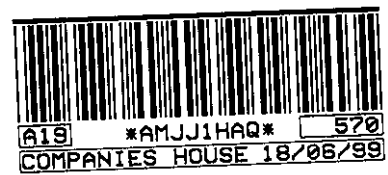


Company No. 00635089

P.J. HARVEY AND COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1998



P.J. HARVEY AND COMPANY LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 1998

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P.J. HARVEY AND COMPANY LIMITED
OFFICERS AND FINANCIAL ADVISORS

DIRECTORS	P.J. Harvey I.C. Parker M.J. Harvey P.G. Harvey
SECRETARY	P.J. Harvey
REGISTERED OFFICE	8 Abbotsbury Road Morden Surrey SM4 5LQ
ACCOUNTANTS	Windsor Stebbing Marsh Pinnacle House 4th Floor 17 - 25 Hartfield Road London SW19 3SE
BANKERS	TSB BANK PLC London Road Morden Surrey
COMPANY NUMBER	00635089

P.J. HARVEY AND COMPANY LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 1998**

The directors present their report and the financial statements for the year ended 30 September 1998.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of ironmongers and locksmiths.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company were as stated below.

	Class of share	Number of shares	
		1998	1997
P.J. Harvey	Ordinary shares	-	-
I.C. Parker	Ordinary shares	350	350
M.J. Harvey	Ordinary shares	175	175
	'A' Ordinary shares	10	10
P.G. Harvey	Ordinary shares	175	175
	'A' Ordinary shares	10	10

SMALL COMPANY EXEMPTION

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

This report was approved by the Board on 14th June 1999


I.C. Parker
Director

P.J. HARVEY AND COMPANY LIMITED

ACCOUNTANT'S REPORT TO THE MEMBERS

We have prepared, on the basis of the information contained in the company's accounting records and provided by the company's directors, and without carrying out an audit or examination, the accounts for the year ended 30 September 1998 set out on pages 4 to 10. The accounts have been prepared in accordance with the applicable requirements of the Companies Act 1985.

As described on page 5 the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit.

We have not conducted an audit on the accounts in accordance with Auditing Standards or an examination in accordance with with the appropriate standards for reporting accountants issued by the Accounting Practices Board and accordingly we express no opinion thereon.

Our work does not provide any assurance that the accounting records and the accounts are free from material misstatement.

Windsor Stebbing Marsh

Windsor Stebbing Marsh

Chartered Accountants
Reporting Accountant

Date: 14th Jan. 1999.

Pinnacle House
4th Floor
17 - 25 Hartfield Road
London SW19 3SE

P.J. HARVEY AND COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1998

	<u>Notes</u>	<u>1998</u> £	<u>1997</u> £
TURNOVER		260,153	244,894
COST OF SALES		(104,672)	(101,225)
GROSS PROFIT		155,481	143,669
Administrative expenses		(126,707)	(120,939)
OPERATING PROFIT		28,774	22,730
Other interest receivable and similar income	5	254	105
Interest payable and similar charges		(1,433)	(1,675)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		27,595	21,160
Tax on profit on ordinary activities		(7,204)	(2,611)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		20,391	18,549
Dividends		(15,000)	-
RETAINED PROFIT FOR THE YEAR	14	£ 5,391	£ 18,549

There are no recognised gains and losses other than those passing through the profit and loss account.

P.J. HARVEY AND COMPANY LIMITED

BALANCE SHEET
AS AT 30 SEPTEMBER 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Tangible assets	8	30,719	45,460
CURRENT ASSETS			
Stocks	9	30,469	28,159
Debtors	10	37,537	28,714
Cash at bank and in hand		8,383	5,067
		<u>76,389</u>	<u>61,940</u>
CREDITORS: amounts falling due within one year	11	<u>(35,849)</u>	<u>(34,637)</u>
NET CURRENT ASSETS		40,540	27,303
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>71,259</u>	<u>72,763</u>
CREDITORS: amounts falling after more than one year	12	<u>(2,621)</u>	<u>(9,516)</u>
		<u>£ 68,638</u>	<u>£ 63,247</u>
CAPITAL AND RESERVES			
Called up share capital	13	720	720
Profit and loss account	14	67,918	62,528
SHAREHOLDERS' FUNDS (EQUITY INTERESTS)	15	<u>£ 68,638</u>	<u>£ 63,248</u>

In preparing these financial statements:

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- 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, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements have been prepared in connection with Part VII of the Companies Act 1985.

The financial statements were approved by the board on 14th June 1999


I.C. Parker

Director

P.J. HARVEY AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998**

1. ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided, stated net of value added tax and trade discounts, during the year .

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Plant & equipment	-	15% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

2. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the U.K.

P.J. HARVEY AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 - Continued

3.	<u>OPERATING PROFIT</u>	<u>1998</u> £	<u>1997</u> £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	14,741	9,752
		<u> </u>	<u> </u>
4.	<u>DIRECTORS' EMOLUMENTS</u>	<u>1998</u> £	<u>1997</u> £
	Emoluments for qualifying services	50,365	54,681
	Company pension contributions to money purchase schemes	2,432	3,567
		<u> </u>	<u> </u>
		£ 52,797	£ 58,248
		<u> </u>	<u> </u>
5.	<u>PENSION COSTS</u>		
	The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company to the fund amounted to £2,432 (1997 £3,567).		
6.	<u>OTHER INTEREST RECEIVABLE AND SIMILAR INCOME</u>	<u>1998</u> £	<u>1997</u> £
	Bank interest received	254	105
		<u> </u>	<u> </u>
7.	<u>INTEREST PAYABLE</u>	<u>1998</u> £	<u>1997</u> £
	Hire purchase interest	1,433	1,675
		<u> </u>	<u> </u>
		£ 1,433	£ 1,675
		<u> </u>	<u> </u>

P.J. HARVEY AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 - Continued

8. TANGIBLE ASSETS

	Land and buildings	Plant & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 October 1997 & at 30 September 1998	4,372	3,524	66,804	74,700
Depreciation				
At 1 October 1997	4,372	3,493	21,375	29,240
Charge for year	-	43	14,698	14,741
At 30 September 1998	4,372	3,536	36,073	43,981
Net book values				
At 30 September 1998	£ -	£ 12	£ 30,731	£ 30,719
At 30 September 1997	£ -	£ 31	£ 45,429	£ 45,460

Included above are assets held under finance leases or hire purchase contracts as follows:

	Net book value £	Depreciation charge £
Motor vehicles	13,422	6,044

9. STOCKS

	1998 £	1997 £
Finished goods and goods for resale	30,469	28,159

10. DEBTORS

	1998 £	1997 £
Trade debtors	33,080	24,847
Prepayments and accrued income	4,457	3,867
	£ 37,537	£ 28,714

P.J. HARVEY AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 - Continued

11.	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>1998</u> £	<u>1997</u> £
	Net obligations under finance lease and hire purchase contracts	6,895	9,775
	Trade creditors	5,599	5,936
	Corporation tax	4,068	2,812
	Other taxes and social security costs	12,968	10,988
	Other creditors	3,264	2,348
	Accruals and deferred income	3,055	2,778
		<u>£ 35,849</u>	<u>£ 34,637</u>
12.	<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>	<u>1998</u> £	<u>1997</u> £
	Net obligations under finance leases and hire purchase contracts		
	Repayable within one year	6,895	9,775
	Repayable between one and five years	2,621	9,516
		<u>9,516</u>	<u>19,291</u>
	Included in current liabilities	<u>(6,895)</u>	<u>(9,775)</u>
		<u>£ 2,621</u>	<u>£ 9,516</u>
13.	<u>SHARE CAPITAL</u>	<u>1998</u> £	<u>1997</u> £
	Authorised		
	700 Ordinary shares of £1 each	700	700
	300 'A' Ordinary shares of £1 each	300	300
		<u>£ 1,000</u>	<u>£ 1,000</u>
	Allotted, called up and fully paid		
	700 Ordinary shares of £1 each	700	700
	20 'A' Ordinary shares of £1 each	20	20
		<u>£ 720</u>	<u>£ 720</u>

P.J. HARVEY AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1998 - Continued

14. PROFIT AND LOSS ACCOUNT

	<u>1998</u>	<u>1997</u>
	£	£
Retained profits at 1 October 1997	62,527	43,979
Retained profit for the year	5,391	18,549
Retained profits at 30 September 1998	<u>£ 67,918</u>	<u>£ 62,528</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1998</u>	<u>1997</u>
	£	£
Profit for the year	20,391	18,549
Dividends	(15,000)	-
Net addition to shareholders' funds	5,391	18,549
Opening shareholders' funds	63,248	44,699
Closing shareholders' funds	<u>£ 68,638</u>	<u>£ 63,248</u>