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**AUDITORS' REPORT TO BRUNO (MEN'S WEAR) LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT
1985**

We have examined the abbreviated accounts on pages 1 to 3 together with the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30th November 1994.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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' statement on page 1 and whether the abbreviated accounts have been properly prepared in accordance with that schedule.

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 the exemption 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 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 30th November 1994, and the abbreviated accounts have been properly prepared in accordance with that schedule.

Other Information

On 8th September 1995 we reported, as auditors to the shareholders on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30th November 1994 and our audit report was as follows:

"We have audited the financial statements on pages 3 to 6 which have been prepared under the historical cost convention and the accounting policies set out on pages 5 to 6.

Respective responsibilities of directors and auditors

As described on page 1, 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 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 November 1994 and of the results for the year ended on that date and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies".

Passer Chevern & Co.
Chartered Accountants and Registered Auditor
62 Haverstock Hill
London NW3 2BJ



8th September 1995

BRUNO (MEN'S WEAR) LIMITED

ABBREVIATED BALANCE SHEET AS AT 30th NOVEMBER 1994

	Notes	£	£	<u>1993.</u>	
				£	£
FIXED ASSETS					
Tangible Assets	4		233,893		52,541
Deposit and Prepayment					<u>73,312</u>
					125,853
CURRENT ASSETS					
Stock and Work in Progress	1d	188,841		141,993	
Debtors and prepayments		14,507		20,282	
Advance Corporation tax		4,000			
Cash at bank and in hand		<u>79</u>		<u>2,137</u>	
		207,427		164,412	
CREDITORS: amounts falling due within one year					
		<u>315,868</u>		<u>165,990</u>	
NET CURRENT ASSETS			(-108,441)		(-1,578)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>125,452</u>		<u>124,275</u>
CREDITORS: amounts falling due after more than one year					
Bank loan			0		7,378
Directors loan account			25,000		0
TOTAL ASSETS LESS LIABILITIES			<u>100,452</u>		<u>116,897</u>
CAPITAL AND RESERVES					
Called up share capital	2		2,000		2,000
Profit and loss account			98,452		114,897
			<u>100,452</u>		<u>116,897</u>

In preparing these abbreviated accounts, the directors have taken advantage of the exemptions conferred by Part III of schedule 8 to the Companies act 1985 and have done so on the basis that, in their opinion, the company is entitled to the exemptions as a small company.

In preparing these accounts the directors have taken advantage of the exemptions applicable to small companies conferred by Section A of Part 1 of schedule 8 to the Companies Act 1985 and have done so so on the basis that, in their opinion, the company satisfies the criteria for exemption as a small company

The accounts were approved by the board on the 8th August 1995

.....J.P. Hassoun - Director

BRUNO (MEN'S WEAR) LIMITED

Notes to the Accounts

1. ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

(b) Turnover

Turnover represents sales of goods, excluding Value Added Tax.

(c) Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements and alterations to Leasehold premises

Written off in equal instalments over the period of the 20 year lease

Equipment Fixtures and Fittings - 10% on written down value

Motor Vehicles 20% on written down value

(d) Stock

Stock is valued at the lower of cost or net realisable value.

(e) Foreign Currencies

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.

(f) Pension Costs

Contributions to pension schemes are charged to the profit and loss account in the year in which the contributions are paid into the scheme.

2. CALLED UP SHARE CAPITAL

	1994	1993
Authorised		
2,000 Ordinary Shares of £1 each	£2,000	£2,000
	<hr/>	<hr/>
Allotted, issued and fully paid		
2,000 Ordinary Shares of £1 each	£2,000	£2,000
	<hr/>	<hr/>

3. BANK INDEBTEDNESS

The bank indebtedness is secured by a fixed and floating debenture in favour of Barclays Bank Plc. The overdraft facility of £65,000 is due for review in November 1995 and the Loan facility is repayable in full by December 2001

BRUNO (MEN'S WEAR) LIMITED

NOTES TO THE ACCOUNTS CONTINUED

4. TANGIBLE FIXED ASSETS

	LAND AND BUILDINGS	EQUIPMENT FIXTURES & FITTINGS	MOTOR VEHICLES	TOTAL
	£	£	£	£
Cost at 1st December 1993	24,706	54,385	46,389	125,480
Additions	71,177	149,314	0	220,491
Disposals at Cost	(21,257)	(40,269)	0	(61,526)
Cost at 30th November 1994	<u>74,626</u>	<u>163,430</u>	<u>46,389</u>	<u>284,445</u>
Depreciation				
At 1st December 1993	19,525	31,181	22,233	72,939
On Disposals	(19,525)	(27,197)		(46,722)
Charge for the year	<u>3,559</u>	<u>15,945</u>	<u>4,831</u>	<u>24,335</u>
At 30th November 1994	<u>3,559</u>	<u>19,929</u>	<u>27,064</u>	<u>50,552</u>
Written down value				
At 30th November 1994	<u>71,067</u>	<u>143,501</u>	<u>19,325</u>	<u>233,893</u>
At 30th November 1993	<u>5,181</u>	<u>23,204</u>	<u>24,156</u>	<u>52,541</u>

5. TURNOVER

The turnover relates as to 75% the UK market and 25% export.

6. OPERATING RESULTS

The operating results are stated after charging (crediting) the following:

	.1994.	.1993.
	£	£
Loss on disposal of fixed assets	4,356	0
Depreciation of tangible fixed assets	24,335	10,506
Directors remuneration	29,400	30,805
Directors pension scheme	2,407	2,407
Auditors remuneration	900	800
Interest on bank loans and overdraft	<u>7,490</u>	<u>3,625</u>