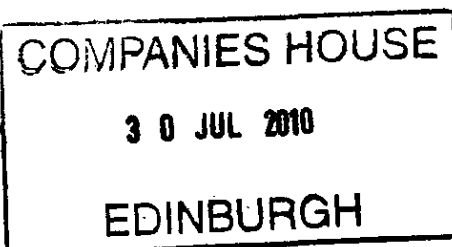


BANNER GROUP LIMITED

FINANCIAL STATEMENTS

**for the fifty-three weeks ended
1 November 2009**



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BANNER GROUP LIMITED
FINANCIAL STATEMENTS
FOR THE FIFTY THREE WEEKS ENDED 1 NOVEMBER 2009

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BANNER GROUP LIMITED**Directors**

N R Carrick

DIRECTORS' REPORT

The directors submit their annual report and the audited financial statements of the company for the fifty-three weeks ended 1 November 2009 ("the period").

Business review

The principal activity of the company continues to be that of a holding company.

The trading results for the period are shown in the profit and loss account on page 5.

The directors do not recommend the payment of a final dividend (2008: £nil)

Directors

The membership of the Board is shown above.

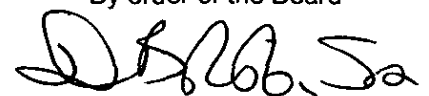
Disclosure of information to auditors

The director 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 auditors are unaware; and the 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 Audit Plc will therefore continue in office.

By order of the Board



D B Robinson
Secretary
Origin 4, Genesis Park
Origin Way
GRIMSBY

30 July 2010

BANNER GROUP 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.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG Audit Plc

1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditors' report to the members of Banner Group Limited

We have audited the financial statements of Banner Group Limited for the 53 week period ended 1 November 2009 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 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

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 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 1 November 2009 and of its loss for the 53 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 auditors' report to the members of Banner Group 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.

DJ Hutchinson (Senior Statutory Auditor)

For and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
1 The Embankment
Leeds
West Yorkshire
LS1 4DW

30 July 2010

BANNER GROUP LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE FIFTY-THREE WEEKS ENDED 1 NOVEMBER 2009

		52 weeks ended 1 November 2009	53 weeks ended 26 October 2008
	Note	£	£
Operating loss	2	<u>(253,745)</u>	<u>(651,625)</u>
Retained loss for financial year	7	<u>(253,745)</u>	<u>(651,625)</u>

All operations are classed as continuing.

The company has no recognised gains or losses other than the losses 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 9 form part of these financial statements.

BANNER GROUP LIMITED
BALANCE SHEET – 1 NOVEMBER 2009

	Note	1 November 2009 £	26 October 2008 £
Fixed assets			
Investments	3	108,991	108,991
Current assets			
Debtors	4	992,192	1,245,937
Creditors			
Amounts falling due within one year	5	<u>1,516,377</u>	<u>1,516,377</u>
Net current liabilities		<u>(524,185)</u>	<u>(270,440)</u>
Net liabilities		<u>(415,194)</u>	<u>(161,449)</u>
Capital and reserves			
Called up share capital	6	115,804	115,804
Profit and loss account	7	<u>(530,998)</u>	<u>(277,253)</u>
Shareholders' deficit		<u>(415,194)</u>	<u>(161,449)</u>

Approved by the Board on 30 July 2010



N R Carrick
Director

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

BANNER GROUP LIMITED

NOTES ON FINANCIAL STATEMENTS – 1 NOVEMBER 2009

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.

Subsidiary undertakings

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

Pension costs

The Company participates in a group wide pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company. The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS17 Retirement Benefits, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

For defined contribution schemes all contributions are charged directly to the profit and loss account in the years in which they are payable.

2 Operating loss

Operating loss is stated after charging

	2009 £	2008 £
Provision against group company loan accounts	253,745	-
Group company loan write off	<u>-</u>	<u>651,625</u>

3 Investments

	2009 £	2008 £
Shares in subsidiary undertakings		
At cost		
26 October 2008	108,991	608,991
Group transfers out	<u>-</u>	<u>(500,000)</u>
1 November 2009	<u>108,991</u>	<u>108,991</u>

The subsidiary undertakings of Banner Group Limited are:

Glory Years Limited – Dormant
 Young Biggles Limited – Dormant
 Pegasus Leisurewear Limited - Dormant
 Superleague Sports Limited - Dormant
 Beau Brummel Limited - Dormant

All subsidiaries are wholly owned and registered in England and Wales.

BANNER GROUP LIMITED

NOTES ON FINANCIAL STATEMENTS – 1 NOVEMBER 2009

(continued)

4 Debtors

	2009 £	2008 £
Amounts falling due within one year		
Amounts due from fellow subsidiary undertakings	992,031	1,245,776
Group taxation relief recoverable	<u>161</u>	<u>161</u>
	<u>992,192</u>	<u>1,245,937</u>

5 Creditors

	2009 £	2008 £
Amounts falling due within one year:		
Amounts owed to fellow subsidiary undertakings	<u>1,516,377</u>	<u>1,516,377</u>

6 Called up share capital

	2009 £	2008 £
Authorised:		
Ordinary shares of £1 each	166,000	166,000
Preference shares of £1 each	<u>4,000</u>	<u>4,000</u>
	<u>170,000</u>	<u>170,000</u>
Issued and fully paid:		
Ordinary shares of £1 each	111,804	111,804
Preference shares of £1 each	<u>4,000</u>	<u>4,000</u>
	<u>115,804</u>	<u>115,804</u>

No dividend has been paid on the cumulative preference shares, the arrears amount to £3,120 (2008: £2,880). The shareholders have waived their rights to this dividend.

The preference shares confer on the holders thereof the right to receive a fixed cumulative preferential dividend at the rate of 6% per annum (now 4.2% plus tax credit) calculated up to 31 March and 30 September in each year, and the right in a winding up to repayment of the capital paid up, together with any arrears of the said dividend calculated to the date of repayment. Such rights, both as regards dividend and capital, shall be in priority to any payment to the holders of any other class of shares, although the holders of the preference shares shall have no further right to participate in the profits or assets of the company.

The preference shares shall not entitle the holders thereof to attend or vote at any general meeting unless either:

- (i) at the date of the notice convening the general meeting the preference dividend is twelve months in arrears from the payment date of any half yearly instalments, or
- (ii) the business of the meeting includes the consideration of any Resolution modifying any of the special rights and privileges attached to the preference shares in which case they shall only be entitled to vote on any such Resolution.

BANNER GROUP LIMITED

NOTES ON FINANCIAL STATEMENTS – 1 NOVEMBER 2009

7 Reserves	2009	2008
	£	£
(a) Reconciliation of movements in equity shareholders' funds		
Result for the financial period	(253,745)	(651,625)
Opening shareholders' funds	<u>(161,449)</u>	<u>490,176</u>
Closing shareholders' (deficit)/funds	<u>(415,194)</u>	<u>(161,449)</u>
Shareholders' funds includes non equity interests of	<u>4,000</u>	<u>4,000</u>
(b) Profit and loss account		
Balance at 26 October 2008	(277,253)	
Loss for the period	<u>(253,745)</u>	
Balance at 1 November 2009 – adverse	<u>(530,998)</u>	

8 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.

9 Future financial support

The financial statements have been prepared under the going concern basis, the validity of which is dependant upon the continued financial support by the ultimate parent company.

The directors, having consulted with the directors of the ultimate parent company, believe that this financial support will continue for the foreseeable future.

Should the ultimate parent company be unable to continue its financial support, certain adjustments would be necessary to these financial statements.

10 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 Origin 4, Genesis Park, Origin Way, Grimsby, NE Lincolnshire DN37 9TZ.