

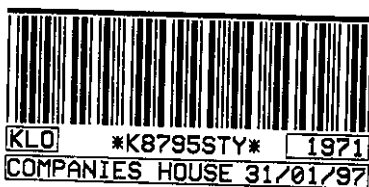
248/684

JANTA FASHIONS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1996

BAJAJ & COMPANY
Registered Auditors
Chartered Accountants
410-420 Rayners Lane
Pinner, Middx HA5 5DY



JANTA FASHIONS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1996

CONTENTS	Page
Report of the directors	2
Auditors' report to the shareholders	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6-11

JANTA FASHIONS LIMITED was incorporated
in England.

Company Registration Number: 2431684

JANTA FASHIONS LIMITEDTHE DIRECTORS' REPORTFOR THE YEAR ENDED 31ST MARCH 1996

The directors present their report and the company's financial statements for the Year ended 31st March 1996.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW.

The principal activity of the company in the year under review was clothing manufacturers and wholesalers.

The profit for the year after taxation and extraordinary items and the manner in which that profit has been dealt with is set out on page 4 of these financial statements. In the opinion of the directors of the Company was in a satisfactory position at the year end.

DIVIDENDS.

The directors have not recommended a dividend for the year.

DIRECTORS AND THEIR INTERESTS IN THE COMPANY'S SHARES.

The directors in office in the Year and their beneficial interests in the company's shares were as follows:

	Ordinary Shares of £1 Each	
	At 31.3.96	At 31.3.95
J. S. RAI	50	50
P. S. KAKH	50	50
	=====	=====

FIXED ASSETS.

The acquisitions and disposals of fixed assets are recorded in the notes to the accounts. In the opinion of the directors the residual value of the freehold land and buildings is likely to exceed the cost stated in the balance sheet and with regular repairs and maintenance the value will not diminish, hence there is no provision required for depreciation of the land and buildings.

Cont.

JANTA FASHIONS LIMITED

THE DIRECTORS' REPORT - cont.

FOR THE YEAR ENDED 31ST MARCH 1996

CLOSE COMPANY PROVISIONS

In the opinion of the directors, the Company is a close Company within the meaning of S414 of the Income Taxes Act 1988 (as amended).

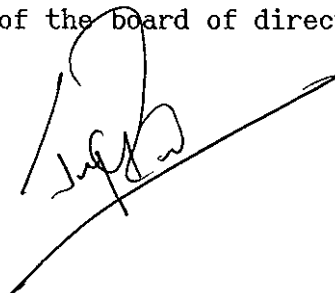
AUDITORS.

A resolution to appoint Messrs Bajaj & Company as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the board of directors

J. S. RAI

Company secretary

A handwritten signature in black ink, appearing to be 'J. S. Rai', is written over a diagonal line that extends from the signature area towards the bottom right of the page.

Approved by the board of directors on 24th January 1997.

AUDITORS' REPORT TO THE SHAREHOLDERS OF

JANTA FASHIONS LIMITED

FOR THE YEAR ENDED 31ST MARCH 1996

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in note 1 to the financial statements the company's directors are responsible for the preparation of 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

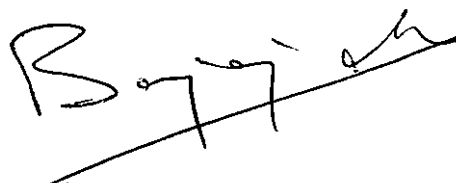
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 the company's affairs as at 31st March 1996 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

BAJAJ & COMPANY

Registered Auditors
410-420 Rayners Lane
Pinner, Middx HA5 5DY

A handwritten signature in black ink, appearing to read 'B. Bajaj', is written over a horizontal line.

Date: 27th January 1997

JANTA FASHIONS LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST MARCH 1996

	Note	1996 £	1995 £
TURNOVER	3	975,472	873,381
LESS : COST OF SALES		(737,567)	(655,488)
GROSS PROFIT		237,905	217,893
Administrative expenses		(150,041)	(121,145)
Operating profit	4	87,864	96,748
Other interest receivable and similar income	7	338	470
Interest payable and similar charges	8	(13,767)	(17,080)
Profit on ordinary activities before taxation		74,435	80,138
LESS: Tax on profit on ordinary activities	9	(19,450)	(18,552)
PROFIT FOR THE FINANCIAL YEAR		54,985	61,586
LESS: Dividends	10	-	(35,000)
Retained profit for the financial Year		54,985	26,586
Balance brought forward		35,197	8,611
Balance carried forward		£90,182	£35,197
		=====	=====

The company has no recognised gains or losses other than the profit and loss for the Year.

The notes on pages 6 to 11 form part of these financial statements.

JANTA FASHIONS LIMITEDBALANCE SHEETAS AT 31ST MARCH 1996

	Note	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible assets	11		293,046		296,995
CURRENT ASSETS					
Stocks	12	15,600		20,200	
Debtors	13	204,449		199,054	
Cash at bank and in hand		10,979		2,267	
		231,028		221,521	
CREDITORS: Amounts falling due within one year	14	(338,242)		(359,712)	
Net Current Liabilities			(107,214)		(138,191)
Total assets less current liabilities			185,832		158,804
CREDITORS: Amounts falling due after more than one year	15		(95,550)		(123,507)
NET ASSETS			£90,282		£35,297
CAPITAL AND RESERVES					
			£		£
Share capital	16		100		100
Profit and loss account			90,182		35,197
			£90,282		£35,297

Approved by the board of directors on 27th January 1997.

Director (J. S. RAI
(
(
(
(P. S. KAKH

Signed on behalf of the board of directors.

The notes on pages 6 to 11 form part of these financial statements.

JANTA FASHIONS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MARCH 1996

1. DIRECTORS' RESPONSIBILITIES.

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs at the end of the year and profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described below, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2. ACCOUNTING POLICIES.

The financial statements have been prepared under the historical cost convention using the following accounting policies:

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 represent amounts invoiced during the Year, exclusive of Value Added Tax.

DEPRECIATION.

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Tangible Assets:

Plant and Machinery	25%
Fixtures and Fittings	25%
Office Equipment	25%
Motor Vehicles	25%

No depreciation has been provided on the freehold land and buildings since in the Directors opinion the repairs and maintenance will result in the residual value exceeding the original cost.

STOCK.

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

NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MARCH 1996

3. TURNOVER.

The turnover and profit before tax is attributable to the one principal activity of the company.

An analysis of turnover is given below:

	1996 £	1995 £
United Kingdom and EC	929,752	738,353
Overseas	45,720	135,028
	-----	-----
	975,472	873,381
	=====	=====

4. OPERATING PROFIT.

Operating profit is stated after charging:

Directors' emoluments for:

- Services as directors	20,000	15,376
Depreciation	13,388	14,789
Loss on disposal of motor vehicle	3,014	-
Auditor's fees	1,775	1,700
	=====	=====

5. PARTICULARS OF EMPLOYEES.

The aggregate costs of the company's employees were:

Wages and salaries	111,843	87,355
Social security costs	5,025	4,544
Other pension costs	8,292	3,381
	-----	-----
	125,160	95,280
	=====	=====

	No.	No.
The aggregate number of persons employed by the company including directors was:	22	21
	=====	=====

6. DIRECTORS' REMUNERATION.

Directors' remuneration, including pensions and benefits in kind were:

Remuneration as directors	£20,000	£15,376	-
	=====	=====	

7. INTEREST RECEIVABLE AND SIMILAR INCOME.

Bank interest receivable	£ 338	£ 470
	=====	=====

JANTA FASHIONS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MARCH 1996

	1996 £	1995 £
8. INTEREST PAYABLE AND SIMILAR CHARGES.		
Interest payable on bank overdraft	2,234	2,002
Interest payable on loans	11,533	15,078
	-----	-----
	£13,767	£17,080
	=====	=====
9. TAXATION ON ORDINARY ACTIVITIES.		
	1996 £	1995 £
Corporation tax charge at - 25%	19,450	18,552
	=====	=====

10. DIVIDENDS.

No dividend has been recommended for the year (previous year dividends proposed were £35,000).

JANTA FASHIONS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MARCH 1996

11. FIXED TANGIBLE ASSETS.

	Freehold Land and Buildings £	Plant and Machinery £	Fixtures and Fittings £	Office Equipment £	Motor Vehicle £	TOTAL £
COST:						
Balance b/fwd	252,630	36,340	3,879	7,608	55,406	355,863
Additions	-	5,000	-	1,261	8,391	14,652
Disposals	-	-	-	-	(12,909)	(12,909)
	-----	-----	-----	-----	-----	-----
Balance c/fwd	252,630	41,340	3,879	8,869	50,888	357,606
	-----	-----	-----	-----	-----	-----
DEPRECIATION:	£	£	£	£	£	£
Balance b/fwd	-	17,738	2,614	4,236	34,279	58,867
On disposals	-	-	-	-	(7,695)	(7,695)
Depn charge	-	5,900	316	1,158	6,014	13,388
	-----	-----	-----	-----	-----	-----
Balance c/fwd	-	23,638	2,930	5,394	32,598	64,560
	-----	-----	-----	-----	-----	-----
NET BOOK VALUE:	£	£	£	£	£	£
Balance c/fwd	252,630	17,702	949	3,475	18,290	293,046
	=====	=====	=====	=====	=====	=====
Balance b/fwd	252,630	18,602	1,265	3,372	21,127	296,996
	=====	=====	=====	=====	=====	=====

12. STOCKS.

	1996 £	1995 £
Raw materials	15,600	20,200
	=====	=====

13. DEBTORS.

Trade debtors	142,803	148,865
Other debtors	58,833	50,189
Prepayments and accrued income	2,813	-
	-----	-----
	204,449	199,054
	=====	=====

All debtors are repayable within one year of the balance sheet date.

JANTA FASHIONS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MARCH 1996

	1996 £	1995 £
14. CREDITORS: Amounts falling due within one year.		
Bank loans and overdrafts	88,943	43,353
Trade creditors	133,309	179,766
Corporation tax	33,656	19,360
Social security	21,057	12,976
H.P. & finance leases	-	966
Advance Corporation tax	8,750	8,750
Dividends	-	35,000
Other creditors	35,545	36,061
Directors' current accounts	3,002	7,161
Accruals and deferred income	13,980	16,319
	-----	-----
	338,242	359,712
	=====	=====

15. CREDITORS: Amounts falling due after more than one year.

	1996 £	1995 £
Bank loans and overdrafts	95,550	123,507
	=====	=====

16. SHARE CAPITAL.

AUTHORISED SHARE CAPITAL:

	1996 £	1995 £
100 Ordinary Shares of £1 each	100	100
	=====	=====

ALLOTTED, CALLED UP AND FULLY PAID:

	1996 £	1995 £
100 Ordinary shares of £1 each	100	100
	=====	=====

JANTA FASHIONS LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MARCH 1996

	1996 £	1995 £
17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS.		
Profit for the financial year	54,985	61,586
Dividends	-	(35,000)
	-----	-----
Net addition to funds	54,985	26,586
Opening shareholders' funds	35,297	8,711
	-----	-----
Closing shareholders' funds	£90,282	£35,297
	=====	=====

18. CONTINGENT LIABILITIES

There were no contingent liabilities as at the year end which were required to be disclosed.