

Registered Number 04008186

Christy Home Textiles Limited  
Annual report and financial statements  
for the year ended 31 March 2015

Unaudited

# Christy Home Textiles Limited

## Annual report and financial statements for the year ended 31 March 2015

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# Christy Home Textiles Limited

## Directors and advisers for the year ended 31 March 2015

### Directors

Mr R R Mandawewala  
Mr C R Jones (appointed on 3<sup>rd</sup> August, 2015)  
Mr M Bansal

### Secretary

Mr M Bansal

### Registered Office

Park Square  
Bird Hall Lane  
Stockport  
Cheshire  
SK3 0XN

### Independent Auditors

PricewaterhouseCoopers LLP  
101 Barbirolli Square  
Lower Mosley Street  
Manchester  
M2 3PW

### Solicitors

Walker Morris  
Kings Court  
12 King Street  
Leeds  
LS1 2HL

### Bankers

Bank of India  
79 Newton Street  
Manchester  
M1 1EX

Bank of Baroda  
50 Swan Street  
Manchester  
M4 5JU

Barclays Bank Plc  
Birmingham Team  
PO Box 3333  
Snow Hill  
Queensway  
Birmingham  
B3 2WN

# Christy Home Textiles Limited

## Directors' report for the year ended 31 March 2015

The directors present their report and the audited financial statements of the company for the year ended 31 March 2015. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, specifically sections 415 (A) regarding the Directors' report and 415 (B) regarding the Strategic Report.

### Principal activity, results and dividends

The company manages its investments in subsidiaries. The company's profit and loss account is shown on page 8 and the balance sheet on page 9. The directors have declared and approved the payment of a dividend of £nil (2014: £nil) for the financial year.

The company's position as an intermediate holding company within the Welspun Home Textiles UK Limited group of companies means that it is not directly exposed to any significant financial risks. A summary of those significant financial risks to which the CHT Holdings group is exposed and how they are managed, is provided within the directors' report of the financial statements of CHT Holdings Limited.

### Directors and their interests

The directors who held office during the year and up to the date of signing the financial statements are given below:

Mr R R Mandawewala

Mr C R Jones (appointed on 3<sup>rd</sup> August, 2015)

Mr M Bansal

Mr R J T Walker (resigned on 30<sup>th</sup> May, 2015)

### Statement of directors' responsibilities

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Christy Home Textiles Limited

## Directors' report for the year ended 31 March 2015 (continued)

### Disclosure of information to auditors

In accordance with Section 418 of the Companies Act 2006, each director in office at the date the directors' report is approved, confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Independent Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the Board

**Mr Manish Bansal**  
Finance Director

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# Christy Home Textiles Limited

## Profit and loss account for the year ended 31 March 2015

	Notes	2015 £'000	2014 £'000
Operating costs	1	(170)	(170)
<b>Loss on ordinary activities before taxation</b>		<b>(170)</b>	(170)
Net interest receivable		-	6
Tax on loss on ordinary activities	4	-	-
<b>Loss for the financial year</b>	11	<b>(170)</b>	(164)

There were no recognised gains or losses other than those recognised above and therefore no separate statement of total recognised gains and losses has been presented.

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

All results were generated from continuing operations.

The accounting policies and notes on pages 8 to 14 form an integral part of these financial statements.

# Christy Home Textiles Limited

## Balance sheet as at 31 March 2015

	Notes	2015 £'000	2014 £'000
<b>Fixed assets</b>			
Intangible assets	5	625	745
Investments	6	8,226	8,226
		<b>8,851</b>	8,971
<b>Current assets</b>			
Debtors	7	2,844	2,756
Cash at bank and in hand		6	-
		<b>2,850</b>	2,756
<b>Creditors: amounts falling due within one year</b>	8	<b>(9,763)</b>	(9,712)
<b>Net current liabilities</b>		<b>(6,913)</b>	(6,956)
<b>Total assets less current liabilities</b>		<b>1,938</b>	2,015
<b>Net assets</b>			
		<b>1,938</b>	2,015
<b>Capital and reserves</b>			
Called up share capital	9	1,594	1
Share premium account	11	436	436
Capital redemption reserve	11	61	61
Capital reserve	11	-	1,500
Profit and loss account	10	(153)	17
<b>Total shareholders' funds</b>	11	<b>1,938</b>	2,015

The financial statements on pages 8 to 16 were approved by the Board of Directors on ..... and signed on its behalf by:

**Mr Manish Bansal**  
**Director & General Manager**  
**Registered number: 04008186**

The accounting policies and notes on pages 8 to 14 form an integral part of these financial statements.

# Christy Home Textiles Limited

## Statement of accounting policies

### **Basis of accounting**

These financial statements have been prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently, are set out below.

### **Basis of preparation**

The company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its intermediate parent, Welspun Home Textiles UK Limited.

The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Welspun Home Textiles UK Limited Group.

The company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996) as a consolidated cash flow is included in the financial statements of the ultimate parent undertaken.

### **Investments**

Investments in subsidiaries and associated undertakings are shown at cost, unless their value has been impaired in which case they are valued at the higher of their realisable value or value in use.

### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

### **Operating leases**

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

### **Transactions in foreign currencies**

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction or at contracted forward rates of exchange. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates or at contracted forward rates of exchange. All revaluation differences and realised foreign exchange differences are taken to the profit and loss account.

# Christy Home Textiles Limited

## Statement of accounting policies (continued)

### **Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

### **Dividends**

Interim dividends are recognised when paid and final dividends are booked as a liability when they are approved by the members passing a written resolution. Dividends paid are not disclosed on the face of the profit and loss account but as a distribution out of profit and loss reserves.

### **Financial Instruments**

Debtors and creditors are non-derivative financial assets or liabilities with fixed or determinable payments that are not quoted on an active market. They are included within assets or liabilities at book value depending on when they fall due.

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# Christy Home Textiles Limited

## Notes to the financial statements for the year 31 March 2015

### 1 Operating costs

	2015 £'000	2014 £'000
Employees and directors (Note 3)	50	50
Amortisation of goodwill (Note 5)	120	120
Other operating charges	-	-
	<b>170</b>	<b>170</b>

### 2 Operating loss

Auditors' remuneration has been borne by a parent undertaking, with no recharge to the company.

### 3 Employees and directors

<b>Staff costs</b>	2015 £'000	2014 £'000
Staff costs (including directors) during the year were as follows:		
Wages and salaries	45	45
Social security costs	3	3
Other pension costs	2	2
	<b>50</b>	<b>50</b>

The monthly average number of employees, including directors, during the year was as follows:

	Number	Number
Administration	1	1
	<b>1</b>	<b>1</b>

<b>Directors</b>	£'000	£'000
Remuneration in respect of directors was as follows:		
Emoluments	45	45
Payments to a defined contribution pension scheme	2	2
	<b>47</b>	<b>47</b>

#### Retirement benefits

Retirement benefits are accruing to one (2014: one) director under defined contribution schemes at 31 March 2015.

At the end there were no amounts prepaid or owing in relation to defined contribution schemes (2013: nil)

# Christy Home Textiles Limited

## Notes to the financial statements for the year 31 March 2015 (continued)

### 4 Tax on loss on ordinary activities

#### (a) Analysis of charge in year

	2015 £'000	2014 £'000
<b>Current tax</b>		
UK corporation tax on losses for the year	-	-
Adjustments in respect of prior year	-	-
<b>Total current tax</b>	-	-
<b>Total tax on loss on ordinary activities</b>	-	-

#### (b) Factors affecting tax charge for the year

The tax assessed for the year is higher (2014: higher) than the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are explained below:

	2015 £'000	2014 £'000
Loss on ordinary activities before taxation	(170)	(170)
Loss on ordinary activities multiplied by standard rate in the UK of 21% (2014: 23%):	(36)	(38)
Effects of:		
Loss relief not accounted for	10	10
Expenses not deductible for taxation purposes	26	28
Adjustments in respect of prior years	-	-
<b>Current tax charge for the year</b>	-	-

#### (c) Factors which may affect future tax charges

The main rate of corporation tax will reduce to 21% from 1 April 2014, as announced in the March 2013 Budget. A further reduction to the main rate is proposed to reduce the rate to 20% from 1 April 2015. These further changes have been substantively enacted at the balance sheet date and, therefore, are included in these financial statements.

# Christy Home Textiles Limited

## Notes to the financial statements for the year 31 March 2015 (continued)

### 5 Intangible assets

Goodwill is being amortised over 20 years being, in the opinion of the directors, its estimated useful economic life.

	£'000
<b>Cost</b>	
At 1 April 2014	2,394
<b>At 31 March 2015</b>	<b>2,394</b>
<b>Accumulated amortisation</b>	
At 1 April 2014	1,649
Charge for the year	120
<b>At 31 March 2015</b>	<b>1,769</b>
<b>Net book value</b>	
<b>At 31 March 2015</b>	<b>625</b>
At 31 March 2014	745

### 6 Investments

	Shares in Group Undertakings £'000
<b>Cost</b>	
As at 1 April 2014	8,226
<b>Addition/Disposal</b>	<b>(1,500)</b>
<b>As at 31 March 2015</b>	<b>6,726</b>
<b>Net book value at 31 March 2015</b>	<b>6,726</b>
Net book value at 31 March 2014	8,226

The addition was received as equity contribution to Welspun UK, to support and improve financial stability

The company has the following subsidiary undertakings incorporated in England and Wales unless otherwise stated

Name	Class of share	Holdings	Nature of business
Welspun UK Limited	Ordinary	100%	Design, manufacture, distribution and retailing of towels & bedding
Christy 2004 Limited *	Ordinary	100%	Dormant
E. R. Kingsley (Textiles) Limited	Ordinary	100%	Dormant
Christy UK Limited	Ordinary	100%	Property company
Christy Welspun GmbH <sup>1</sup>	Ordinary	100%	Sales and distribution for Europe
Christy Lifestyle LLC*	Ordinary	100%	Sales and distribution for USA

In the opinion of the directors the value of the investments is not lower than the net book value as stated above.

\* Shares held by a subsidiary company.

<sup>1</sup> Incorporated in Germany

# Christy Home Textiles Limited

## Notes to the financial statements for the year 31 March 2015 (continued)

### 7 Debtors

	2015 £'000	2014 £'000
Amounts owed by group undertakings	2,844	2,756

All amounts owed to group undertakings are unsecured and repayable on demand

### 8 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Amounts owed to parent company	-	785
Amounts owed to group undertakings	9,713	8,877
Other creditors	50	50
	9,763	9,712

Amounts owned to group undertakings are unsecured, do not bear interest and are repayable on demand

### 9 Called up share capital

	2015 £	2014 £
<b>Authorised</b>		
38,680 (2014: 38,680) ordinary shares of £1 each	-	38,680
600 (2014: 600) A ordinary shares of £1 each	-	600
20 (2014: 20) B ordinary shares of £1 each	-	20
60,700 (2014: 60,700) preference shares of £1 each	-	60,700
1593750 ordinary shares of £1 each	15,93,750	
	15,93,750	100,000
<b>Allotted, called up and fully paid</b>		
400 (2014: 400) ordinary shares	-	400
600 (2014: 600) A ordinary shares	-	600
1593750 (2014 :1000) ordinary shares of £1 each	1,594	
	1,594	1,000

**Ordinary shares:** The dividend rights are as a class, including holders of A Ordinary shares, such that the company can, if it so wishes, distribute further dividends over and above those needfully distributed to holders of A Ordinary shares.

**'A' Ordinary shares:** Since the re-financing of the group on 24 January 2003, the A Ordinary shares no longer carry the right to a fixed dividend payment.

# Christy Home Textiles Limited

## Notes to the financial statements for the year 31 March 2015 (continued)

### 10 Profit and loss account

	£'000
As at 1 April 2014	17
Loss for the financial year	(170)
<b>As at 31 March 2015</b>	<b>(153)</b>

### 11 Reconciliation of movements in shareholders' funds

	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital Reserve £'000	Profit and loss account £'000	Total £'000
At 1 April 2014	1	436	61	1,500	17	2,015
Movements during the year	1593	-	-	(1500)	-	93
Loss for the financial year	-	-	-	-	(170)	(170)
<b>At 31 March 2015</b>	<b>1594</b>	<b>436</b>	<b>61</b>	<b>-</b>	<b>(153)</b>	<b>1,938</b>

### 12 Ultimate Holding Company

The immediate parent company is CHT Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. The intermediate parent undertaking is Welspun Home Textiles UK Limited, a company incorporated in Great Britain and registered in England and Wales. This is the parent undertaking of the smallest group to consolidate these financial statements. Copies of the Welspun Home Textiles UK Limited consolidated financial statements can be obtained, upon payment of the appropriate fee, from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate parent undertaking and controlling party, by virtue of its 100% shareholding in Welspun Home Textiles UK Limited, is Welspun India Limited, a company incorporated in India and quoted on the Mumbai (India) Stock Exchange. The Mumbai (India) Stock Exchange address is Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, India. This is the parent undertaking of the largest group to consolidate these financial statements.

### 13 Related party transactions

The company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" in not disclosing transactions with entities that are part of the group and wholly-owned by a member of that group.