

Company Registration No. 2830597

**MULTICONTINENTAL DISTRIBUTION LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2005**

**03323-AX-2005**

**Registered Office**

5th Floor,  
86 Jermyn Street, St. James  
London  
SW1Y 6AW



**MATTHEW EDWARDS & CO**  
CHARTERED ACCOUNTANTS

Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ  
Telephone: +44 (0) 1624 663166 Facsimile: +44 (0) 1624 677108  
E-mail: audit@matthew-edwards.com

**MULTICONTINENTAL DISTRIBUTION LIMITED**

**AUDITORS' REPORT TO MULTICONTINENTAL DISTRIBUTION LIMITED  
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 December 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

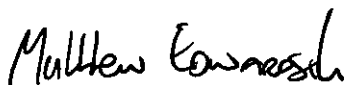
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



Matthew Edwards & Co.

Chartered Accountants  
Registered Auditor

9/10/2006

Clinch's House, Lord Street  
Douglas  
Isle of Man  
IM99 1RZ

**MULTICONTINENTAL DISTRIBUTION LIMITED**

**ABBREVIATED BALANCE SHEET  
AS AT 31 DECEMBER 2005**

		2005		2004	
	Notes	SFR	SFR	SFR	SFR
<b>Fixed assets</b>					
Investments	2		1,392,191		36
<b>Current assets</b>					
Debtors		3,792,860		4,466,390	
Cash at bank and in hand		44,925		144,761	
		<u>3,837,785</u>		<u>4,611,151</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(307,958)</u>		<u>(179,240)</u>	
<b>Net current assets</b>			<u>3,529,827</u>		<u>4,431,911</u>
<b>Total assets less current liabilities</b>			<u><u>4,922,018</u></u>		<u><u>4,431,947</u></u>
<b>Capital and reserves</b>					
Called up share capital	3		2,257		2,257
Profit and loss account			<u>4,919,761</u>		<u>4,429,690</u>
<b>Shareholders' funds - equity interests</b>			<u><u>4,922,018</u></u>		<u><u>4,431,947</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 9/10/2006

Fiona Hirst

F. Hirst  
Director

## MULTICONTINENTAL DISTRIBUTION LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

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 the company's share of income derived from its principal activity.

##### 1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

##### 1.4 Deferred taxation

*Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.*

##### 1.5 Foreign currency translation

The company's accounting records are maintained in Swiss Francs.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

##### 1.6 Related Business

The total related business in which the company was involved amounted to SFR308,592,769.

#### 2 Fixed assets

	Investments SFR
<b>Cost</b>	
At 1 January 2005	36
Additions	1,860,316
Revaluation	(468,125)
Disposals	(36)
	<hr/>
At 31 December 2005	1,392,191
	<hr/>
At 31 December 2004	36
	<hr/>

The unlisted investment represented a 5% interest in The Chrono Trade Group and was stated at cost. The investment was dissolved of on 1 January 2005 at its cost amount.

The listed investment represents a 1% interest in Sincere Watch (Hong Kong) and is stated at market value.

**MULTICONTINENTAL DISTRIBUTION LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2005**

---

<b>3</b>	<b>Share capital</b>	<b>2005</b>	<b>2004</b>
		<b>No.</b>	<b>No.</b>
	<b>Authorised</b>		
	10,000 ordinary £1 shares	<u>10,000</u>	<u>10,000</u>
		<b>2005</b>	<b>2004</b>
		<b>SFR</b>	<b>SFR</b>
	<b>Allotted, called up and fully paid</b>		
	1,000 ordinary £1 shares	<u>2,257</u>	<u>2,257</u>

---