

P. Fisher Limited
Financial Statements
for the year ended 28th February 2002



P. Fisher Limited

Company Information

Company No: 1481841

Chairman

Mr Paul Fisher

Registered Office

31-35 Kirby Street
London
EC1N 8TL

Directors

Mr Paul Fisher
Dr Herma Fisher
Ms Marianne Fisher

Secretary

Dr. Herma Fisher

Auditors

Landau Morley
Lanmor House
370-386 High Road
Wembley
Middlesex
HA9 6AX

Bankers

Barclays Bank Plc.
99 Hatton Garden
London
EC1N 8DN

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P. Fisher Limited

Directors' Report

for the year ended 28th February 2002

The directors submit their report together with the audited financial statements for the year ended 28th February 2002.

Directors' Statement

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 for that year. In preparing those financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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 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.

Results and Dividends

The trading profit for the year after taxation was £27,775 and it has been transferred to reserves

The directors do not recommend a dividend.

Principal Activity and Business Review

The principal activity of the company continued to be that of Dealers in Antique Jewellery and Precious Stones.

A summary of the results for the period is given on page 4 of the Financial Statements.

Future Developments of the Business

In the years immediately ahead the directors believe that there is scope for the further development of the existing activities of the company. There are no current plans for diversification of activities or major organisational change.

Directors and their Interests

The directors who served during the year and their beneficial interests in the share capital of the company were as follows:

	Ordinary Voting 2002 No.	Ordinary Non-Voting 2002 No.	Ordinary Voting 2001 No.	Ordinary Non-Voting 2001 No.
Mr Paul Fisher	5	-	5	-
Dr Herma Fisher	5	-	5	-
Ms Marianne Fisher	36	-	-	36

P. Fisher Limited

Directors' Report

for the year ended 28th February 2002

Auditors

The Auditors, Landau Morley Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

By Order of the Board:

Paul Fisher

Mr Paul Fisher
Director

July 28 2002

Independent Auditors' Report to the Shareholders of

P. Fisher Limited

We have audited the financial statements of P. Fisher Limited for the year ended 28th February 2002 on pages 4 to 13. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.


Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Audit Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28th February 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Landau Morley
Chartered Accountants
and Registered Auditors
1st August 2002.

Lanmor House
370-386 High Road
Wembley
Middlesex
HA9 6AX

P. Fisher Limited**Profit and Loss Account****for the year ended 28th February 2002**

	Notes	2002 £	2001 £
Turnover	2	3,922,894	4,587,550
Cost of sales		(3,614,187)	(4,152,044)
Gross profit		308,707	435,506
Distribution costs		(87,159)	(101,742)
Administrative expenses		(156,575)	(142,364)
Other operating income		15	7
Operating profit	3	64,988	191,407
Movements in fixed asset investments		(382)	(636)
Interest payable	5	(27,587)	(28,035)
Profit on ordinary activities before Taxation		37,019	162,736
Tax on profit on ordinary activities	6	(9,244)	(35,358)
Retained profit for the year		27,775	127,378
Retained profit brought forward		674,467	547,089
Retained profit carried forward		702,242	674,467

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

P. Fisher Limited**Balance Sheet****as at 28th February 2002**

	Notes	2002 £	2002 £	2001 £	2001 £
Fixed Assets					
Tangible fixed assets	8		4,211		2,239
Investments	9		4,471		4,853
			<u>8,682</u>		<u>7,092</u>
Current Assets					
Stocks	10	3,147,170		2,634,179	
Debtors	11	1,259,750		1,054,425	
Cash at bank		20,968		5,891	
			<u>4,427,888</u>	<u>3,694,495</u>	
Creditors:					
Amounts falling due within one year	12	(1,444,025)		(1,053,094)	
Net Current Assets			<u>2,983,863</u>		<u>2,641,401</u>
Total Assets Less Current Liabilities			<u>2,992,545</u>		<u>2,648,493</u>
Creditors: Amounts falling due after more than one year					
Directors' loans	13	1,863,291		1,973,926	
Other loans (CFAMISPP)	13	426,912		-	
			<u>(2,290,203)</u>		<u>(1,973,926)</u>
			<u>702,342</u>		<u>674,567</u>
Capital and Reserves					
Share capital	14		100		100
Profit and loss account			702,242		674,467
Equity Shareholders' Funds	15		<u>702,342</u>		<u>674,567</u>

These accounts were approved by the board on .

*July 28. 2002**Paul Fisher*Mr. Paul Fisher
Director

P. Fisher Limited**Cash Flow Statement****for the year ended 28th February 2002**

	Notes	2002 £	2001 £
Cash flow from operating activities	22	36,532	(926,349)
Returns on investments and servicing of finance	20	(27,587)	(28,035)
Taxation		(35,981)	(10,472)
Capital expenditure and financial investment	20	(3,635)	(794)
Cash outflow before use of liquid resources and financing		(30,671)	(965,650)
Financing	20	(110,635)	802,194
Decrease in cash in the year	23	(141,306)	(163,456)
Reconciliation of net cash flow to movement in net debt			
Decrease in cash in the year		(141,306)	(163,456)
Cash outflow/inflow from decrease/increase in debt and lease financing	23	110,635	(802,194)
Change in net debt resulting from cashflows		(30,671)	(965,650)
Movement in net debt in the period		(30,671)	(965,650)
Net debt at 1st March 2001		(2,156,977)	(1,191,327)
Net debt at 28th February 2002	23	(2,187,648)	(2,156,977)

Notes to the Financial Statements

for the year ended 28th February 2002

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company for goods supplied, excluding VAT.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Leasehold land and buildings	straight line over the period of the lease
Fixtures and fittings	15% reducing balance
Computer equipment	33% reducing balance

Investments

Investments are included at the lower of cost and market value. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred Taxation

Deferred tax is provided for, if material, under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

Leased Assets

All leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight-line basis over the lease term.

P. Fisher Limited

Notes to the Financial Statements

for the year ended 28th February 2002

2 Turnover

The turnover and operating profit for the year were derived from the company's principal activity.

The geographical analysis of turnover is as follows:

	2002	2001
	£	£
United Kingdom and Europe	3,531,475	3,870,445
America	231,198	473,539
Asia & Other	160,221	243,566
	<u>3,922,894</u>	<u>4,587,550</u>

3 Operating Profit

The operating profit is stated after charging or crediting:

	2002	2001
	£	£
Other operating lease rentals	5,847	5,500
Amounts payable to the auditors in respect of audit services	6,508	5,908
Depreciation - owned assets	1,663	805
(Profit)/Loss on foreign exchange	(4,010)	21,582
	<u></u>	<u></u>

4 Directors and Employees

Staff costs during the year were as follows:

	2002	2001
	£	£
Wages and salaries	30,000	10,000
Social security costs	3,038	1,042
	<u>33,038</u>	<u>11,042</u>

The average monthly number of employees, including directors, during the year was as follows:

	2002	2001
	Number	Number
Administration	1	1
Selling and distribution	3	3
	<u>4</u>	<u>4</u>

5 Interest Payable

	2002	2001
	£	£
Bank Overdrafts	26,853	27,470
Other Interest Payable	734	565
	<u>27,587</u>	<u>28,035</u>

P. Fisher Limited

Notes to the Financial Statements

for the year ended 28th February 2002

6	Tax on Profit on Ordinary Activities	2002	2001		
		£	£		
	<i>Based on the profit for the year:</i>				
	U.K. Corporation tax at 20 % (2001 - 21.24%)	8,621	35,358		
	Prior year adjustments - corporation tax	623	-		
	Total current tax charge - (Note 7)	<u>9,244</u>	<u>35,358</u>		
7	Tax charge reconciliation	2002	2001		
		£	£		
	Profits on ordinary activities before tax	<u>37,019</u>	<u>162,736</u>		
	Profits on ordinary activities multiplied by the rate of corporation tax 20% (2001 - 21.24%)	7,404	34,565		
	Effects of:				
		1,122	701		
	Expenses not deductible				
	Capital allowances less than depreciation	95	92		
	Adjustments to tax charge in respect of previous periods	623	-		
	Total current tax charge - (Note 6)	<u>9,244</u>	<u>35,358</u>		
8	Tangible Fixed Assets				
		Leasehold land and buildings	Fixtures and fittings	Computer equipment	Total
	Cost	£	£	£	£
	At 1st March 2001	5,455	6,546	-	12,001
	Additions	-	-	3,635	3,635
	At 28th February 2002	<u>5,455</u>	<u>6,546</u>	<u>3,635</u>	<u>15,636</u>
	Depreciation				
	At 1st March 2001	5,305	4,457	-	9,762
	Charged for the year	150	313	1,200	1,663
	At 28th February 2002	<u>5,455</u>	<u>4,770</u>	<u>1,200</u>	<u>11,425</u>
	Net Book Value				
	At 28th February 2002	<u>-</u>	<u>1,776</u>	<u>2,435</u>	<u>4,211</u>
	At 28th February 2001	150	2,089	-	2,239

Notes to the Financial Statements

for the year ended 28th February 2002

9 Fixed Asset Investments

	Listed Investments £
Cost	
At 1st March 2001 and 28th February 2002	27,762
Amounts Written Off	
At 1st March 2001	22,909
Provided during the year	382
At 28th February 2002	23,291
Net Book Value	
At 28th February 2002	4,471
At 1st March 2001	4,853

The market value of listed investments at 28th February 2002 was £4,471 (2001: £4,853)

10 Stocks

	2002 £	2001 £
Goods for re-sale	3,147,170	2,634,179

The company holds consignment stock on sale and return basis, which is legally owned by the suppliers. The consignment stock and the equivalent creditor, was not recorded as at 28th February 2002, the best estimate available amounts to £644,953, which has not been included in the stock or creditors.

	2002 £	2001 £
11 Debtors		
Trade debtors	1,203,351	1,020,991
Other debtors	27,262	19,128
Prepayments and accrued income	29,137	14,306
	<u>1,259,750</u>	<u>1,054,425</u>

12 Creditors: Amounts falling due within one year

	2002 £	2001 £
Bank overdrafts	345,325	188,942
Trade creditors	955,817	712,449
Corporation tax	8,621	35,358
Other creditors	86,142	86,142
Accruals and deferred income	48,120	30,203
	<u>1,444,025</u>	<u>1,053,094</u>

The Company's bankers have a fixed and floating charge over the Company's assets.

Notes to the Financial Statements

for the year ended 28th February 2002

13	Creditors: Amounts falling due after more than one year	2002	2001
		£	£
	Directors' loans	1,863,291	1,973,926
	Other loans	426,912	-
		<u>2,290,203</u>	<u>1,973,926</u>

The above loans are repayable only with the approval of the board of directors and are repayable in equal annual payments over five years from the date the lender demands repayment, unless otherwise decided by the board.

14	Share Capital		
	Authorised	Number	£
	Voting Ordinary shares of £1 each	70,000	70,000
	Non- voting Ordinary shares of £1 each	630,000	630,000
		<u></u>	<u></u>
	Allotted and fully paid	Number	£
	Voting Ordinary shares of £1 each (2001:10)	100	100
		<u></u>	<u></u>

By an Ordinary Resolution dated 28th January 2002, the issued 90 Non-voting Ordinary shares of £1 each were converted into Voting Ordinary shares of £1 each.

15	Reconciliation of the Movement in Shareholders' Funds	2002	2001
		£	£
	Profit for the financial year	27,775	127,378
	Opening shareholders' funds	674,567	547,189
		<u></u>	<u></u>
	Closing shareholders' funds	702,342	674,567
		<u></u>	<u></u>

16 Operating lease commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the next financial year:

	2002	2001
	Land and buildings	Land and buildings
	£	£
Expiring:		
Within two to five years	-	5,500
After five years	6,000	-
	<u></u>	<u></u>

Notes to the Financial Statements

for the year ended 28th February 2002

17 Transactions With Directors

Mr P. Fisher, one of the directors, was due £1,132,130 from the company at the end of the year, following a loan made by him in the previous year. Dr H. Fisher, another director, also lent the company £731,161, and this was the balance owing to her at the end of the year.

18 Related Party Transactions

The company is under the joint control of the Fisher family, Ms. M. Fisher, Mr. W. Fisher, Mr. P. Fisher and Dr. H. Fisher.

The following transactions occurred during the year between the company and various relatives of Mr P. Fisher, including balances at the year end:

Commissions Paid: £4,330 and Commissions payable accrued: £27,628

Sales: £1,479,560 Purchases £1,271,985 Legal fees: £770

Trade debtors: £20,906 Trade creditors and loans: £1,099,402

At the year end the balances due from and to Paul Fisher Inc., a Company controlled by Mr. Paul Fisher, were as follows:

Trade debtor (net of trade creditor): £784,979

All the transactions with related parties were at open market value.

19 Contingent Liabilities

The company's Bankers have given H.M. Customs & Excise a guarantee in respect of deferring payment of VAT and Duty by the company. The contingent liability at 28th February 2002 in respect of this guarantee was £100,000.

20 Analysis of Cash Flows for headings netted in the Cash Flow Statement

Returns on investments and servicing of finance	2002 £	2001 £
Interest paid	(27,587)	(28,035)
Net cash outflow for returns on investments and servicing of finance	(27,587)	(28,035)
 Capital expenditure and financial investment	 2002 £	 2001 £
Purchase of tangible fixed assets	(3,635)	(794)
Net cash outflow for capital expenditure and financial investment	(3,635)	(794)
 Financing	 2002 £	 2001 £
Debt due beyond a year: further advances by the directors	-	802,194
Debt due beyond a year: repayments to the directors	(110,635)	-
Net cash (outflow)/inflow from financing	(110,635)	802,194

Notes to the Financial Statements

for the year ended 28th February 2002

21 Reconciliation of Operating Profit to Operating Cash Flows

	2002	2001
	£	£
Operating profit	64,988	191,407
Depreciation charges	1,663	805
Increase in stocks	(512,991)	(759,181)
Increase in debtors	(205,325)	(722,074)
Increase in creditors	688,197	362,694
Net Cash Inflow/(Outflow) from Operating Activities	36,532	(926,349)

22 Analysis of changes in Net Debt

	At 1st March 2001	Cashflows	At 28th February 2002
	£	£	£
Cash at bank and in hand	5,891	15,077	20,968
Overdrafts	(188,942)	(156,383)	(345,325)
	(183,051)	(141,306)	(324,357)
Debt due after 1 year	(1,973,926)	110,635	(1,863,291)
Total	(2,156,977)	(30,671)	(2,187,648)