

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013
FOR
GERRARDS (PRECIOUS METALS) LIMITED**

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GERRARDS (PRECIOUS METALS) LIMITED (REGISTERED NUMBER: 01528315)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	5
Profit and Loss Account	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	10

**COMPANY INFORMATION
FOR THE YEAR ENDED 28 FEBRUARY 2013**

DIRECTORS:

L M Collins
S R Collins
J S Collins

SECRETARY:

S R Collins

REGISTERED OFFICE:

63-66 Hatton Garden
LONDON
EC1N 8LE

REGISTERED NUMBER:

01528315 (England and Wales)

AUDITORS:

KBSP Partners LLP
Chartered Accountants
Statutory Auditors
Harben House
Harben Parade
Finchley Road
LONDON
NW3 6LH

GERRARDS (PRECIOUS METALS) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 28 FEBRUARY 2013

The directors present their report with the financial statements of the company for the year ended 28 February 2013

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a dealer in precious metals

REVIEW OF BUSINESS

This year the turnover and profitability of the business dropped considerably in comparison with the previous period, this was as predicted as metal prices and supply declined considerably.

Across all businesses we continue to look for opportunities and new ideas in the United Kingdom, Europe, United States of America, Africa and the Far East and will continue these efforts in the year ahead

The principal risks of the business continues to be competition within the precious metals market, significant price falls and a reduction in levels of business across all sectors from the public to manufacturing to wholesale but we feel that this has probably bottomed out as we see competitors start to fail or cease trading and being a predominantly one site based business with relatively low personnel numbers compared to our competitors and a strong balance sheet we are now well positioned to ride this out and benefit from any future upturn and consolidation in the market. The business is also starting to benefit from our becoming members of the LBMA & LPPM as we are seeing an increase in exposure to new markets and areas of trade

DIVIDENDS

Interim dividends per share were paid as follows

'A' Ordinary £1 shares	£4,000	- 26 February 2013
'B' Ordinary £1 shares	£4,000	- 26 February 2013

The directors recommend that no final dividends be paid

The total distribution of dividends for the year ended 28 February 2013 will be £4,000,000

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2012 to the date of this report

L M Collins
S R Collins
J S Collins

GERRARDS (PRECIOUS METALS) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 28 FEBRUARY 2013

FINANCIAL INSTRUMENTS

Treasury operations and financial instruments

The company operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the company's activities

The company's principal financial instruments include bank overdrafts, loans and other metal borrowings, the main purpose of which is to raise finance for the company's operations. In addition, the company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from operations. The company does not usually use derivatives financial instruments to hedge risk as they are not deemed to be significant.

The Company's principal risks are:

- Market price risk
- Credit risk
- Liquidity risk
- Foreign currency risk
- Interest rate risk

Market price risk

Market price risk arises mainly from uncertainty about future prices of precious metals traded by the Company. It represents the potential loss the Company might suffer through price fixing in the face of the metal price movements. The directors constantly monitor the price of all the metals traded by the Company on a real-time basis, which makes sure that the company is exposed to a minimum market price risk.

Credit risk

The management monitor credit risk closely and consider that its current policies and procedures meet its objectives of managing exposure to credit risk. All the customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts when necessary. The Group has no significant concentrations of credit risk.

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Foreign currency risk

Foreign currency risk arises from trading with overseas companies, but since all of the Company's transactions are mainly receivable or payable in sterling, US dollar and Swiss Franc, the Company is not exposed to any material currency risk.

Interest rate risk

Interest rate risk arises in respect of the Company's bank loans and overdrafts. As at 28 February 2013, the Company's loans carried a variable rate of interest of 2.50% over the Bank's Base Rate. The directors do not consider that the Company's trading performance is likely to be materially affected by the interest rate fluctuations within the next twelve months.

INDEMNITY INSURANCE

The Company has taken out third party indemnity insurance on behalf of its directors.

GERRARDS (PRECIOUS METALS) LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 28 FEBRUARY 2013**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

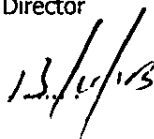
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



S R Collins - Director

Date



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GERRARDS (PRECIOUS METALS) LIMITED

We have audited the financial statements of Gerrards (Precious Metals) Limited for the year ended 28 February 2013 on pages six to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

KBSP Partners LLP

Julian Landau (Senior Statutory Auditor)
for and on behalf of KBSP Partners LLP
Chartered Accountants
Statutory Auditors
Harben House
Harben Parade
Finchley Road
LONDON
NW3 6LH

Date *13 November 2013*

GERRARDS (PRECIOUS METALS) LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2013**

	Notes	2013 £	2012 £
TURNOVER		98,555,032	227,445,390
Cost of sales		94,892,373	219,797,980
GROSS PROFIT		3,662,659	7,647,410
Administrative expenses		1,230,486	2,179,646
		2,432,173	5,467,764
Other operating income	2	38,585	30,600
OPERATING PROFIT	4	2,470,758	5,498,364
Interest receivable and similar income		73,513	62,395
		2,544,271	5,560,759
Interest payable and similar charges	5	134,211	445,000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,410,060	5,115,759
Tax on profit on ordinary activities	6	519,448	1,195,588
PROFIT FOR THE FINANCIAL YEAR		1,890,612	3,920,171

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

GERRARDS (PRECIOUS METALS) LIMITED (REGISTERED NUMBER: 01528315)

**BALANCE SHEET
28 FEBRUARY 2013**

		2013	2012
	Notes	£	£
FIXED ASSETS			
Tangible assets	8	405,777	415,708
CURRENT ASSETS			
Stocks	9	7,040,596	12,361,393
Debtors	10	1,340,586	2,231,295
Cash at bank and in hand		10,042,221	5,111,401
		18,423,403	19,704,089
CREDITORS			
Amounts falling due within one year	11	16,606,968	15,788,197
NET CURRENT ASSETS		1,816,435	3,915,892
TOTAL ASSETS LESS CURRENT LIABILITIES		2,222,212	4,331,600
CAPITAL AND RESERVES			
Called up share capital	15	1,000	1,000
Revaluation reserve	16	252,035	252,035
Profit and loss account	16	1,969,177	4,078,565
SHAREHOLDERS' FUNDS	22	2,222,212	4,331,600

The financial statements were approved by the Board of Directors on .
on its behalf by

8/11/13

and were signed


S R Collins - Director

The notes form part of these financial statements

GERRARDS (PRECIOUS METALS) LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2013**

	Notes	2013 £	2012 £
Net cash inflow from operating activities	1	10,798,126	6,664,530
Returns on investments and servicing of finance	2	(60,698)	(382,605)
Taxation		(624,501)	(1,913,504)
Capital expenditure	2	(435)	(18,668)
Equity dividends paid		(4,000,000)	(4,000,000)
Increase in cash in the period		<u>6,112,492</u>	<u>349,753</u>

Reconciliation of net cash flow to movement in net funds

	3		
Increase in cash in the period		<u>6,112,492</u>	<u>349,753</u>
Change in net funds resulting from cash flows		<u>6,112,492</u>	<u>349,753</u>
Movement in net funds in the period		<u>6,112,492</u>	349,753
Net funds at 1 March		<u>3,529,798</u>	3,180,045
Net funds at 28 February		<u><u>9,642,290</u></u>	<u><u>3,529,798</u></u>

The notes form part of these financial statements

GERRARDS (PRECIOUS METALS) LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2013**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Operating profit	2,470,758	5,498,364
Depreciation charges	10,366	11,702
Loss on disposal of fixed assets	-	1,397
Decrease/(increase) in stocks	5,320,797	(1,929,567)
Decrease in debtors	890,709	2,163,136
Increase in creditors	2,105,496	919,498
Net cash inflow from operating activities	<u>10,798,126</u>	<u>6,664,530</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2013	2012
	£	£
Returns on investments and servicing of finance		
Interest received	73,513	62,395
Interest paid	(134,211)	(445,000)
Net cash outflow for returns on investments and servicing of finance	<u>(60,698)</u>	<u>(382,605)</u>
Capital expenditure		
Purchase of tangible fixed assets	(435)	(21,168)
Sale of tangible fixed assets	-	2,500
Net cash outflow for capital expenditure	<u>(435)</u>	<u>(18,668)</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.3.12	Cash flow	At
	£	£	28.2.13
			£
Net cash			
Cash at bank and in hand	5,111,401	4,930,820	10,042,221
Bank overdraft	(1,581,603)	1,181,672	(399,931)
	<u>3,529,798</u>	<u>6,112,492</u>	<u>9,642,290</u>
Total	<u>3,529,798</u>	<u>6,112,492</u>	<u>9,642,290</u>

The notes form part of these financial statements

GERRARDS (PRECIOUS METALS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and are in accordance with applicable accounting standards

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax, and is recognised when the title to the goods is transferred

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Investment properties	- not provided
Fixtures, fittings & equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks of precious metals are valued according to the source from which the metal is obtained. Metal which has been purchased and committed to future sales to customers or hedged in metal markets is valued at the price at which it is currently contractually committed or hedged

Finished goods are valued in accordance with Statement of Standard Accounting Practice 9, Stock and Long Term Contracts, at the lower of cost and net realisable value

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result

Pension costs and other post-retirement benefits

The company operates a money purchase pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

Investment properties

All investment properties are revalued annually. Any surplus or deficit on revaluation is transferred to the investment revaluation reserve, except that deficits below original cost, which are expected to be permanent, are charged to the profit and loss account

In accordance with Statement of Standard Accounting Practice 19, Accounting for Investment Properties, no depreciation is provided in respect of freehold or long leasehold investment properties. This is a departure from the Companies Act 2006, which requires all properties to be depreciated. Such properties are not held for consumption, but for investment, and the directors consider that to depreciate them would not give a true and fair view. The directors consider that this policy results in the accounts giving a true and fair view

Operating lease commitments

The payments made under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term

2 OTHER OPERATING INCOME

	2013	2012
	£	£
Rents received	29,600	29,600
Sundry receipts	8,985	1,000
	<u>38,585</u>	<u>30,600</u>

GERRARDS (PRECIOUS METALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2013**

3 STAFF COSTS

	2013	2012
	£	£
Wages and salaries	535,451	1,206,727
Social security costs	68,543	161,182
Other pension costs	125,000	260,000
	<u>728,994</u>	<u>1,627,909</u>

The average monthly number of employees during the year was as follows

	2013	2012
Directors	2	2
Sales	11	11
	<u>13</u>	<u>13</u>

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2013	2012
	£	£
Depreciation - owned assets	10,366	11,702
Loss on disposal of fixed assets	-	1,397
Audit fees	15,500	18,000
Foreign exchange differences	(6,250)	-
Rent paid under operating leases	9,250	9,250
	<u>230,568</u>	938,563
Directors' remuneration	100,000	208,000
Directors' pension contributions to money purchase schemes	<u>100,000</u>	<u>208,000</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director is as follows

	2013	2012
	£	£
Emoluments etc	137,149	472,631
Pension contributions to money purchase schemes	50,000	104,000
	<u>187,149</u>	<u>576,631</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
Bank interest	714	38,098
Loan interest	133,497	406,902
	<u>134,211</u>	<u>445,000</u>

GERRARDS (PRECIOUS METALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2013**

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2013	2012
	£	£
Current tax		
UK corporation tax	519,448	1,195,588
	519,448	1,195,588
Tax on profit on ordinary activities	519,448	1,195,588

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2013	2012
	£	£
Profit on ordinary activities before tax	2,410,060	5,115,759
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2012 - 26%)	578,414	1,330,097
Effects of		
Expenses not deductible for tax purposes	362	466
Capital allowances in excess of depreciation	-	(255)
Depreciation in excess of capital allowances	1,560	-
Group relief	(64,539)	(142,459)
Tax year apportionment relief	3,651	7,739
	519,448	1,195,588
Current tax charge	519,448	1,195,588

7 DIVIDENDS

	2013	2012
	£	£
'A' Ordinary shares of £1 each Interim	2,600,000	2,600,000
'B' Ordinary shares of £1 each Interim	1,400,000	1,400,000
	4,000,000	4,000,000

GERRARDS (PRECIOUS METALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2013**

8 TANGIBLE FIXED ASSETS

	Investment properties £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
COST OR VALUATION				
At 1 March 2012	361,000	122,289	33,854	517,143
Additions	-	435	-	435
At 28 February 2013	361,000	122,724	33,854	517,578
DEPRECIATION				
At 1 March 2012	-	88,902	12,533	101,435
Charge for year	-	5,036	5,330	10,366
At 28 February 2013	-	93,938	17,863	111,801
NET BOOK VALUE				
At 28 February 2013	361,000	28,786	15,991	405,777
At 29 February 2012	361,000	33,387	21,321	415,708

Cost or valuation at 28 February 2013 is represented by

	Investment properties £	Fixtures, fittings & equipment £	Motor vehicles £	Totals £
Valuation in 2009	161,000	-	-	161,000
Valuation in 2001	91,035	-	-	91,035
Cost	108,965	122,724	33,854	265,543
	361,000	122,724	33,854	517,578

If the investment properties had not been revalued they would have been included at the following historical cost

	2013 £	2012 £
Cost	108,965	-

Investment properties were valued on an open market basis on 7 October 2009 by Copping Joyce Chartered Surveyors LLP. The directors believe that there was no change in the market value of the property as at 29 February 2013.

9 STOCKS

	2013 £	2012 £
Finished goods	7,040,596	12,361,393

GERRARDS (PRECIOUS METALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2013**

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Trade debtors	271,684	908,640
Other debtors	42,409	6,850
Amounts owed by group undertakings	797,427	1,111,418
VAT	189,448	189,634
Prepayments	39,618	14,753
	<u>1,340,586</u>	<u>2,231,295</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Bank loans and overdrafts (see note 12)	399,931	1,581,603
Trade creditors	313,965	305,127
Corporation tax	49,364	154,417
Social security and other taxes	7,941	415,364
Other creditors	299,072	519,670
Directors current account	-	279,350
Amounts owed to group undertakings	15,501,460	12,501,163
Accrued expenses	35,235	31,503
	<u>16,606,968</u>	<u>15,788,197</u>

12. LOANS

An analysis of the maturity of loans is given below

	2013	2012
	£	£
Amounts falling due within one year or on demand.		
Bank overdrafts	<u>399,931</u>	<u>1,581,603</u>

13. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	2013	2012
	£	£
Expiring		
In more than five years	<u>9,250</u>	<u>9,250</u>

14. SECURED DEBTS

The following secured debts are included within creditors

	2013	2012
	£	£
Bank overdrafts	<u>399,931</u>	<u>1,581,603</u>

Bank overdraft facilities provided to the company are secured by legal charges over the company's investment properties and the debenture and unlimited guarantee held over the assets of the ultimate parent company The Lawrence Group Limited

GERRARDS (PRECIOUS METALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2013**

15 CALLED UP SHARE CAPITAL

Allotted, Number	issued and fully paid Class	Nominal value	2013 £	2012 £
650	'A' Ordinary	£1	650	650
350	'B' Ordinary	£1	350	350
			<u>1,000</u>	<u>1,000</u>

16 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 March 2012	4,078,565	252,035	4,330,600
Profit for the year	1,890,612		1,890,612
Dividends	(4,000,000)		(4,000,000)
At 28 February 2013	<u>1,969,177</u>	<u>252,035</u>	<u>2,221,212</u>

17 PENSION COMMITMENTS

The company operates a money purchase pension scheme for the benefit of some of the employees and the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company. The pension cost represents contributions payable by the company, which for the year ended 28 February 2013 amounted to £125,000 (2012 £260,000). As at 28 February 2013 there was no outstanding or prepaid contributions.

18 ULTIMATE PARENT COMPANY

The ultimate parent company is The Lawrence Group Limited, a company registered in England and Wales, and controlled throughout the current and previous periods by L M Collins and Mrs J Collins who are the trustees of the various trusts that control 74% of its issued share capital.

19 CONTINGENT LIABILITIES

There is an omnibus guarantee and letter of set-off agreement between the group companies and Lloyds TSB Plc, in respect of group overdrafts, which at 28 February 2013 amounted to £411,638 (2012: £396,643).

20 OTHER FINANCIAL COMMITMENTS

As at the 28 February 2013, the company was committed to deliver 7,184 ounces (2012 13,586 ounces) of gold valued at £7,573,059 (2012 £14,730,878) and 36,645 ounces (2012 36,853 ounces) of silver valued at £747,596 (2012 £731,493).

21 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 - Related Party Disclosures, from the requirement of disclosing inter-company transactions with its parent and other group undertakings, as the company is a wholly owned subsidiary of The Lawrence Group Limited. The company's results are included within group accounts prepared by The Lawrence Group Limited, which are publicly available at 63-66 Hatton Garden, London, EC1 8LE.

As at 28 February 2013, the following amounts were due to / from the group undertakings -

The Lawrence Group Limited

GERRARDS (PRECIOUS METALS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28 FEBRUARY 2013**

	2013	2012
	£	£
Amount due to related party at the balance sheet date	<u>14,789,117</u>	<u>12,453,359</u>
The Lawrence Group (Properties) Limited		
	2013	2012
	£	£
Amount due to related party at the balance sheet date	<u>194,129</u>	<u>47,804</u>
Lawrence (Hatton Garden)Limited		
	2013	2012
	£	£
Amount due (to)/from related party at the balance sheet date	<u>(518,215)</u>	<u>313,991</u>
Lawrence (Hatton Garden) Finance Limited		
	2013	2012
	£	£
Amount due from related party at the balance sheet date	<u>797,427</u>	<u>797,427</u>
Planet Street Foods A company controlled by the directors of Gerrards		
	2013	2012
	£	£
Amount due from related party at the balance sheet date	<u>14,716</u>	<u>-</u>
22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
	2013	2012
	£	£
Profit for the financial year	1,890,612	3,920,171
Dividends	<u>(4,000,000)</u>	<u>(4,000,000)</u>
Net reduction of shareholders' funds	<u>(2,109,388)</u>	<u>(79,829)</u>
Opening shareholders' funds	<u>4,331,600</u>	<u>4,411,429</u>
Closing shareholders' funds	<u>2,222,212</u>	<u>4,331,600</u>