

I AND I FASHIONS LIMITED

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 30 JUNE 1995



I AND I FASHIONS LIMITED

DIRECTORS:

M Imtiaz
M I Ahmed

SECRETARY:

M Imtiaz

REGISTERED OFFICE:

8 Rugby Street
Manchester M7 9SH

REGISTERED NUMBER:

2799877

BANKERS:

Habib Bank Ltd
18 Milkstone Road
Rochdale
Lancs. OL11 1ED

Barclays Bank plc
25 Cheetham Hill Road
Manchester M4 4FL

AUDITORS:

H J PINCZEWSKI AND CO
Certified Accountants
Maxdov House
337 - 341 Chapel Street
Salford
Manchester M3 5JY

I AND I FASHIONS LIMITED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1995

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I AND I FASHIONS LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 JUNE 1995

The directors present their annual report with the accounts of the company for the year ended 30 June 1995.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare accounts 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 that period. In preparing those accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the wholesaling and retailing of ladies and girls clothing.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	1995	1994
M Imtiaz	50	50
M I Ahmed	50	50

AUDITORS

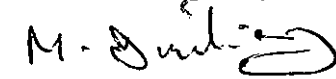
Messrs Alvi & Co. having resigned the Directors appointed H J Pinczewski and Co. in their stead.

The auditors, H J Pinczewski and Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies as provided by Part II of Schedule 8 to the Companies Act.

Signed on behalf of the
board of directors



M Imtiaz
Secretary

DATE: 29 April 1996

AUDITORS' REPORT TO THE SHAREHOLDERS OF
I AND I FASHIONS LIMITED

We have audited the accounts on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 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 judgments 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.

We were not the auditors for the preceding year. No satisfactory audit procedures can be adopted to verify the opening balances and any adjustments to these figures would effect the results for the year ended 30 June 1995. Nor are we able to report on the comparative figures as shown in the accounts for the year ended 30 June 1995.

We were not appointed auditors until after the year end and we were unable to attend a stocktake at 30 June 1995. There were no satisfactory audit procedures that we could adopt to confirm the physical existence of the amount of stock as owned by the company as at 30 June 1995. We have therefore relied upon the Directors representations as to the existence of stock as shown in the accounts at a value of £42,055.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

Subject to any adjustments that may be required in respect of the above items, in our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 June 1995 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.



H J PINCZEWSKI AND CO.

Registered Auditors

Certified Accountants

Maxdov House

337 - 341 Chapel Street

Salford

Manchester M3 5JY

DATE: 30 APRIL 1996

I AND I FASHIONS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
TURNOVER	2	366,681	337,823
Cost of Sales		<u>267,625</u>	<u>235,106</u>
<u>GROSS PROFIT</u>		99,056	102,717
Net Operating Expenses			
Administrative Expenses		<u>68,459</u>	<u>83,571</u>
<u>OPERATING PROFIT</u>	3	30,597	19,146
Interest Payable	5	<u>3,064</u>	<u>3,476</u>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		27,533	15,670
Tax on Ordinary Activities	6	<u>6,894</u>	<u>3,918</u>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		20,639	11,752
<u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>			
		<u>1995</u>	<u>1994</u>
		£	£
PROFIT FOR THE FINANCIAL YEAR		20,639	11,752
Dividends		<u>15,000</u>	<u>-</u>
		5,639	11,752
New share capital subscribed		<u>-</u>	<u>100</u>
Net addition to shareholders' funds		5,639	11,852
Opening Shareholders' Funds		<u>11,852</u>	<u>-</u>
Closing Shareholders' Funds		<u>17,491</u>	<u>11,852</u>

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

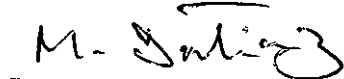
The notes on pages 5 to 7 form part of these accounts.

I AND I FASHIONS LIMITEDBALANCE SHEET
AS AT 30 JUNE 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
		£	£
FIXED ASSETS			
Tangible Assets	7	7,232	9,473
CURRENT ASSETS			
Stock	8	42,055	38,612
Debtors	9	43,050	29,119
Cash at Bank and in Hand		16,385	7,416
		<u>101,490</u>	<u>75,147</u>
CREDITORS : Amounts Falling Due within One Year	10	<u>(91,231)</u>	<u>(72,768)</u>
NET CURRENT ASSETS		<u>10,259</u>	<u>2,379</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 17,491</u>	<u>£ 11,852</u>
CAPITAL AND RESERVES			
Share Capital	11	100	100
Profit and Loss Account		17,391	11,752
<u>TOTAL SHAREHOLDERS' FUNDS</u>		<u>£ 17,491</u>	<u>£ 11,852</u>

In the preparation of the accounts advantage has been taken of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

Signed on behalf of the
board of directors



M Imtiaz
Director

Approved by the board: DATE: 29 April 1996

The notes on pages 5 to 7 form part of these accounts.

I AND I FASHIONS LIMITED**NOTES TO ACCOUNTS**
FOR THE YEAR ENDED 30 JUNE 1995**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor Vehicles	25% on reducing balance
Fixtures and Fittings	25% on 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.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

2. TURNOVER

The Turnover and Profit (1994 - Profit) before taxation for the year is attributable to the principal activity of the Company which is the wholesaling and retailing of ladies and girls clothing.

In the opinion of the Directors, none of the company's turnover is attributable to geographical markets outside the UK. (1994 - none)

3. OPERATING PROFIT

The Operating Profit (1994 - Profit) is stated after charging:

	<u>1995</u>	<u>1994</u>
	£	£
Depreciation of Tangible Fixed Assets	2,411	3,159
Auditors' Remuneration	475	350
	<u> </u>	<u> </u>

I AND I FASHIONS LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1995**4. DIRECTORS' REMUNERATION**

	<u>1995</u> £	<u>1994</u> £
Directors' Emoluments	13,640	32,200

5. INTEREST PAYABLE

	<u>1995</u> £	<u>1994</u> £
Bank Interest Payable	3,064	3,476

6. TAXATION

The tax charge on the profit on ordinary activities was as follows:

	<u>1995</u> £	<u>1994</u> £
Corporation Tax	6,894	3,918

Corporation tax has been charged on the profit at 25% (1994 25%).

The charge for the year has been increased by expenditure not allowable for taxation.

7. TANGIBLE FIXED ASSETS

	Plant & Machinery etc £	TOTAL £
COST OR VALUATION		
At 1 July 1994	12,632	12,632
Additions in year	169	169
At 30 June 1995	12,801	12,801
DEPRECIATION		
At 1 July 1994	3,159	3,159
Charge for the year	2,410	2,410
At 30 June 1995	5,569	5,569
NET BOOK VALUE		
At 30 June 1995	7,232	7,232
At 30 June 1994	9,473	9,473

8. STOCKS

	<u>1995</u> £	<u>1994</u> £
Stocks	42,055	38,612

I AND I FASHIONS LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1995**9. DEBTORS**

	<u>1995</u>	<u>1994</u>
	£	£
Amounts due within one year:		
Trade Debtors	36,800	24,135
Other debtors	6,250	4,984
	<u>43,050</u>	<u>29,119</u>

10. CREDITORS

	<u>1995</u>	<u>1994</u>
	£	£
Amounts falling due within one year:		
Bank Overdrafts	27,074	36,274
Trade Creditors	39,473	25,675
Other Creditors	24,684	10,819
	<u>91,231</u>	<u>72,768</u>

11. SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
Authorised: 100 (1994 - 100) Ordinary Shares of £1 each.	<u>100</u>	<u>100</u>
Allotted, Issued and Fully Paid: 100 (1994 - 100) Ordinary Shares of £1 each	<u>100</u>	<u>100</u>