1391526
[redacted]

Financial Accounts

Peers Hardy (U.K.) Limited

For The Nine Months Ended
31st December 1988

Index

C.W. George & Co.
Chartered Accountants

Peers Hardy (U.K.) Limited

REPORT OF THE DIRECTORS
For The Nine Months Ended 31st December 1988

The Directors present their annual report on the affairs of the Company, together with the Accounts and Auditors' Report for the above period.

RESULTS AND DIVIDENDS

The net profit of the Company for the period was £9920 (1988 - £597). The Directors recommend that this be added to the retained earnings at the beginning of the period and that the balance of £721575 be carried forward.

The Directors do not recommend the payment of a dividend.

During the period exports from the United Kingdom amounted to £239023 (1988-£400282).

REVIEW OF THE BUSINESS

During the period the Company's principal activity has been that of Manufacturers Importers & Distributors of Clocks and Watches.

DIRECTORS

The Directors of the Company during the period and their beneficial interests in the issued share capital of the Company at the beginning and end of the period were:

			Ordinary Shares of 10p each	
			1988	1988
N.R. Woolley		'A'	220000	220000
J.E. Story		'A'	639916	639916
	Non-Voting	'B'	139972	139972
M. Osborne			-	-

Mr. J.E. Story retires from the Board and, being eligible, offers himself for re-election.

POLITICAL AND CHARITABLE DONATIONS

No political or charitable donations were made during the year.

STATUS

The company is a close company under the provisions of the Taxes Acts.

AUDITORS

A resolution will be proposed at the Annual General Meeting to re-appoint the Auditors, C.W. George & Co., Chartered Accountants.

BY ORDER OF THE BOARD

[signature]

April 1989

Peers Hardy (U.K.) Limited

REPORT OF THE AUDITORS

To The Members of Peers Hardy (U.K.) Limited

We have audited the accounting records of Peers Hardy (U.K.) Limited for the Nine Months ended 31st December 1988.

The accounts attached which have been drawn up under the historical cost convention have been properly prepared in accordance with the provisions of the Companies Act 1985.

In our opinion these accounts give, under the historical cost convention, a true and fair view of the state of affairs, and results. We are also of the opinion that the requirements for exemptions under sections 247 to 249 of the Companies Act 1985 have been satisfied.

C.W. George & Co.
Charte :d Accountant.

Grazebrook House
Peartree Lane
Dudley
West Midlands
DY2 OXW

April 1989

No. of Company : 1391527

Pears Hardy (U.K.) Limited

BALANCE SHEET
As at 31st December 1988

	Notes		1988 £		1988 £
FIXED ASSETS	3				
Tangible Assets			302872		286086
CURRENT ASSETS	6				
Stock		878417		848456	
Debtors		801334		487543	
Cash at Bank		17		1175	
Cash Account		424		559	
		1680192		1337733	
CREDITORS	7				
Amounts due within one year		1127572		729307	
NET CURRENT ASSETS			552620		608426
TOTAL ASSETS LESS CURRENT LIABILITIES			855492		894512
CREDITORS	7				
Amounts due in more than one year			33917		82858
			£ 821575		£ 811654
CAPITAL AND RESERVES					
Share Capital	5		100000		100000
Profit and Loss Account			721575		711654
			£ 821575		£ 811654

As a medium size Company we have relied upon the exemptions under sections 247 to 249 of the Companies Act 1985.

....................)
....................) DIRECTORS

April 1989

Peers Hardy (U.K.) Limited

PROFIT AND LOSS ACCOUNT
For The Nine Months Ended 31st December 1988

		1988 £		1988 £
GROSS PROFIT		792842		1057581
Distribution Costs		283693		361610
		509149		695971
Administration Costs				
General Overheads	238559		328699	
Directors' Remuneration	135157		140243	
Auditors' Remuneration	2550		3500	
Depreciation	48483		46718	
Bank Interest	65580		75355	
		490329		594515
NET PROFIT ON ORDINARY ACTIVITIES		18820		101456
TAXATION				
Corporation Tax	8900		38348	
Prior Year Adjustments	-		(12489)	
		8900		25859
NET PROFIT FOR THE YEAR		9920		75597
Share Capitalisation		-		75000
		9920		597
RETAINED PROFITS BROUGHT FORWARD		711655		711057
BALANCE CARRIED TO BALANCE SHEET		£ 721575		£ 711654

Peers Hardy (U.K.) Limited

NOTES TO THE ACCOUNTS
For The Nine Months Ended 31st December 1988

1. ACCOUNTING POLICIES

a. The Accounts have been prepared under the Historical Cost Convention.

b. Turnover represents the net amount of invoices to customers less credit notes for goods returned, excluding VAT.

c. Depreciation is calculated to write off the cost of an asset over its anticipated useful life. No depreciation is provided on assets acquired but not yet in use, neither is depreciation provided in the year of disposal.

The rates and bases generally used are as follows:-

Freehold Property	Nil.
Motor Vehicles	25% p.a. straight line basis.
Tooling	On a straight line basis varied according to the anticipated market life of the models produced.
Equipment and Fixtures	25% p.a. straight line basis.

d. Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

2. TURNOVER

The turnover and results before taxation are attributable in the main, to the Company's principal activity, namely, Manufacturers Importers & Distributors of Clocks and Watches.

Peers Hardy (U.K.) Limited

NOTES TO THE ACCOUNTS CONT'D
For The Nine Months Ended 31st December 1988

3. FIXED ASSETS

TANGIBLE ASSETS

	Cost at Start	Additions at Cost	Disposals at Cost	Depr'n to Date	Net Book Value
	£	£	£	£	£
Freehold Property	63423	-	-	-	63423
Motor Vehicles	113587	92414	(51938)	(38857)	115206
Tooling	141952	18747	-	(94378)	66321
Equipment and Fixtures	126524	4891	-	(73493)	57922
Total per Balance Sheet	445486	116052	(51938)	(206728)	302872

FUTURE CAPITAL EXPENDITURE

	1988	1988
	£	£
Contracted for but not provided in the Accounts.	Nil	Nil

4. DEFERRED TAXATION

The Directors do not consider it necessary to make provision for Deferred Taxation.

Peers Hardy (U.K.) Limited

NOTES TO THE ACCOUNTS CONT'D
For The Nine Months Ended 31st December 1988

5. SHARE CAPITAL

	1988 £	1988 £
Ordinary Shares of 10p each.		
Authorised		
'A' Shares 860000	86000	86000
'B' Shares 140000 Non-Voting	14000	14000
	100000	100000
Issued and Fully Paid	100000	100000

6. DEBTORS

	1989 £	1988 £
Amounts due within one year:-		
Trade Debtors	752253	442257
Other Debtors	15540	8754
Prepayments	33541	36532
	801334	487543

7. CREDITORS

	1989 £	1988 £
Amounts due within one year:-		
Trade Creditors	240668	137347
Corporation Tax	47248	38348
Accruals	33624	31817
Other Creditors inc Taxes	38526	36918
Hire Purchase Creditors	68103	7375
Bank Overdraft (Secured)	695482	477502
Bank Overdraft (Overseas)	3921	-
	1127572	729307
Amounts due after more than one year:-		
Hire Purchase Creditors	33917	82858
	1161489	812165