

ARTHUR ANDERSEN

ARTHUR ANDERSEN & CO. SC

Mulberry Leathers Limited

Accounts 31 March 1996

together with director's and auditors' reports

Registered number: 2950004



Director's report

For the year ended 31 March 1996

The director presents his annual report on the affairs of the Company, together with the accounts and auditors' report for the year ended 31 March 1996.

The Company has not traded since incorporation.

Director and his interests

The only director who served during the year was G P Davis.

G P Davis had no interest in the shares of the Company at any time during the period. His interest in the shares of the holding company are disclosed in that company's accounts.

Director's responsibilities

Company law requires the director to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

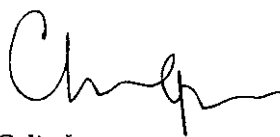
The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the Company and enable him to ensure that the accounts comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The director will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

Kilver Court
Shepton Mallet
Somerset
BA4 5NF

By order of the Board



Colin Ingram
Secretary

1 May 1996

Auditors' report

Bristol

To the Shareholders of Mulberry Leathers Limited:

We have audited the accounts on pages 3 and 4 which have been prepared under the historical cost convention and the accounting policies set out on page 4.

Respective responsibilities

As described on page 1, the Company's director is responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion, the balance sheet gives a true and fair view of the state of the Company's affairs at 31 March 1996 and has been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

Broad Quay House
Broad Quay
Bristol
BS1 4DJ

1 May 1996

Balance sheet

31 March 1996

	Note	1996 £	1995 £
Current assets			
Cash		<u>1</u>	<u>1</u>
Capital and reserves			
Called-up share capital, being total shareholders' funds	3	<u>1</u>	<u>1</u>

The Company was dormant (within the meaning of section 250(3) of the Companies Act 1985) throughout the year ended 31 March 1996.

Signed on behalf of the Board

G P Davis



Director

1 May 1996

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

Notes to accounts

31 March 1996

1 Accounting policies

The balance sheet at 31 March 1996 is prepared under the historical cost convention and in accordance with applicable accounting standards.

2 Expenses

The director did not receive any remuneration from the Company during the year (1995 - £nil).

The audit fee has been borne by a fellow group company.

3 Called-up share capital

	1996 £	1995 £
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
<i>Allotted, called-up and fully-paid</i>		
1 ordinary share of £1 each	1	1

4 Ultimate holding company

The Company's ultimate holding company is Mulberry Company (Holdings) Limited, a company incorporated in Great Britain.

The group accounts of Mulberry Company (Holdings) Limited are the only accounts in which the results of the Company are consolidated. The consolidated accounts of this group are available from Kilver Court, Shepton Mallet, Somerset, BA4 5NF.