

Company Registered No. 2628719

AUDITORS' REPORT TO THE DIRECTORS OF

BRUCK (UK) LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8

TO THE COMPANIES ACT 1985



We have examined the abbreviated accounts on pages 3 to 7 together with the financial statements of Bruck (UK) Limited prepared under section 226 of the Companies Act 1985 as modified by the exemptions provided by Part I of Schedule 8 of the Companies Act 1985 for the year ended 31st December 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 2 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 exemptions 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 31st December 1994 and the abbreviated accounts on pages 3 to 7 have been properly prepared in accordance with that Schedule.

Other information

On 7-8-95 we reported, as auditors of Bruck (UK) Limited to the members on the financial statements prepared under section 226 of the Companies Act 1985 as modified by the exemptions provided by Part I of Schedule 8 for the year ended 31st December 1994. Our report under section 235 of the Companies Act 1985 was as follows:

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 8.

(...continued)

AUDITORS' REPORT TOBRUCK (UK) LIMITED Company Registered No. 2628719PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8THE COMPANIES ACT 1985 (continued)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 judgments 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 as at 31st December 1994 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'

Signed.....*Bird Price Pearson*.....Dated.....*7-8-95*.....

BIRD PRICE PEARSON
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS
CLARENDON HOUSE
14, ST ANDREW'S STREET
DROITWICH
WORCESTERSHIRE
WY9 8DY

BRUCK (UK) LIMITEDBALANCE SHEET AS AT31ST DECEMBER 199431ST DECEMBER 1993

£

£

£

£

Fixed Assets

Tangible Assets

16539

18564

Current Assets

Stocks

5071

-

Debtors

142470

445732

Cash at Bank and in Hand

125117

31998

272658

477730

Creditors : amounts falling
due within one year

288401

495135

Net Current Liabilities

(15493)

(17405)

Total Assets less Current Liabilities

796

1159

Provision for Liabilities
and Charges

600

600

Net Assets

196

559

The balance sheet continues on page 4.

The notes on pages 5 to 7 form part of these accounts.

BRUCK (UK) LIMITEDBALANCE SHEET (CONTINUED)

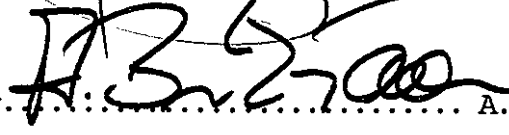
	<u>31ST DECEMBER 1994</u>		<u>31ST DECEMBER 1993</u>	
	£	£	£	£
<u>Capital and Reserves</u>				
<u>Share Capital</u>				
Authorised:				
Ordinary Shares of £1 each	100000		100000	
	=====		=====	
Allotted, Called Up and Fully Paid:				
Ordinary Shares of £1 each		2		2
<u>Reserves</u>				
Profit and Loss Account		194		557
		=====		=====
<u>Shareholders Funds</u>		196		559
		=====		=====

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

In preparing these accounts the directors have taken advantage of the special exemptions applicable to small companies conferred by Schedule 8 to the Companies Act 1985 and have done so on the grounds that the company is entitled to the benefit of those exemptions as a small company.

.....31/07/1995.....Date Approved by the
Board of Directors

Director.......... M. J. Bruck, Esq

Director.......... A. M. K. Bruck-Tauer

BRUCK (UK) LIMITEDNOTES TO THE ACCOUNTSYEAR ENDED 31ST DECEMBER 19941. Accounting PoliciesAccounting Convention

The accounts are prepared under the historical cost convention.

Turnover

Turnover represents the amounts derived from the provision of goods and services, net of value added tax.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Motor Vehicles	25% p.a.	reducing balance basis
Office Equipment	15% p.a.	reducing balance basis

Deferred Taxation

Deferred taxation is provided on the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that taxation will be payable.

Operating Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at the rate 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 the profit and loss account.

Pension Contributions

The company operates a defined contributions scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

BRUCK (UK) LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST DECEMBER 19942. Fixed AssetsTangible
Fixed
Assets

£

Cost or Valuation

As at 1st January 1994 21914

Additions 2279

As at 31st December 1994 24193

Depreciation

As at 1st January 1994 3350

Charge for the year 4304

As at 31st December 1994 7654

Net Book Value

As at 31st December 1994 16539

As at 31st December 1993 18564

BRUCK (UK) LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST DECEMBER 19943. Creditors

	<u>1994</u>	<u>1993</u>
	£	£
Creditors, both falling due within one year and falling due after one year, include the following secured liabilities:		

Included above are the following amounts repayable by instalments:

4. Directors' Interests in Contracts

Mr and Mrs Bruck were interested throughout the year, through their 100% equity interest in Bruck Gmbh and Bruck Netherlands. During the year the company received goods from and sold goods to Bruck Gmbh and Bruck Netherlands respectively, at normal prices as follows:-

	<u>Sales</u>	<u>Purchases</u>
	£	£
Bruck Gmbh	-	591098
Bruck Netherlands	112	3869

At the balance sheet date £153833 was outstanding to Bruck Gmbh and £2178 to Bruck Netherlands.

During the year the company paid management charges to Bruck Gmbh of £60710.

There are no other interests in contracts which are required to be disclosed under the Companies Act 1985.