

B W SIZER LIMITED

Unaudited financial statements

for the year ended 31 March 2004

Directors

B W Sizer
Mrs P Sizer

Secretary

Mrs P Sizer

Accountants

Moore Stephens
Chartered Accountants
12-13 Alma Square
Scarborough
North Yorkshire
YO11 1JU

Bankers

Barclays Bank PLC
PO Box No 13
St. Nicholas Street
Scarborough
North Yorkshire
YO11 2HS

Registered office

44 Huntriss Row
Scarborough
North Yorkshire
YO11 2EF

Company registration

England 927 355

**SIGNED COPY FOR
REGISTRAR OF COMPANIES**



B W SIZER LIMITED

Directors' report

for the year ended 31 March 2004

The directors have pleasure in presenting their annual report to shareholders together with the company's unaudited accounts for the year ended 31 March 2004.

Principal activity

The company trades as retailers of jewellery and watches.

Directors and their interests in the capital of the company

The directors and their family interests in the capital of the company during the period were:

	Ordinary £1 shares	
	31 March 2004	31 March 2003
Brian William Sizer	1,500	1,500
Pamela Sizer	500	500

Elective resolutions

The shareholders have passed elective resolutions dispensing with the requirement to hold an annual general meeting and to lay the accounts before an annual general meeting. Nevertheless the directors would like to remind the shareholders that any shareholder has the right to call for the accounts to be laid before a meeting of the shareholders and that this right may be exercised by notice in writing to the company's registered office within 28 days from the date of receipt of the accounts.

Statement of directors' responsibilities

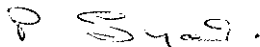
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



Mrs P Sizer
Secretary

**Chartered Accountants' report to the Board of Directors
on the unaudited financial statements of B W Sizer Limited
for the year ended 31 March 2004**

In accordance with the engagement letter dated 29 March 2001, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of B W Sizer Limited for the year ended 31 March 2004 set out on pages 4 to 9. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 6 from the accounting records and information and explanations you have given to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 March 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Moore Stephens

12-13 Alma Square
Scarborough
YO11 1JU

MOORE STEPHENS

3 December 2004

Chartered Accountants

B W SIZER LIMITED

Profit and loss account

for the year ended 31 March 2004

	Note	£	2003 £
Turnover	1	750,671	740,897
Cost of sales		(500,146)	(495,729)
Gross profit		<u>250,525</u>	<u>245,168</u>
Distribution expenses		(130,360)	(111,686)
Administrative expenses		(20,355)	(19,489)
Operating profit	13	<u>99,810</u>	<u>113,993</u>
Income from fixed asset investments		1,199	1,304
Loss on disposal of fixed asset investments		(9,279)	(6,125)
Provision for diminution in value of quoted investments released/(charged)		20,015	(16,728)
Interest receivable		3,857	4,631
Interest payable	14	(2,223)	(1,497)
Profit on ordinary activities before taxation		<u>113,379</u>	<u>95,578</u>
Taxation on profit on ordinary activities	15	(19,518)	(22,514)
Profit on ordinary activities after taxation		<u>93,861</u>	<u>73,064</u>
Dividends		—	(9,600)
Retained profit for the year	11	<u><u>93,861</u></u>	<u><u>63,464</u></u>

B W SIZER LIMITED

Balance sheet

as at 31 March 2004

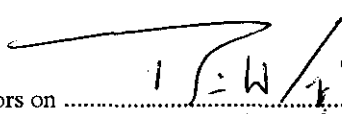
	Note	£	£	2003 £	2003 £
Fixed assets					
Tangible assets	5		57,490		63,981
Investments	6		66,952		56,048
			<u>124,442</u>		<u>120,029</u>
Current assets					
Stocks	7	813,980		737,133	
Debtors	8	7,673		6,475	
Cash at bank and in hand		221,447		206,132	
		<u>1,043,100</u>		<u>949,740</u>	
Creditors: amounts falling due within one year	9	122,102		118,190	
Net current assets			<u>920,998</u>		<u>831,550</u>
Net assets			<u><u>1,045,440</u></u>		<u><u>951,579</u></u>
Capital and reserves					
Called up share capital	10	2,000		2,000	
Profit and loss account	11	1,043,440		949,579	
			<u><u>1,045,440</u></u>		<u><u>951,579</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

For the year in question the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. The members have not required the company to obtain an audit of its accounts for the period in accordance with s249B(2). The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- preparing accounts which give a true and fair view of the state of affairs of the company, as at the end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts so far as applicable to the company.

The financial statements were approved by the board of directors on


2/12/2004

B W Sizer
Director

Notes to the accounts

for the year ended 31 March 2004

1 Accounting policies

These accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), adopting the following principal accounting policies.

1.01 Depreciation

Depreciation of fixed assets has been provided at various rates which are anticipated to amortise the cost on a straight line basis over the assets' expected useful lives. Indicative annual rates are:—

Freehold buildings	2%
Fixtures, fittings, tools & equipment	33.3%
Short leasehold property	Over the duration of the lease

1.02 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.03 Turnover

Turnover comprises sales to customers of goods and services net of value added tax.

1.04 Deferred taxation

Deferred tax is recognised as a liability or asset if the transactions or events that give an obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date, although deferred tax assets are recognised only when it becomes more likely than not that they will be recoverable.

1.05 Leases

The company has no assets accounted for under finance lease agreements. Operating lease rentals are charged against profits of the period to which they relate.

1.06 Investments

Investments comprise quoted securities and are included at the lower of cost and net realisable value on a portfolio basis.

2 Controlling party

For the purposes of the related party disclosure provisions of the Financial Reporting Standard for Smaller Entities, Mr B W Sizer, who is a director and the principal shareholder, as detailed in the directors' report, is considered to be the company's controlling party.

3 Related party transactions

Included in creditors are the following directors' loans to the company:

	£	2003 £
B W Sizer	8,027	8,027
Mrs P Sizer	<u>20,726</u>	<u>19,528</u>

The directors' loans bore interest as disclosed in note 14.

4 Pension schemes

The company operates independently administered defined contribution pension schemes for both the directors and the employees. No contributions were made by the company to the schemes during the year.

B W SIZER LIMITED

Notes to the accounts

for the year ended 31 March 2004

5 Tangible assets	Freehold land & buildings £	Short leasehold property £	Fixtures fittings, tools & equipment £	Total £
Cost				
As at 31.03.03	57,989	30,269	68,127	156,385
Additions	—	—	168	168
Disposals	—	—	—	—
As at 31.03.04	57,989	30,269	68,295	156,553
Depreciation				
As at 31.03.03	3,712	30,269	58,423	92,404
Provided in year	928	—	5,731	6,659
Eliminated on disposal	—	—	—	—
As at 31.03.04	4,640	30,269	64,154	99,063
Net book value				
As at 31.03.03	54,277	—	9,704	63,981
As at 31.03.04	53,349	—	4,141	57,490
6 Investments	Quoted securities £			
Cost				
As at 31.03.03	85,371			
Additions	20,178			
Disposals	(29,289)			
As at 31.03.04	76,260			
Provisions				
As at 31.03.03	29,323			
Provided (released) in year	(20,015)			
Eliminated on disposal	—			
As at 31.03.04	9,308			
Net book value				
As at 31.03.03	56,048			
As at 31.03.04	66,952	(Market value	£66,952)	
7 Stocks	£		2003 £	
Jewellery, timepieces, silverware for resale	813,980		737,133	
8 Debtors	£		2003 £	
Deferred tax	708		149	
Other debtors	6,464		6,113	
Prepayments and accrued income	501		213	
	7,673		6,475	

B W SIZER LIMITED

Notes to the accounts

for the year ended 31 March 2004

9	Creditors: amounts falling due within one year	£	2003 £
	Trade creditors	33,398	32,387
	Corporation tax	20,077	22,954
	Other creditors	39,688	35,852
	Accruals and deferred income	28,939	26,997
		<u>122,102</u>	<u>118,190</u>

10	Share capital	£	2003 £
	Authorised – £1 ordinary shares	2,000	2,000
	Issued & fully paid – £1 ordinary shares	<u>2,000</u>	<u>2,000</u>

11	Reserves	Profit & loss account £
	As at 31.03.03	949,579
	Retained profit for the year	93,861
	As at 31.03.04	<u>1,043,440</u>

12 Deferred taxation

The full potential liability/(asset) and amount provided in the accounts relating to deferred taxation, assuming a tax rate of 19% (2003 – 19%), arise from the following timing differences between the tax computations and accounts: –

	£	2003 £
Full potential liability/(asset)		
Capital allowances in excess of/(less than) depreciation	(708)	(149)
Capital losses	(4,590)	(2,759)
	<u>(5,298)</u>	<u>(2,908)</u>
Of which provided in the accounts		
Capital allowances in excess of/(less than) depreciation	(708)	(149)
Capital losses	–	–
	<u>(708)</u>	<u>(149)</u>

13	Operating profit	£	2003 £
	Operating profit is stated after charging:		
	Depreciation	6,659	7,064
	Directors' remuneration	<u>30,520</u>	<u>30,580</u>

B W SIZER LIMITED

Notes to the accounts

for the year ended 31 March 2004

		2003
14 Interest payable	£	£
Directors' loan accounts	2,223	1,497
Other interest	—	—
	<u>2,223</u>	<u>1,497</u>
15 Taxation	£	£
Corporation tax – current year	20,077	22,954
Corporation tax – underprovision in previous year	—	55
Deferred taxation	(559)	(495)
	<u>19,518</u>	<u>22,514</u>
16 Operating lease commitments	£	2003 £
Rentals payable next year under property leases which expire:—		
Within one to two years	2,500	6,850
Within two to five years	—	—
	<u>2,500</u>	<u>6,850</u>