

COMPANY NO. 2112570

SABLE EXPORTS (U.K.) LIMITED
ABBREVIATED REPORT AND ACCOUNTS
YEAR ENDED
30th JUNE 1996

AUDITORS
CLOUGH & COMPANY
CHARTFORD HOUSE
54, LITTLE HORTON LANE
BRADFORD
WEST YORKSHIRE
BD5 OBS

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AUDITORS' REPORT TO
SABLE EXPORTS (U.K.) LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of Sable Exports (U.K.) Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30th June 1996 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

Other information

On 29th April 1997 we reported, as auditors of Sable Exports (U.K.) Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1996 and our audit report was as follows:-

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AUDITORS' REPORT TO
SABLE EXPORTS (U.K.) LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
OF THE COMPANIES ACT 1985
(CONTINUED)

"We have audited the financial statements on pages 4 to 10 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 on page 2 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 30th June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Chartford House,
54, Little Horton Lane,
BRADFORD, BD5 0BS.



CLOUGH & COMPANY
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS
29TH APRIL 1997

SABLE EXPORTS (U.K.) LIMITED**COMPANY NO. 2112570**
ABBREVIATED BALANCE SHEET

as at 30th JUNE

	Note	1996	1995
FIXED ASSETS			
Tangible fixed assets	2	801508	808079
CURRENT ASSETS			
Debtors	133013	27500	
Cash at bank	231	-	
	133244	27500	
CREDITORS - amounts falling due within one year	39792	51345	
NET CURRENT ASSETS/(LIABILITIES)		93452	(23845)
TOTAL ASSETS LESS CURRENT LIABILITIES		894960	784234
CREDITORS - amounts falling due after more than one year	3	863005	788155
PROVISIONS FOR LIABILITIES AND CHARGES	1100	864105	- 788155
NET ASSETS/(LIABILITIES)		£30855	£(3921)
CAPITAL AND RESERVES			
Called up share capital	4	1000	1000
Profit and loss account		29855	(4921)
EQUITY SHAREHOLDERS' FUNDS		£30855	£(3921)

The accompanying notes form part of these abbreviated accounts.

The directors have taken advantage of the exemptions conferred on small companies by the Companies Act 1985, Schedule 8, Part III, Section A. In the opinion of the directors the company qualifies as a small company and is entitled to make use of the exemptions.

Approved by the board on 28 April 1997
and signed on its behalf by

R.A. WOOD

H.S. WOOD
DIRECTORS

SABLE EXPORTS (U.K.) LIMITED

NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1996

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards.

The accounting policies, for dealing with items judged material or critical, in stating the results for the year and the financial position of the company, are:-

a) BASIS OF ACCOUNTING

The accounts are drawn up on the historical cost basis of accounting, and include the results of the activities described in the directors report, all of which are continuing.

The accounts have been prepared on a going concern basis.

b) TANGIBLE FIXED ASSETS

Freehold investment property -

In accordance with Statement of Standard Accounting Practice No. 19, investment property is stated in the balance sheet at its cost or open market value. The policy is to review investment property valuations annually.

No depreciation is provided on freehold property, contrary to Companies Act 1985. However, the over-riding purpose of giving a true and fair view, the directors have complied with Statement of Standard Accounting Practice No. 19 which requires no depreciation charge on investment property.

Plant and machinery -

Depreciation is charged at 15% on a reducing balance basis.

c) DEFERRED TAXATION

Provision is made for deferred taxation, using the liability method, in respect of material timing differences that are expected to reverse in the future.

2. TANGIBLE FIXED ASSETS

	Freehold investment property	Plant and machinery	Total
COST			
As at 1st July 1995 and 30th June 1996	764271	46729	£811000
	<u> </u>	<u> </u>	<u> </u>
DEPRECIATION			
As at 1st July 1995	-	2921	2921
Charge for the year	-	6571	6571
	<u> </u>	<u> </u>	<u> </u>
At 30th June 1996	-	9492	£9492
	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE - 1996	764271	37237	£801508
	<u> </u>	<u> </u>	<u> </u>
NET BOOK VALUE - 1995	764271	43808	£808079
	<u> </u>	<u> </u>	<u> </u>

It is the opinion of the directors that the market value of the investment property at 30th June 1996 is not materially different from the book value.

SABLE EXPORTS (U.K.) LIMITED

NOTES FORMING PART OF THE ABBREVIATED ACCOUNTS (CONTINUED)

3. CREDITORS - Due after more than one year	1996	1995
Amounts owed to connected companies	£863005	£788155
	<u> </u>	<u> </u>
Loans not wholly repayable within five years		
Loans from connected undertakings	£863005	£788155
	<u> </u>	<u> </u>
Amounts repayable after five years other than by instalments	£863005	£788155
	<u> </u>	<u> </u>

The rate of interest payable on the above loans is 1½% above LIBOR.

4. SHARE CAPITAL	Authorised		Issued and fully paid	
	1996	1995	1996	1995
£1 ordinary shares	£1000	£1000	£1000	£1000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5. INFORMATION REGARDING DIRECTORS

A director, Mr. H.S. Wood, has an interest in the following loans and interest payable on those loans by the company by virtue of his shareholdings:

	Loans from	Interest payable to
H.S. Wood (Textiles) Limited	£97495	£7038
	<u> </u>	<u> </u>
Regina (Bradford) Limited	£765510	£55805
	<u> </u>	<u> </u>