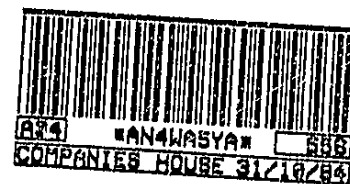


S & M Hosiery Co Limited
Abbreviated Financial Statements
for the year ended 28 February 1994

Company No. 1028708



S & H Hosiery Co Limited

Contents

	Page
Auditors' Report	1
Balance Sheet	2
Notes to the Abbreviated Financial Statements	3 - 4

S & M Hosiery Co Limited

**Auditors' Report to the Directors of S & M Hosiery Co Limited
Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985**

We have examined the abbreviated accounts on pages 2 to 4 together with the full financial statements of S & M Hosiery Co Limited for the year ended 28 February 1994. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 28 February 1994, and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that Schedule.

On 25 August 1994 we reported, as auditors of S & M Hosiery Co Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 28 February 1994, and our audit report was as follows:

'We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 6.

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.

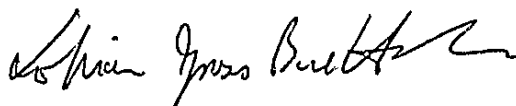
Basis of opinion

We conducted our audit 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 February 1994 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'



Lopian Gross Barnett & Co
Accountants and Registered Auditor
Harvester House
37 Peter Street
Manchester
M2 5QD

25 August 1994

S & M Hosiery Co Limited
Abbreviated Balance Sheet
as at 28 February 1994

	Notes	1994 £	1993 £
Fixed Assets			
Tangible assets	2	403,164	415,153
Current Assets			
Stocks		50,350	235,049
Debtors		77,151	57,875
Cash at bank and in hand		308,651	139,404
		<u>436,152</u>	<u>432,328</u>
Creditors: amounts falling due within one year		<u>(105,175)</u>	<u>(147,389)</u>
Net Current Assets		<u>330,977</u>	<u>284,939</u>
Total Assets Less Current Liabilities		<u>734,141</u>	<u>700,092</u>
Creditors: amounts falling due after more than one year		<u>-</u>	<u>(6,667)</u>
		<u>734,141</u>	<u>693,425</u>
Capital and Reserves			
Called up share capital	3	50,000	50,000
Revaluation reserve		293,497	293,497
Profit and loss account		390,644	349,928
		<u>734,141</u>	<u>693,425</u>

In preparing these abbreviated financial statements:

- (a) Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.

In preparing the company's annual financial statements:

- (a) Advantage has been taken of special exemptions applicable to small companies conferred by Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company

The financial statements were approved by the Board on 25 August 1994.

..... Mangit K. Jerath
Director

..... V. Jerath
Director

S & H Hosiery Co Limited

Notes to the Abbreviated Financial Statements for the year ended 28 February 1994

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold properties	-	1% Straight line
Fixtures and fittings	-	15% Reducing balance
Motor vehicles	-	25% Reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

S & M Hosiery Co Limited

Notes to the Abbreviated Financial Statements for the year ended 28 February 1994

2. Tangible assets

	Total £
Cost or valuation	
At 1 March 1993	475,239
Additions	4,963
At 28 February 1994	480,202
Depreciation	
At 1 March 1993	60,086
Charge for year	16,952
At 28 February 1994	77,038
Net book values	
At 28 February 1994	403,164
At 28 February 1993	415,153

The long leasehold properties were revalued on 8 August 1990 by the Elliot 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 properties.

The directors are of the opinion that the market value of the long leasehold properties at the balance sheet date is not less than the book value and consider that there is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

The historical cost of the properties was £86,340.

3. Share Capital

	1994 £	1993 £
Authorised		
50,000 Ordinary shares of £1 each	50,000	50,000
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000