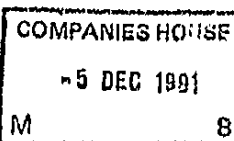


REGISTERED COMPANY NUMBER 1028708 (England and Wales)

S & M HOSIERY CO LIMITED
MODIFIED STATUTORY ACCOUNTS FOR THE
YEAR ENDED 28 FEBRUARY 1991

LOPIAN GROSS BARNETT & CO
ACCOUNTANTS

HARVESTER HOUSE
37 PETER STREET
MANCHESTER
M2 5QD



ABBREVIATED BALANCE SHEET AS AT 28 FEBRUARY 1991

	NOTES	1991 £	1990 £
FIXED ASSETS			
Tangible assets	2	411,109	170,810
CURRENT ASSETS			
Stocks		100,228	95,022
Debtors		51,871	21,138
Cash at bank and in hand		194,359	127,251
		-----	-----
		346,458	243,411
		=====	=====
CREDITORS: Amounts falling due within one year -			
Creditors		182,563	128,819
		=====	=====
NET CURRENT ASSETS		163,895	114,592
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		575,004	285,402
CREDITORS - Amounts falling due after more than one year			
		-	555
		-----	-----
		575,004	284,847
		=====	=====
CAPITAL AND RESERVES			
Called-up share capital	3	50,000	50,000
Revenue reserve		231,507	197,830
Capital reserve		293,497	37,017
		-----	-----
		575,004	284,847
		=====	=====

The directors have relied on the exemptions for individual accounts contained in Section 247 of, and Schedule 8 to, the Companies Act 1985 on the grounds that the company is entitled to the benefit of these exemptions as a small company.

...*Manjit Kumar*..... MANJIT KUMAR JERATH)
 ...*Madhu Jerath*..... MADHU JERATH) DIRECTORS
 ...*Vikas Jerath*..... VIKAS JERATH)

The note on pages 2 and 3 form part of these accounts.

2 OCTOBER 1991

NOTES TO THE ACCOUNTS YEAR ENDED 28 FEBRUARY 1991

1. STATEMENT OF ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently in respect of items which are considered material in relation to the company's accounts:-

Accounting Convention

The accounts are prepared under the historical cost convention.

Turnover

Turnover represents amounts receivable (excluding Value Added Tax) in respect of goods supplied during the year.

Depreciation

Depreciation is provided so as to write off the cost of fixed assets over their anticipated useful lives as follows:-

Long leasehold properties	1% straight line
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value.

Repairs

Expenditure is written off in the year in which it is incurred.

Deferred Taxation

Provision is made at the current rates of taxation for liabilities arising from the allocation of items to different periods for taxation and for accounting purposes, except where these are expected to be deferred for the foreseeable future.

Tax losses and Advance Corporation Tax are deducted from the provision for deferred taxation.

2. FIXED ASSETS

	Tangible fixed assets £
Cost	
At 1 March 1990	144,117
Valuation 6 June 1985	60,000
Surplus on revaluation	251,643
	=====
At 28 February 1991	455,760
	=====
Depreciation	
At 1 March 1990	33,307
Provision for the year	16,181
Written back on revaluation	(4,837)

At 28 February 1991	44,651
	=====
Net Book Value	
At 28 February 1991	411,109
	=====
At 28 February 1990	170,810
	=====

NOTES TO THE ACCOUNTS YEAR ENDED 28 FEBRUARY 1991 (CONTINUED)

2. (CONTINUED)

The long leasehold properties were revalued on 8 August 1990 by The Elliott Partnership on the basis of open market value. This value has been incorporated in the accounts. No provision has been made for the contingent capital gains tax liability in respect of the revalued property.

3. SHARE CAPITAL

	1991 £	1990 £
Authorised:		
50,000 shares of £1 each	50,000	50,000
	=====	=====
Called Up and Fully Paid:		
50,000 ordinary shares of £1 each	50,000	50,000
	=====	=====

S & M HOSIERY CO LIMITEDUNDER PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the modified statutory accounts set out on pages 1 to 3 together with the full statutory accounts of the company. The scope of our work for the purpose of this report was limited to confirming the opinion as set out in the following paragraph.

In our opinion, the company is entitled to the exemptions as set out in the directors' statement on page 1 and the modified statutory accounts have properly prepared in accordance with Schedule 8 to the Companies Act 1985.

On 2 October 1991 we reported to the members on the full statutory accounts of the company prepared under Section 226 of the Companies Act 1985 for the year ended 28 February 1991. Our report under Section 235 of the Companies Act 1985 was as follows:

"We have audited the accounts set out on pages 3 to 9, in accordance with auditing standards.

In our opinion, the financial statements show a true and fair view of the state of the company's affairs at 28 February 1991 and of the profit and source and application of funds for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985."



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2 OCTOBER 1991