

Company Registration Number 2027100

B.T.S KNITWEAR LIMITED
ABBREVIATED FINANCIAL STATEMENTS
30TH SEPTEMBER 1998

KHULLAR AND COMPANY

Chartered Accountants & Registered Auditors
396, East Park Road,
Leicester,
LE5 5HH



B.T.S KNITWEAR LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30TH SEPTEMBER 1998

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B.T.S KNITWEAR LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 5, together with the financial statements of the company prepared under Section 226 of the Companies Act 1985 for the year ended 30th September 1998.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

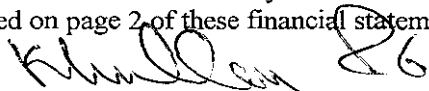
OPINION

In our opinion the company is entitled 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 30th September 1998, and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 27th July 1999 we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th September 1998, and the full text of our audit report is reproduced on page 2 of these financial statements.

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KHULLAR AND COMPANY
Chartered Accountants
& Registered Auditors

27th July 1999

B.T.S KNITWEAR LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30TH SEPTEMBER 1998

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described in the directors' report, the directors of the company are responsible for the preparation of the 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

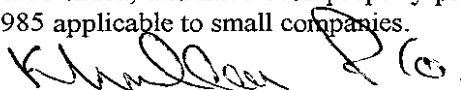
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, 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 affairs of the company as at 30th September 1998 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.

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KHULLAR AND COMPANY
Chartered Accountants
& Registered Auditors

27th July 1999

B.T.S KNITWEAR LIMITED
ABBREVIATED BALANCE SHEET
30TH SEPTEMBER 1998

	Note	1998	1997
		£	£
FIXED ASSETS	2		
Tangible assets		975,830	132,158
CURRENT ASSETS			
Stocks		55,211	54,777
Debtors		127,009	146,077
Cash at bank and in hand		46,296	501,622
		228,516	702,476
CREDITORS: Amounts falling due within one year		(237,170)	(218,541)
NET CURRENT (LIABILITIES)/ASSETS		(8,654)	483,935
TOTAL ASSETS LESS CURRENT LIABILITIES		967,176	616,093
CREDITORS: Amounts falling due after more than one year		(340,000)	(13,903)
PROVISIONS FOR LIABILITIES AND CHARGES		(8,236)	(8,834)
NET ASSETS		618,940	593,356
CAPITAL AND RESERVES			
Equity share capital	3	100	100
Profit and loss account		618,840	593,256
SHAREHOLDERS' FUNDS		618,940	593,356

The directors have taken advantage of the abbreviated disclosure exemptions conferred by section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In preparing the annual accounts, the directors have taken advantage of the special accounting exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the basis that, in the opinion of the directors, the company qualifies as a small company.

These financial statements were approved by the directors on the 27th July 1999 and are signed on their behalf by:

MR. A. SHARMA



B.T.S KNITWEAR LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 1998****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	15% Reducing balance
Fixtures & Fittings	15% Reducing balance
Motor Vehicles	25% Reducing balance

Stocks

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

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

B.T.S KNITWEAR LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30TH SEPTEMBER 1998****2. FIXED ASSETS**

	Tangible Fixed Assets £
COST	
At 1st October 1997	360,468
Additions	865,300
At 30th September 1998	<u>1,225,768</u>
DEPRECIATION	
At 1st October 1997	228,310
Charge for year	21,628
At 30th September 1998	<u>249,938</u>
NET BOOK VALUE	
At 30th September 1998	<u>975,830</u>
At 30th September 1997	<u>132,158</u>

3. SHARE CAPITAL**Authorised share capital:**

	1998 £	1997 £
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	<u>100</u>	<u>100</u>