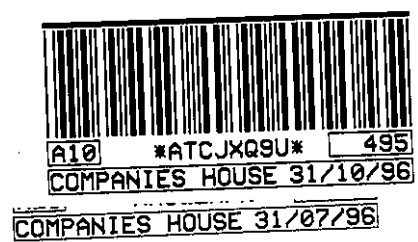


53237

MAPPIN & WEBB LIMITED

**ACCOUNTS
FOR THE 12 MONTHS ENDED
31ST MARCH 1996**



MAPPIN & WEBB LIMITED

INDEX

	Page
Directors, Officers and Other Information	1
Report of the Directors	2 - 4
Profit and Loss Account	5
Balance Sheet	6
Statement of Total Recognised Gains and Losses	7
Note of Historical Cost Profits and Losses	7
Reconciliation of Movements in Shareholders' Funds	7
Notes on the Accounts	8 - 14
Statement of Directors' Responsibilities	15
Report of the Auditors	16

MAPPIN & WEBB LIMITED

DIRECTORS

John Rolls Asprey (Chairman)
Ian Xavier Dahl
Paul Sidney Clayman
Judith Mary Pilkington

SECRETARY

Elizabeth Page
23 Albemarle Street
LONDON
W1X 4AS

REGISTERED OFFICE

23 Albemarle Street
LONDON
W1X 4AS

REGISTERED NUMBER

53237

AUDITORS

Ferguson Maidment & Co
Chartered Accountants
Sardinia House
Sardinia Street
Lincolns Inn Fields
LONDON
WC2A 3LZ

Ernst & Young
Chartered Accountants
Becket House
1 Lambeth Palace Road
LONDON
SE1 7EU

MAPPIN & WEBB LIMITED
REPORT OF THE DIRECTORS

The Directors present their Annual Report and the audited accounts for the year ended 31st March 1996.

REVIEW OF ACTIVITIES

The results for the year are set out in the Profit and Loss Account on page 5.

The principal activities of the Company are those of retail jewellers and silversmiths and the retailing of gifts and watches.

The Board of Asprey has carried out a full review of the Group's business operations and considers that it is desirable to refocus its activities. The Board has therefore made further provisions for restructuring its businesses and writing down the value of stock. These provisions are detailed in note 4 on page 10 of the accounts.

The Directors consider that the future prospects for the Company are reasonable but, in common with those of other retailers, they are largely dependent upon economic conditions and the level of consumer spending.

In addition to the Company's outlets in the United Kingdom, the Company has an outlet in Prague.

DIVIDEND

The Directors do not recommend the payment of a final dividend.

DIRECTORS

The following persons served as directors during the year:

Mr J R Asprey
Mr P S Clayman
Mr I X Dahl (appointed 29th September 1995)
Mrs J M Pilkington (appointed 4th September 1995)
Mr N I Attallah (resigned 2nd November 1995)
Mr N J Harrington (resigned 29th September 1995)

DIRECTORS' INTERESTS

The interests of those Directors who were members of the Amedeo Crown (UK) plc board as at 31st March 1996 (and their immediate families) in the shares in and debentures of group companies are disclosed in that company's accounts. At 31st March 1996, none of the other Directors of the Company (or their immediate families) had any interest in shares in or debentures of any group company.

During the financial year no rights were granted to, nor were any rights exercised by, any of the Directors (or their immediate families) to subscribe for shares in or debentures of any group company.

HOLDING COMPANY

The Company is a wholly-owned subsidiary of Mappin & Webb Holdings Limited, which is a subsidiary of Asprey plc. Asprey plc is a wholly-owned subsidiary of Amedeo Crown (UK) plc, a company which represents the interests of HRH Prince Jefri Bolkiah of Brunei.

FIXED ASSETS

The movement in fixed assets is shown in note 6 to the accounts..

DISABLED PERSONS

It is the policy of the Group to support the employment of disabled persons wherever practicable and to ensure that, as far as possible, they share in the training, career development and promotion opportunities available to all employees.

STAFF INFORMATION AND CONSULTATION

Staff are kept fully informed of matters of interest through a staff magazine, notice boards and staff handbook. A two-way process of informing and consulting staff operates through the line management structure

AUDITORS

The joint auditors of the Company, Ernst & Young and Ferguson Maidment & Co. have expressed their willingness to continue in office. The Directors recommend that they be re-appointed at the Annual General Meeting.

Signed on behalf of the Board.



E Page
Secretary

8th July 1996

Registered office:
23 Albemarle Street
London W1X 4AS

MAPPIN & WEBB LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31st March 1996

	Note	1996 £	1995 £
Turnover	1	35,920,431	31,551,620
Change in stocks of finished goods and work in progress		236,254	1,072,642
Finished goods for resale		(22,963,226)	(20,476,802)
Other external charges		(1,972,967)	(792,255)
		(24,699,939)	(20,196,415)
Staff Costs	2	(5,205,329)	(4,866,023)
Depreciation		(652,499)	(823,837)
Other operating charges		(7,192,952)	(6,820,746)
Other Income	3	249,243	12,819
Interest Payable (Group Offset)		(150,000)	(64,504)
Loss on ordinary activities before taxation	4	(1,731,045)	(1,207,086)
Taxation	5	-	-
Loss on ordinary activities after taxation		(1,731,045)	(1,207,086)
Transfer to reserves	£	(1,731,045)	£ (1,207,086)

All of the company's operations are classed as continuing.

MAPPIN & WEBB LIMITED

BALANCE SHEET AT 31ST MARCH 1996

	Note	31st March 1996 £	31st March 1995 £
FIXED ASSETS			
Tangible assets	6	5,718,722	5,542,698
CURRENT ASSETS			
Stocks	7	16,633,885	16,397,635
Debtors	8	3,607,306	4,676,754
Cash at bank and in hand		4,215,033	1,280,729
		24,456,224	22,355,118
CREDITORS (amounts falling due within one year)	9	(30,512,810)	(26,511,981)
NET CURRENT LIABILITIES		(6,056,586)	(4,156,863)
TOTAL ASSETS LESS CURRENT LIABILITIES		£ (337,864)	£ 1,385,835
CAPITAL AND RESERVES			
Called up share capital	10	500,000	500,000
Revaluation reserve	11	1,179,162	1,227,162
Profit and loss account	11	(2,017,026)	(341,327)
		£ (337,864)	£ 1,385,835

Accounts approved by the Board of Directors on 8th July 1996.

I X Dahl
Director

J M Pilkington
Director

MAPPIN & WEBB LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31st March 1996

	1996 £	1995 £
Loss for the financial year	(1,731,045)	(1,207,086)
Currency translation differences on foreign currency assets	<u>7,346</u>	<u>(5,659)</u>
	£ (1,723,699)	£ (1,212,745)
	<u><u> </u></u>	<u><u> </u></u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES for the year ended 31st March 1996

	1996 £	1995 £
Reported loss on ordinary activities before taxation	(1,731,045)	(1,207,086)
Additional depreciation charged on revalued amount	<u>48,000</u>	<u>48,000</u>
Historical cost loss on ordinary activities before taxation	£ (1,683,045)	£ (1,159,086)
	<u><u> </u></u>	<u><u> </u></u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS for the year ended 31st March 1996

	1996 £	1995 £
Loss attributable to members of the Company	(1,731,045)	(1,207,086)
Currency translation differences on foreign currency net investments	<u>7,346</u>	<u>(5,659)</u>
Net movement in shareholders' funds	(1,723,699)	(1,212,745)
Opening shareholders' funds	<u>1,385,835</u>	<u>2,598,580</u>
Closing shareholders' funds	£ (337,864)	£ 1,385,835
	<u><u> </u></u>	<u><u> </u></u>

MAPPIN & WEBB LIMITED

NOTES ON THE ACCOUNTS - 31ST MARCH 1996

1 Accounting policies

(a) Basis of accounts

The accounts, which have been drawn up under the provisions of the Companies Act 1985, are prepared under the historical cost convention, as modified by the revaluation of certain properties, and are in accordance with applicable accounting standards. The company is exempt from producing a Cash Flow Statement, as it is a wholly owned subsidiary of Asprey plc which produces a consolidated statement under Financial Reporting Standard No. 1 dealing with the cash flows of the group.

(b) Turnover

Turnover represents sales to third parties exclusive of V.A.T.

Information required under SSAP25, Segmental Reporting, has not been disclosed as in the opinion of the Directors, it would be seriously prejudicial to the interests of the business.

(c) Fixed assets and depreciation

Tangible assets:

The company's property is valued at regular intervals, and is stated on the balance sheet at valuation as at 31st March 1991. Additions since valuation and all other tangible fixed assets are stated at cost.

Tangible fixed assets are depreciated at the following annual rates:-

-	Long leasehold land	-
-	Buildings and improvements	20-30 years
-	Motor vehicles	4 years

Plant, machinery, fixtures, fittings, tools and equipment:

At various rates, generally between 8% and 25% calculated to write off these assets over their remaining useful lives from the month of the acquisition.

Leasehold properties and improvements are amortised over the period of the lease or the estimated useful life if lower.

(d) Leasing charges

Rentals payable under operating leases are written off to the profit and loss account as incurred. Future obligations under leases are dealt with by way of a note to the accounts.

(e) Foreign Currencies

Trading results are expressed in sterling at the average of the rates ruling during the year and include exchange differences realised in the normal course of trade. Assets and liabilities in foreign currencies are expressed in sterling at rates of exchange ruling at balance sheet dates and resultant unrealised exchange differences are dealt with through reserves or through the profit and loss account where appropriate.

MAPPIN & WEBB LIMITED

NOTES ON THE ACCOUNTS - 31ST MARCH 1996

(f) **Deferred taxation**

Provision is made for deferred taxation, using the liability method on short term timing differences and all other material timing differences which are not expected to continue in the future. The rates used are those anticipated for the years in which the liability is expected to arise.

(g) **Stocks**

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

(h) **Pensions**

The expected cost of pensions in respect of defined benefit pension scheme is charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees in the scheme. Variations from the regular cost are spread over the expected remaining service lives of current employees in the scheme. The pension cost is assessed in accordance with the advice of qualified actuaries.

2 Staff costs

The average number of persons employed by the Company (including Directors) during the year was as follows:

	1996	1995
Management	2	1
Administration	25	22
Production and sales staff	<u>257</u>	<u>248</u>
Total employees	<u>284</u>	<u>271</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	4,424,178	4,153,019
Social Security costs	341,922	327,670
Other pension costs	<u>439,229</u>	<u>385,334</u>
	£ <u>5,205,329</u>	£ <u>4,866,023</u>

The employee costs shown above include the following remuneration in respect of Directors of the Company:

Total Directors' emoluments	£ <u>112,885</u>	£ <u>110,929</u>
-----------------------------	------------------	------------------

The emoluments disclosed above (excluding pension contributions) include amounts paid to:

Chairman	£ <u>NIL</u>	£ <u>NIL</u>
Highest paid Director	£ <u>66,264</u>	£ <u>84,774</u>

MAPPIN & WEBB LIMITED

NOTES ON THE ACCOUNTS - 31ST MARCH 1996

2 Staff costs (continued)

The following table shows the number of Directors of the Company whose remuneration (excluding Pension contributions) was within the bands stated:

		1996	1995
Up	to £ 5,000	4	3
£10,001	to £15,000	-	1
£30,001	to £35,000	1	-
£65,001	to £70,000	1	-
£80,001	to £85,000	-	1

3 Other income

Interest on bank deposit and other
short term deposits
Rental Income

	1996 £	1995 £
Interest on bank deposit and other short term deposits	209,155	12,819
Rental Income	<u>40,088</u>	<u>-</u>
	<u>249,243</u>	<u>12,819</u>

4 Loss on ordinary activities before taxation

The loss on ordinary activities before taxation is stated after charging:

	1996 £	1995 £
Operating leases rentals - land & buildings	3,813,211	3,620,384
- plant & machinery	9,645	13,178
Profit on disposal of fixed assets	(297)	(2,049)
Audit Services	38,750	31,000
Non Audit Services	43,529	48,962
Stock writedowns	<u>1,387,375</u>	<u>281,000</u>

5 Taxation

UK Corporation tax at 33% (1995: 33%)

	1996 £	1995 £
UK Corporation tax at 33% (1995: 33%)	£ <u>---</u>	£ <u>---</u>

The potential amount of deferred taxation for accelerated capital allowances at the rate of 33% is £631,000 (1995: £697,600).

MAPPIN & WEBB LIMITED

NOTES ON THE ACCOUNTS - 31ST MARCH 1996

6 Tangible fixed assets	Land and Building £	Plant and Machinery £	Fixtures and Fittings £	Total £
At 1st April 1995	2,051,028	639,409	6,074,884	8,765,321
Additions	-	76,983	382,089	459,072
Disposals	-	(22,118)	(1,100)	(23,218)
Transferred to Group	<u>204,139</u>	<u>(12,268)</u>	<u>248,347</u>	<u>440,218</u>
At 31st March 1996	<u>2,255,167</u>	<u>682,006</u>	<u>6,704,220</u>	<u>9,641,393</u>
Accumulated depreciation				
At 1st April 1995	410,268	478,391	2,333,964	3,222,623
Provision for the year	67,894	94,601	490,004	652,499
Disposals	-	(15,013)	(394)	(15,407)
Transferred to Group	<u>20,365</u>	<u>(19,452)</u>	<u>62,043</u>	<u>62,956</u>
At 31st March 1996	<u>498,527</u>	<u>538,527</u>	<u>2,885,617</u>	<u>3,922,671</u>
Net book amount				
At 31st March 1996	<u>1,756,640</u>	<u>143,479</u>	<u>3,818,603</u>	<u>5,718,722</u>
At 31st March 1995	<u>1,640,760</u>	<u>161,018</u>	<u>3,740,920</u>	<u>5,542,698</u>

The long leasehold property was revalued at 31st March 1994. As the revalued surplus is not material, the long leasehold property continues to be included at its valuation as at 31 March 1991. No provision has been made in the Accounts for capital gains tax of £221,000 as there is no intention to dispose of the property in the foreseeable future. The valuation was carried out by Messrs Richard Ellis, Chartered Surveyors, at open market value on a basis of existing use. The revaluation, attributable to the building gives rise to an annual depreciation charge of £48,000 in the profit and loss account and is also dealt with each year as a transfer within reserves (see note 11).

Land and Buildings comprise:	1996 £	1995 £
Long Leasehold	106,000	106,000
Short Leasehold	<u>1,942,512</u>	<u>1,534,761</u>
	£ <u>2,048,512</u>	£ <u>1,640,761</u>

Original cost and depreciation based on cost of land and buildings:-

	1996		1995	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land & Buildings	£ 254,525	£ 72,056	£ 254,525	£ 52,162

MAPPIN & WEBB LIMITED

NOTES ON THE ACCOUNTS - 31ST MARCH 1996

	1996 £	1995 £
7 Stocks		
Finished goods	£ <u>16,633,885</u>	£ <u>16,397,635</u>
8 Debtors	1996 £	1995 £
Trade debtors	1,421,883	1,519,564
Amounts owed by Group Companies	1,467,080	2,229,489
Other debtors	139,329	190,295
Prepayments and accrued income	<u>579,014</u>	<u>737,406</u>
	£ <u>3,607,306</u>	£ <u>4,676,754</u>
9 Creditors: amounts falling due within one year	1996 £	1995 £
Trade creditors	3,505,676	3,496,650
Amounts due to Group Companies	24,331,075	20,779,928
Other creditors	1,220,779	1,278,496
Social security	125,068	121,680
Accruals and deferred income	<u>1,330,212</u>	<u>835,227</u>
	£ <u>30,512,810</u>	£ <u>26,511,981</u>
10 Called up share capital	1996 £	1995 £
Authorised, allotted and fully paid Ordinary Shares of £10 each	£ <u>500,000</u>	£ <u>500,000</u>
11 Reserves Profit & Loss	Revaluation Account	Reserve
Reserves at 1st April 1995	1,227,162	(341,327)
Loss for the year	-	(1,731,045)
Exchange differences	-	7,346
Transfer within Reserves (see note 6)	<u>(48,000)</u>	<u>48,000</u>
Reserves at 31st March 1996	£ <u>1,179,162</u>	£ <u>(2,017,026)</u>

MAPPIN & WEBB LIMITED

NOTES ON THE ACCOUNTS - 31ST MARCH 1996

12 Directors' interests in contracts

Mr N I Attallah is a Director of Namara Limited. During the year, the Company contracted with Namara Limited to procure advertising and publicity services amounting to £41,709 (1995: £80,225).

13 Unprovided financial commitments

Lease commitments

At 31st March 1996 the company had annual commitments under non-cancellable operating leases for land and buildings expiring as follows:

	1996 £	1995 £
Land & Buildings		
Expiring within 1 year	115,853	200,974
within 2-5 years	535,888	3,141,000
over 5 years	1,148,350	322,100
Plant & Machinery		
Expiring within 1 year	-	-
within 2-5 years	9,645	5,000

14 Contingent liability

A guarantee of £100,000 has been supplied by our bankers to H.M. Customs and Excise for deferring payments of sums due in respect of Duties and VAT on importation of goods.

MAPPIN & WEBB LIMITED

NOTES ON THE ACCOUNTS - 31ST MARCH 1996

15 Pension fund costs

During the year the Company participated in the Asprey Group Staff Pension Scheme which provides benefits based on final pensionable salary. The Scheme is funded with the assets being held by the Trustees separately from the assets of the Company. The pension costs are assessed by a qualified actuary, and are charged to the profit and loss account so as to spread those costs over employees' remaining working lives with the Company.

The pension cost for the Company for the financial year ending 31st March 1996 was £439,229 (1995: £385,334). There is a provision for pension costs of £376,323 (1995: £346,000) in the Company's balance sheet as at 31st March 1996 arising from the accumulated difference between the contributions paid to the Scheme and the corresponding pension costs.

Information on the Asprey Group Staff Pension Scheme is contained in the Asprey plc accounts.

MAPPIN & WEBB LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs for the Company as at the end of the financial year and of the profit or loss for that financial year.

The Directors consider that, in preparing the financial statements on pages 5 to 14 inclusive, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed. The financial statements have been prepared on a going concern basis.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with Companies Act 1985.

The Directors 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.

REPORT OF THE AUDITORS
TO THE MEMBERS OF MAPPIN & WEBB LIMITED

We have audited the accounts on pages 5 to 14 which have been prepared under the historical cost convention, as modified by the revaluation of leasehold land and buildings and on the basis of the accounting policies set out on pages 8 to 9.

Respective responsibilities of directors and auditors

As described on page 15 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

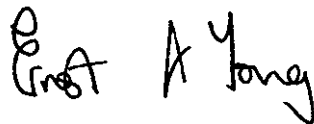
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

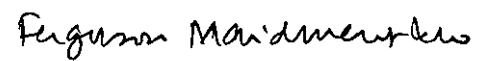
Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31st March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants and
Registered Auditor

8th July 1996



Ferguson Maidment & Co.
Chartered Accountants and
Registered Auditor