

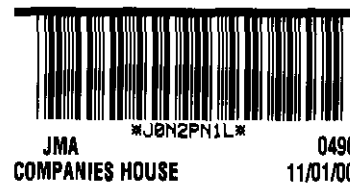
**BELLINO INTERNATIONAL
LIMITED**

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 1998

Company Number : 2995229



BELLINO INTERNATIONAL LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1998

Company registration number:

2995229

Registered office:

Unit 7
Kingfisher Court
Denton Drive Industrial Estate
Northwich
Cheshire
CW9 7TT

Directors:

K C Lau
N B Plenderleith
S Ng
S A Barnes

Secretary:

N B Plenderleith

Bankers:

Midland Bank Plc
100 King Street
Manchester
M60 2HD

Solicitors:

Hague Lambert
Midland Bank Chambers
Station Road
Urmston
Manchester
M41 9JQ

Auditors:

Grant Thornton
Registered Auditors
Chartered Accountants
Heron House
Albert Square
Manchester
M60 8GT

BELLINO INTERNATIONAL LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1998

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REPORT OF THE AUDITORS

TO BELLINO INTERNATIONAL LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of Bellino International Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1998.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with the provisions of Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver to the registrar of companies abbreviated accounts prepared in accordance with Sections 246 (5) and (6) of the Act and whether the abbreviated accounts have been properly prepared in accordance with those provisions.

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 deliver abbreviated accounts, 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 to deliver abbreviated accounts prepared in accordance with Sections 246 (5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with those provisions.

Other information

On 7 January 2000 we reported, as auditors of Bellino International Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1998, and our report included in the following paragraphs :

"Going concern

We draw attention to the going concern basis used in the preparation of these financial statements as referred to on page 4.

Although at 31 December 1998 the company's liabilities exceeded its assets by £277,726 the directors consider that it is appropriate to prepare the financial statements on a going concern basis due to the continued support which will be received both from its parent undertaking and also from Prosperity Clothing Co Limited. Our audit opinion is not qualified in this respect."



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
MANCHESTER**

7 January 2000


BELLINO INTERNATIONAL LIMITED**ABBREVIATED BALANCE SHEET AT 31 DECEMBER 1998**

| | Note | 1998 £ | 1997 £ |
|---|------|------------------|------------------|
| Fixed assets | 2 | <u>32,476</u> | <u>24,127</u> |
| Current assets | | | |
| Stocks | | 215,229 | 69,109 |
| Debtors | | 87,194 | 85,369 |
| Cash at bank and in hand | | <u>34,155</u> | <u>63,531</u> |
| | | 336,578 | 218,009 |
| Creditors : amounts falling due within one year | 3 | <u>(486,780)</u> | <u>(227,230)</u> |
| Net current liabilities | | <u>(150,202)</u> | <u>(9,221)</u> |
| Total assets less current liabilities | | (117,726) | 14,906 |
| Creditors : amounts falling due after more than one year | | <u>(160,000)</u> | <u>(160,000)</u> |
| | | <u>(277,726)</u> | <u>(145,094)</u> |
| Capital and reserves | | | |
| Called up share capital | 4 | 100 | 100 |
| Profit and loss account | | <u>(277,826)</u> | <u>(145,194)</u> |
| | | <u>(277,726)</u> | <u>(145,094)</u> |

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board of Directors on 7 January 2000.

N B Plenderleith

 Director

The accompanying accounting policies and notes form an integral part of these abbreviated accounts.

BELLINO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1998

1 PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Although at 31 December 1998, the company's liabilities exceeded its assets by £277,726, the directors consider that it is appropriate to prepare the financial statements on a going concern basis due to the continued support which will be received both from its parent undertaking and also from Prosperity Clothing Co Limited.

The principal accounting policies of the company have remained unchanged from previous years and are set out below.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments over their expected useful lives.

The rates generally applicable are :

| | |
|------------------------|-----|
| Fixtures and fittings | 25% |
| Motor vehicles | 25% |
| Leasehold improvements | 25% |

Stocks

Stocks are stated at the lower of cost and net realisable value.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

BELLINO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1998

2 TANGIBLE FIXED ASSETS

| | Total £ |
|-------------------------------------|---------------|
| Cost | |
| At 1 January 1998 | 39,192 |
| Additions | 27,537 |
| Disposals | (23,535) |
| At 31 December 1998 | <u>43,194</u> |
| Deprecation | |
| At 1 January 1998 | 15,065 |
| Charge for the year | 10,065 |
| Eliminated on disposal | (14,412) |
| At 31 December 1998 | <u>10,718</u> |
| Net book amount at 31 December 1998 | <u>32,476</u> |
| Net book amount at 31 December 1997 | <u>24,127</u> |

3 CREDITORS

Creditors amounting to £24,099 (1997 : £11,782) are secured.

4 SHARE CAPITAL

| | 1998 £ | 1997 £ |
|---|------------|------------|
| Authorised, allotted, called up and fully paid | | |
| "A" Ordinary shares of £1 each | 60 | 60 |
| "B" Ordinary shares of £1 each | 40 | 40 |
| | <u>100</u> | <u>100</u> |

The "A" and "B" ordinary shares rank pari passu in all respects other than pre-emption rights on transfer.

5 TRANSACTIONS WITH DIRECTORS

Mr K C Lau is also a director in Prosperity Clothing Co Limited. During the year, Bellino International Limited purchased goods from Prosperity Clothing Co Limited amounting to £502,347. The year end balance outstanding totalled £401,916. All of the above transactions were at normal commercial rates.

Included in creditors: amounts falling due after more than one year are loans to the company of £160,000 from Copperfield Trade Investments Limited (a company beneficially owned by a Trust of which Mr K C Lau is the settlor and a beneficiary).

BELLINO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1998

6 CONTROLLING RELATED PARTY

The directors consider the ultimate parent undertaking of this company is Copperfield Trade Investments Limited incorporated in Jersey.