

S & M HOSIERY CO LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 29 FEBRUARY 2004



S & M HOSIERY CO LIMITED

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S & M HOSIERY CO LIMITED

INDEPENDENT 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 6, together with the financial statements of the company for the year ended 29 February 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

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 audit 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 6 are properly prepared in accordance with those provisions.



Lopian Gross Barnett & Co.

Chartered Accountants
Registered Auditor



10 February 2005

Cardinal House
20 St. Mary's Parsonage
Manchester
M3 2LG

S & M HOSIERY CO LIMITED

ABBREVIATED BALANCE SHEET AS AT 29 FEBRUARY 2004

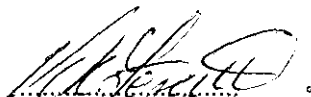
	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	2		323,989		328,002
Current assets					
Stocks		51,023		62,788	
Debtors		165,576		160,901	
Investments		58,152		44,958	
Cash at bank and in hand		126,671		49,950	
		<u>401,422</u>		<u>318,597</u>	
Creditors: amounts falling due within one year		<u>(125,743)</u>		<u>(130,079)</u>	
Net current assets			<u>275,679</u>		<u>188,518</u>
Total assets less current liabilities			<u>599,668</u>		<u>516,520</u>
Capital and reserves					
Called up share capital	3	50,000		50,000	
Revaluation reserve		293,497		293,497	
Profit and loss account		256,171		173,023	
Shareholders' funds			<u>599,668</u>		<u>516,520</u>

S & M HOSIERY CO LIMITED

ABBREVIATED BALANCE SHEET (CONTINUED) AS AT 29 FEBRUARY 2004

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 9 February 2005.



Vikas Jerath
Director

S & M HOSIERY CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 29 FEBRUARY 2004

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 in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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 Investments

Current asset investments are stated at the lower of cost and net realisable value.

S & M HOSIERY CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2004

2 Fixed assets

	Tangible assets £
Cost or valuation	
At 1 March 2003 & at 29 February 2004	397,348
Depreciation	
At 1 March 2003	69,346
Charge for the year	4,013
At 29 February 2004	73,359
Net book value	
At 29 February 2004	323,989
At 28 February 2003	328,002

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.

From 1 April 1999, all new tangible fixed assets are recorded at historic cost less accumulated depreciation. The company's long leasehold property had, prior to that date been restated at its open market value and subsequently reduced by depreciation on that new value. Under the transitional provisions of Financial Reporting Standard 15 "Tangible Fixed Assets", the property continues to be treated on that basis. It is stated at its open market value at 8 August 1990, less accumulated depreciation to date, and that valuation has not been updated.

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

	2004 £	2003 £
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

S & M HOSIERY CO LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 29 FEBRUARY 2004

4 Transactions with directors

	Amount outstanding		Maximum in year
	2004	2003	
	£	£	£
Director's current account (debit bal)	636	-	636
	<u>636</u>	<u>-</u>	<u>636</u>