



SKYE WOOLLEN MILL LIMITED

FINANCIAL STATEMENTS

28th January 1995

Company Number SC 80601

SKYE WOOLLEN MILL LIMITED

REPORT OF THE DIRECTORS

The Company has not traded during the year ended 28th January 1995.

During the year the company paid a dividend of £229,541 to its immediate parent company.

The Directors who held office during the year were as follows :-

D.D. Stevenson, Chairman

J.T.H. Ainslie

The Directors in office at 28th January 1995 and their families had no interest in the Ordinary Shares of the Company throughout the year. Their interests in the shares of the Company's ultimate holding company, The Edinburgh Woollen Mill Limited, are disclosed in that company's financial statements.

ELECTIVE RESOLUTION

In accordance with Section 366A of the Companies Act 1985, an elective resolution to dispense with the holding of annual general meetings will be put to the members at the Annual General Meeting.

In accordance with Section 250 of the Companies Act 1985, a special resolution not to appoint auditors will be put to the members at the Annual General Meeting. Accordingly, KPMG will not be seeking reappointment as auditors.

By Order of the Board,



J.M. Dunbar
Secretary

Registered Office:- Waverley Mills,
LANGHOLM.

12th May 1995

SKYE WOOLLEN MILL 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 and of the profit or loss for that period. 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 statement;
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. 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.



Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Auditors' report to the members of Skye Woollen Mill Limited

We have audited the financial statements on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on page 2 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 work 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 28 January 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG
Chartered Accountants
Registered Auditors

12 May 1995

SKYE WOOLLEN MILL LIMITED

PROFIT AND LOSS ACCOUNT

Year Ended 28th January 1995

	<u>28.01.95</u>	<u>29.01.94</u>
	<u>£</u>	<u>£</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>	-	-
Taxation	-	-
	-----	-----
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>	-	-
Dividend	(229,541)	-
	-----	-----
	(229,541)	-
Retained Profit brought forward	229,541	229,541
	-----	-----
Retained Profit carried forward	-	229,541
	=====	=====

Other than the result for the year, there were no other recognised gains or losses.

SKYE WOOLLEN MILL LIMITED

BALANCE SHEET

As at 28th January 1995

	<u>28.01.95</u>	<u>29.01.94</u>
	<u>£</u>	<u>£</u>
<u>ASSETS</u>		
<u>Amounts falling due after more than one year</u>		
Loan to Ultimate Holding Company	5,000	234,541
	=====	=====
<u>CAPITAL AND RESERVES</u>		
<u>SHARE CAPITAL</u>		
<u>Authorised :</u>		
Ordinary Shares of £1 each	5,000	5,000
	=====	=====
<u>Allotted, Called Up and Fully Paid</u>		
Ordinary Shares of £1 each	5,000	5,000
Profit and loss account	-	229,541
	-----	-----
	5,000	234,541
	=====	=====

These Accounts were approved by the Board of Directors on 12th May 1995.


 J.T.H. AINSLIE DIRECTOR

NOTES :

BASIS OF PREPARATION

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

The Company is a wholly owned subsidiary of The Edinburgh Woollen Mill Limited, a company incorporated in Scotland

Copies of the financial accounts of The Edinburgh Woollen Mill Limited are available from The Registrar of Companies, 37 Castle Terrace, Edinburgh.