
AURUM ACQUISITIONS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JANUARY 2011

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AURUM ACQUISITIONS LIMITED

COMPANY INFORMATION

DIRECTORS	A J Broderick R E Gerrard S C Sargent J P D Stead
COMPANY SECRETARY	Mrs G Oliff
COMPANY NUMBER	5074721
REGISTERED OFFICE	Aurum House 2 Elland Road Braunstone Leicester LE3 1TT
AUDITORS	KPMG LLP, Statutory Auditor Chartered Accountants 1 Waterloo Way Leicester LE1 6LP
BANKERS	Bank of Scotland City Mark 150 Fountainbridge Edinburgh EH3 9PE Landsbanki Islands hf Old Change House 128 Queen Victoria Street London EC4V 4BJ
SOLICITORS	HBJ Gateley Wareing Knightsbridge House Lower Brown Street Leicester LE1 5NL

AURUM ACQUISITIONS LIMITED

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AURUM ACQUISITIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JANUARY 2011

The directors present their report and the financial statements for the year ended 30 January 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and applicable law (UK Generally Accepted Accounting Practice applicable to Smaller Entities)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

PRINCIPAL ACTIVITIES

The company acts as an intermediate holding company for Aurum Holdings Limited

DIRECTORS

The directors who served during the year were

A J Broderick
R E Gerrard
S C Sargent
J P D Stead

AURUM ACQUISITIONS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JANUARY 2011**

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 417 of the Companies Act 2006

This report was approved by the board and signed on its behalf



Mrs G Oliff
Secretary

Date 8 April 2011

AURUM ACQUISITIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AURUM ACQUISITIONS LIMITED

We have audited the financial statements of Aurum Acquisitions Limited for the year ended 30 January 2011, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 January 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AURUM ACQUISITIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AURUM ACQUISITIONS LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



I J Bortey (Senior Statutory Auditor)

for and on behalf of

KPMG LLP, Statutory Auditor

Chartered Accountants

1 Waterloo Way

Leicester

LE1 6LP

8 April 2011

AURUM ACQUISITIONS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JANUARY 2011**

	Note	2011 £000	2010 £000
Dividends receivable		820	1,020
Interest payable and similar charges		(1,736)	(4,341)
Exceptional interest payable		-	(1,006)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(916)	(4,327)
Tax on loss on ordinary activities	3	-	-
LOSS FOR THE FINANCIAL YEAR	11	(916)	(4,327)

The notes on pages 7 to 11 form part of these financial statements

AURUM ACQUISITIONS LIMITED
REGISTERED NUMBER 5074721

BALANCE SHEET
AS AT 30 JANUARY 2011

	Note	£000	30 January 2011 £000	£000	31 January 2010 £000
FIXED ASSETS					
Intangible assets	4		46,369		46,369
Investments	5		74,146		74,146
			<u>120,515</u>		<u>120,515</u>
CURRENT ASSETS					
Debtors	6	16,598		16,598	
CREDITORS: amounts falling due within one year	7	<u>(64,066)</u>		<u>(63,651)</u>	
NET CURRENT LIABILITIES			<u>(47,468)</u>		<u>(47,053)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>73,047</u>		<u>73,462</u>
CREDITORS: amounts falling due after more than one year	8		<u>(31,227)</u>		<u>(30,726)</u>
NET ASSETS			<u><u>41,820</u></u>		<u><u>42,736</u></u>
CAPITAL AND RESERVES					
Called up share capital	10		39,680		39,680
Other reserves	11		3,850		3,850
Profit and loss account	11		<u>(1,710)</u>		<u>(794)</u>
SHAREHOLDERS' FUNDS			<u><u>41,820</u></u>		<u><u>42,736</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



S C Sargent
Director

Date 8 April 2011

The notes on pages 7 to 11 form part of these financial statements

AURUM ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Goodwill

Purchased goodwill, representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired, arising on acquisitions is capitalised and classified as an asset on the balance sheet. The goodwill is considered to have an indefinite useful life, in which case it is not amortised but is subject to an annual review for impairment. The directors consider that this would fail to give a true and fair view of the result for the year and that the economic measure of performance in any period is properly made by reference only to any impairment that may have arisen. It is not practicable to quantify the effect on the accounts of this departure. Any impairment charge is included within operating profits.

1.3 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.4 Going concern

In determining the appropriate basis of preparation of financial statements, the Directors are required to consider whether the company can continue in operational existence for the foreseeable future.

Having reviewed the current cash flow projections, and having made reasonable enquiries in making the underlying assumptions on sales growth, the directors have a reasonable expectation that the company will be able to meet its liabilities as they fall due for the foreseeable future. It is on this basis that the Directors consider it appropriate to prepare the company's financial statements on the going concern basis.

1.5 Reporting basis

The company has adopted a normal retail reporting basis to the Sunday nearest 31 January each year.

AURUM ACQUISITIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JANUARY 2011**

2 NET OPERATING LOSS

During the year, no director received any emoluments (2010 - £NIL)

- is stated after charging

	2011 £000	2010 £000
Write off of exceptional issue costs	<u>-</u>	<u>1,006</u>

3. TAXATION

	2011 £000	2010 £000
UK corporation tax charge on loss for the year	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 28% (2010 - 28%) The differences are explained below

	2011 £000	2010 £000
Loss on ordinary activities before tax	<u>(916)</u>	<u>(4,327)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 - 28%)	(256)	(1,212)
Effects of		
Expenses not deductible	-	28
Dividends received	(230)	-
Group relief	1,598	186
Transfer pricing adjustments	(1,112)	(112)
Increase in losses carried forward	-	1,110
Current tax charge for the year (see note above)	<u>-</u>	<u>-</u>

AURUM ACQUISITIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JANUARY 2011**

4. INTANGIBLE FIXED ASSETS

	Goodwill £000
Cost	
At 1 February 2010 and 30 January 2011	46,369
Net book value	
At 30 January 2011	46,369
At 31 January 2010	46,369

5 FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 February 2010 and 30 January 2011	74,146
Net book value	
At 30 January 2011	74,146
At 31 January 2010	74,146

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Aurum Group Limited	Ordinary	100 %
Goldsmiths Finance Limited	Ordinary	100 %
Aurum Insurance (Guernsey) Limited	Ordinary	100 %

In the opinion of the directors the aggregate value of its investment in subsidiary undertakings is not less than the amounts at which they are stated in the accounts

6 DEBTORS

	30 January 2011 £000	31 January 2010 £000
Amounts owed by group undertakings	16,598	16,598

AURUM ACQUISITIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JANUARY 2011**

7. CREDITORS

Amounts falling due within one year

	30 January 2011 £000	31 January 2010 £000
Amounts owed to group undertakings	63,985	63,562
Other creditors	81	89
	<u>64,066</u>	<u>63,651</u>

8. CREDITORS:

Amounts falling due after more than one year

	30 January 2011 £000	31 January 2010 £000
Bank loans	31,227	30,726

Included within the above are amounts falling due as follows

	30 January 2011 £000	31 January 2010 £000
Between one and two years		
Bank loans	525	515
Between two and five years		
Bank loans	30,702	30,211

The bank loans are secured on the assets of the Group by means of a fixed and floating charge. Interest at between 3.1% and 5.5% above LIBOR is payable on the bank loans.

9. DEFERRED TAXATION

	30 January 2011 £000	31 January 2010 £000
At beginning and end of year	-	-

AURUM ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JANUARY 2011

9 DEFERRED TAXATION (continued)

The company did not recognise deferred tax assets of £3,499,000 (2010 £4,525,000) in respect of tax losses on the basis that the future economic benefit is uncertain

It was announced in the Budget on 23 March 2011 that the UK corporation tax rate will reduce by a further 1% from 1 April 2011 (to 26% rather than the previously announced 27%) with a further 3 reductions of 1% in future years reducing the UK main rate of corporation tax to 23% from 1 April 2014. This will reduce the company's future tax charge accordingly. As the rate prevailing at the balance sheet date was 27% deferred tax has been calculated at this rate. If the rate change from 28% to 26% had been substantively enacted on or before the balance sheet date it would have had the effect of reducing the unprovided deferred tax asset by £130k. It has not been possible to quantify the full anticipated effect of the announced further 3% rate reductions, although this will further reduce the company's future current tax charge and reduce the company's deferred tax liabilities/assets accordingly.

10 SHARE CAPITAL

	30 January 2011 £000	31 January 2010 £000
Allotted, called up and fully paid		
39,679,722 Ordinary shares of £1 each	<u>39,680</u>	<u>39,680</u>

11. RESERVES

	Other reserves £000	Profit and loss account £000
At 1 February 2010	3,850	(794)
Loss for the year		(916)
At 30 January 2011	<u>3,850</u>	<u>(1,710)</u>

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At the balance sheet date the controlling party and ultimate parent undertaking was Aurum Holdings Limited. Copies of the accounts of Aurum Holdings Limited can be obtained from Aurum House, 2 Elland Road, Braunstone, Leicester LE3 1TT. Those accounts are the only group accounts prepared that include the company.