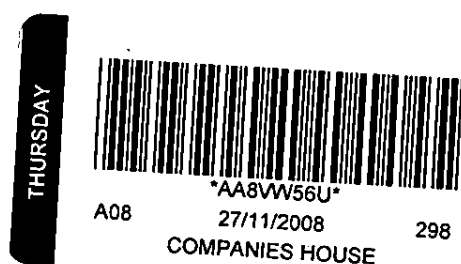


**Unbeadable Limited**  
Financial statements  
For the year ended 31 January 2008



**Company No. 3682106**

## Company information

<b>Company registration number</b>	3682106
<b>Registered office</b>	Unit G3 Wyther Lane Industrial Estate Wyther Green Leeds LS5 3AR
<b>Directors</b>	Mr A J L Buckley Mr N Myers
<b>Secretary</b>	Mr N Myers
<b>Auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Registered Auditors Benson House 33 Wellington Street Leeds LS1 4JP

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## Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 January 2008.

### **Principal activities and business review**

The principal activity of the company during the year was that of design, import and distribution of costume and fashion jewellery.

The trading results for the year and the company's financial position at the end of the period are as shown in the financial statements.

On 31 January 2008 all trade and assets were sold to Buckley Jewellery Limited, the parent company, for a total consideration of £744,195 following which the company ceased to trade.

### **Directors**

The directors who served the company during the year were as follows:

Mr A J L Buckley  
Mr M J Hirschel  
Mr I V Potter  
Mr N Myers

Mr A J Buckley is a director of the ultimate parent undertaking and his interests in the shares of the ultimate parent undertaking are as disclosed in that company's accounts. None of the other directors had any interests in the shares of the company or ultimate parent undertaking at any time during the year under review.

Mr M J Hirschel resigned on 30 May 2008.

Mr I V Potter resigned on 30 March 2007.

Mr N Myers was appointed as a director on 15 June 2007.

### **Statement of directors' responsibilities in respect of the report of the directors and the consolidated financial statements**

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## Report of the directors

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 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.

### **Statement on disclosure of information to auditors**

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **Auditors**

During the year Grant Thornton LLP resigned as auditors of the company, and the directors appointed PricewaterhouseCoopers LLP to fill the casual vacancy. PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

### **Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD



N Myers  
Secretary  
21 November 2008

# Independent auditors' report to the members of Unbeadable Limited

We have audited the financial statements of Unbeadable Limited for the year ended 31 January 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

## **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) issued by the Auditing 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

## Independent auditors' report to the members of Unbeadable Limited (continued)

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 January 2008 and of the company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers' followed by a stylized 'UP' or similar mark.

PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Leeds  
21 November 2008

## Profit and loss account

	Note	2008 £	2007 £
Turnover		1,959,180	1,237,336
Cost of sales		(1,086,182)	(575,876)
Gross profit		872,998	661,460
Administrative expenses		(868,487)	(773,195)
<b>Operating profit / (loss)</b>	2	<b>4,511</b>	<b>(111,735)</b>
Interest receivable		24,709	46,983
<b>Profit / (loss) on ordinary activities before taxation</b>		<b>29,220</b>	<b>(64,752)</b>
Tax on profit / (loss) on ordinary activities	5	(6,366)	15,965
<b>Profit / (loss) for the financial year</b>	15	<b>22,854</b>	<b>(48,787)</b>

All of the activities of the group are classed as discontinued.

There is no material difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the year stated above and their historical costs equivalents.

The company has no recognised gains or losses other than the results for the year as set out above.

**The accompanying accounting policies and notes form part of these financial statements.**



## Balance sheet

	Note	2008 £	2007 £
<b>Fixed assets</b>			
Intangible assets	7	-	1
Tangible assets	8	-	25,327
		<u>-</u>	<u>25,328</u>
<b>Current assets</b>			
Stocks	9	-	39,872
Debtors	10	744,195	668,774
Cash at bank		-	61,164
		<u>744,195</u>	<u>769,810</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(744,095)</u>	<u>(73,797)</u>
<b>Net current assets</b>		<u>100</u>	<u>696,013</u>
<b>Total assets less current liabilities</b>		<u>100</u>	<u>721,341</u>
<b>Capital and reserves</b>			
Called-up equity share capital	14	100	100
Profit and loss account	15	-	721,241
<b>Shareholders' funds</b>	16	<u>100</u>	<u>721,341</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on 21 November 2008 and are signed on their behalf by:

Mr A J L Buckley  
 Director



**The accompanying accounting policies and notes form part of these financial statements.**

## Statement of accounting policies

### **Basis of accounting**

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of value added tax and discounts allowed.

### **Tangible fixed assets**

All fixed assets are initially recorded at cost. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	33% straight line
Plant & Machinery	-	25% straight line
Motor Vehicles	-	25% straight line

### **Stocks**

Stocks are valued at the lower of cost and net realisable value and consist of finished goods purchased for resale. Cost is determined on a standard cost basis including all direct costs incurred including freight and duty and packaging costs. When necessary a provision is made for obsolete, defective and slow moving items.

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

### **Foreign currencies**

Transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange rate differences are dealt with through the profit and loss account.

## Notes to the financial statements

### **1 Turnover**

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2008 £	2007 £
United Kingdom	1,893,291	1,237,336
Europe	65,889	-
	<u>1,959,180</u>	<u>1,237,336</u>

### **2 Operating profit / (loss)**

Operating profit / (loss) is stated after charging/(crediting):

	2008 £	2007 £
Depreciation of owned fixed assets	11,978	17,370
Auditor's remuneration		
- Audit of accounts	-	2,000
- Tax compliance	-	1,000
Operating lease costs:		
Plant and equipment	5,087	6,124
Land and buildings	<u>62,079</u>	<u>36,138</u>

Audit fees for the company in 2008 were met by the parent company Buckley Jewellery Limited.

## Notes to the financial statements

### 3 Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2008 No	2007 No
Number of production staff	17	14
Number of selling and distribution staff	2	2
Number of management and administrative staff	9	9
	<u>28</u>	<u>25</u>

The aggregate payroll costs including directors was:

	2008 £	2007 £
Wages and salaries	574,456	498,859
Social security costs	59,352	41,362
Other pension costs	6,041	5,170
	<u>639,849</u>	<u>545,391</u>

### 4 Directors

Remuneration in respect of directors was as follows:

	2008 £	2007 £
Emoluments	80,763	62,050
Value of company pension contributions to money purchase schemes	5,760	4,800
	<u>86,523</u>	<u>66,850</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2008 No	2007 No
Money purchase schemes	<u>1</u>	<u>1</u>

## Notes to the financial statements

### **5 Taxation on ordinary activities**

(a) Analysis of charge in the year

	2008 £	2007 £
Current tax:		
UK Corporation tax based on the results for the year at 30% (2007 - 30%)	7,331	(15,965)
Adjustments in respect of previous periods	(965)	-
Total current tax	<u>6,366</u>	<u>(15,965)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2007 - 30%).

	2008 £	2007 £
Profit / (loss) on ordinary activities before taxation	<u>29,220</u>	<u>(64,752)</u>
Profit on ordinary activities multiplied by the standard rate of tax applying	8,766	(19,426)
Expenses not deductible for tax purposes	1,648	1,241
Depreciation for period in excess of capital allowances	672	3,300
UK tax not at standard rate	(3,755)	-
Rounding on tax charge	-	(115)
Prior year adjustments	(965)	(965)
Total current tax	<u>6,366</u>	<u>(15,965)</u>

(c) Factors that may affect future tax charge

The standard rate of corporation tax in the UK changed to 28% with effect from 1 April 2008.

### **6 Dividends**

Dividends on shares classed as equity:

	2008 £	2007 £
Approved at 31 January 2008:		
Equity dividends on ordinary shares	<u>744,095</u>	<u>-</u>

## Notes to the financial statements

### 7 Intangible fixed assets

	Goodwill £
Cost	
At 1 February 2007	1
Disposals (note 20)	(1)
At 31 January 2008	-
Amortisation	
At 1 February 2007 and 31 January 2008	-
Net book value	
At 31 January 2008	-
At 31 January 2007	1

### 8 Tangible fixed assets

	Leasehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
Cost				
At 1 February 2007	2,643	38,380	27,765	68,788
Additions	-	9,223	-	9,223
Disposals (note 20)	(2,643)	(47,603)	(27,765)	(78,011)
At 31 January 2008	-	-	-	-
Depreciation				
At 1 February 2007	1,903	34,616	6,942	43,461
Charge for the year	740	4,302	6,936	11,978
Disposals (note 20)	(2,643)	(38,918)	(13,878)	(55,439)
At 31 January 2008	-	-	-	-
Net book value				
At 31 January 2008	-	-	-	-
At 31 January 2007	740	3,764	20,823	25,327

### 9 Stocks

	2008 £	2007 £
Raw materials	-	15,420
Work in progress	-	24,452
	-	39,872

## Notes to the financial statements

### 10 Debtors

	2008	2007
	£	£
Trade debtors	-	46,758
Amounts owed by group undertakings	<b>744,195</b>	549,376
Corporation tax repayable	-	965
Other debtors	-	71,675
	<b><u>744,195</u></b>	<b><u>668,774</u></b>

### 11 Creditors: amounts falling due within one year

	2008	2007
	£	£
Bank loans and overdrafts	-	2,488
Trade creditors	-	48,984
Amounts owed to group undertakings	-	818
Corporation tax	-	-
Other taxation and social security	-	19,683
Other creditors	-	1,824
Dividend payable	<b>744,095</b>	-
	<b><u>744,095</u></b>	<b><u>73,797</u></b>

### 12 Commitments under operating leases

At 31 January 2008 the company had annual commitments under non-cancellable operating leases as set out below.

	2008		2007	
	Land & Buildings	Other Items	Land & Buildings	Other Items
	£	£	£	£
Operating leases which expire:				
Within 1 year	-	-	-	-
Within 2 to 5 years	-	-	36,138	4,344
After more than 5 years	-	-	-	1,560
	<u>-</u>	<u>-</u>	<u>36,138</u>	<u>5,904</u>

### 13 Related party transactions

The company was under the control of Buckley Jewellery Limited throughout the current year. As it was a 100% wholly owned subsidiary of this entity no transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

## Notes to the financial statements

### **14 Share capital**

Authorised share capital:

	2008	2007
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

### **15 Profit and loss account**

	2008	2007
	£	£
Balance brought forward	721,241	770,028
Profit / (loss) for the financial year	22,854	(48,787)
Equity dividends proposed	(744,095)	-
Balance carried forward	<u>-</u>	<u>721,241</u>

### **16 Reconciliation of movements in shareholders' funds**

	2008	2007
	£	£
Profit / (loss) for the financial year	22,854	(48,787)
Equity dividends proposed	(744,095)	-
Net reduction to shareholders' funds	(721,241)	(48,787)
Opening shareholders' funds	<u>721,341</u>	<u>770,128</u>
Closing shareholders' funds	<u>100</u>	<u>721,341</u>

### **17 Contingencies**

There were no contingent liabilities at 31 January 2008 or 31 January 2007.

### **18 Capital commitments**

There were no capital commitments at 31 January 2008 or 31 January 2007.



## Notes to the financial statements

### 19 Ultimate parent undertaking and controlling related party

From 1 December 2005 the company has been under the control of Mr A J Buckley who is the Chief Executive and majority shareholder of Buckley Jewellery Limited.

The directors consider that the ultimate parent undertaking is Buckley Jewellery Ltd. Consolidated accounts incorporating the results of Unbeadable Limited may be obtained from Unit 3, Wyther Lane Industrial Estate, Wyther Green, Leeds, LS5 3AR.

### 20 Company hive-up

The trade and assets of Unbeadable Limited were disposed of as part of a hive up into the parent company Buckley Jewellery Limited on 31 January 2008. The fair value of the net assets of the company disposed to Buckley Jewellery Limited amounted to £744,195. No profit or loss was generated by the sale of these assets.

Analysis of assets and liabilities disposed:

	Fair Value
	£
Tangible fixed assets	22,572
Current assets:	
Stocks	40,975
Debtors	695,572
Cash at bank and in hand	168,164
Total assets acquired	927,283
Less: current liabilities	(183,088)
<b>Net assets disposed</b>	<b>774,195</b>