

REGISTRAR'S
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MOORE STEPHENS

REGISTERED No. 2779306.

ACE STYLE INTIMATE APPAREL
(UK) LIMITED

REPORT AND FINANCIAL STATEMENTS
31 MARCH 1996



Registered No.2779306

Ace Style Intimate Apparel (UK) Limited

Directors

Andrew Sia
Carina May May Wong

Secretary and Registered Office

Cornhill Secretaries Limited
St. Paul's House, Warwick Lane, London, EC4P 4BN

Report of the Directors

The Directors present their report and the audited financial statements for the year ended 31st March 1996.

Review of Activities

The company has not yet commenced to trade and therefore no profit and loss account has been prepared.

Directors' Interests

Neither of the Directors had any interest, as defined by the Companies Act 1985 in the share capital of the Company at any time during the period

Auditors

Moore Stephens are willing to continue in office and a resolution proposing their re-appointment and empowering the directors to fix their remuneration will be put before the Annual General Meeting.

By Order of the Board


Cornhill Secretaries Limited
Company Secretary

Statement of Directors Responsibilities

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the financial year. The directors consider that in preparing the financial statements the company has used appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates and confirm that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. The directors also have responsibility for safeguarding the assets of the company and for the prevention and detection of fraud and other irregularities.

Report of the Auditors to the Members of Ace Style Intimate Apparel (UK) Limited

We have audited the financial statements on page 3 which have been prepared under the historical cost convention and the accounting policies set out on that page.

Respective Responsibilities of Directors and Auditors

As described above 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 judgements 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 have been properly prepared in accordance with the Companies Act 1985.

St. Paul's House,
London,
EC4P 4BN.

6th August 1996


MOORE STEPHENS
Registered Auditor
Chartered Accountants

Ace Style Intimate Apparel (UK) Limited**Balance Sheet - 31st March 1996**

	<u>Notes</u>	<u>31.3.96</u>	<u>31.3.95</u>
Current Assets			
Debtors			
Other debtors		1,000	1,000
		<u> </u>	<u> </u>
		£ 1,000	£ 1,000
		<u> </u>	<u> </u>
Equity Capital and Reserves			
Called up share capital	2	1,000	1,000
		<u> </u>	<u> </u>
		£ 1,000	£1,000
		<u> </u>	<u> </u>
Approved by the Board on 31/7/96			
Andrew Sia			Director

Notes to the Financial Statements for the period ended 31st March 1996**1. Accounting Policies****(a) Accounting convention**

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

(b) As the company has not yet commenced to trade no profit and loss account has been prepared.

2. Share Capital

Authorised	<u>31.3.96</u>	<u>31.3.95</u>
10,000 shares of £1 each	£ 10,000	£ 10,000
	<u> </u>	<u> </u>
Allotted, called up and unpaid		
1,000 shares of £1 each	£ 1,000	£ 1,000
	<u> </u>	<u> </u>

3. Ultimate Holding Company

In the opinion of the directors the ultimate holding company is Ace Style International Limited, a company incorporated in the British Virgin Islands.