

Heather Valley (Woollens) Limited

Accounts 26 February 2005
together with directors' report

Registered number: SC36376



Directors' report

For the year ended 26 February 2005

The directors present their annual report on the affairs of the company, together with the accounts for the year ended 26 February 2005.

Principal activities and business review

The company remained dormant throughout the year.

Directors and their interests

The directors who served during the year are as shown below:

R. Burton

G. Green (appointed 8 April 2004)

The interests of G Green in the 10p Ordinary shares of N Brown Group plc, the ultimate holding company, are shown in the accounts of JD Williams Group Limited, a fellow group undertaking. Those of R Burton are shown below.

	2005 Shares <u>Number</u>	2004 Shares <u>Number</u>
R. Burton	94,111	94,111

Details of share options are as follows:

	28 February 2004	Granted in year	Exercised in year	26 February 2005	Exercise price
R. Burton					
Executive scheme	30,000	-	-	30,000	160p
Executive scheme	10,000	-	-	10,000	210.5p
Executive scheme	41,507	-	-	41,507	131p
Savings related scheme	-	9,520	-	9,520	99p
	<u>81,507</u>	<u>9,520</u>	<u>-</u>	<u>91,027</u>	

The executive share options can be exercised between 23/06/06 and 23/06/13

The savings related scheme options can be exercised between 01/08/07 and 31/01/08.

Directors' report (continued)

Directors and their interests (continued)

Details of awards of shares made under the group's deferred annual bonus scheme are as follows:-

	28 February 2004	Granted in year	Exercised in year	26 February 2005	Date from which exercisable	Expiry date
R. Burton						
	2,490	-	(2,490)	-	28/05/04	27/11/04
	2,040	-	-	2,040	12/06/05	11/12/05
	-	2,030	-	2,030	28/06/06	27/12/06
	<u>4,530</u>	<u>2,030</u>	<u>(2,490)</u>	<u>4,070</u>		

The market price at the date of the award was 102.75p

The market price at the date of exercise was 103p

The total gain on the exercise of awards is £2,565.

Details of awards of shares made under the group's long term incentive share plans are as follows:

	28 February 2004	Awarded in year	Exercised in year	Lapsed in year	26 February 2005	Date from which exercisable	Expiry date	Market Price on exercise
R. Burton								
Basic	14,062	-	(14,062)	-	-	13/07/02	13/01/05	104p
Basic	12,323	-	-	(12,323)	-	17/07/04	16/01/05	
Basic	15,104	-	-	-	15,104	14/08/05	14/02/06	
Basic	-	37,683	-	-	37,683	26/08/07	26/02/08	
Enhanced	7,030	-	(7,030)	-	-	13/07/04	13/01/05	104p
	<u>48,519</u>	<u>37,683</u>	<u>(21,092)</u>	<u>(7,992)</u>	<u>52,787</u>			

The total gain made by R Burton on the exercise of long term incentive share options during the year was £21,936.

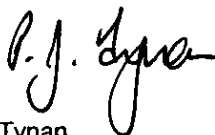
Directors' report (continued)

Directors and their interests (continued)

The directors do not have any other interests required to be disclosed under Schedule 7 of the Companies Act 1985.

16 Comely Bank Avenue
Edinburgh
EH4 1EL

By order of the Board,



P.J. Tynan
Secretary

11 December 2005

Balance sheet

26 February 2005

	Notes	2005 £	2004 £
Current assets			
Amounts owed by group undertakings		11,007	11,007
Current liabilities			
Amounts owed to group undertakings		(106,586)	(106,586)
Net liabilities		<u>(95,579)</u>	<u>(95,579)</u>
Capital and reserves			
Called-up share capital	2	12,000	12,000
Profit and loss account		<u>(107,579)</u>	<u>(107,579)</u>
Total capital employed		<u>(95,579)</u>	<u>(95,579)</u>

The company was dormant within the meaning of Section 250 of the Companies Act 1985 throughout the year.


For the year ended 26 February 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

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 responsibility for:

- Ensuring the company keeps accounting records which comply with section 221;
- 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, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Signed on behalf of the Board



R. Burton
Director

11 December 2005

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

26 February 2005

1 Basis of accounting

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

2 Called-up share capital

	2005 £	2004 £
<i>Authorised</i>		
400,000 Ordinary shares of 5p each	<u>20,000</u>	<u>20,000</u>
<i>Allotted, called up and fully-paid</i>		
240,000 Ordinary shares of 5p each	<u>12,000</u>	<u>12,000</u>

3 Ultimate parent company

The directors regard N Brown Group plc, a company incorporated in England and Wales, as the ultimate parent company and the ultimate controlling party.

N Brown Group plc is the parent company of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of the accounts are available from Griffin House, 40 Lever Street, Manchester, M60 6ES.

As a subsidiary undertaking of N Brown Group plc, the company has taken advantage of the exemption in FRS 8 "Related party disclosures" from disclosing transactions with other members of the group headed by N Brown Group plc.

N Brown Group plc has undertaken to give continued financial support to the company until at least July 2005.