

488

REGISTERED NUMBER: 1474635 (England and Wales)

stephen starr

CHARTERED ACCOUNTANTS

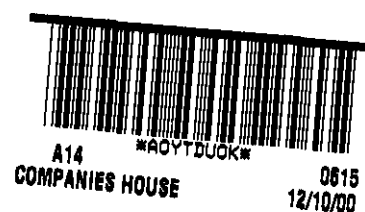
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ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 2000

FOR

LEXADON LIMITED



LEXADON LIMITED

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for the Year Ended 31st January 2000

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LEXADON LIMITED

COMPANY INFORMATION

for the Year Ended 31st January 2000

DIRECTORS: J M Knight
Mrs J A Knight

SECRETARY: J M Knight

REGISTERED OFFICE: 26 The Parade, High Street
Watford
Hertfordshire
WD1 2AA

REGISTERED NUMBER: 1474635 (England and Wales)

AUDITORS: Stephen Starr
Chartered Accountants
26 The Parade, High Street
Watford
Hertfordshire WD1 2AA

LEXADON LIMITED

REPORT OF THE DIRECTORS **for the Year Ended 31st January 2000**

The directors present their report with the financial statements of the company for the year ended 31st January 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property renovation dealers.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £8680 per share.

The total distribution of dividends for the year ended 31st January 2000 will be £43,403.

DIRECTORS

The directors during the year under review were:

J M Knight
Mrs J A Knight

The beneficial interests of the directors holding office on 31st January 2000 in the issued share capital of the company were as follows:

	31.1.00	1.2.99
Ordinary £1 shares		
J M Knight	2	2
Mrs J A Knight	3	3

YEAR 2000

During the year the directors completed their risk assessment of the scale and nature of the Year 2000 issue in relation to the company's business activities. Following this review, the directors have implemented all the changes required to bring Year 2000 compliance to the key business systems. The directors have not encountered any major problems. The issue is complex and no business can guarantee that there will be no Year 2000 problems.

STATEMENT OF 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 affairs of the company and of the profit or loss of the company for that period. In preparing those 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;
- 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.

LEXADON LIMITED

REPORT OF THE DIRECTORS
for the Year Ended 31st January 2000

AUDITORS

The auditors Stephen Starr Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

J M Knight - SECRETARY

Dated: 7 September 2000

A handwritten signature in black ink, appearing to be 'J M Knight', written over a large, faint circular stamp or watermark.

LEXADON LIMITED

REPORT OF THE AUDITORS TO

LEXADON LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to seventeen, together with the full financial statements of the company for the year ended 31st January 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to seventeen are properly prepared in accordance with that provision.



Stephen Starr
Chartered Accountants
26 The Parade, High Street
Watford
Hertfordshire WD1 2AA

Dated: 8 September 2000

LEXADON LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**
for the Year Ended 31st January 2000

31.1.99		Notes	31.1.00
£			£
954,514	GROSS PROFIT		1,110,696
265,087	Administrative expenses		354,159
689,427	OPERATING PROFIT	3	756,537
6,048	Interest receivable and similar income		10,753
695,475			767,290
46,268	Interest payable and similar charges	4	51,859
649,207	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		715,431
188,562	Tax on profit on ordinary activities	5	200,852
460,645	PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		514,579
37,260	Dividends	6	43,403
423,385			471,176
581,589	Retained profit brought forward		1,004,974
£1,004,974	RETAINED PROFIT CARRIED FORWARD		£1,476,150

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

31st January 2000

31.1.99			31.1.00	
£	£	Notes	£	£
1,004,718		FIXED ASSETS: Tangible assets		2,588,504
		CURRENT ASSETS:		
	752,200	Stocks	520,000	
	15,625	Debtors	68,639	
	278,579	Cash at bank	-	
	1,046,404		588,639	
		CREDITORS: Amounts falling		
	662,752	due within one year	792,160	
383,652		NET CURRENT (LIABILITIES)/ASSETS:		(203,521)
		TOTAL ASSETS LESS CURRENT		
		LIABILITIES:		2,384,983
		CREDITORS: Amounts falling		
		due after more than one year		794,268
268,831				
£1,119,539				£1,590,715

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31st January 2000

LEXADON LIMITED**CASH FLOW STATEMENT****for the Year Ended 31st January 2000**

31.1.99		Notes	31.1.00	
£	£		£	£
435,665	Net cash inflow from operating activities	1		1,229,619
(40,220)	Returns on investments and servicing of finance	2		(41,106)
(94,790)	Taxation			(148,628)
(288,092)	Capital expenditure	2		(1,592,811)
(37,260)	Equity dividends paid			(43,403)
(24,697)				(596,329)
16,907	Financing	2		381,573
£(7,790)	Decrease in cash in the period			£(214,756)
Reconciliation of net cash flow to movement in net funds				
		3		
	Decrease (7,790) in cash in the period			(214,756)
	Cash outflow from decrease in debt and lease financing			
	11,535			11,536
3,745	Change in net funds resulting from cash flows			(203,220)
3,745	Movement in net funds in the period			(203,220)
23,053	Net funds at 1st February			26,798
£26,798	Net (debt)/funds at 31st January			£(176,422)

The notes form part of these financial statements

LEXADON LIMITED**NOTES TO THE CASH FLOW STATEMENT**
for the Year Ended 31st January 2000**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.1.00 £	31.1.99 £
Operating profit	756,537	689,427
Depreciation charges	9,025	11,910
Decrease/(Increase) in stocks	232,200	(247,200)
Increase in debtors	(53,014)	(12,614)
Increase/(Decrease) in creditors	284,871	(5,858)
Net cash inflow from operating activities	1,229,619	435,665

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

	31.1.00 £	31.1.99 £
Returns on investments and servicing of finance		
Interest received	10,753	6,048
Interest paid	(49,114)	(43,523)
Interest element of hire purchase or finance lease rentals payments	(2,745)	(2,745)
Net cash outflow for returns on investments and servicing of finance	(41,106)	(40,220)
Capital expenditure		
Purchase of tangible fixed assets	(1,592,811)	(288,092)
Net cash outflow for capital expenditure	(1,592,811)	(288,092)
Financing		
New loan taken out in year	353,170	79,647
Loan repayments in year	-	(100,000)
Amount introduced by directors	28,403	37,260
Net cash inflow from financing	381,573	16,907

The notes form part of these financial statements

LEXADON LIMITED**NOTES TO THE CASH FLOW STATEMENT**
for the Year Ended 31st January 2000**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.2.99 £	Cash flow £	At 31.1.00 £
Net cash:			
Cash at bank	278,579	(278,579)	-
Bank overdraft	(226,788)	63,823	(162,965)
	<u>51,791</u>	<u>(214,756)</u>	<u>(162,965)</u>
Debt:			
Hire purchase or finance leases	(24,993)	11,536	(13,457)
	<u>(24,993)</u>	<u>11,536</u>	<u>(13,457)</u>
Total	<u>26,798</u>	<u>(203,220)</u>	<u>(176,422)</u>
Analysed in Balance Sheet			
Cash at bank	278,579		-
Bank overdraft	(226,788)		(162,965)
Hire purchase or finance leases			
within one year	(11,535)		(11,535)
after one year	(13,458)		(1,922)
	<u>26,798</u>		<u>(176,422)</u>

The notes form part of these financial statements

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31st January 2000

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

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

Equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Investment properties

Investment properties are included in the financial statements at valuation. The aggregate surplus from original cost is transferred to a revaluation reserve. Any aggregate unrealised deficit from original cost is charged to the profit and loss account.

On realisation any gain or loss is calculated by reference to the carrying value at the last balance sheet date and is included in the profit and loss account. Any balance in the revaluation reserve is transferred to the profit and loss account reserve.

In accordance with SSAP 19(Revised) 'Accounting for investment properties', investment properties are revalued annually. No depreciation or amortisation is provided in respect of investment properties with over 20 years unexpired. The Companies Act 1985 requires all properties to be depreciated, but that requirement conflicts with the generally accepted principle set out in SSAP 19(Revised). The directors consider that, as the properties are held for long term investment, a true and fair view is given by following SSAP 19(Revised). Depreciation is only one of many factors reflected in the annual valuation of properties and the amount of depreciation or amortisation which might otherwise have been charged cannot be separately identified or quantified.

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2000**2. STAFF COSTS**

	31.1.00	31.1.99
	£	£
Wages and salaries	117,188	112,746
Other pension costs	107,538	59,500
	<u>224,726</u>	<u>172,246</u>

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

31.1.00	31.1.99
2	2
<u>2</u>	<u>2</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.1.00	31.1.99
	£	£
Hire of plant and machinery	10,438	14,522
Depreciation - owned assets	9,025	11,910
Auditors' remuneration	11,159	9,100
	<u>117,188</u>	<u>112,746</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.1.00	31.1.99
	£	£
Bank charges & interest	49,114	43,523
Hire purchase	2,745	2,745
	<u>51,859</u>	<u>46,268</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31st January 2000****5. TAXATION**

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

	31.1.00	31.1.99
	£	£
UK corporation tax	200,852	188,628
Tax on previous year's profits	-	(66)
	<u>200,852</u>	<u>188,562</u>

UK corporation tax has been charged at 32.50% (1999 - 31%).

6. DIVIDENDS

	31.1.00	31.1.99
	£	£
Equity shares:		
Final - share type 1	<u>43,403</u>	<u>37,260</u>

7. TANGIBLE FIXED ASSETS

	Totals	Investment properties	Equipment	Motor vehicles	Computer equipment
	£	£	£	£	£
COST OR VALUATION:					
At 1st February 1999	1,036,123	969,369	981	64,274	1,499
Additions	<u>1,592,811</u>	<u>1,592,811</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31st January 2000	<u>2,628,934</u>	<u>2,562,180</u>	<u>981</u>	<u>64,274</u>	<u>1,499</u>
DEPRECIATION:					
At 1st February 1999	31,405	-	911	29,744	750
Charge for year	<u>9,025</u>	<u>-</u>	<u>20</u>	<u>8,630</u>	<u>375</u>
At 31st January 2000	<u>40,430</u>	<u>-</u>	<u>931</u>	<u>38,374</u>	<u>1,125</u>
NET BOOK VALUE:					
At 31st January 2000	<u>2,588,504</u>	<u>2,562,180</u>	<u>50</u>	<u>25,900</u>	<u>374</u>
At 31st January 1999	<u>1,004,718</u>	<u>969,369</u>	<u>70</u>	<u>34,530</u>	<u>749</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31st January 2000****7. TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31st January 2000 is represented by:

	Totals	Investment properties	Equipment	Motor vehicles	Computer equipment
	£	£	£	£	£
Valuation in 1997	50,197	50,197	-	-	-
Cost	2,578,737	2,511,983	981	64,274	1,499
	<u>2,628,934</u>	<u>2,562,180</u>	<u>981</u>	<u>64,274</u>	<u>1,499</u>

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

	31.1.00 £	31.1.99 £
Cost	<u>2,511,983</u>	<u>919,172</u>

Investment properties were valued on open market basis on 31st January 2000 by J Knight-Director.

8. STOCKS

	31.1.00 £	31.1.99 £
Stock	<u>520,000</u>	<u>752,200</u>

The stock as at 31 January 2000 was valued at the lower of cost or realisable market value by Mr J M Knight-director.

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.00 £	31.1.99 £
Sundry debtors	<u>68,639</u>	<u>15,625</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2000**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.00 £	31.1.99 £
Bank loans and overdrafts (see note 12)	300,887	273,513
Trade creditors	17,834	29,485
Directors current accounts	101,523	73,120
Hire purchase	11,535	11,535
Other Taxes & PAYE	14,516	4,834
Taxation	300,852	248,628
Accrued expenses	45,013	21,637
	<u>792,160</u>	<u>662,752</u>

**11. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.1.00 £	31.1.99 £
Bank loans (see note 12)	517,346	255,373
Hire purchase	1,922	13,458
Loan from pension fund	275,000	-
	<u>794,268</u>	<u>268,831</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2000**12. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	31.1.00 £	31.1.99 £
Amounts falling due within one year or on demand:		
Bank overdrafts	162,965	226,788
Bank loans	137,922	46,725
	<u>300,887</u>	<u>273,513</u>
Amounts falling due between one and two years:		
Bank loans	<u>87,822</u>	<u>46,625</u>
Amounts falling due between two and five years:		
Bank loans	<u>245,678</u>	<u>136,676</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>183,846</u>	<u>72,072</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	31.1.00 £	31.1.99 £
Bank overdrafts	162,965	226,788
Bank loans	655,268	302,098
	<u>818,233</u>	<u>528,886</u>

The bank overdraft and loans are secured by legal mortgages over the unsold properties held by the company.

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31st January 2000****14. CALLED UP SHARE CAPITAL**

Authorised: Number:	Class:	Nominal value: £1	31.1.00 £	31.1.99 £
100	Ordinary		100	100
			<u>100</u>	<u>100</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value: £1	31.1.00 £	31.1.99 £
5	Ordinary		5	5
			<u>5</u>	<u>5</u>

15. REVALUATION RESERVE

	31.1.00 £	31.1.99 £
Revaluation reserve	50,197	50,197
	<u>50,197</u>	<u>50,197</u>

16. CAPITAL REDEMPTION RESERVE

	31.1.00 £	31.1.99 £
Capital redemption reserve	5	5
	<u>5</u>	<u>5</u>

17. OTHER RESERVES

	31.1.00 £	31.1.99 £
Brought forward	64,358	64,358
	<u>64,358</u>	<u>64,358</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.1.00 £	31.1.99 £
Profit for the financial year	514,579	460,645
Dividends	(43,403)	(37,260)
	<u>471,176</u>	<u>423,385</u>
Net addition to shareholders' funds	471,176	423,385
Opening shareholders' funds	1,119,539	696,154
	<u>1,590,715</u>	<u>1,119,539</u>
Closing shareholders' funds	1,590,715	1,119,539
	<u>1,590,715</u>	<u>1,119,539</u>
Equity interests	1,590,715	1,119,539
	<u>1,590,715</u>	<u>1,119,539</u>