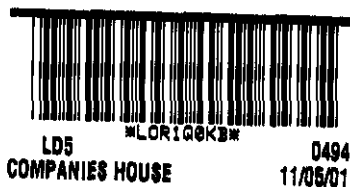




WOODSTOCK NECKWEAR LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000



GERALD EDELMAN
CHARTERED ACCOUNTANTS

25 HARLEY STREET · LONDON W1G 9BR
TELEPHONE 020 7299 1400 · FAX 020 7299 1401
E-MAIL [gemail @ geraldedelman.com](mailto:gemail@geraldedelman.com)
WEBSITE www.geraldedelman.com

WOODSTOCK NECKWEAR LIMITED

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WOODSTOCK NECKWEAR LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and financial statements for the year ended 31 December 2000.

Principal activities and review of the business

The principal activity of the company continued to be that of the manufacture of neckwear.

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 January 2000:

J. Spiegel (USA)
B. Kovaly (USA)
P. Rosengard (USA)
W. E. Phillips (USA)

Directors' interests

The directors beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	31 December 2000	1 January 2000
J. Spiegel (USA)	-	-
B. Kovaly (USA)	-	-
P. Rosengard (USA)	-	-
W. E. Phillips (USA)	-	-

The directors' interests in the shares of the holding company are disclosed in the accounts of that company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

WOODSTOCK NECKWEAR LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

Directors' responsibilities

Company law requires the directors 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 that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 financial statements 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.

On behalf of the board



Jt Spiegel (USA)

Director

23 April 2001

WOODSTOCK NECKWEAR LIMITED

AUDITORS' REPORT TO WOODSTOCK NECKWEAR LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of the company for the year ended 31 December 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 15 are properly prepared in accordance with that provision.



Gerald Edelman

23 April 2001

Chartered Accountants
Registered Auditor

25 Harley Street
London
W1G 9BR

WOODSTOCK NECKWEAR LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

	Notes	2000 £	1999 £
Gross profit		1,880,987	2,576,233
Distribution costs		(821,193)	(890,912)
Administrative expenses		(488,267)	(537,031)
Operating profit	2	571,527	1,148,290
Other interest receivable and similar income		114,671	80,049
Interest payable and similar charges	3	(11,168)	(11,569)
Profit on ordinary activities before taxation		675,030	1,216,770
Tax on profit on ordinary activities	4	(214,989)	(369,176)
Profit on ordinary activities after taxation	14	460,041	847,594


WOODSTOCK NECKWEAR LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	5	446,720		493,539	
Investments	6	164,177		31,551	
		<u>610,897</u>		<u>525,090</u>	
Current assets					
Stocks	7	536,986		762,989	
Debtors	8	1,250,470		2,257,382	
Cash at bank and in hand		2,361,690		1,245,080	
		<u>4,149,146</u>		<u>4,265,451</u>	
Creditors: amounts falling due within one year	9	(1,254,252)		(1,718,728)	
Net current assets		<u>2,894,894</u>		<u>2,546,723</u>	
Total assets less current liabilities		<u>3,505,791</u>		<u>3,071,813</u>	
Creditors: amounts falling due after more than one year	10	(118,275)		(133,577)	
Accruals and deferred income	11	(78,092)		(88,853)	
		<u>3,309,424</u>		<u>2,849,383</u>	
Capital and reserves					
Called up share capital	13	200,000		200,000	
Profit and loss account	14	3,109,424		2,649,383	
Shareholders' funds	15	<u>3,309,424</u>		<u>2,849,383</u>	

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

The financial statements were approved by the Board on 23 April 2001


J. Spiegel (USA)
Director

WOODSTOCK NECKWEAR LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2000

	2000 £	1999 £
Net cash inflow/(outflow) from operating activities	1,617,119	(102,807)
Returns on investments and servicing of finance		
Interest received	114,671	80,049
Interest paid	(11,168)	(11,569)
Net cash inflow for returns on investments and servicing of finance	103,503	68,480
Taxation	(419,973)	(401,630)
Capital expenditure and financial investment		
Payments to acquire tangible assets	(48,607)	(43,090)
Payments to acquire investments	(132,626)	(31,551)
Receipts from sales of tangible assets	12,496	244
Net cash outflow for capital expenditure	(168,737)	(74,397)
Net cash inflow/(outflow) before management of liquid resources and financing	1,131,912	(510,354)
Increase/(decrease) in cash in the year	1,131,912	(510,354)

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2000

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2000		1999	
		£		£	
	Operating profit	571,527		1,148,290	
	Depreciation of tangible assets	76,871		90,143	
	Loss on disposal of tangible assets	6,059		-	
	Decrease/(increase) in stocks	226,003		(66,384)	
	Decrease/(increase) in debtors	1,006,912		(1,551,194)	
	(Decrease)/Increase in creditors within one year	(259,492)		289,902	
	Movement on grant provision	(10,761)		(13,564)	
	Net cash inflow/(outflow) from operating activities	1,617,119		(102,807)	
2	Analysis of net funds	1 January 2000	Cash flow	Other non-cash changes	31 December 2000
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,245,080	1,116,610	-	2,361,690
	Bank overdrafts	(17,496)	-	-	(17,496)
		<u>1,227,584</u>	<u>1,116,610</u>	<u>-</u>	<u>2,344,194</u>
	Debt:				
	Debts falling due after one year	(133,577)	15,302	-	(118,275)
		<u>1,094,007</u>	<u>1,131,912</u>	<u>-</u>	<u>2,225,919</u>
3	Reconciliation of net cash flow to movement in net funds	2000		1999	
		£		£	
	Increase/(decrease) in cash in the year	1,116,610		(523,051)	
	Cash outflow from decrease in debt	15,302		12,697	
	Movement in net funds in the year	1,131,912		(510,354)	
	Opening net funds	1,094,007		1,604,361	
	Closing net funds	2,225,919		1,094,007	

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Long leasehold property	4% straight line
Long leasehold property improvements	25% reducing balance
Plant and machinery	25% reducing balance
Office equipment	25% reducing balance, 25% straight line, 33.3% straight line
Motor vehicles	25% reducing balance

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.11 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

1 Accounting policies

(continued)

1.12 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2	Operating profit	2000 £	1999 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	76,871	90,143
	Operating lease rentals		
	- Plant and machinery	1,163	1,171
	Auditors' remuneration	20,000	20,721
		<u> </u>	<u> </u>
3	Interest payable	2000 £	1999 £
	On bank loans and overdrafts	11,168	11,569
		<u> </u>	<u> </u>
4	Taxation	2000 £	1999 £
	U.K. current year taxation		
	U.K. corporation tax at 30% (1999 - 30%)	214,989	376,965
	Prior years		
	U.K. corporation tax	-	(7,789)
		<u> </u>	<u> </u>
		<u>214,989</u>	<u>369,176</u>

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

5 Tangible fixed assets

	Long leasehold property	Long leasehold property improvements	Plant and machinery	Office equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2000	268,082	106,801	228,811	203,726	45,190	852,610
Additions	-	7,092	1,432	40,082	-	48,606
Disposals	-	-	(634)	(35,280)	(45,190)	(81,104)
At 31 December 2000	268,082	113,893	229,609	208,528	-	820,112
Depreciation						
At 1 January 2000	22,983	42,264	131,453	131,736	30,635	359,071
On disposals	-	-	(528)	(30,464)	(31,557)	(62,549)
Charge for the year	10,723	16,820	24,552	23,853	922	76,870
At 31 December 2000	33,706	59,084	155,477	125,125	-	373,392
Net book value						
At 31 December 2000	234,376	54,809	74,132	83,403	-	446,720
At 31 December 1999	245,099	64,537	97,358	71,990	14,555	493,539

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

6 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2000	31,551
Additions	132,626
At 31 December 2000	<u>164,177</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held	%
Subsidiary undertakings				
Xo Neckwear Co Limited	Republic of Korea	Ordinary		50
Randa Shanghai Limited	Peoples Rep of China	Ordinary		100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Xo Neckwear Co Limited	(27,201)	(34,279)
Randa Shanghai Limited	128,985	(4,949)
	<u>101,784</u>	<u>(39,228)</u>

The principal activity during the year of Xo Neckwear Co Limited was the manufacture and warehousing of neckwear, and for Randa Shanghai Limited, that of international trade consultants.

7 Stocks and work in progress

	2000 £	1999 £
Raw materials and consumables	257,275	246,517
Work in progress	37,823	60,467
Finished goods and goods for resale	241,888	456,005
	<u>536,986</u>	<u>762,989</u>

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

8 Debtors	2000 £	1999 £
Trade debtors	1,080,672 -	1,133,610
Amounts owed by subsidiary undertakings	92,581	102,143
Other debtors	15,213	965,464
Prepayments and accrued income	62,004	56,165
	<u>1,250,470</u>	<u>2,257,382</u>

Amounts falling due after more than one year and included in the debtors above are:

	2000 £	1999 £
Amounts owed by group undertakings	-	92,581
Other debtors	15,213	11,750
	<u>15,213</u>	<u>104,331</u>

9 Creditors: amounts falling due within one year	2000 £	1999 £
Bank loans and overdrafts	17,496	17,496
Trade creditors	348,614	339,298
Amounts owed to parent and fellow subsidiary undertakings	92,602	160,868
Corporation tax	79,281	284,265
Other taxes and social security costs	192,108	311,946
Other creditors	9,672	12,121
Accruals and deferred income	514,479	592,734
	<u>1,254,252</u>	<u>1,718,728</u>

The bank holds a fixed charge over the industrial premises at Telford Road, Eastfield Industrial Estate, Glenrothes.

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

10 Creditors: amounts falling due after more than one year	2000	1999
	£	£
Bank loans	118,275	133,577
	<u> </u>	<u> </u>
Analysis of loans		
Wholly repayable within five years	118,275	133,577
	<u> </u>	<u> </u>
	118,275	133,577
	<u> </u>	<u> </u>
Loan maturity analysis		
In more than one year but not more than two years	17,496	17,496
In more than two years but not more than five years	52,488	52,488
In more than five years	48,291	63,593
	<u> </u>	<u> </u>
11 Accruals and deferred income		
		Government grants
		£
Balance at 1 January 2000		88,853
Amortisation in the year		(10,761)
		<u> </u>
Balance at 31 December 2000		78,092
		<u> </u>
12 Pension costs		
13 Share capital	2000	1999
	£	£
Authorised		
2,000,000 Ordinary shares of £ 1 each	2,000,000	2,000,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
200,000 Ordinary shares of £ 1 each	200,000	200,000
	<u> </u>	<u> </u>

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2000	2,649,383
Retained profit for the year	460,041
Balance at 31 December 2000	<u>3,109,424</u>

15 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	460,041	847,594
Opening shareholders' funds	2,849,383	2,001,789
Closing shareholders' funds	<u>3,309,424</u>	<u>2,849,383</u>

16 Financial commitments

At 31 December 2000 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2000 £	1999 £	2000 £	1999 £
Expiry date:				
Between two and five years	-	-	12,736	-
In over five years	20,000	20,000	-	-
	<u>20,000</u>	<u>20,000</u>	<u>12,736</u>	<u>-</u>

17 Directors' emoluments

	2000 £	1999 £
Emoluments for qualifying services	<u>115,789</u>	<u>175,829</u>

WOODSTOCK NECKWEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2000

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2000 Number	1999 Number
Manufacturing	60	78
Sales	20	19
Administration	7	7
	<u>87</u>	<u>104</u>

Employment costs

	£	£
Wages and salaries	678,574	762,760
Social security costs	61,916	59,618
Other pension costs	51,106	64,767
	<u>791,596</u>	<u>887,145</u>