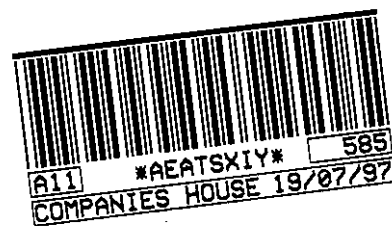


TURNBULL & ASSER LIMITED
REPORT AND FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997



Registered Number : 1066321

TURNBULL & ASSER LIMITED

DIRECTORS' REPORT

The Directors present their annual report and the audited consolidated financial statements of Turnbull & Asser Limited and its subsidiaries ("the Group") for the 53 weeks ended 1 February 1997.

DIRECTORS

The present Directors of the Company are:

Mr A Fayed - Chairman
Mr K T Williams
Mr P E Cuss
Mr I J Luxton

The following Directors also held office during the year.

Mr J C Bradley (resigned 7 March 1996)
Mr C J D Hill (resigned 31 October 1996)

In accordance with the Articles of Association no Director is required to seek re-election at the forthcoming Annual General Meeting.

PRINCIPAL ACTIVITY

The principal activity of the company is the retailing of menswear clothing.

REVIEW OF THE BUSINESS

Following completion of the re-organisation of manufacturing operations the business is now poised to enjoy the benefits. As part of the development of retail activities the Company has secured a concession in Harrods, Knightsbridge. The Directors consider that the Group is well placed to take advantage of opportunities to develop sales.

RESULTS AND DIVIDENDS

The Group profit on ordinary activities before taxation for the 53 weeks to 1 February 1997 amounted to £1.22million (52 weeks to 27 January 1996 £1.46million). The Directors have proposed that no dividend be paid for the year (1996: £0.4million) and an amount of £0.87million has been transferred to reserves (1996: £0.59million transferred to reserves).

REVALUATION OF PROPERTIES

The freehold properties of Turnbull & Asser Limited and its subsidiaries have been valued by the Directors as at 1 February 1997.

The Directors valuation showed a deficit on freehold properties of £Nil (1996: £71,000).

DIRECTORS' INTERESTS

Mr A Fayed is beneficially interested in the shares of the Company. No other Director in office during the year held any beneficial interest in the shares of the Company or of any of its subsidiary undertakings at 28 January 1996, or at 1 February 1997.

No Director has had a material interest, directly or indirectly, at any time during the year in any contract significant to the business of the Company or the Group.

HEALTH AND SAFETY

In accordance with the provisions of the Health and Safety at Work etc. Act 1974, the Company has issued a written statement of its general policy with respect to the health, safety and welfare at work of its employees and the organisation and arrangements for carrying out that policy. This statement has been brought to the notice of all employees of the Company.

POLICY ON PAYMENT OF CREDITORS

It is the company's policy to agree payment terms as part of any formal contract with a supplier and to make every endeavour to abide by the agreed terms. Where a purchase is not covered by a formal contract, and no agreement is reached in advance of raising an order, the policy is that any valid invoice will be paid in full. The company is sympathetic to, and pays particular attention to, the cash flow needs of its smaller suppliers.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the profit or loss for the financial year.

The Directors have prepared the financial statements on pages 5 to 17 on a going concern basis and consider that the Company and the Group have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

AUDITORS

Price Waterhouse have expressed their willingness to continue in office as Auditors to the Company and a resolution proposing their re-appointment and authorising the Directors to fix their remuneration will be put to the Annual General Meeting.

By Order of the Board.



S Jerman
Secretary

9th May 1997

Registered office
14 South Street
London
W1Y 5PJ

**AUDITOR'S REPORT
TO THE MEMBERS OF TURNBULL & ASSER LIMITED**

We have audited the financial statements on pages 5 to 17 which have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, and the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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 and the Group'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 affairs of the Company and of the Group as at 1 February 1997 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Price Waterhouse
Chartered Accountants
and Registered Auditors

9th May 1997

Southwark Towers
32 London Bridge Street
London, SE1 9SY

TURNBULL & ASSER LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
53 WEEKS ENDED 1 FEBRUARY 1997

	53 Weeks to 01/02/97	52 Weeks to 27/01/96
	£000	£000
Note		
GROSS TURNOVER - continuing operations	9,533	9,862
Value Added Tax	(920)	(827)
1 Turnover	<u>8,613</u>	<u>9,035</u>
Cost of Sales	(4,996)	(4,869)
Gross Profit	<u>3,617</u>	<u>4,166</u>
Distribution costs	(166)	(153)
Administrative expenses	(2,493)	(2,963)
2 Other operating income	100	254
3 OPERATING PROFIT - continuing operations	<u>1,058</u>	<u>1,304</u>
4 Interest	158	157
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>1,216</u>	<u>1,461</u>
5 Taxation	(342)	(467)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	<u>874</u>	<u>994</u>
Dividends paid	-	(400)
PROFIT FOR THE FINANCIAL YEAR TRANSFER TO RESERVES	<u><u>874</u></u>	<u><u>594</u></u>

The movements on reserves are shown in note 14.

The Company's profit for the financial year was £801,000 (1996: £995,000).

The Group has no recognised gains and losses other than those included in the profits above, therefore no separate statement of total recognised gains and losses has been presented.

The profit on ordinary activities before taxation and the retained profit for the year stated above are equal to the historical cost equivalents this year (1996 - £71,000 difference arising from revaluation deficits charged to the Profit and Loss account).

All activities of the Group are continuing.

TURNBULL & ASSER LIMITED
CONSOLIDATED BALANCE SHEET
AT 1 FEBRUARY 1997

Note		Group		Company	
		1997	1996	1997	1996
		£000	£000	£000	£000
	FIXED ASSETS				
7	Tangible Assets	488	562	488	562
8	Investments	-	-	49	416
		<u>488</u>	<u>562</u>	<u>537</u>	<u>978</u>
	CURRENT ASSETS				
9	Stocks	2,224	2,083	2,224	2,083
10	Debtors due within one year	921	938	993	999
10	Debtors due after more than one year	96	85	96	85
	Cash and bank balances	3,532	3,295	3,466	3,233
		<u>6,773</u>	<u>6,401</u>	<u>6,779</u>	<u>6,400</u>
11	CREDITORS:				
	Amounts falling due within one year	(1,496)	(2,072)	(1,556)	(5,717)
	NET CURRENT ASSETS	<u>5,277</u>	<u>4,329</u>	<u>5,223</u>	<u>683</u>
	TOTAL ASSETS LESS CURRENT LIABILITIES	5,765	4,891	5,760	1,661
	PROVISION FOR LIABILITIES AND CHARGES				
12	Deferred taxation	(20)	(20)	(20)	(20)
		<u>5,745</u>	<u>4,871</u>	<u>5,740</u>	<u>1,641</u>
	CAPITAL AND RESERVES				
13	Called up share capital	850	850	850	850
	Capital redemption reserve	30	30	30	30
14	Profit and loss account	4,865	3,991	4,860	761
15	Total Shareholders' Funds (Equity)	<u>5,745</u>	<u>4,871</u>	<u>5,740</u>	<u>1,641</u>

Approved by the Board on 9th May 1997



K. T. WILLIAMS

DIRECTOR

TURNBULL & ASSER LIMITED
CONSOLIDATED CASH FLOW STATEMENT
53 WEEKS ENDED 1 FEBRUARY 1997

Note		
	53 Weeks to	52 Weeks to
	01/02/97	27/01/96
	£000	£000
20		
NET CASH INFLOW FROM OPERATING ACTIVITIES	464	2,448
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	158	157
Dividends paid		(400)
Net cash inflow from returns on investments and servicing of finance	158	(243)
TAXATION		
Corporation tax paid	(339)	(662)
Foreign tax paid	-	(21)
Tax paid	(339)	(683)
INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(180)	(72)
Disposal of tangible fixed assets	153	-
Net cash inflow from investing activities	(27)	(72)
Net cash inflow before financing	256	1,450
FINANCING		
	-	-
Increase in cash and cash equivalents	256	1,450

TURNBULL & ASSER LIMITED
ACCOUNTING POLICIES

BASIS OF ACCOUNTS

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of the Group's properties, and comply with the disclosure requirements of the Companies act 1985 and applicable accounting standards.

BASIS OF CONSOLIDATION

These consolidated financial statements include the results of the Company and its subsidiary undertakings for the year ended 1 February 1997.

STOCK

Stock is stated at the lower of cost and net realisable value.

TANGIBLE FIXED ASSETS

Freehold properties are stated at either professional or Directors valuation. All other fixed assets are stated at cost.

FIXED ASSET INVESTMENTS

The Company accounts for its fixed asset investments at cost less any provision required for permanent diminution in value.

DEPRECIATION OF TANGIBLE FIXED ASSETS

Depreciation is provided by the Group in order to write down to estimated residual value, if any, the cost or valuation of tangible fixed assets over their estimated useful lives by equal annual instalments, as follows:

Freehold buildings	Over 75 - 100 years
Short Leaseholds	Remaining period of lease
Fixtures and fittings	Over 3 - 10 years
Vehicles and equipment	Over 4 - 10 years

LEASED ASSETS

Rents payable under operating leases are charged to the profit and loss account over the term of the lease.

DEFERRED TAXATION

Deferred taxation is provided in respect of differences arising from the inclusion of income and expenditure in taxation computations in periods different to those in which they are included in the accounts and where a tax liability is expected to crystallise.

PENSION COSTS

Retirement benefits are funded by contributions from the Company and employees. Payments are made to the pension trust, which is financially separate from the Company, in accordance with calculations made periodically by consulting actuaries. Contributions are charged to the profit and loss account on a basis that spreads the expected costs of providing pensions over the average remaining service lives of employees in the plan.

FOREIGN CURRENCY

All amounts in foreign currency are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences arising from the translation of the opening net investment in a subsidiary to the closing rate are recorded as a movement on reserves. Realised gains and losses are dealt with in the profit and loss account.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

	53 Weeks to 01/02/97 £000	52 Weeks to 27/01/96 £000
1 TURNOVER is the amount receivable, excluding VAT, for goods and services to customers.		
United Kingdom	5,202	6,132
Rest of Europe	407	473
Japan	578	453
Other	2,426	1,977
	<u>8,613</u>	<u>9,035</u>
2 OTHER OPERATING INCOME		
Royalty Income	100	254
	<u>100</u>	<u>254</u>
3 OPERATING PROFIT - is stated after charging:		
Depreciation of tangible fixed assets	91	132
Loss on disposal of tangible fixed assets	10	-
Revaluation deficit	-	71
Audit fees and expenses	18	25
Rentals paid under operating leases:		
Property	345	296
Hire of Plant & Machinery	14	16
	<u>345</u>	<u>296</u>
4 INTEREST		
Bank interest	154	145
Other interest	4	12
	<u>158</u>	<u>157</u>
5 TAXATION		
Taxation based on the profits of the period:		
UK Corporation tax on current years profits	365	489
Foreign taxation	-	21
Adjustment for prior year : Corporation Tax	(23)	(43)
	<u>342</u>	<u>467</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

6 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	53 Weeks to 01/02/97 £000	52 Weeks to 27/01/96 £000
Director's emoluments :		
Fees	236	253
Compensation for loss of office	-	11
Other emoluments including pension contributions	31	111
	<u>267</u>	<u>375</u>
Emoluments of the Chairman	<u>-</u>	<u>-</u>
Emoluments of the highest paid Director	<u>81</u>	<u>128</u>
The range of Director's emoluments (excluding pension contributions) and the number within each range were:	1997	1996
	Number	Number
£ 0 - £ 5,000	2	4
£ 35,001 - £ 40,000	-	1
£ 40,001 - £ 45,000	-	1
£ 50,001 - £ 55,001	1	-
£ 60,001 - £ 65,000	1	-
£ 65,001 - £ 70,000	1	-
£ 70,001 - £ 75,000	-	1
£ 80,001 - £ 85,000	1	-
£ 90,001 - £ 95,000	-	1
£125,001 - £130,000	<u>-</u>	<u>1</u>
Employee costs:		
Wages and salaries	2,421	2,442
Social security costs	168	182
Other pension costs	61	73
	<u>2,650</u>	<u>2,697</u>
	1997	1996
The average weekly number of employees during the period was as follows:	Number	Number
United Kingdom	<u>190</u>	<u>223</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

6 INFORMATION REGARDING DIRECTORS AND EMPLOYEES (Continued)

PENSIONS

During the year, the Company participated in the Harrods Group Pension Plan, which operated as a defined benefit group pension scheme in the United Kingdom.

The Company pays such contributions to the Plan as required in order to fund benefits for the members and pensioners. The assets of the Plan are held in trust separately from the Company.

The regular pension cost charged to the profit and loss account is based on figures calculated for the Group as a whole which are such as to spread the expected pension costs over the average remaining working lives of employees who are members of the Plan. The regular cost is expressed as a level percentage of the current and expected future earnings using the projected unit method of calculation, having adopted the following actuarial assumptions.

Investment return	9.0 per cent per annum compounded
General increase in pensionable earnings	6.5 per cent per annum compounded
Dividend growth for asset valuation purposes	4.5 per cent per annum compounded

The total surplus for the Group Pension Plan as at 5 April 1996 has been determined by qualified independent actuaries who are partners of Bacon & Woodrow, Consulting Actuaries. This total surplus has been allocated to the companies within the Group Plan by the Directors of Harrods Holdings plc on a basis that is consistent with that adopted in prior years.

Surpluses or deficiencies and associated interest are spread over the same average period as an adjustment to regular cost.

The company's pension charge for the 53 weeks to 1 February 1997 is based on its proportion of the total surplus as follows:

	53 Weeks to 01/02/97 £000	52 Weeks to 27/01/96 £000
Regular cost	-	19
Variation	(11)	(29)
Company contributions	72	83
Net pension charge	<u>61</u>	<u>73</u>
The pension prepayment is as follows:		
Opening balance	85	75
Income/(Charge) to the profit and loss account	11	10
Closing balance	<u><u>96</u></u>	<u><u>85</u></u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

6 INFORMATION REGARDING DIRECTORS AND EMPLOYEES (Continued)

The Company's pension assets are included in those of the Harrods Group Pension Plan. The market value of assets held within the Plan as at 5 April 1996 was £126.9million. At this date, the actuarial value was sufficient to cover 119.0% of the benefits that had accrued to members, after allowing for the expected future increases in earnings. The actuarial surplus is being spread over the estimated remaining service life of current employees over 13 years on a straight line basis.

7 TANGIBLE FIXED ASSETS

Group and Company	Total	Freehold Properties	Short Leasehold Properties	Fixtures, Fittings & Equipment
	£000	£000	£000	£000
Opening cost and valuation	1,658	205	38	1,415
Additions	180	-	25	155
Disposals	(330)	(125)	-	(205)
Revaluation	-	-	-	-
Closing cost and valuation	<u>1,508</u>	<u>80</u>	<u>63</u>	<u>1,365</u>
Opening aggregate depreciation	1,096	-	32	1,064
Charge for the period	91	-	3	88
Disposals	(167)	-	-	(167)
Revaluation	-	-	-	-
Closing aggregate depreciation	<u>1,020</u>	<u>-</u>	<u>35</u>	<u>985</u>
Closing Net Book Value	<u>488</u>	<u>80</u>	<u>28</u>	<u>380</u>
Opening Net Book Value	<u>562</u>	<u>205</u>	<u>6</u>	<u>351</u>

Freehold properties were valued by Healey & Baker, Chartered Surveyors at 27 January 1996 on the basis of open market value for the existing use. The Directors have valued the properties at 1 February 1997 having due regard to this professional valuation.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

	1997	1996
	£000	£000
8 FIXED ASSET INVESTMENTS		
Shares in Company undertakings :		
Opening cost	579	579
Receipt of preacquisition earnings	(290)	-
Closing cost	<u>289</u>	<u>579</u>
Opening provision	(163)	(163)
Increase in provision	(77)	-
Closing provision	<u>(240)</u>	<u>(163)</u>
Closing net book value	<u>49</u>	<u>416</u>
Opening net book value	<u>416</u>	<u>416</u>

Shareholdings in subsidiary companies, expressed as a percentage of issued shares, are as follows:

<u>Name of Company</u>	<u>Holding</u>	<u>Nature of Business</u>	<u>Country of Incorporation</u>
Airmont Limited (Previously; Hawes & Curtis Ltd)	100%	Non-Trading	England
The Jermyn Street Shirtmakers Limited	100%	Non-Trading	England
Charles Hill Silks Management Limited	100%	Non-Trading	England
Turnbull and Asser Management Limited	100%	Non-Trading	England
James Drew Limited	100%	Non-Trading	England
Turnbull and Asser (Ontario) Limited	100%	Licensors	Canada
Charles Hill Silks Limited	100%	Non-Trading	England
DTSG Limited	100%	Non-Trading	Scotland

In the opinion of the Directors', the value of the Company's investments in its subsidiary undertakings is not less than the amount at which it is stated in the balance sheet.

	1997	1996
	£000	£000
9 STOCKS		
Group and Company		
The main categories of stock are:		
Raw Materials and consumables	934	955
Work in progress	280	195
Finished goods and goods for resale	1,010	933
	<u>2,224</u>	<u>2,083</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

		Group		Company	
		1997	1996	1997	1996
		£000	£000	£000	£000
10	DEBTORS				
	Amounts due within one year				
	Trade debtors	721	799	721	799
	Amounts owed by group undertakings	-	-	79	73
	Other debtors	85	18	78	6
	Prepayments	115	121	115	121
		<u>921</u>	<u>938</u>	<u>993</u>	<u>999</u>
	Amount falling due after more than one year				
	Pension prepayment	96	85	96	85
		<u>1,017</u>	<u>1,023</u>	<u>1,089</u>	<u>1,084</u>
11	CREDITORS				
	Amounts falling due within one year:				
	Bank overdraft	17	36	17	36
	Trade creditors	574	771	574	771
	Amounts owed to group undertakings	-	-	61	3,649
	Other creditors	206	261	205	257
	Taxation and social security	442	545	442	545
	Accruals and deferred income	257	459	257	459
		<u>1,496</u>	<u>2,072</u>	<u>1,556</u>	<u>5,717</u>
				1997	1996
				£000	£000
12	DEFERRED TAXATION				
	Group and Company				
	Provided in respect of capital allowances			<u>20</u>	<u>20</u>
	In addition to the amount provided for deferred taxation, there are potential liabilities not provided for in respect of taxation deferred in relation to:				
	Revaluation of properties			<u>16</u>	<u>8</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

	1997	1996
	£	£
13 CALLED UP SHARE CAPITAL		
Allotted and fully paid:		
Ordinary shares of US\$0.001 each	55	55
Ordinary shares of £0.10 each	850,000	850,000
	<u>850,055</u>	<u>850,055</u>
Authorised		
Ordinary shares of US\$0.001 each	55	55
Ordinary shares of £0.10 each	1,030,200	1,030,200
	<u>1,030,255</u>	<u>1,030,255</u>

The US\$ shares are each entitled to receive dividends amounting to the first 99% of the amount of profits which the Company may determine to distribute in respect of any financial year, divided by the number of US\$ shares then in issue. The Sterling shares are each entitled to receive a dividend of the remaining 1% of distributable profits, divided by the number of Sterling shares then in issue.

Each US\$ share carries 99 votes. Each Sterling share carries one vote.

In the event of a return of capital or a winding up the US\$ class of shares shall be entitled to receive the first 99% of the assets available for distribution. Only after the US\$ class has received its full entitlement shall the Sterling class be entitled to the balance of the assets available.

Neither class of share is redeemable at the shareholders' request.

	Group	Company
	1997	1997
	£000	£000
14 PROFIT AND LOSS ACCOUNT		
Opening balance	3,991	761
Transfer to reserves	874	4,099
Closing balance	<u>4,865</u>	<u>4,860</u>

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Group		Company	
	1997	1996	1997	1996
	£000	£000	£000	£000
Profit for the financial year	874	994	801	995
Intra Group dividends			3,298	-
Dividends	-	(400)	-	(400)
Net addition to shareholders' funds	874	594	4,099	595
Opening shareholders' funds	4,871	4,277	1,641	1,046
Closing shareholders' funds	5,745	4,871	5,740	1,641
			1997	1996
			£000	£000

16 LEASING COMMITMENTS

Group and Company

The Company has annual operating lease commitments in respect of land and buildings

Between 1 & 5 years	25	25
After 5 years	429	246
	<u>454</u>	<u>271</u>
The leases are subject to rent review.		
Other assets - within 1 year	-	-
Other assets - between 1 & 5 years	14	18
	<u>14</u>	<u>18</u>

17 CAPITAL COMMITMENTS

Group and Company

Authorised and not contracted	101	52
	<u>101</u>	<u>52</u>

18 CONTINGENT LIABILITY

Group and Company

Legal dispute	105	105
	<u>105</u>	<u>105</u>

The contingent liability relates to a legal dispute between the Company and a former agent in Italy. Given the nature of the litigation the outcome of any action currently pending is uncertain.

19 RELATED PARTY TRANSACTIONS

During the year the Group traded with Turnbull & Asser LLC a company in which Mr A. Fayed has a beneficial interest. Sales were made on commercial terms and amounted to £720,999 for the year. A licence fee income was obtained on these sales resulting in an other operating income of £49,590. At the year end the amount of licence fee income owed by Turnbull & Asser LLC was £13,840.

TURNBULL & ASSER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
53 WEEKS ENDED 1 FEBRUARY 1997

	53 Weeks to 01/02/97 £000	52 Weeks to 27/01/96 £000	
20 NOTES TO THE CASH FLOW STATEMENT			
21 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
Operating Profit	1,058	1,304	
Loss on disposal of tangible fixed assets	10		
Pension (credit)	(11)	(10)	
Depreciation charged	91	132	
Revaluation deficit charged to profit & loss account	-	71	
Change in stocks	(141)	438	
Change in debtors	17	58	
Change in creditors	(560)	455	
Net cash inflow from operating activities	<u>464</u>	<u>2,448</u>	
22 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR			
Balance at 27 January 1996	3,259	1,809	
Net cash inflow	256	1,450	
Balance at 1 February 1997	<u>3,515</u>	<u>3,259</u>	
23 ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET			
	1997	1996	Change in Year
	£000	£000	£000
Cash and bank balances	3,532	3,295	237
Bank overdrafts	(17)	(36)	19
	<u>3,515</u>	<u>3,259</u>	<u>256</u>
24 ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR			
	Share Capital	Share Capital	
	£000	£000	
Financing at 27 January 1996	850	850	
Cash flow from financing	-	-	
Financing at 1 February 1997	<u>850</u>	<u>850</u>	