

ANDRE DE BRETT PLC

REPORT AND FINANCIAL STATEMENTS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989



ANDRE DE BRETT PLC

REPORT AND FINANCIAL STATEMENTS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989

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ANDRE DE BRETT PLC

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the fifteen months ended 30 June 1989.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activity is the direct mail order and retailing of outside clothing.

During the period, certain of the company's overseas subsidiaries ceased to trade. The effect of this is shown in note 10 to the financial statements.

CHANGE IN OWNERSHIP

On 23 June 1988, an offer by Thermawear Limited for the whole of the issued share capital of the company became unconditional in all respects. The ultimate holding company is now Cofisel S.A., a company incorporated in Switzerland.

GOING CONCERN BASIS

The ability of the company to continue as a going concern is dependent on the continuing financial support of its bankers and the holding company. The financial statements do not include any adjustments which might be necessary should the company be unable to continue as a going concern. In the opinion of the directors, the going concern basis is appropriate for the preparation of these financial statements.

RESULTS

The loss after taxation and extraordinary items for the fifteen months ended 30 June 1989 amounted to £1,100,000 (year to 31 March 1988 - loss £627,000). The directors do not recommend the payment of a dividend and accordingly the loss for the period has been transferred to reserves.

DIRECTORS

The directors who held office during the period were:

|               |   |
|---------------|---|
| K Mullins     | - appointed 20 November 1989                        |
| J A Steiger   | - appointed 23 June 1988                            |
| E R Heaton    | - appointed 11 July 1989                            |
| D Kemp        | - appointed 23 June 1988, resigned 21 December 1989 |
| G Sawley      | - appointed 23 June 1988, resigned 20 November 1989 |
| J D Linton    | - resigned 31 July 1988                             |
| J S Henderson | - resigned 31 January 1989                          |
| R H Williams  | - resigned 18 November 1988                         |

ANDRE DE BRETT PLC

REPORT OF THE DIRECTORS (continued)

DIRECTORS' INTEREST IN SHARES

None of the directors had any interest in the shares of the company or any other group company at 30 June 1989.

EMPLOYEE INVOLVEMENT

The company continues to consult and inform employees through normal channels of communication.

EMPLOYMENT OF DISABLED PERSONS

It is the policy of the company to ensure that full and fair opportunities are given to the employment, training and career developments of disabled persons having regard to their particular aptitudes and abilities.

AUDITORS

Our auditors, Deloitte Haskins & Sells, are in the process of merging their practice with Coopers & Lybrand. In the meantime they have adopted Coopers & Lybrand Deloitte as their business name and have signed their audit report in that name. A resolution to reappoint Coopers & Lybrand Deloitte as the company's auditors will be proposed at the annual general meeting.

BY ORDER OF THE BOARD

  
Secretary

Registered Office:  
Bowling Green Mills  
Bingley  
West Yorkshire  
BD16 4BH

7 March 1990

REPORT OF THE AUDITORS  
TO THE MEMBERS OF ANDRE DE BRETT PLC

We have audited the financial statements on pages 4 to 18 in accordance with Auditing Standards.

The financial statements have been prepared on a going concern basis and the validity of this depends on the company's bankers and the holding company continuing their support. In the absence of such support this basis would be invalid. Provision would then have to be made for any loss that might arise when the group's assets were realised.

Subject to the company's bankers and the holding company continuing their support, in our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 30 June 1989 and of its loss and source and application of funds for the fifteen month period then ended, and have been properly prepared in accordance with the Companies Act 1985.

*Coopers & Lybrand Deloitte*

Chartered Accountants

Leeds

*23 March 1990*

## ANDRE DE BRETT PLC

### ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared on the historical cost basis of accounting.

#### CONSOLIDATION

The consolidated profit and loss account and balance sheet incorporate the financial statements of the holding company and all of its subsidiary companies.

The figures included are based on the audited financial statements of each group company for the fifteen months ended 30 June 1989.

As permitted by Section 228 of the Companies Act 1985, the profit and loss account of the holding company is not presented with these financial statements.

#### GOODWILL

Goodwill arising on the acquisition of a new subsidiary is written off against reserves immediately on acquisition. The goodwill represents the excess of the fair value of the consideration over the aggregate of the fair value of the separable net assets acquired.

#### TURNOVER

Turnover comprises sales (excluding VAT), less returns and allowances.

#### TANGIBLE FIXED ASSETS

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation.

Depreciation is provided at the following annual rates to write off tangible fixed assets over their estimated useful lives:

|                                   |     |
|-----------------------------------|-----|
| Long leasehold land and buildings | 2%  |
| Plant and machinery               | 20% |
| Motor vehicles                    | 25% |

Short leasehold land and buildings are depreciated over the unexpired terms of the lease.

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ACCOUNTING POLICIES (continued)

**STOCKS**

Stocks are stated at the lower of cost and net realisable value. Where appropriate, the cost of finished goods includes a proportion of labour and overhead costs.

**PENSION COSTS**

Contributions are charged against profits in the year so as to spread the cost of pensions over employees working lives.

**DEFERRED TAXATION**

The company provides deferred taxation on the liability method to take account of timing differences between the treatment of certain items for financial reports purposes and their treatment for taxation purposes. Provision is only made where, in the opinion of the directors, these differences are likely to reverse in the foreseeable future.

**FOREIGN CURRENCY AMOUNTS**

Purchases from foreign suppliers and liabilities in foreign currencies are translated into sterling at the actual rates of exchange obtained at the date of settlement. Amounts outstanding at the period end are converted at exchange rates ruling at that date.

ANDRE DE BRETT PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989

|   | <u>Notes</u> | <u>15 months</u><br><u>1989</u> | <u>12 months</u><br><u>1988</u> |
|---|--------------|---------------------------------|---------------------------------|
|   |              | <u>£000's</u>                   | <u>£000's</u>                   |
| TURNOVER  | 2            | 4,216                           | 5,839                           |
| Cost of sales   |              | 4,046                           | 4,370                           |
| GROSS PROFIT  |              | 170                             | 1,469                           |
| Administrative expenses                                   |              | 550                             | 2,158                           |
| OPERATING LOSS  |              | (380)                           | (689)                           |
| Investment income   |              | 17                              | 3                               |
| Interest payable  | 3            | 274                             | 125                             |
| LOSS ON ORDINARY ACTIVITIES<br>BEFORE EXCEPTIONAL ITEMS   |              | (637)                           | (811)                           |
| Exceptional items   | 5            | (282)                           | -                               |
| LOSS ON ORDINARY ACTIVITIES<br>BEFORE TAXATION            | 4            | (919)                           | (811)                           |
| Taxation  | 7            | -                               | 184                             |
| LOSS ON ORDINARY ACTIVITIES<br>BEFORE EXTRAORDINARY ITEMS |              | (919)                           | (627)                           |
| EXTRAORDINARY ITEMS                                       | 8            | (181)                           | -                               |
| DEFICIT FOR THE PERIOD                                    | 16           | (1,100)                         | (627)                           |



ANDRE DE BRETT PLC

CONSOLIDATED BALANCE SHEET AT 30 JUNE 1989

|  | <u>Notes</u> | <u>30 June</u><br><u>1989</u><br><u>£000's</u> | <u>31 March</u><br><u>1988</u><br><u>£000's</u> |
|--|--------------|--|---|
| FIXED ASSETS   |              |  |   |
| Tangible assets  | 9            | 125  | 565   |
| CURRENT ASSETS   |              |  |   |
| Stocks   | 11           | 304  | 799   |
| Debtors  | 12           | 807  | 1,385   |
| Bank and cash balances                                     |              | 28   | 45  |
|  |              | 1,139  | 2,229   |
| CREDITORS: AMOUNTS FALLING DUE<br>WITHIN ONE YEAR          | 13           | 1,754  | 2,121   |
| NET CURRENT (LIABILITIES)/ASSETS                           |              | (615)  | 108   |
| TOTAL ASSETS LESS CURRENT LIABILITIES                      |              | (490)  | 673   |
| CREDITORS: AMOUNTS FALLING DUE AFTER<br>MORE THAN ONE YEAR | 13           | 2  | 125   |
| NET (LIABILITIES)/ASSETS                                   |              | (492)  | 548   |
| CAPITAL AND RESERVES/(ACCUMULATED DEFICIT)                 |              |  |   |
| Called-up share capital                                    | 15           | 800  | 800   |
| Share premium account                                      |              | 174  | 174   |
| Profit and loss account                                    | 16           | (1,466)  | (426)   |
|  |              | (492)  | 548   |

**COMPANY BALANCE SHEET AT 30 JUNE 1989**

The financial statements on pages 4 to 18 were approved by the board of directors on 7 March 1990 and were signed on its behalf by:

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ANDRE DE BRETT PLC

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989

|   | <u>15 months</u><br><u>1989</u> | <u>12 months</u><br><u>1988</u> |
|---|---------------------------------|---------------------------------|
|   | <u>£000's</u>                   | <u>£000's</u>                   |
| <b>SOURCE OF FUNDS</b>  |                                 |                                 |
| Loss on ordinary activities before taxation   | (919)                           | (811)                           |
| Extraordinary items   | (181)                           | -                               |
|   | <u>(1,100)</u>                  | <u>(811)</u>                    |
| Items not involving the movement of funds:  |                                 |                                 |
| Depreciation  | 260                             | 200                             |
| (Profit)/loss on disposal of tangible fixed assets  | (19)                            | 11                              |
| Consolidation adjustments   | 60                              | 20                              |
|   | <u>(799)</u>                    | <u>(580)</u>                    |
| <b>FUNDS ABSORBED BY OPERATIONS</b>   |                                 |                                 |
| Proceeds on disposal of tangible fixed assets   | 200                             | -                               |
|   | <u>(599)</u>                    | <u>(578)</u>                    |
| <b>APPLICATION OF FUNDS</b>   |                                 |                                 |
| Purchase of tangible fixed assets   | 1                               | 99                              |
| Taxation paid   | 10                              | 58                              |
| Creditors due after more than one year  | 78                              | 204                             |
| Repayment of loan   | 45                              | -                               |
|   | <u>134</u>                      | <u>361</u>                      |
| <b>NET (APPLICATION) OF FUNDS</b>   | <u>(733)</u>                    | <u>(939)</u>                    |
|   | =====                           | =====                           |
| THE NET (APPLICATION) OF FUNDS IS REPRESENTED BY<br>THE FOLLOWING INCREASE/(DECREASE) IN WORKING CAPITAL: |                                 |                                 |
| Stocks  | (495)                           | (387)                           |
| Debtors   | (581)                           | (520)                           |
| Creditors falling due within one year   | (435)                           | 215                             |
|   | <u>(1,511)</u>                  | <u>(692)</u>                    |
| Movement in net liquid funds:   |                                 |                                 |
| (Decrease) in bank balances and cash  | (17)                            | (19)                            |
| Decrease/(Increase) in bank overdrafts  | 795                             | (228)                           |
|   | <u>(733)</u>                    | <u>(939)</u>                    |
| <b>NET (DECREASE) IN WORKING CAPITAL</b>  | =====                           | =====                           |

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989

1. GOING CONCERN BASIS

The ability of the company to continue as a going concern is dependent on the continuing financial support of its bankers and the holding company. The financial statements do not include any adjustments which might be necessary should the company be unable to continue as a going concern. In the opinion of the directors, the going concern basis is appropriate for the preparation of these financial statements.

2. TURNOVER

The geographical analysis of turnover by markets has not been given.

3. INTEREST PAYABLE

|   | <u>15 months</u><br><u>1989</u><br><u>£000's</u> | <u>12 months</u><br><u>1988</u><br><u>£000's</u> |
|---|--|--|
| On bank overdraft and other loans<br>repayable within 5 years | 274  | 125  |

4. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

|  |     |      |
|--|-----|------|
| Profit on ordinary activities before<br>taxation is stated after charging: |     |      |
| Depreciation of tangible fixed assets                                      | 260 | 200  |
| Auditors' remuneration   | 20  | 43   |
| And after crediting:   |     |      |
| Rent receivable  | 7   | 3    |
| Profit/(loss) on disposal of tangible<br>fixed assets                      | 19  | (11) |

5. EXCEPTIONAL ITEMS

|  |     |   |
|--|-----|---|
| Provisions made in relation to<br>closure of overseas operations | 282 | - |
|--|-----|---|

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

6. DIRECTORS AND EMPLOYEES

|  | <u>15 months</u><br><u>1989</u> | <u>12 months</u><br><u>1988</u> |
|--|---------------------------------|---------------------------------|
|  | <u>£000's</u>                   | <u>£000's</u>                   |
| Staff costs during the period:-  |                                 |                                 |
| Wages and salaries   | 510                             | 1,082                           |
| Social security costs  | 33                              | 117                             |
| Other pension costs  | 11                              | 19                              |
|  | <u>554</u>                      | <u>1,218</u>                    |
|  | =====                           | =====                           |
|  | <u>Number</u>                   | <u>Number</u>                   |
| The average weekly number of persons employed by the group during the period was:-                   |                                 |                                 |
| Full time employees  | 114                             | 132                             |
|  | =====                           | =====                           |
|  | <u>£'000</u>                    | <u>£'000</u>                    |
| Staff costs include the following remuneration in respect of the directors:                          |                                 |                                 |
| Management remuneration (including pension contributions)  | 85                              | 157                             |
| Compensation for loss of office  | 10                              | -                               |
|  | <u>95</u>                       | <u>157</u>                      |
|  | =====                           | =====                           |
| Directors' remuneration disclosed above (excluding pension contributions) includes amounts paid to:- |                                 |                                 |
| The Chairman and highest paid director   | 33                              | 88                              |
|  | =====                           | =====                           |
|  | <u>Number</u>                   | <u>Number</u>                   |
| The number of directors who received amounts in the following ranges was:-                           |                                 |                                 |
| £ 0 - £ 5,000  | 3                               | 3                               |
| £15,001 - £20,000  | 1                               | -                               |
| £25,001 - £30,000  | 1                               | 2                               |
| £30,001 - £35,000  | 1                               | -                               |
|  | <u>6</u>                        | <u>5</u>                        |
|  | =====                           | =====                           |

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

7. TAXATION

|                              | <u>15 months</u><br><u>1989</u><br><u>£000's</u> | <u>12 months</u><br><u>1988</u><br><u>£000's</u> |
|------------------------------|--|--|
| U.K. corporation tax at 35%: |  |  |
| Current                      | -  | 45   |
| Prior year                   | -  | -  |
| Deferred tax                 | -  | 139  |
|                              | <u>-</u>   | <u>-</u>   |
|                              | -  | 184  |
|                              | <u>---</u>                                       | <u>---</u>                                       |

There are unutilised tax losses amounting to £867,000 (31 March 1988, £476,000) which are available for offset against future taxable profits of the group, subject to agreement with the Inland Revenue.

8. EXTRAORDINARY ITEMS

Amounts written off:

|                                |            |            |
|--------------------------------|------------|------------|
| Fixed asset investments (net)  | 33         | -          |
| Tangible fixed assets (Note 9) | 148        | -          |
|                                | <u>---</u> | <u>---</u> |
|                                | 181        | -          |
|                                | <u>---</u> | <u>---</u> |

9. TANGIBLE FIXED ASSETS

| GROUP   | <u>Long</u><br><u>Leasehold</u><br><u>Land &amp;</u><br><u>Buildings</u><br><u>£000's</u> | <u>Short</u><br><u>Leasehold</u><br><u>Land &amp;</u><br><u>Buildings</u><br><u>£000's</u> | <u>Plant,</u><br><u>Machinery,</u><br><u>Fixtures &amp;</u><br><u>Vehicles</u><br><u>£000's</u> | <u>Total</u><br><u>£000's</u> |
|---|---|--|---|-------------------------------|
| <b>COST</b>   |   |  |   |                               |
| At 1 April 1988   | 125   | 71   | 1,508   | 1,704                         |
| Additions   | -   | -  | 1   | 1                             |
| Disposals   | (63)  | (37)   | (306)   | (406)                         |
|   | <u>---</u>  | <u>---</u>   | <u>---</u>  | <u>---</u>                    |
| At 30 June 1989   | 62  | 34   | 1,203   | 1,299                         |
|   | <u>---</u>  | <u>---</u>   | <u>---</u>  | <u>---</u>                    |
| <b>DEPRECIATION</b>                                     |   |  |   |                               |
| At 1 April 1988   | 6   | 21   | 1,112   | 1,139                         |
| Provision for permanent<br>diminution in value (Note 8) | -   | -  | 148   | 148                           |
| Charge for the period                                   | 2   | 4  | 106   | 112                           |
| Released on disposals                                   | (4)   | (12)   | (209)   | (225)                         |
|   | <u>---</u>  | <u>---</u>   | <u>---</u>  | <u>---</u>                    |
| At 30 June 1989   | 4   | 13   | 1,157   | 1,174                         |
|   | <u>---</u>  | <u>---</u>   | <u>---</u>  | <u>---</u>                    |

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

9. TANGIBLE FIXED ASSETS (continued)

|                  | Long<br>Leasehold<br>Land &<br>Buildings | Short<br>Leasehold<br>Land &<br>Buildings | Plant,<br>Machinery,<br>Fixtures &<br>Vehicles | Total  |
|------------------|--|---|--|--------|
|                  | £000's                                   | £000's                                    | £000's   | £000's |
| NET BOOK VALUE   |  |   |  |        |
| At 30 June 1989  | 58                                       | 21  | 46   | 125    |
|                  | =====                                    | =====                                     | =====  | =====  |
| At 31 March 1988 | 119                                      | 50  | 396  | 565    |
|                  | =====                                    | =====                                     | =====  | =====  |

COMPANY

|   | Long<br>Leasehold<br>Land &<br>Buildings | Short<br>Leasehold<br>Land &<br>Buildings | Plant,<br>Machinery,<br>Fixtures &<br>Vehicles | Total  |
|---|--|---|--|--------|
|   | £000's                                   | £000's                                    | £000's   | £000's |
| COST  |  |   |  |        |
| At 1 April 1988   | 125                                      | 71  | 1,309  | 1,505  |
| Additions   | -  | -   | 1  | 1      |
| Disposals   | (63)                                     | (37)                                      | (107)  | (207)  |
|   | =====                                    | =====                                     | =====  | =====  |
| At 30 June 1989   | 62                                       | 34  | 1,203  | 1,299  |
|   | =====                                    | =====                                     | =====  | =====  |
| DEPRECIATION  |  |   |  |        |
| At 1 April 1988   | 6  | 21  | 993  | 1,020  |
| Provision for permanent<br>diminution in value (Note 8) | -  | -   | 148  | 148    |
| Charge for period                                       | 2  | 4   | 106  | 112    |
| Released on disposals                                   | (4)                                      | (12)                                      | (90)   | (106)  |
|   | =====                                    | =====                                     | =====  | =====  |
| At 30 June 1989   | 4  | 13  | 1,157  | 1,174  |
|   | =====                                    | =====                                     | =====  | =====  |
| NET BOOK VALUE  |  |   |  |        |
| At 30 June 1989   | 58                                       | 21  | 46   | 125    |
|   | =====                                    | =====                                     | =====  | =====  |
| At 31 March 1988  | 119                                      | 51  | 315  | 485    |
|   | =====                                    | =====                                     | =====  | =====  |

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

10. FIXED ASSET INVESTMENTS

Investment in subsidiaries:

|                       | <u>Company</u><br><u>1989</u><br><u>£000's</u> | <u>Company</u><br><u>1988</u><br><u>£000's</u> |
|-----------------------|--|--|
| At 1 April 1988       | 295  | 384  |
| Provisions made (net) | (71)   | (89)   |
| Exchange adjustments  | (12)   | -  |
|                       | <hr/>  | <hr/>  |
| At 30 June 1989       | 212  | 295  |
|                       | ---  | ---  |

During the period the company has closed certain of its overseas subsidiary companies. Full provision has been made against the cost of investment in, and loans to these subsidiaries, as disclosed in note 5.

At 30 June 1989 the company held, directly or indirectly, the whole of the issued share capital of the following trading companies:

| <u>Name of company</u>        | <u>Description of trade</u> | <u>Country of incorporation</u> |
|-------------------------------|-----------------------------|---------------------------------|
| Gosidern Manufacturing Co Ltd | Garment manufacturers       | Great Britain                   |
| Sidney Sippert (Fashions) Ltd | Garment manufacturers       | Great Britain                   |
| Andre de Brett Inc            | Property investment         | U.S.A.                          |

The company also has a number of dormant subsidiaries.



ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

11. STOCKS

|                  | <u>Group</u>  |               | <u>Company</u> |               |
|------------------|---------------|---------------|----------------|---------------|
|                  | <u>1989</u>   | <u>1988</u>   | <u>1989</u>    | <u>1988</u>   |
|                  | <u>£000's</u> | <u>£000's</u> | <u>£000's</u>  | <u>£000's</u> |
| Goods for resale | 245           | 705           | 245            | 594           |
| Raw materials    | 59            | 94            | -              | -             |
|                  | <u>304</u>    | <u>799</u>    | <u>245</u>     | <u>594</u>    |

12. DEBTORS

|                                       | <u>Group</u>  |               | <u>Company</u> |               |
|---------------------------------------|---------------|---------------|----------------|---------------|
|                                       | <u>1989</u>   | <u>1988</u>   | <u>1989</u>    | <u>1988</u>   |
|                                       | <u>£000's</u> | <u>£000's</u> | <u>£000's</u>  | <u>£000's</u> |
| Amounts due within one year:          |               |               |                |               |
| Trade debtors                         | 713           | 1,211         | 712            | 1,159         |
| Amount due from group companies       | -             | -             | 155            | 152           |
| Other debtors                         | 20            | 97            | 16             | 52            |
| Prepayments & accrued income          | -             | 36            | -              | 36            |
| Corporation tax recoverable           | 44            | 41            | 34             | 34            |
|                                       | <u>777</u>    | <u>1,385</u>  | <u>917</u>     | <u>1,433</u>  |
| Amounts due after more than one year: |               |               |                |               |
| Unsecured loans                       | 30            | -             | -              | -             |
|                                       | <u>807</u>    | <u>1,385</u>  | <u>917</u>     | <u>1,433</u>  |

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

13. CREDITORS

|  | <u>Group</u>  |               | <u>Company</u> |               |
|--|---------------|---------------|----------------|---------------|
|  | <u>1989</u>   | <u>1988</u>   | <u>1989</u>    | <u>1988</u>   |
|  | <u>£000's</u> | <u>£000's</u> | <u>£000's</u>  | <u>£000's</u> |
| Amounts falling due within one year:     |               |               |                |               |
| Bank overdraft                           | 25            | 820           | 25             | 664           |
| Trade creditors                          | 150           | 834           | 141            | 736           |
| Amount due to group companies            | 1,335         | -             | 1,633          | 366           |
| Corporation tax payable                  | -             | 7             | -              | -             |
| Other taxation & social security payable | 119           | 284           | 120            | 219           |
| Other creditors                          | 72            | 73            | 56             | 73            |
| Accruals & deferred income               | 53            | 103           | 42             | 79            |
|  | <u>1,754</u>  | <u>2,121</u>  | <u>2,017</u>   | <u>2,137</u>  |
|  | *****         | *****         | *****          | *****         |

|  | <u>Group</u>  |               | <u>Company</u> |               |
|--|---------------|---------------|----------------|---------------|
|  | <u>1989</u>   | <u>1988</u>   | <u>1989</u>    | <u>1988</u>   |
|  | <u>£000's</u> | <u>£000's</u> | <u>£000's</u>  | <u>£000's</u> |
| Amounts falling due after more than one year |               |               |                |               |
| Bank loan                                    | -             | 45            | -              | 45            |
| Other creditors                              | 2             | 80            | 2              | 80            |
|  | <u>2</u>      | <u>125</u>    | <u>2</u>       | <u>125</u>    |
|  | *****         | *****         | *****          | *****         |

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

14. PROVISIONS FOR LIABILITIES AND CHARGES

No provision for deferred taxation has been made as the company and the group has a potential deferred taxation asset, made up as follows:

|                                | <u>30 June 1989</u> | <u>31 March 1988</u> |
|--------------------------------|---------------------|----------------------|
|                                | <u>£'000</u>        | <u>£'000</u>         |
| Accelerated capital allowances | (66)                | 122                  |
| Other timing differences       | -                   | (8)                  |
| Unutilised losses              | -                   | (167)                |
|                                | <u>(66)</u>         | <u>(53)</u>          |

15. CALLED-UP SHARE CAPITAL

|  | <u>1989</u>   | <u>1988</u>   |
|--|---------------|---------------|
|  | <u>£000's</u> | <u>£000's</u> |
| Authorised:                            |               |               |
| 10,000,000 ordinary shares of 10p each | 1,000         | 1,000         |
| Allotted, called-up and fully paid:    |               |               |
| 8,000,000 ordinary shares of 10p each  | 800           | 800           |

16. PROFIT AND LOSS ACCOUNT

|                           | <u>Group</u>   |               | <u>Company</u> |               |
|---------------------------|----------------|---------------|----------------|---------------|
|                           | <u>1989</u>    | <u>1988</u>   | <u>1989</u>    | <u>1988</u>   |
|                           | <u>£000's</u>  | <u>£000's</u> | <u>£000's</u>  | <u>£000's</u> |
| At 1 April 1988           | (426)          | 189           | (426)          | 71            |
| Deficit for the period    | (1,100)        | (627)         | (1,040)        | (497)         |
| Exchange adjustments      | -              | 12            | -              | -             |
| Consolidation adjustments | 60             | -             | -              | -             |
|                           | <u>(1,466)</u> | <u>(426)</u>  | <u>(1,466)</u> | <u>(426)</u>  |
| At 30 June 1989           | (1,466)        | (426)         | (1,466)        | (426)         |

ANDRE DE BRETT PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FIFTEEN MONTHS ENDED 30 JUNE 1989 (continued)

17. PENSION COMMITMENTS

The Thermawear group has a defined benefits scheme covering certain of the company's employees, and the costs are assessed with the advice of a qualified actuary. The most recent actuarial valuation was at 1 October 1988. The scheme's fund is administered by trustees and are independent of the group's resources. The actuarial particulars of the schemes relating to the group as a whole are given in the holding company's financial statements.

18. ULTIMATE HOLDING COMPANY

The company's immediate parent company is Thermawear Limited, a company incorporated in Great Britain.

The ultimate holding company is Cofisel S.A., a company incorporated in Switzerland.