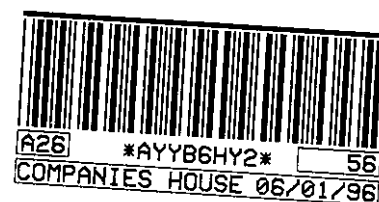


BABYTOWN LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 1995



REPORT OF THE AUDITORS TO THE DIRECTORS OF
BABYTOWN LIMITED

IN COMPLIANCE WITH SCHEDULE 8 PARAGRAPH 24 OF THE COMPANIES ACT 1924

We have examined the Abbreviated Accounts on pages 2 and 3, together with the full statutory accounts of Babytown Limited for the year ended 31 March 1995. The scope of our work for the purpose of this report was limited to confirming the opinion as set out in the following paragraph.

In our opinion the directors are entitled under Sections 246 to 247 of the Companies Act 1985 to deliver abbreviated accounts in respect of the year ended 31 March 1995 and the abbreviated accounts on pages 2 and 3 have been properly prepared in accordance with Schedule 8 of that Act.

On 4 August 1995 we reported, as auditors of Babytown Limited, to the members on the full accounts prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1995 and our Audit Report was as follows:

"We have audited the accounts on pages 5 and 6 which have been prepared under the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described in note 4 the Company's Directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

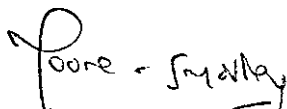
Basis of Opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion these accounts give a true and fair view of the state of the Company's affairs at 31 March 1995 and have been properly prepared in accordance with the Companies Act 1985."



Moore & Smalley
Chartered Accountants
and Registered Auditors
Preston

4 August 1995

BABYTOWN LIMITED

BALANCE SHEET

AS AT 31 MARCH 1995

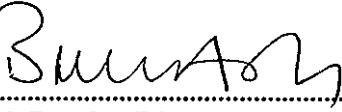
| | Note | 1995 £ | 1994 £ |
|-----------------------------|------|----------------|----------------|
| Current Assets | | | |
| Debtors | | <u>153,493</u> | <u>153,493</u> |
| Capital and Reserves | | | |
| Called up share capital | 2 | 500 | 500 |
| Profit and loss account | | <u>152,993</u> | <u>152,993</u> |
| | | <u>153,493</u> | <u>153,493</u> |

In preparing these accounts the Directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and have done so on the basis that, in their opinion, the Company satisfies the criteria for exemption as a small company.

The Company remained dormant throughout the year.

These accounts were approved by the board on 4 August 1995


.....
A M Carus - Director


.....
C B Ash - Director

BABYTOWN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 1995

1. **Accounting Policies**

Basis of Accounting

The accounts have been prepared under the historical cost convention and in compliance with Schedule 4 to the Companies Act 1985 and applicable accounting standards.

Consolidation

The Company is a wholly owned subsidiary of Vernon-Carus Limited, a company registered in England and Wales, for which group accounts are prepared.

| | | |
|--|-------------|-------------|
| 2. Share Capital | 1995 | 1994 |
| | £ | £ |
| Authorised | | |
| Ordinary shares of £1 each | 500 | 500 |
| | <hr/> | <hr/> |
| Allotted, Issued and Fully Paid | | |
| Ordinary shares of £1 each | 500 | 500 |
| | <hr/> | <hr/> |