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SNOWDON CASHMERES LIMITED

REPORT AND ABBREVIATED ACCOUNTS FOR THE YEAR ENDED

31ST DECEMBER 1996

REGISTERED NO. 2260310

A34 *AF00EXL9* 227
COMPANIES HOUSE 22/07/97

SNOWDON CASHMERES LIMITED

ABBREVIATED BALANCE SHEET AS AT 31ST DECEMBER 1996

	Note	1996	1995
Fixed Assets			
Tangible assets	2	2,462	805
Current Assets			
Stock		3,670	3,410
Cash at bank		2,669	5,373
		6,339	8,783
Creditors - amounts falling due within one year		4,592	11,592
Net Current Assets/Liabilities		1,747	(2,809)
Total Assets Less Current Liabilities		4,209	(2,004)
Capital and Reserves			
Called up share capital	3	6,000	6,000
Profit and loss account		(1,791)	(8,004)
		4,209	(2,004)

The directors:

1. confirm that for the year ending 31st December 1996 the company was entitled to the exemption under subsection (1) of section 249A;

2. confirm that no notice requiring an audit had been deposited under subsection (2) of section 249B in relation to the accounts for the financial year; and

ABBREVIATED BALANCE SHEET AS AT 31ST DECEMBER 1996 (CONTINUED)

3. acknowledge their responsibility for:

(a) ensuring that the company keeps accounting records which comply with section 221; and

(b) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions as a small company.

In the preparation of the company's annual accounts, the directors have taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985, and have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions as a small company.

Approved by the board of directors on 13 July 1997 and signed on their behalf by :

P W Garden (Director)

SNOWDON CASHMERES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR

ENDED 31ST DECEMBER 1996

1. **Accounting Policies**

(a) **Cash Flow Statement**

The company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemption under FRS 1 not to prepare a cash flow statement.

(b) **Accounting Convention**

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

(c) **Turnover**

Turnover represents the invoiced amounts of goods sold.

(d) **Depreciation**

Depreciation is provided on all tangible assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Equipment	-	20% on reducing balance
Sheep Quota	-	20% straight line

(e) **Stocks**

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

(f) **Deferred Taxation**

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences, except for those which are not expected to reverse in the future.

2. **Tangible Fixed Assets**

Cost

At 1/1/96	1,861
Additions	2,273
Disposals	-
At 31/12/96	4,134

Depreciation

At 1/12/96	1,056
Charge for year	616
Disposals	-
At 31/12/96	1,672

Net Book Value at 31/12/96 2,462

3. **Share Capital**

	1996	1995
Ordinary Shares of £1. each		
Authorised	30,000	30,000
Allotted, issued and fully paid	6,000	6,000