

A V THOMAS LEATHER (U K) LIMITEDCOMPANY NUMBER 3800303AUDITORS' REPORT TO A V THOMAS LEATHER (U K) LIMITEDPERSUANT TO PARAGRAPH 24 OFSCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 14 to 16 together with the full financial statements of A V Thomas Leather (U K) Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 2000.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated financial statements 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 statements on page 14 and whether the abbreviated financial statements have been properly prepared in accordance with that schedule.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements 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 31 December 2000 and the abbreviated financial statements on pages 14 to 16 have been properly prepared in accordance with that schedule.

OTHER INFORMATION

On 7 February 2001 we reported as auditors of A V Thomas Leather (U K) Limited to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 2000 and our report was as follows :



A V THOMAS LEATHER (U K) LIMITED

COMPANY NUMBER 3800303 (Continued)

AUDITORS' REPORT TO A V THOMAS LEATHER (U K) LIMITED

PERSUANT TO PARAGRAPH 24 OF

SCHEDULE 8 TO THE COMPANIES ACT 1985

"We have audited the financial statements on pages 3 to 8 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 in the directors' report 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 misstatements, 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 at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985."



Conradi Morrison & Co
Chartered Accountants
Registered Auditor

7 February 2001


A V THOMAS LEATHER (U K) LIMITEDABBREVIATED BALANCE SHEETAS AT 31 DECEMBER 2000

	<u>NOTE</u>	£	£	<u>1999</u> £
FIXED ASSETS	2		12,935	-
CURRENT ASSETS				
Stocks		7,469		-
Debtors		66,390		65,399
Cash at bank and in hand		300,125		295,342
		<u>373,984</u>		<u>360,741</u>
CREDITORS				
Amounts falling due within one year		260,149		251,555
NET CURRENT ASSETS			113,835	109,186
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£126,770</u>	<u>£109,186</u>
Financed by:				
CAPITAL AND RESERVES				
Called up share capital	3	100,000		100,000
Profit and loss account		26,770		9,186
TOTAL CAPITAL EMPLOYED			<u>£126,770</u>	<u>£109,186</u>

The accompanying notes are an integral part of this balance sheet.

These financial statements and accompanying notes have been abbreviated in accordance with the Companies Act 1985. In doing so:

1. We have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 for individual financial statements.
2. We have done so on the grounds that the company is entitled to benefit of these exemptions as a small company.

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 Director
 7 February 2001

A V THOMAS LEATHER (U K) LIMITEDNOTES TO THE ABBREVIATED FINANCIAL STATEMENTSFOR THE YEAR ENDED 31 DECEMBER 2000**1. ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention and in accordance with Applicable Accounting Standards.

TURNOVER

Turnover comprises the value of invoices rendered and cash received in the normal course of business net of Value Added Tax.

DEPRECIATION

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of fixed assets over their expected useful economic life by annual instalments at the following rates :-

Motor vehicles	30% on cost
Fixtures and fittings	- 30% on cost

STOCKS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

FOREIGN EXCHANGE

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. FIXED ASSETS

	<u>TANGIBLE</u>
	£
Cost:	
Additions	18,481
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At 31 December 2000	18,481
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Depreciation:	
Charge for the year	5,546
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At 31 December 2000	5,546
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Net book value:	
At 31 December 2000	£12,935
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A V THOMAS LEATHER (U K) LIMITEDNOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (Continued)FOR THE YEAR ENDED 31 DECEMBER 2000

3. SHARE CAPITAL

	£	<u>1999</u> £
AUTHORISED		
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
 ALLOTTED, CALLED UP AND FULLY PAID		
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

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