

Kinloch Anderson (Holdings) Limited

Directors' report and financial statements

30 March 1996

Registered number SC65521



Kinloch Anderson (Holdings) Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1 - 2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes	6 - 7

Kinloch Anderson (Holdings) Limited

Directors' report

The directors present their annual report and audited financial statements for the year ended 30 March 1996.

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 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 judgments and estimates that are reasonable and prudent;
- 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 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. The directors also 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.

Review of business

The company did not trade during the year. The only activity of the company is the holding of an investment in a subsidiary company, Kinloch Anderson Limited, which is involved in the manufacture, wholesale and retailing of high quality clothing and accessories.

Directors and directors' interests

The directors who held office during the year were as follows:

D Kinloch Anderson (Chairman)
DA Kinloch Anderson

The directors who held office at the end of the financial year had the following interests in the share capital of the company:

	7% Cumulative £1 preference shares		Ordinary £1 shares	
	Interest at end of year	Interest at beginning of year	Interest at end of year	Interest at beginning of year
D Kinloch Anderson	55,080	100,000	108,115	151,891
DA Kinloch Anderson	44,920	-	43,776	-

Kinloch Anderson (Holdings) Limited

Directors' report (*continued*)

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming annual general meeting.

By order of the board



D Kinloch Anderson
Secretary

Commercial Street/Dock Street
Leith, Edinburgh EH6 6EY

11 June 1996



Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Auditors' report to the members of Kinloch Anderson (Holdings) Limited

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

As described on page 1 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 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 judgments 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 30 March 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.




Chartered Accountants
Registered Auditors

12 June 1996

Kinloch Anderson (Holdings) Limited

Profit and loss account for the year to 30 March 1996

	<i>Note</i>	1996 £	1995 £
Administrative expenses			
Write down of investments		-	500
Loss for the financial year		-	(500)
Additional finance costs of non-equity shares	5	(7,000)	(2,917)
Loss retained for the year for equity shareholders	5	(7,000)	(3,417)

Other than the loss for the year there have been no recognised gains or losses.

Kinloch Anderson (Holdings) Limited

Balance sheet at 30 March 1996

	Note	1996 £	1995 £
Fixed assets			
Investments	2	-	-
Creditors: amounts falling due within one year	3	(500)	(500)
Net current liabilities		(500)	(500)
Net liabilities		(500)	(500)
Capital and reserves			
Called up share capital	4	262,425	262,425
Capital redemption reserve		42,590	42,590
Profit and loss account	5	(305,515)	(305,515)
Shareholders' funds	6	(110,417)	(103,417)
Equity		109,917	102,917
Non-equity		(500)	(500)

The financial statements were approved by the Board of Directors on 11 June 1996 and were signed on its behalf by:



D Kinloch Anderson
Director

Kinloch Anderson (Holdings) Limited

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The company is a small company under sections 246 to 249 of the Companies Act 1985, and is granted exemption by FRS1 from the requirement to prepare a cash flow statement.

Tangible fixed assets

Fixed asset investments are stated at cost, plus amounts owed as long term loans less provisions.

Consolidation

Group financial statements are not prepared, as the group is considered a small sized group and is entitled to the exemption from the requirement to prepare group financial statements under Section 248 of the Companies Act 1985.

2 Fixed asset investments

Shares in subsidiary undertakings

The company holds 100% of the ordinary share capital of Kinloch Anderson Limited which is registered in Scotland. The principal activity of Kinloch Anderson Limited is the manufacture, wholesale and retail of high quality clothing and accessories. The company holds 33% of the ordinary share capital of Tolbooth Management Company Limited which is registered in Scotland. Tolbooth Management Company Limited did not trade during the year. At the year end the net book value of the investment in the above companies was nil (1995 - nil).

3 Creditors

	1996	1995
	£	£
Amounts owed to subsidiary undertaking	500	500

Kinloch Anderson (Holdings) Limited

Notes

(forming part of the financial statements)

4 Share capital

	Authorised		Allotted, called up and fully paid	
	1996 £	1995 £	1996 £	1995 £
Ordinary shares of £1 each	162,425	162,425	162,425	162,425
7% cumulative preference shares	100,000	100,000	100,000	100,000
	<u>262,425</u>	<u>262,425</u>	<u>262,425</u>	<u>262,425</u>

Arrears of dividend in respect of the 7% cumulative preference shares amounted to £9,917 (1995 : £2,917) at the year end.

The holders of the cumulative preference shares are not entitled to vote at general meetings. In a winding up the holders of the cumulative preference shares are entitled to repayment of capital at £1 per share plus any unpaid fixed preference dividend.

5 Profit and loss account

	£
At beginning of year	(305,515)
Retained loss for the year for equity shareholders	(7,000)
Appropriation from equity to non-equity interests included therein	7,000
At end of year	<u>(305,515)</u>

6 Reconciliation of movements in shareholders' funds

	Equity funds £	Non-equity funds £	Total £
Opening shareholders' funds	(103,417)	102,917	(500)
Loss retained for the year for equity shareholders	(7,000)	-	(7,000)
Additional finance costs of non-equity interests for the year apportioned from equity interests	-	7,000	7,000
Closing shareholders' funds	<u>(110,417)</u>	<u>109,917</u>	<u>(500)</u>