

REGISTRAR'S COPY

SEET LIMITED

FINANCIAL STATEMENTS

**for the fifty-three weeks ended
31 October 2004**



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SEET LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2004

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The following pages do not form part of the statutory accounts:

Detailed trading and profit and loss account	Appendix 1
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SEET LIMITED**Directors**

F W Wood (Chairman)
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 31 October 2004 ("the year").

Business review

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

The trading results for the year are shown in the profit and loss account on page 4.

The directors do not recommend the payment of a final dividend (2003: £266,000).

Directors

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

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.


Fixed assets

The movement in tangible fixed assets are set out in note 6 to the financial statements.

Auditors

The auditors, KPMG Audit plc, have expressed their willingness to continue in office.

By order of the Board


A J Robson
Secretary

Fish Dock Road
GRIMSBY

24 August 2005

SEET 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 year. 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 INDEPENDENT AUDITORS KPMG LLP
TO THE MEMBERS OF**

SEET LIMITED

We have audited the financial statements on pages 4 to 11.

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 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

The directors are responsible for preparing the directors' report and as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities as independent auditors are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

Basis of audit 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 31 October 2004, and of its loss for the fifty-three weeks then ended, and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit plc
Chartered Accountants
Registered Auditor
Leeds

24 August 2005

SEET LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE FIFTY-THREE WEEKS ENDED 31 OCTOBER 2004

		53 weeks ended 31 October 2004	52 weeks ended 26 October 2003
	Note	£	£
Operating (loss)/profit	2	(1,090)	<u>258,597</u>
(Loss)/profit on ordinary activities before taxation		(1,090)	258,597
Taxation on ordinary activities	4	—	—
(Loss)/profit for the financial year		(1,090)	258,597
Dividends	5	—	<u>(266,000)</u>
Retained loss	11	<u>(1,090)</u>	<u>(7,403)</u>

All operations are classed as continuing.

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 6 to 11 form part of these financial statements.

SEET LIMITED
BALANCE SHEET – 31 OCTOBER 2004

	Note	31 October 2004 £	26 October 2003 £
Fixed assets			
Tangible fixed assets	6	-	1,090
Investments - subsidiary undertakings	7	<u>3,219,789</u>	<u>3,219,789</u>
		<u>3,219,789</u>	<u>3,220,879</u>
Current assets			
Debtors	8	6,349,339	6,663,944
Bank and cash balances		<u>-</u>	<u>23,512</u>
		<u>6,349,339</u>	<u>6,687,456</u>
Creditors			
Amounts falling due within one year	9	<u>4,216,520</u>	<u>4,554,637</u>
Net current assets		<u>2,132,819</u>	<u>2,132,819</u>
Net assets		<u>5,352,608</u>	<u>5,353,698</u>
Capital and reserves			
Called up share capital	10	3,591,955	3,591,955
Share premium account	11	1,548,810	1,548,810
Profit and loss account	11	<u>211,843</u>	<u>212,933</u>
Equity shareholders' funds		<u>5,352,608</u>	<u>5,353,698</u>

Approved by the Board on 24 August 2005



N R Carrick - Director

The notes on pages 6 to 11 form part of these financial statements.

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS – 31 OCTOBER 2004

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 undertaking by virtue of Section 228 of the Companies Act 1985.

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%
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Pension costs

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

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

Deferred taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is recognised, without discounting in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

2 Operating profit

Operating profit has been arrived at after charging/(crediting):

	2004	2003
	£	£
Group dividends receivable	-	(266,000)
Other operating income	-	(7,787)
Other external charges	-	4,104
Other professional costs	-	10,000
Depreciation on owned assets	<u>1,090</u>	<u>1,086</u>
	<u>1,090</u>	<u>(258,597)</u>

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS – 31 OCTOBER 2004
(continued)

3 Directors and employees	2004 Number	2003 Number
The number of directors accruing benefits under defined benefit pension schemes in respect of qualifying service was:	2	2
The number of directors granted share options in respect of Cosalt plc shares during the year was:	2	2
The number of directors exercising share options in respect of Cosalt plc shares during the year was:	-	2
4 Taxation on ordinary activities	2004 £	2003 £
The taxation charge based on the loss on ordinary activities is:		
UK corporation tax payable at 30% (2003: 30%)	-	-
Deferred taxation	<u>-</u>	<u>-</u>
Adjustments in respect of prior years:		
Corporation tax	-	-
Deferred taxation	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>
Factors affecting the current tax charge.		
The differences are reconciled below:		
	2004 £	2003 £
(Loss)/profit on ordinary activities before tax	<u>(1,090)</u>	<u>258,597</u>
Tax at current UK Corporation tax rate of 30% (2003: 30%)	(327)	77,579
Effects of:		
Expenses not deductible for tax purposes	327	2,221
Other permanent differences	<u>-</u>	<u>(79,800)</u>
Current tax charge for year	<u><u>-</u></u>	<u><u>-</u></u>
5 Dividends	2004 £	2003 £
Final dividend proposed nil per share (2003: 1.5p)	<u><u>-</u></u>	<u><u>266,000</u></u>

SEET LIMITED**NOTES ON FINANCIAL STATEMENTS - 31 OCTOBER 2004**
(continued)

6 Tangible fixed assets	Plant and machinery
	£
Cost	
At 31 October 2004 and 26 October 2003	<u>42,566</u>
Depreciation	
At 26 October 2003	41,476
Charged to profit and loss account	<u>1,090</u>
At 31 October 2004	<u>42,566</u>
Net book values	
At 31 October 2004	<u>-</u>
At 26 October 2003	<u>1,090</u>

7 Investments	2004
	£
Cost	
At 31 October 2004 and 26 October 2003	<u>4,889,396</u>
Amounts written off	
At 31 October 2004 and 26 October 2003	<u>1,669,607</u>
Net book value	
At 31 October 2004 and 26 October 2003	<u>3,219,789</u>

The subsidiary undertakings of Seet Limited are:

Abella Childrenswear Limited – Dormant
 Debretta Limited – Dormant
 Gemini (UK) Limited – Dormant
 Marmair Holdings Limited – Holding company
 Ballyclare Special Products Limited – Dormant
 Banner Group Limited – Holding company

All subsidiaries are wholly owned and registered in the United Kingdom.

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 31 OCTOBER 2004
(continued)

8 Debtors	2004	2003
	£	£
Amounts falling due within one year:		
Trade debtors	-	1,274
Amounts due from fellow subsidiary undertakings	6,348,160	6,473,101
Group taxation relief recoverable	-	352
Other taxation recoverable	-	1,752
Deferred taxation (note 13)	1,179	1,179
Dividends due	-	186,286
	<u>6,349,339</u>	<u>6,663,944</u>
9 Creditors	2004	2003
	£	£
Amounts falling due within one year:		
Trade creditors	21	21
Amount owed to ultimate parent company	3,723,000	3,223,000
Amounts owed to fellow subsidiary undertakings	486,361	1,058,478
Other creditors	7,138	7,138
Dividends	-	266,000
	<u>4,216,520</u>	<u>4,554,637</u>
10 Called up share capital	2004	2003
	£	£
Authorised: 35,000,000 ordinary shares of 20p each	<u>7,000,000</u>	<u>7,000,000</u>
Issued and fully paid: 17,959,766 ordinary shares of 20p each	<u>3,591,955</u>	<u>3,591,955</u>
11 Reserves	2004	2003
	£	£
Reconciliation of movements in equity shareholders' funds		
(Loss)/profit for the financial year	(1,090)	258,597
Dividends	-	(266,000)
	<u>(1,090)</u>	<u>(7,403)</u>
Opening equity shareholders' funds	<u>5,353,698</u>	<u>5,361,101</u>
Closing equity shareholders' funds	<u>5,352,608</u>	<u>5,353,698</u>

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 31 OCTOBER 2004
(continued)

11 Reserves (continued)

	Share premium account £	Profit and loss account £
Balance at 26 October 2003	1,548,810	212,933
Loss for the year	-	(1,090)
Balance at 31 October 2004	<u>1,548,810</u>	<u>211,843</u>

12 Deferred taxation

	£	
At 26 October 2003 and 31 October 2004	<u>(1,179)</u>	
	2004	2003
The deferred taxation debtor comprises:	£	£
Accelerated tax allowances	<u>(1,179)</u>	<u>(1,179)</u>

13 Pension commitments

The company has responsibility for a defined benefit pension scheme. The assets of the scheme are held separate to those of the company, and following a review of the scheme, the liability for existing pension commitments were secured by the purchase of insured annuities, which was funded by the sale of part of the investment portfolio of the scheme. There were 56 deferred pensioners as at 31 October 2004.

Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees working lives with the Group. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation available is at 1 July 2003. The assumptions, which have made the most significant effect on the results of the valuation, are those relating to the rate of return on investments and the rates of increase in pensions. It was assumed that the investment return would exceed price inflation by 2% per annum and that future pensions will increase at 3% per annum compound for pensions accrued prior to 5 April 1997, and at 5% or RPI if less in respect of pensions accrued after 6 April 1997.

At the last actuarial valuation date the scheme was in deficit by £304,000. Given the small size of the scheme the directors considered it inappropriate to obtain updated valuations of the scheme's assets and liabilities for FRS 17 purposes at the balance sheet date. The following information is considered to provide a reasonable approximation of the scheme's position at the balance sheet date.

SEET LIMITED

NOTES ON FINANCIAL STATEMENTS - 31 OCTOBER 2004
(continued)

13 Pension commitments (continued)*Scheme assets*

Over 95% of the combined assets of the scheme are invested in managed funds, currently weighted 47.8% to equities and 52.2% to bonds and cash. The assets of the scheme were last valued at 30 September 2004. At this date the market valuation was £1,560,102.

The valuation of the assets at the last actuarial date 1 July 2003 was £1,524,000.

Scheme liabilities

The table below shows the valuation of the scheme's liabilities at the last actuarial date, together with the number of active members at that date.

<i>Value of liabilities</i>	<i>Date of actuarial valuation</i>	<i>Active members at actuarial date</i>
£1,828,000	1 July 2003	nil

The pension charge for the year was £nil (2003: £nil).

During the year, the company made contributions amounting to £nil (2003: £nil) to a money purchase scheme. The pensions cost charged in the financial statements reflects the contributions payable by the company during the year.

Following the actuarial valuation the trustees and the company have agreed a new schedule of contributions. The company will pay £54,000 per annum starting from January 2005 for seven years.

14 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.

15 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.