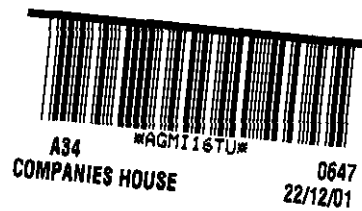


K Lyon (Furnishings) Limited

Registration Number: 1034261

Directors' Report and Financial Statements

for the year ended 30 November 2000



K Lyon (Furnishings) Limited

Company Information

Directors	Mr K A Lyon Mrs A C Lyon
Secretary	Mrs A C Lyon
Company Number	1034261
Registered Office	1375 High Road Whetstone London N20

K Lyon (Furnishings) Limited

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K Lyon (Furnishings) Limited

**Directors' Report
for the year ended 30 November 2000**

The directors present their report and the financial statements for the year ended 30 November 2000.

Principal Activity

The company's principal activity continues to be that of lessors of commercial premises.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	30 November 2000	1 December 1999
Mr K A Lyon	60	60
Mrs A C Lyon	40	40

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

19th December 2001

This report was approved by the Board on and signed on its behalf by



Mr K A Lyon
Director

K Lyon (Furnishings) Limited

**Accountants' Report on the Unaudited Financial Statements to the Directors of
K Lyon (Furnishings) Limited**

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 30 November 2000 set out on pages 3 to 8 and you consider that the company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



Parker Cavendish
Chartered Accountants
28 Church Road
Stanmore
Middlesex
HA7 4XR

19/12/01

K Lyon (Furnishings) Limited

**Profit and Loss Account
for the year ended 30 November 2000**

		2000	1999
	Notes	£	£
Turnover	2	28,340	23,753
Administrative expenses		(1,816)	(8,252)
Operating profit	3	26,524	15,501
Interest payable and similar charges		(4,152)	(5,252)
Profit on ordinary activities before taxation		22,372	10,249
Tax on profit on ordinary activities	4	(4,260)	(2,439)
Retained profit for the year		18,112	7,810
Retained profit brought forward		57,718	49,908
Retained profit carried forward		75,830	57,718

The notes on pages 6 to 8 form an integral part of these financial statements.

K Lyon (Furnishings) Limited

**Balance Sheet
at 30 November 2000**

	Notes	2000		1999	
		£	£	£	£
Fixed Assets					
Tangible assets	5		121,051		122,152
Current Assets					
Debtors	6	7,611		816	
Cash at bank and in hand		3,077		3,434	
		<u>10,688</u>		<u>4,250</u>	
Creditors: amounts falling due within one year	7	<u>(30,981)</u>		<u>(27,501)</u>	
Net Current Liabilities			<u>(20,293)</u>		<u>(23,251)</u>
Total Assets Less Current Liabilities			100,758		98,901
Creditors: amounts falling due after more than one year	8		<u>(24,828)</u>		<u>(41,083)</u>
Net Assets			<u><u>75,930</u></u>		<u><u>57,818</u></u>
Capital and Reserves					
Called up share capital	9		100		100
Profit and loss account			75,830		57,718
Shareholders' Funds			<u><u>75,930</u></u>		<u><u>57,818</u></u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 8 form an integral part of these financial statements.

K Lyon (Furnishings) Limited

Balance Sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 30 November 2000**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;

(b) members have not required the company, under Section 249B(2) of the Companies Act 1985, to obtain an audit for the year ended 30 November 2000 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on and signed on its behalf by



Mr K A Lyon
Director

The notes on pages 6 to 8 form an integral part of these financial statements.

K Lyon (Furnishings) Limited

Notes to the Financial Statements for the year ended 30 November 2000

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, of rent received during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	2% Reducing balance
Leasehold properties	Straight Line over the life of the lease (146 years)

1.4. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes to the extent that the directors consider that a liability to taxation is likely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2000 £	1999 £
Operating profit is stated after charging:		
Depreciation of tangible assets	1,101	1,108

4. Taxation

	2000 £	1999 £
UK current year taxation		
UK Corporation Tax at 20% (1999 - 20%)	4,260	2,439

K Lyon (Furnishings) Limited

**Notes to the Financial Statements
for the year ended 30 November 2000**

5. Tangible fixed assets

	Freehold land & buildings £	Long leasehold property £	Total £
Cost			
At 1 December 1999			
At 30 November 2000	26,416	109,989	136,405
Depreciation			
At 1 December 1999	9,000	5,253	14,253
Charge for the year	348	753	1,101
At 30 November 2000	9,348	6,006	15,354
Net book values			
At 30 November 2000	17,068	103,983	121,051
At 30 November 1999	17,416	104,736	122,152

6. Debtors

	2000 £	1999 £
Trade debtors	7,611	816

**7. Creditors: amounts falling due
within one year**

	2000 £	1999 £
Bank loan	15,230	13,330
Corporation tax	6,698	5,545
Directors' loan accounts	7,406	7,419
Accruals and deferred income	1,647	1,207
	30,981	27,501

The bank loan is secured by a charge on the company's freehold and leasehold properties.

K Lyon (Furnishings) Limited

**Notes to the Financial Statements
for the year ended 30 November 2000**

8. Creditors: amounts falling due after more than one year	2000 £	1999 £
Bank loan	24,828	41,083

The bank loan is secured by a charge on the company's freehold and leasehold properties.

9. Share capital	2000 £	1999 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

10. Related party transactions

During the year, the company received rental income of £7,696(1999:£15,392) from Crest Resources Limited in which Mr K A Lyon is a director. There were no amounts outstanding as at 30 November 2000 (1999:£Nil). The leasehold premises were leased at full commercial rent.

11. Ultimate controller

The ultimate controller is Mr and Mrs Lyon by virtue of holding between them 100% of the company's issued share capital.