

BLACKACRE JEWELLERS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 JANUARY 1998

28811/5



BLACKACRE JEWELLERS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 JANUARY 1998

CONTENTS

Pages

REPORT AND ACCOUNTS

1

Company Information

2

Director's Report

3

Accountants' Report

4

Profit and Loss Account

5

Balance Sheet

6 – 8

Notes to the Financial Statements

ADDITIONAL FINANCIAL INFORMATION
not forming part of the
Statutory Reports

9 - 11

Trading and Profit and Loss Account

COMPANY INFORMATION

Director	P R Gauntlett
Secretary	Mrs V P Gauntlett
Registered Office	Meridian House 62 Station Road North Chingford London E4 7BA
Accountants	French and Company Chartered Accountants Meridian House 62 Station Road North Chingford London E4 7BA
Bankers	Lloyds Bank PLC South Chingford Branch 49 Old Church Road London E4 6SW
Company Registration Number	2881113 (England and Wales)
Date of Incorporation	15 December 1993

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 JANUARY 1998

The director presents his report and the financial statements of the Company for the year ended 31 January 1998.

PRINCIPAL ACTIVITY

The Company's principal activity continues to be that of jewellers.

DIRECTOR

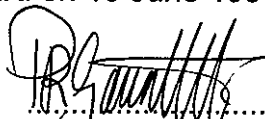
The director who served during the year and his beneficial interest in the Company's issued ordinary share capital was:

	<u>Number of shares</u>	
	<u>At 31 January 1998</u>	<u>At 31 January 1997</u>
P R Gauntlett	1	1

SMALL COMPANY RULES

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the board on 18 June 1998 and signed on its behalf.


.....
P R Gauntlett
Director

ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS
TO THE DIRECTOR OF
BLACKACRE JEWELLERS LIMITED

Page 3

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 January 1998 set out on pages 4 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

A handwritten signature in cursive script that reads "French & Company".

18 June 1998

FRENCH AND COMPANY
Chartered Accountants

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 1998

	Notes	£	<u>1997</u> £
TURNOVER		259,543	235,047
Cost of sales		141,991	121,037
GROSS PROFIT		117,552	114,010
Administrative expenses		106,450	108,107
OPERATING PROFIT	2	11,102	5,903
Interest receivable and similar income		29	22
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		11,131	5,925
Taxation on profit on ordinary activities	3	2,933	1,885
RETAINED PROFIT FOR THE YEAR		8,198	4,040
Retained profit brought forward		4,930	890
RETAINED PROFIT CARRIED FORWARD		13,128	4,930
		=====	=====

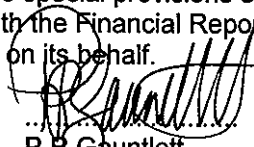
The notes on pages 6 to 8 form part of these financial statements.

BALANCE SHEET AS AT 31 JANUARY 1998

	Notes	£	<u>1997</u> £
FIXED ASSETS			
Tangible assets	4	8,719	14,293
CURRENT ASSETS			
Stocks		99,090	99,156
Debtors	5	2,979	7,314
Cash at bank and in hand		1,605	1,444
CREDITORS - DUE WITHIN ONE YEAR	6	103,674 99,261	107,914 117,273
NET CURRENT ASSETS/(LIABILITIES)		4,413	(9,359)
TOTAL ASSETS LESS CURRENT LIABILITIES		13,132	4,934
CAPITAL AND RESERVES			
Called up share capital	7	4	4
Profit and loss account		13,128	4,930
SHAREHOLDERS' FUNDS		13,132	4,934

The director considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the Company's issued share capital have not issued a notice requiring an audit. The director acknowledges his responsibilities for ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985 and for preparing financial statements which give a true and fair view of the state of affairs of the Company as at 31 January 1998 and of its result for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the Company.

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities were approved by the board on 18 June 1998 and signed on its behalf.


P R Gauntlett
Director

The notes on pages 6 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention.

(b) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided in equal amounts each year to write off the cost of fixed assets over their anticipated useful lives. Estimated useful lives are:

Fixtures and fittings	5 years
-----------------------	---------

(c) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

(d) Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

NOTES TO THE FINANCIAL STATEMENTS

2. OPERATING RESULTS

The operating results are stated
after charging:

Depreciation of tangible fixed
assets - owned by the Company
Director's emoluments

	1997
£	£
6,797	6,763
-	-

3. TAXATION

Charge for taxation based on
the result for the year:

Corporation Tax at 24%/21%
(1997 - 25%/24%)

	1997
£	£
2,933	1,885
=====	=====

4. TANGIBLE FIXED ASSETS

COST

At beginning of year
Additions
Disposals

Fixtures
& Fittings

£

33,817
1,223
-

At end of year

35,040

DEPRECIATION

At beginning of year
Charge for the year
Disposals

19,524
6,797
-

At end of year

26,321

NET BOOK VALUES

At end of year

8,719
=====

At beginning of year

14,293
=====

NOTES TO THE FINANCIAL STATEMENTS

5.	DEBTORS - DUE WITHIN ONE YEAR		<u>1997</u>
		£	£
	Other debtors	2,979	7,314
		=====	=====
6.	CREDITORS - DUE WITHIN ONE YEAR		<u>1997</u>
		£	£
	Trade creditors	33,866	33,848
	Social Security and other taxes	2,221	1,000
	Corporation Tax	2,933	1,885
	Other creditors	60,241	80,540
		-----	-----
		99,261	117,273
		=====	=====
7.	SHARE CAPITAL		<u>1997</u>
		£	£
	Ordinary shares of £1 each		
	Authorised	1,000	1,000
		=====	=====
	Allotted, called up and fully paid	4	4
		=====	=====

8. RELATED PARTY TRANSACTIONS

The company operates from premises in which the director, P R Gauntlett has a major interest and which are let under normal commercial terms. The director also has a major interest in Michel Herbelin UK Limited, which supplied goods for resale of £4,135 during the year on normal trade terms and to whom £7,704 was owed at the end of the year.