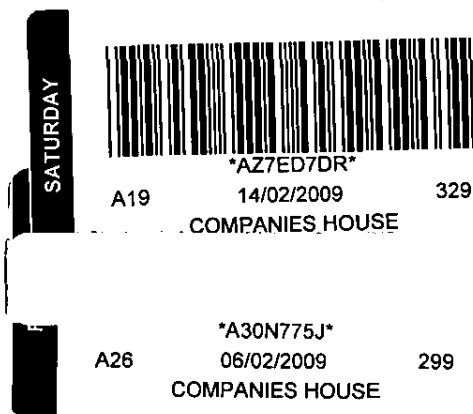


KABETEX LIMITED
COMPANY NUMBER: 1220699
REPORT AND ANNUAL ACCOUNTS
FOR THE YEAR ENDED
30TH APRIL 2008



MAREK & CO
CHARTERED ACCOUNTANTS

KABETEX LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and Audited Financial Statements for the year ended 30th April 2008.

PRINCIPAL ACTIVITY

The Company's principal activity during the year was that of textile finishers.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to (£6,751). A dividend of £117,800 has been paid leaving a balance of £(124,551) transferred to Reserves

DIRECTORS

The Directors in office at the end of the year are listed below. The interests of the Directors in the Share Capital of the Company were as follows:

	Ordinary £1 Shares 2008	2007
M.M. Blackburn	10,200	10,200
J.M. Blackburn-Read	1	1
J. Blackburn	1	1
K. Read	-	-

DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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 and of the profit or loss of the Company for that year. In preparing those financial statements, the Directors are required to:

- i) Select suitable accounting policies and then apply them consistently.
- ii) make judgements and estimates that are reasonable and prudent.
- iii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- iv) 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, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

KABETEX LIMITED

REPORT OF THE DIRECTORS

FIXED ASSETS

Details of changes in fixed assets are given in note 4 to the financial statements.

AUDITORS

Marek & Co offer themselves for re-appointment as Auditors in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



M.M. Blackburn
Director

Dated: 28th January 2009

REPORT OF THE AUDITORS TO THE MEMBERS OF

KABETEX LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 4.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the Company's Directors are responsible for the preparation of the 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 at 30th April 2008 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



REGISTERED AUDITORS

Marek & Co
Chartered Accountants
Kensington House
7, Roe Lane
Southport
PR9 9DT

Dated: 28th January 2009

KABETEX LIMITED

PRINCIPAL ACCOUNTING POLICIES

These financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The principal accounting policies of the Company have remained unchanged from the previous year end and are set out below:

TURNOVER

Turnover represents sales at invoice value less trade discounts allowed excluding value added tax.

DEPRECIATION

Depreciation is calculated to write off the cost less estimated residual value of all tangible fixed assets over their estimated useful lives.

The rates generally applicable are:

Freehold Buildings	2% straight line
Fixtures and Fittings	15% reducing balance
Plant and Machinery	15% reducing balance
Motor Vehicles	25% reducing balance

STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost comprises the direct cost of production and the attributable proportion of all overheads appropriate to location and condition.

DEFERRED TAX

Deferred tax is the taxation attributable to timing differences between profits or losses as computed for tax purposes and results as stated in the financial statements.

Deferred tax is computed under the liability method using the tax rates estimated to arise when the timing differences reverse and is provided to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

PENSION COSTS

The Company operates a defined contribution scheme for the benefit of Company executives and employees. Pension costs charged against profits represent the contribution payable to the schemes in the year.

KABETEX LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30th APRIL 2008**

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
		<u>£</u>	<u>£</u>
TURNOVER	1	462,617	712,376
Cost of Sales		<u>298,431</u>	<u>455,295</u>
GROSS PROFIT		164,186	257,081
Distribution Costs		31,122	37,579
Administrative Expenses		<u>234,391</u>	<u>235,816</u>
OPERATING (LOSS)			
BEFORE EXCEPTIONAL ITEMS		(101,327)	(16,314)
Contribution to Directors Pension Fund		<u>3,240</u>	<u>3,240</u>
OPERATING (LOSS)		(104,567)	(19,554)
Interest receivable And similar income		<u>99,894</u>	<u>78,612</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1	(4,673)	59,058
Tax on profit on Ordinary Activities	3	<u>2,078</u> (6,751)	<u>2,998</u> 56,060
Dividends		<u>117,800</u>	<u>117,800</u>
RETAINED (LOSS) AFTER TAXATION CARRIED FORWARD	10	(124,551)	(61,740)


There were no other recognised gains or losses other than those included in the profit and loss account.

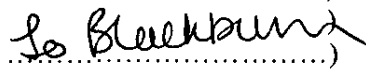
The accompanying accounting policies and notes form an integral part of these financial statements.

KABETEX LIMITED**BALANCE SHEET****AS AT 30TH APRIL 2008**

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets	4	417,139	416,786
<u>CURRENT ASSETS</u>			
Stocks	5	27,492	47,657
Debtors	6	126,133	169,114
Cash at Bank and in Hand		<u>657,596</u>	<u>663,808</u>
		811,221	880,579
<u>CREDITORS</u> -Amounts falling			
Due within one year	7	<u>268,125</u>	<u>212,579</u>
<u>NET CURRENT ASSETS</u>		543,096	668,000
<u>TOTAL ASSETS LESS</u>			
<u>CURRENT LIABILITIES</u>		960,235	1,084,786
Provisions for liabilities			
and charges	9	18,000	18,000
		942,235	1,066,786
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	8	20,000	20,000
Profit and Loss Account	10	922,235	1,046,786
Equity Shareholders Funds	11	942,235	1,066,786

Approved by the Directors on 28th January 2009

M.M. Blackburn 
.....)
.....)DIRECTORS

J. Blackburn 
.....)
.....)

The accompanying accounting policies and notes form part of these financial statements.

KABETEX LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th APRIL 2008****1. TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

The turnover and loss before taxation is attributable to the Company's principal activity, trading as textile finishers, which was carried out entirely within the United Kingdom.

The loss on ordinary activities before taxation is stated after charging/(crediting):

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
Auditor's Remuneration-Audit Services	2,500	2,500
Depreciation	33,942	40,284
Loss on Sale of Fixed Assets	-	4,820
Pension Scheme	3,677	4,244

2. DIRECTORS AND EMPLOYEES

	<u>2008</u>	<u>2007</u>
Wages and Salaries	106,986	107,280
Social Security Costs	10,049	9,886
Pension Costs	3,677	4,244
	<u>120,712</u>	<u>121,410</u>

	<u>2008</u>	<u>2007</u>
Average number of employees:	Number	Number
Management and administration	4	5
Production	<u>2</u>	<u>2</u>
	<u>6</u>	<u>7</u>

Staff costs include directors' remuneration amounting to £83,600 (2007: £69,600) The total emoluments excluding pension contributions of directors were as follows:

	<u>2008</u>	<u>2007</u>
Chairperson and highest paid director	34,000	26,000

	<u>2008</u>	<u>2007</u>
The other director's emoluments fell within the following range:		
£15,001 - £20,000	-	1
£20,001 - £25,000	2	1
£25,001 - £30,000	-	1
£30,001 - £35,000	1	-

KABETEX LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30th APRIL 2008****3. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<u>2008</u>	<u>2007</u>
U.K. Corporation Tax	2,078	2,998
Deferred Taxation	<u>-</u>	<u>-</u>
	<u>2,078</u>	<u>2,998</u>

4. TANGIBLE FIXED ASSETS

	<u>Freehold Land and Buildings</u>	<u>Fixtures and Fittings</u>	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>COST:</u>					
At 1 st May 2007	358,170	48,833	370,071	99,092	876,166
Additions	-	412	1,118	32,765	34,295
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 30 th April 2008	<u>358,170</u>	<u>49,245</u>	<u>371,189</u>	<u>131,857</u>	<u>910,461</u>
<u>DEPRECIATION:</u>					
At 1 st May 2007	86,283	36,529	285,613	50,955	459,380
On Disposals	-	-	-	-	-
Charge for the year	<u>7,163</u>	<u>1,907</u>	<u>12,837</u>	<u>12,035</u>	<u>33,942</u>
At 30 th April 2008	<u>93,446</u>	<u>38,436</u>	<u>298,450</u>	<u>62,990</u>	<u>493,322</u>
 Net book value 30 th April 2008	 <u>264,724</u>	 <u>10,809</u>	 <u>72,739</u>	 <u>68,867</u>	 <u>417,139</u>
 Net book value 30 th April 2007	 <u>271,887</u>	 <u>12,304</u>	 <u>84,458</u>	 <u>48,137</u>	 <u>416,786</u>

KABETEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th APRIL 2008

5. STOCKS

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
Raw materials and consumables	24,496	32,918
Finished Goods	<u>2,996</u>	<u>14,739</u>
	<u>27,492</u>	<u>47,657</u>

6. DEBTORS

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
Amounts due within one year:		
Trade Debtors	81,849	125,555
Prepayments and accrued income	<u>44,284</u>	<u>43,559</u>
	<u>126,133</u>	<u>169,114</u>

**7. CREDITORS - AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
Trade Creditors	58,245	59,280
Corporation Tax	2,012	2,998
Directors Loan Account	88,301	64,639
Other taxation and social security costs	6,393	8,688
Accruals and deferred income	<u>113,174</u>	<u>76,974</u>
	<u>268,125</u>	<u>212,579</u>

8. CALLED UP SHARE CAPITAL

	<u>2008</u>	<u>2007</u>
	<u>Authorised</u>	<u>Allotted, Issued and fully paid</u>
20,000 Ordinary Shares of £1 each	<u>20,000</u>	<u>20,000</u>

KABETEX LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th APRIL 2008

9. PROVISION FOR LIABILITIES AND CHARGES

	<u>2008</u>	<u>2007</u>
Brought forward Deferred Taxation	18,000	18,000
Charge for the year	-	-
Prior year adjustment		
At 30 th April 2008	<u>18,000</u>	<u>18,000</u>
The Provision for deferred taxation represents the following timing difference		
Accelerated Capital Allowance	<u>18,000</u>	<u>18,000</u>

10. PROFIT AND LOSS ACCOUNT

	<u>2008</u> <u>£</u>	<u>2007</u> <u>£</u>
At 1 st May 2007	1,046,786	1,108,526
(Loss) for the year	(124,551)	(61,740)
At 30 th April 2008	<u>922,235</u>	<u>1,046,786</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2008</u> <u>£</u>	<u>2007</u> <u>£</u>
(Loss) for the year	(124,551)	(61,740)
Opening Shareholders' funds	1,066,786	1,128,526
	<u>942,235</u>	<u>1,066,786</u>

KABETEX LIMITED**TRADING, PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30th APRIL 2008**

	<u>2008</u>		<u>2007</u>
	<u>£</u>	<u>£</u>	<u>£</u>
SALES		462,617	712,376
COST OF SALES			
Opening Stocks	47,657		64,256
Purchases	257,134		409,894
Wages and Salaries	21,132		28,802
	<u>325,923</u>		<u>502,952</u>
Less: Closing Stocks	<u>27,492</u>		<u>47,657</u>
		<u>298,431</u>	<u>455,295</u>
GROSS PROFIT		164,186	257,081
Distribution Costs	31,122		37,579
Administration Expenses	<u>234,391</u>		<u>235,816</u>
		<u>265,513</u>	<u>273,395</u>
OPERATING (LOSS)		(101,327)	(16,314)
INTEREST RECEIVABLE			
Bank Interest	38,213		18,132
Inland Revenue Incentive	150		250
Corporation Tax Interest	1		-
Rent	<u>61,530</u>	<u>99,894</u>	<u>60,230</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(1,433)</u>	<u>62,298</u>

NOTE: This schedule does not form part of the statutory accounts