

S & M HOSIERY CO LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 1999



S & M HOSIERY CO LIMITED

CONTENTS

	Page
Auditors' report	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3 - 4

S & M HOSIERY CO LIMITED

AUDITORS' REPORT TO S & M HOSIERY CO LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 28 February 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

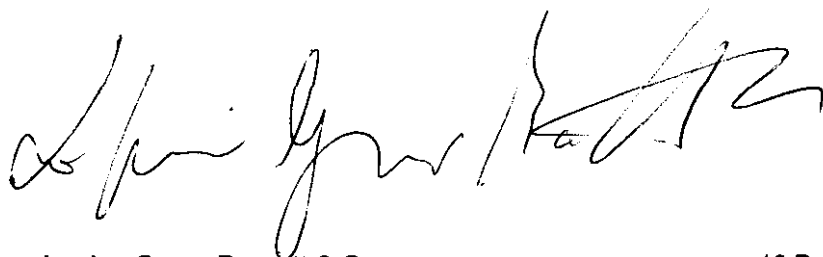
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and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

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



Lopian Gross Barnett & Co

16 December 1999

Chartered Accountants
Registered Auditor

Harvester House
37 Peter Street
Manchester
M2 5QD

S & M HOSIERY CO LIMITED

ABBREVIATED BALANCE SHEET AS AT 28 FEBRUARY 1999

	Notes	1999 £	£	1998 £	£
Fixed assets					
Tangible assets	2		359,817		368,683
Current assets					
Stocks		333,670		450,250	
Debtors		36,505		59,274	
Cash at bank and in hand		115,762		40,023	
		<u>485,937</u>		<u>549,547</u>	
Creditors: amounts falling due within one year		<u>(90,760)</u>		<u>(168,291)</u>	
Net current assets			395,177		381,256
Total assets less current liabilities			<u>754,994</u>		<u>749,939</u>
Capital and reserves					
Called up share capital	3	50,000		50,000	
Revaluation reserve		293,497		293,497	
Profit and loss account		411,497		406,442	
Shareholders' funds			<u>754,994</u>		<u>749,939</u>

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

The financial statements were approved by the board on 16 December 1999


Vikas Jerath
Director

S & M HOSIERY CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1999

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.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

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

Long leasehold property	1% Straight line
Fixtures & fittings	15% Reducing balance / 33 1/3% Straight line
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 the shorter of the lease term and 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

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

S & M HOSIERY CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 28 FEBRUARY 1999

2 Fixed assets

	Total £
Cost or valuation	
At 1 March 1998	442,750
Additions	1,575
Disposals	(14,050)
At 28 February 1999	430,275
Depreciation	
At 1 March 1998	74,067
On disposals	(12,844)
Charge for the year	9,235
At 28 February 1999	70,458
Net book value	
At 28 February 1999	359,817
At 28 February 1998	368,683

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

	1999 £	1998 £
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