

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

FOR

HOLROSE LIMITED



HOLROSE LIMITED

CONTENTS OF THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

	Page
Company Information	1
Report of the Independent Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

HOLROSE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2002

DIRECTORS:

P Lloyd
R C Taylor
C D Johnson

SECRETARY:

P Lloyd

REGISTERED OFFICE:

Britannia House
Rough Hey Road
Grimsargh
Preston
Lancashire
PR2 5AR

REGISTERED NUMBER:

00182321 (England and Wales)

AUDITORS:

DTE Business Advisory Services Limited
Chartered Accountants
Registered Auditors
DTE House
Greater Manchester
BL9 8AT

BANKERS:

The Co-operative Bank plc
147 Church Street
Preston
Lancashire
PR1 3UD

SOLICITORS:

Taylor's Solicitors
Rawlings House
Exchange Street
Blackburn
Lancashire
BB1 7SN

HOLROSE LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO
HOLROSE LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 30 June 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

DTE Business Advisory Services Limited

DTE Business Advisory Services Limited

Chartered Accountants

Registered Auditors

DTE House

Greater Manchester

BL9 8AT

Dated: *9 December 2002*

HOLROSE LIMITED

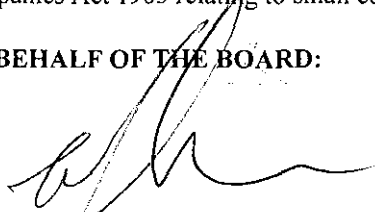
ABBREVIATED BALANCE SHEET

30 JUNE 2002

		30.6.02		30.6.01	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	2		13,751		-
Tangible assets	3		90,577		72,643
			<u>104,328</u>		<u>72,643</u>
CURRENT ASSETS:					
Stocks		508,634		501,553	
Debtors	4	628,900		388,419	
Cash at bank		2,569		-	
		<u>1,140,103</u>		<u>889,972</u>	
CREDITORS: Amounts falling due within one year	5	<u>706,612</u>		<u>749,735</u>	
NET CURRENT ASSETS:			<u>433,491</u>		<u>140,237</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>537,819</u>		<u>212,880</u>
CREDITORS: Amounts falling due after more than one year	5		<u>414,800</u>		-
			<u><u>£123,019</u></u>		<u><u>£212,880</u></u>
CAPITAL AND RESERVES:					
Called up share capital	6		3,500		3,500
Profit and loss account			119,519		209,380
SHAREHOLDERS' FUNDS:			<u><u>£123,019</u></u>		<u><u>£212,880</u></u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



C D Johnson - DIRECTOR

Approved by the Board on 2 December 2002

The notes form part of these financial statements

HOLROSE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill relates to the acquisition of a business during the year. The purchase price is dependent upon the financial performance of the acquired business during the period ended 30 November 2002. The cost will be written off evenly over its estimated useful life of three years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant, equipment and motor vehicles	- 33% on cost, 25% on cost and 15% on reducing balance
-------------------------------------	--

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of timing differences.

2. INTANGIBLE FIXED ASSETS

	<u>Total</u>
	£
COST:	
Additions	13,751
At 30 June 2002	<u>13,751</u>
NET BOOK VALUE:	
At 30 June 2002	<u><u>13,751</u></u>

HOLROSE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

3. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 July 2001	81,340
Additions	31,082
At 30 June 2002	112,422
DEPRECIATION:	
At 1 July 2001	8,696
Charge for year	13,149
At 30 June 2002	21,845
NET BOOK VALUE:	
At 30 June 2002	90,577
At 30 June 2001	72,643

4. DEBTORS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.02	30.6.01
	£	£
Amounts owed by group undertakings	96,932	96,932
	<u>96,932</u>	<u>96,932</u>

5. CREDITORS

The following secured debts are included within creditors:

	30.6.02	30.6.01
	£	£
Bank overdrafts	382,927	443,631
	<u>382,927</u>	<u>443,631</u>

6. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	30.6.02	30.6.01
			£	£
5,000	Ordinary shares	£1	5,000	5,000
			<u>5,000</u>	<u>5,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.6.02	30.6.01
			£	£
3,500	Ordinary shares	£1	3,500	3,500
			<u>3,500</u>	<u>3,500</u>

HOLROSE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

7. ULTIMATE PARENT COMPANY

The ultimate holding company is Associated Yarns Limited, a company registered in England and Wales.