

Company Registration No. SC444530

COLART PFP (GP) LIMITED

Directors' Report and Financial Statements

Year ended 31 December 2016

THURSDAY



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COLART PFP (GP) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS 2016

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COLART PFP (GP) LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS 2016

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J P W Spight
J M Beeston
A Menzies

SECRETARY

R J L Evans (Resigned: 27 April 2016)

REGISTERED OFFICE

17 Viewfield Road
Ayr
KA8 8HJ

BANKERS

DNB Bank ASA London Branch
8th Floor, The Walbrook Building
25, Walbrook, London
EC4N 8AF

Royal Bank of Scotland Plc
Gemini Building
24-25 St Andrew Square
Edinburgh
EH2 1AF

SOLICITORS

CMS Cameron McKenna LLP
Mitre House
160 Aldersgate St
London
EC1A 4DD

AUDITORS

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

COLART PFP (GP) LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

REVIEW OF THE ACTIVITIES OF THE COMPANY

The principal activity of the company is as the general partner for ColArt Scotland LP. The registered office of ColArt Scotland LP is 17 Viewfield Road, Ayr, KA8 8HJ.

RESULTS AND DIVIDEND

The company has met the requirements within the Companies Act 2006 to obtain the exemption provided from the presentation of a strategic report by virtue of being a small company.

The company's profit after taxation for the year is £2,363,653 (2015: £1,861,486). The directors do not recommend payment of a final dividend.

POLITICAL CONTRIBUTIONS

The Company made no political donations or incurred any political expenditure during the year.

DIRECTORS AND THEIR INTERESTS

The following directors held office during the year and subsequently were as follows:

R J Evans	(Resigned: 27 April 2016)
J P W Spight	(Appointed: 30 January 2016)
J D Alexandrian	(Appointed: 27 April 2016 & Resigned: 14 September 2016)
J M Beeston	
A Menzies	

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each 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 auditor is aware of that information.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board of Directors
and signed on behalf of the Board



Andrew Menzies

Director

17 Viewfield Road, Ayr, KA8 8HJ

19 May 2017

COLART PFP (GP) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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) including FRS 101 Reduced Disclosure Framework.

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 year. In preparing these 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLART PFP (GP) LIMITED

We have audited the financial statements of ColArt PFP (GP) Limited for the year ended 31 December 2016 as set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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, and express an opinion on, 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 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 31 December 2016 and of its profit for the year 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.

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.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report have been prepared in accordance with the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COLART PFP (GP)
LIMITED (continued)**

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; or
- the directors were not entitled to take advantage of the small companies exemption in not preparing a strategic report.

Mike Woodward

Mike Woodward (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

KPMG LLP

15 Canada Square

London

E14 5GL

Date: 23 MAY 2017

COLART PFP (GP) LIMITED

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME Year ended 31 December 2016

	Note	Year ended 31 Dec 2016 £	Year ended 31 Dec 2015 £
Share of profits in partnership	2	2,964,807	2,354,800
Administrative Expenses	3	(10,241)	(27,942)
PROFIT BEFORE TAXATION		2,954,566	2,326,858
Tax on profit	6	(590,913)	(465,372)
PROFIT FOR THE FINANCIAL YEAR		2,363,653	1,861,486

The above results represent the total comprehensive income for the year, and relate entirely to continuing activities.

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above, and their historical cost equivalents.

The notes on pages 9 to 12 form integral part of these financial statements.

COLART PFP (GP) LIMITED

BALANCE SHEET 31 December 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Investments in partnership	7	<u>16,999,900</u>	<u>16,999,900</u>
CURRENT ASSETS			
Cash		1,315,133	18,913
Debtors	8	7,615,007	7,004,800
CREDITORS	9	<u>(1,025,642)</u>	<u>(1,482,868)</u>
NET CURRENT ASSETS		<u>7,904,498</u>	<u>5,540,845</u>
NET ASSETS		<u>24,904,398</u>	<u>22,540,745</u>
CAPITAL AND RESERVES			
Called up share capital	10	16,999,900	16,999,900
Profit and loss account		<u>7,904,498</u>	<u>5,540,845</u>
SHAREHOLDER'S FUNDS		<u>24,904,398</u>	<u>22,540,745</u>

These financial statements were approved by the Board of Directors on

19 May 2017.

Signed on behalf of the Board of Directors



Andrew Menzies

Director

Company registered number: SC444530

The notes on pages 9 to 12 form integral part of these financial statements.

COLART PFP (GP) LIMITED

STATEMENT OF CHANGES IN EQUITY Year ended 31 December 2016

	Called up Share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2015	16,999,900	3,679,359	20,679,259
Total comprehensive income for the year			
Profit for the financial year	-	1,861,486	1,861,486
Total comprehensive income for the year	-	1,861,486	1,861,486
Balance at 31 December 2015	<u>16,999,900</u>	<u>5,540,845</u>	<u>22,540,745</u>
Balance at 1 January 2016	16,999,900	5,540,845	22,540,745
Total comprehensive income for the year			
Profit for the financial year	-	2,363,653	2,363,653
Total comprehensive income for the year	-	2,363,653	2,363,653
Balance at 31 December 2016	<u>16,999,900</u>	<u>7,904,498</u>	<u>24,904,398</u>

The notes on pages 9 to 12 form integral part of these financial statements.

COLART PFP (GP) LIMITED

NOTES TO THE ACCOUNTS **Year ended 31 December 2016**

1. ACCOUNTING POLICIES

Colart PFP (GP) Limited (the "Company") is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 subject to the small companies regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking is Lindengruppen AB, a company incorporated and registered in Sweden. Lindengruppen AB prepares consolidated accounts which include the Company.

The consolidated financial statements of Lindengruppen AB are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Bruksgården, SE-268-83, Höganas, Sweden.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries
- The effects of new but not yet effective IFRSs

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 January 2016 have had a material effect on the financial statements.

Measurement Convention

The financial statements are prepared on the historical cost basis.

COLART PFP (GP) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2016

1. ACCOUNTING POLICIES (CONTINUED)

Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate as the company has net assets and net current assets and can settle liabilities as they fall due. The directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis.

Non-Derivative Financial Instruments

Non-derivative financial instruments comprise investments in equity, trade and other debtors, cash and cash equivalents, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value.

Cash and cash equivalents

Cash at bank and in hand comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Taxation

UK Corporation Tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Investments

Investments are shown at cost less any provision for impairment.

2. SHARE OF PROFITS IN PARTNERSHIP

	Year ended 31 Dec 2016 £	Year ended 31 Dec 2015 £
Profit before taxation is stated after (crediting):		
Profit share from ColArt Scotland LP	<u>(2,964,807)</u>	<u>(2,354,800)</u>

3. EXPENSES AND AUDITOR'S REMUNERATION

	Year ended 31 Dec 2016 £	Year ended 31 Dec 2015 £
Audit of company and related entities	(10,200)	(27,900)
Sundry expenses	(41)	(42)

4. EMPLOYEE INFORMATION

There were no staff employed by the company during the year (2015: nil). No emoluments were paid to the directors for duties undertaken on behalf of the company during the year (2015: £nil).

COLART PFP (GP) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2016

5. DIRECTORS REMUNERATION

The directors' time devoted to management of Colart PFP (GP) Limited is considered to be immaterial and the directors are remunerated by Colart International Holdings Limited (Registered address: The Studio Building, 21 Evesham Street, London, W11 4AJ) with exception Andrew Menzies, who is remunerated by Moorbrook Textiles Limited (Registered address: Alex Begg & Co. 17 Viewfield Road, Ayr, KA8 8HJ).

6. TAXATION

	Year ended 31 Dec 2016 £	Year ended 31 Dec 2015 £
Analysis of charge in the year		
Current tax:	590,913	465,372
Tax charge on ordinary activities	<u>590,913</u>	<u>465,372</u>

The tax assessed on the profit on ordinary activities for the year is the same as the lower rate of corporation tax in the UK of 20% (2015: 20%). Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015.

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016.

7. FIXED ASSET INVESTMENT

	2016 £
Cost at beginning and end of the year	16,999,900
Net book value at beginning and end of the year	<u>16,999,900</u>

The company held the following interests at 31 December 2016.

	Address of incorporation	Interest	Percentage Held	Nature of Business
ColArt Scotland LP	17 Viewfield Road, Ayr, KA8 8HJ, Scotland	Partnership share	37%	Management of brand assets

The investment held in ColArt Scotland LP is a long term loan resulting from a group restructure. The profit for ColArt Scotland LP for the year and available for distribution at 31 December 2016 is £2,964,812 (2015: £2,354,805).

COLART PFP (GP) LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2016

8. DEBTORS

	2016 £	2015 £
Profit share from ColArt Scotland LP	2,964,807	2,354,800
Amounts due from ColArt International Holdings	4,650,000	4,650,000
Receivable due from Colart Scotland LP	200	-
	<u>7,615,007</u>	<u>7,004,800</u>

9. CREDITORS

	2016 £	2015 £
Corporation tax	590,913	465,372
Amounts owed to group undertakings	424,529	1,007,496
Trade Creditors	10,200	10,000
	<u>1,025,642</u>	<u>1,482,868</u>

10. CALLED UP SHARE CAPITAL

	2016 £
Called up, allotted and fully paid	
16,999,900 ordinary shares of £1 each	<u>16,999,900</u>

11. ULTIMATE PARENT COMPANY AND PARENT COMPANY OF LARGER GROUP

The Company is a subsidiary undertaking of Colart International Holdings Limited, which is the ultimate parent company, which is incorporated in Great Britain and registered in England and Wales.

The ultimate holding company is Lindengruppen AB, a company incorporated and registered in Sweden. The parent company of the largest and smallest group of which the company is a member and for which group financial statements are drawn up is Lindengruppen AB, a company incorporated and registered in Sweden.

Copies of the consolidated financial statements of Lindegruppen AB can be obtained from Bruksgården, SE-268 83, Höganas, Sweden.