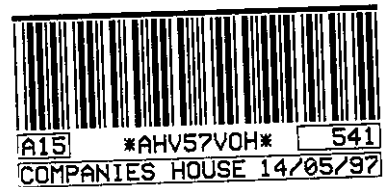


Company No. 00635089

P.J. HARVEY AND COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1996



Company No. 00635089

P.J. HARVEY AND COMPANY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1996

P.J. HARVEY AND COMPANY LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 1996

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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 35 South Park Road Wimbledon London SW19 8RR |
| 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 1996

The directors present their report and the financial statements for the year ended 30 September 1996.

PRINCIPAL ACTIVITIES

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

DIRECTORS AND THEIR INTERESTS

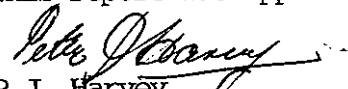
The directors who served during the year and their interests in the company were as stated below.

| | Class of share | Number of shares | |
|-------------|---------------------|------------------|------|
| | | 1996 | 1995 |
| P.J. Harvey | Ordinary shares | 350 | 350 |
| I.C. Parker | Ordinary shares | 350 | 350 |
| M.J. Harvey | Ordinary shares | - | - |
| | 'A' Ordinary shares | 10 | 10 |
| P.G. Harvey | Ordinary shares | - | - |
| | 'A' Ordinary shares | 10 | 10 |

SMALL COMPANY EXEMPTION

Advantage is taken in the preparation of the directors' report of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

This report was approved by the Board on 30 April 1997.


P.J. Harvey
Secretary

P.J. HARVEY AND COMPANY LIMITED

ACCOUNTANT'S REPORT TO THE MEMBERS

We have examined, without carrying out an audit, the accounts for the year ended 30 September 1996 set out on pages 4 to 11.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANT

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. It is our responsibility to examine the accounts and, based on our examination, to report our opinion, as set out below, to the shareholders.

BASIS OF OPINION

We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly we do not express an audit opinion on the accounts. Therefore our examination does not provide any assurance that the accounting records and the accounts are free from material misstatement.

OPINION

In our opinion:

- a) the accounts are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records, the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
- c) having regard only to, and on the basis of, the information contained in those accounting records, the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Windsor Stebbing Marsh

Windsor Stebbing Marsh

Chartered Accountants
Reporting Accountant

Date: 12th May 1997

35 South Park Road
Wimbledon
London
SW19 8RR

P.J. HARVEY AND COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1996

| | <u>Notes</u> | <u>1996</u> £ | <u>1995</u> £ |
|--|--------------|------------------|------------------|
| TURNOVER | | 211,632 | 204,453 |
| COST OF SALES | | (82,707) | (85,522) |
| GROSS PROFIT | | 128,925 | 118,931 |
| Administrative expenses | | (122,454) | (104,564) |
| OPERATING PROFIT | | 6,471 | 14,367 |
| Other interest receivable and similar income | 5 | 113 | 127 |
| Interest payable and similar charges | | (1,005) | (197) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 5,579 | 14,297 |
| Tax on profit on ordinary activities | | (1,130) | 885 |
| PROFIT FOR THE YEAR | 14 | £ 4,449 | £ 15,182 |

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 1996

| | Notes | 1996 £ | 1995 £ |
|--|-------|-----------------|-----------------|
| FIXED ASSETS | | | |
| Tangible assets | 8 | 21,643 | 15,676 |
| CURRENT ASSETS | | | |
| Stocks | 9 | 25,963 | 21,965 |
| Debtors | 10 | 29,845 | 27,497 |
| Cash at bank and in hand | | 943 | 1,892 |
| | | <u>56,751</u> | <u>51,354</u> |
| CREDITORS: amounts falling due within one year | 11 | <u>(24,943)</u> | <u>(20,124)</u> |
| NET CURRENT ASSETS | | <u>31,808</u> | <u>31,230</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>53,451</u> | <u>46,906</u> |
| CREDITORS: amounts falling after more than one year | 12 | <u>(8,752)</u> | <u>(6,657)</u> |
| | | <u>£ 44,699</u> | <u>£ 40,249</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 13 | 720 | 720 |
| Profit and loss account | 14 | 43,979 | 39,530 |
| SHAREHOLDERS' FUNDS (EQUITY INTERESTS) | 15 | <u>£ 44,699</u> | <u>£ 40,250</u> |

P.J. HARVEY AND COMPANY LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 1996 - Continued

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(2) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) 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.

Advantage is taken in the preparation of the financial statements of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions as a small company.

The financial statements were approved by the board on **30 April 1997.**


P.J. Harvey

Director

P.J. HARVEY AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1996

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 1996 - Continued

3. OPERATING PROFIT

| | <u>1996</u> | <u>1995</u> |
|--|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Operating profit is stated after charging: | | |
| Depreciation of tangible assets | 5,606 | 2,917 |

4. DIRECTORS' EMOLUMENTS

| | <u>1996</u> | <u>1995</u> |
|--------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Remuneration | 64,058 | 62,491 |

5. PENSION COSTS

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 £8,443 (1995 £11,996).

6. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

| | <u>1996</u> | <u>1995</u> |
|------------------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Bank interest received | 113 | 127 |

7. INTEREST PAYABLE

| | <u>1996</u> | <u>1995</u> |
|------------------------|----------------|--------------|
| | <u>£</u> | <u>£</u> |
| Hire purchase interest | 1,005 | 197 |
| | <u>£ 1,005</u> | <u>£ 197</u> |

P.J. HARVEY AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1996 - Continued

8. TANGIBLE ASSETS

| | Land and buildings | Plant & equipment | Motor vehicles | Total |
|----------------------|-----------------------|----------------------|-------------------|----------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 October 1995 | 4,372 | 3,524 | 33,158 | 41,054 |
| Additions | - | - | 11,572 | 11,572 |
| At 30 September 1996 | 4,372 | 3,524 | 44,730 | 52,626 |
| Depreciation | | | | |
| At 1 October 1995 | 4,372 | 3,407 | 17,598 | 25,377 |
| Charge for year | - | 43 | 5,563 | 5,606 |
| At 30 September 1996 | 4,372 | 3,450 | 23,161 | 30,983 |
| Net book values | | | | |
| At 30 September 1996 | £ - | £ 74 | £ 21,569 | £ 21,643 |
| At 30 September 1995 | £ - | £ 117 | £ 15,559 | £ 15,676 |

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

| | Net book value £ | Depreciation charge £ |
|----------------|------------------------|-----------------------------|
| Motor vehicles | 21,568 | 3,654 |

9. STOCKS

| | 1996 £ | 1995 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 25,963 | 21,965 |

10. DEBTORS

| | 1996 £ | 1995 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 26,564 | 22,654 |
| Other debtors | 1,800 | 1,800 |
| Prepayments and accrued income | 1,481 | 3,043 |
| | £ 29,845 | £ 27,497 |

P.J. HARVEY AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 1996 - Continued

| | | | |
|-----|---|------------------|------------------|
| 11. | <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u> | <u>1996</u> £ | <u>1995</u> £ |
| | Net obligations under finance lease and hire purchase contracts | 5,715 | 2,918 |
| | Trade creditors | 7,135 | 5,816 |
| | Corporation tax | 1,130 | - |
| | Other taxes and social security costs | 7,807 | 7,275 |
| | Other creditors | 204 | 204 |
| | Accruals and deferred income | 2,952 | 3,911 |
| | | <u>£ 24,943£</u> | <u>20,124</u> |
| 12. | <u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u> | <u>1996</u> £ | <u>1995</u> £ |
| | Net obligations under finance leases and hire purchase contracts | 5,715 | 2,918 |
| | Repayable within one year | 8,752 | 6,657 |
| | Repayable between one and five years | | |
| | | <u>14,467</u> | <u>9,575</u> |
| | Included in current liabilities | <u>(5,715)</u> | <u>(2,918)</u> |
| | | <u>£ 8,752</u> | <u>£ 6,657</u> |
| 13. | <u>SHARE CAPITAL</u> | <u>1996</u> £ | <u>1995</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 1996 - Continued

| 14. <u>PROFIT AND LOSS ACCOUNT</u> | <u>1996</u> <u>£</u> | <u>1995</u> <u>£</u> |
|---|-------------------------|-------------------------|
| Retained profits at 1 October 1995 | 39,530 | 24,348 |
| Retained profit for the year | <u>4,449</u> | <u>15,182</u> |
| Retained profits at 30 September 1996 | <u>£ 43,979</u> | <u>£ 39,530</u> |
| 15. <u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u> | <u>1996</u> <u>£</u> | <u>1995</u> <u>£</u> |
| Profit for the year | 4,449 | 15,182 |
| Opening shareholders' funds | <u>40,250</u> | <u>25,068</u> |
| Closing shareholders' funds | <u>£ 44,699</u> | <u>£ 40,250</u> |