

stephen starr

REGISTERED NUMBER: 1474635 (England and Wales)
CHARTERED ACCOUNTANTS

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ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 2002

FOR

LEXADON LIMITED



LEXADON LIMITED

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for the Year Ended 31st January 2002

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LEXADON LIMITED

COMPANY INFORMATION

for the Year Ended 31st January 2002

DIRECTORS:

J M Knight
Mrs J A Knight

SECRETARY:

J M Knight

REGISTERED OFFICE:

26 The Parade, High Street
Watford
Hertfordshire
WD17 1AA

REGISTERED NUMBER:

1474635 (England and Wales)

AUDITORS:

Stephen Starr
Chartered Accountants
26 The Parade, High Street
Watford
Hertfordshire WD17 1AA

LEXADON LIMITED

REPORT OF THE DIRECTORS **for the Year Ended 31st January 2002**

The directors present their report with the financial statements of the company for the year ended 31st January 2002.

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 £9067 per share.

The total distribution of dividends for the year ended 31st January 2002 will be £45,333.

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 2002 in the issued share capital of the company were as follows:

	31.1.02	1.2.01
Ordinary £1 shares		
J M Knight	2	2
Mrs J A Knight	3	3

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 2002

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

A handwritten signature in black ink, appearing to be 'J M Knight', written over the printed name.

Dated: 10 June 2002

LEXADON LIMITED

REPORT OF THE INDEPENDENT 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 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

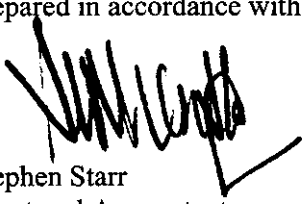
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance 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 audit 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 WD17 1AA

Dated: 12 June 2002

LEXADON LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**
for the Year Ended 31st January 2002

31.1.01			31.1.02
£		Notes	£
974,503	GROSS PROFIT		1,337,091
388,750	Administrative expenses		476,612
585,753	OPERATING PROFIT	3	860,479
10,267	Interest receivable and similar income		3,788
596,020			864,267
138,471	Interest payable and similar charges	4	169,792
457,549	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		694,475
109,018	Tax on profit on ordinary activities	5	192,579
348,531	PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		501,896
43,928	Dividends	6	45,333
304,603			456,563
1,476,150	Retained profit brought forward		1,780,753
<u>£1,780,753</u>	RETAINED PROFIT CARRIED FORWARD		<u>£2,237,316</u>

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 2002

31.1.01				31.1.02
£	£		Notes	£ £
<u>3,220,288</u>		FIXED ASSETS:		
		Tangible assets	7	4,384,714
		CURRENT ASSETS:		
	1,535,817	Stocks	8	1,984,279
	<u>25,996</u>	Debtors	9	<u>59,496</u>
	1,561,813			2,043,775
	1,220,472	CREDITORS: Amounts falling due within one year	10	<u>1,250,658</u>
<u>341,341</u>		NET CURRENT ASSETS:		<u>793,117</u>
		TOTAL ASSETS LESS CURRENT LIABILITIES:		
<u>3,561,629</u>				5,177,831
		CREDITORS: Amounts falling due after more than one year	11	<u>2,825,950</u>
<u>£1,895,318</u>				<u>£2,351,881</u>

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31st January 2002

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LEXADON LIMITED**CASH FLOW STATEMENT****for the Year Ended 31st January 2002**

31.1.01		Notes	31.1.02	
£	£		£	£
(429,598)	Net cash inflow/(outflow) from operating activities	1		677,810
(128,204)	Returns on investments and servicing of finance	2		(166,004)
(133,500)	Taxation			(167,353)
(641,878)	Capital expenditure	2		(1,170,536)
(43,928)	Equity dividends paid			(45,333)
(1,377,108)				(871,416)
1,471,864	Financing	2		880,797
£94,756	Increase in cash in the period			£9,381
Reconciliation of net cash flow to movement in net debt				
		3		
	Increase in cash in the period		9,381	
94,756	Cash outflow from decrease in debt and lease financing			
11,535			1,922	
106,291	Change in net debt resulting from cash flows			11,303
106,291	Movement in net debt in the period			11,303
(176,422)	Net debt at 1st February			(70,131)
£(70,131)	Net debt at 31st January			£(58,828)

The notes form part of these financial statements

LEXADON LIMITED**NOTES TO THE CASH FLOW STATEMENT**
for the Year Ended 31st January 2002**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	31.1.02 £	31.1.01 £
Operating profit	860,479	585,753
Depreciation charges	6,110	8,529
Loss on sale of fixed assets	-	1,565
Increase in stocks	(448,462)	(1,015,817)
(Increase)/Decrease in debtors	(33,500)	42,643
Increase/(Decrease) in creditors	293,183	(52,271)
Net cash inflow/(outflow) from operating activities	677,810	(429,598)

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

	31.1.02 £	31.1.01 £
Returns on investments and servicing of finance		
Interest received	3,788	10,267
Interest paid	(169,334)	(135,726)
Interest element of hire purchase or finance lease rentals payments	(458)	(2,745)
Net cash outflow for returns on investments and servicing of finance	(166,004)	(128,204)
Capital expenditure		
Purchase of tangible fixed assets	(1,170,536)	(641,878)
Net cash outflow for capital expenditure	(1,170,536)	(641,878)

The notes form part of these financial statements

LEXADON LIMITED**NOTES TO THE CASH FLOW STATEMENT**
for the Year Ended 31st January 2002**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**
- continued

	31.1.02 £	31.1.01 £
Financing		
New loan taken out in year	835,464	1,427,936
Amount introduced by directors	45,333	43,928
Net cash inflow from financing	<u>880,797</u>	<u>1,471,864</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.2.01 £	Cash flow £	At 31.1.02 £
Net cash:			
Cash at bank and in hand	-	-	-
Bank overdraft	(68,209)	9,381	(58,828)
	(68,209)	9,381	(58,828)
 Debt:			
Hire purchase or finance leases	(1,922)	1,922	-
	(1,922)	1,922	-
 Total	(70,131)	11,303	(58,828)
Analysed in Balance Sheet			
Bank overdraft	(68,209)		(58,828)
Hire purchase or finance leases within one year	(1,922)		-
	(70,131)		(58,828)

The notes form part of these financial statements

LEXADON LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS **for the Year Ended 31st January 2002**

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 2002**2. STAFF COSTS**

	31.1.02	31.1.01
	£	£
Wages and salaries	151,980	105,949
Other pension costs	107,538	107,538
	<u>259,518</u>	<u>213,487</u>

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

31.1.02	31.1.01
<u>2</u>	<u>2</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.1.02	31.1.01
	£	£
Hire of plant and machinery	15,149	12,132
Depreciation - owned assets	6,110	8,529
Loss on disposal of fixed assets	-	1,565
Auditors' remuneration	16,900	8,960
	<u>151,980</u>	<u>105,949</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.1.02	31.1.01
	£	£
Bank charges & interest	169,334	135,726
Hire purchase	458	2,745
	<u>169,792</u>	<u>138,471</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2002**5. TAXATION****Analysis of the tax charge**

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

	31.1.02 £	31.1.01 £
Current tax:		
UK corporation tax	<u>192,579</u>	<u>109,018</u>

UK corporation tax has been charged at 32.50% (2001 - 32.50%).

6. DIVIDENDS

	31.1.02 £	31.1.01 £
Equity shares:		
Final - share type 1	<u>45,333</u>	<u>43,928</u>

7. TANGIBLE FIXED ASSETS

	Totals	Investment properties	Equipment	Motor vehicles	Computer equipment
	£	£	£	£	£
COST OR VALUATION:					
At 1st February 2001	3,264,214	3,195,833	981	65,901	1,499
Additions	<u>1,170,536</u>	<u>1,170,536</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31st January 2002	<u>4,434,750</u>	<u>4,366,369</u>	<u>981</u>	<u>65,901</u>	<u>1,499</u>
DEPRECIATION:					
At 1st February 2001	43,926	-	946	41,481	1,499
Charge for year	<u>6,110</u>	<u>-</u>	<u>10</u>	<u>6,100</u>	<u>-</u>
At 31st January 2002	<u>50,036</u>	<u>-</u>	<u>956</u>	<u>47,581</u>	<u>1,499</u>
NET BOOK VALUE:					
At 31st January 2002	<u>4,384,714</u>	<u>4,366,369</u>	<u>25</u>	<u>18,320</u>	<u>-</u>
At 31st January 2001	<u>3,220,288</u>	<u>3,195,833</u>	<u>35</u>	<u>24,420</u>	<u>-</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2002**7. TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31st January 2002 is represented by:

	<u>Totals</u>	<u>Investment properties</u>	<u>Equipment</u>	<u>Motor vehicles</u>	<u>Computer equipment</u>
	£	£	£	£	£
Valuation in 1997	50,197	50,197	-	-	-
Cost	4,384,553	4,316,172	981	65,901	1,499
	<u>4,434,750</u>	<u>4,366,369</u>	<u>981</u>	<u>65,901</u>	<u>1,499</u>

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

	31.1.02	31.1.01
	£	£
Cost	<u>3,145,636</u>	<u>3,145,636</u>

Investment properties were valued on open market basis on 31st January 2002 by J Knight-Director.

8. STOCKS

	31.1.02	31.1.01
	£	£
Stock	<u>1,984,279</u>	<u>1,535,817</u>

The stock as at 31 January 2002 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**

	31.1.02	31.1.01
	£	£
Sundry debtors	<u>59,496</u>	<u>25,996</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2002**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.02 £	31.1.01 £
Bank loans and overdrafts (see note 12)	694,688	760,102
Trade creditors	22,358	12,407
Directors current accounts	190,784	145,451
Hire purchase	-	1,922
Other Taxes & PAYE	2,533	-
Taxation	301,596	276,370
Accrued expenses	38,699	24,220
	<u>1,250,658</u>	<u>1,220,472</u>

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

	31.1.02 £	31.1.01 £
Bank loans (see note 12)	2,282,808	1,391,311
Loan from pension fund	543,142	275,000
	<u>2,825,950</u>	<u>1,666,311</u>

LEXADON LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**
for the Year Ended 31st January 2002**12. LOANS AND OVERDRAFTS**

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

	31.1.02 £	31.1.01 £
Amounts falling due within one year or on demand:		
Bank overdrafts	58,828	68,209
Bank loans	635,860	691,893
	<u>694,688</u>	<u>760,102</u>
Amounts falling due between one and two years:		
Bank loans	<u>209,297</u>	<u>189,893</u>
Amounts falling due between two and five years:		
Bank loans	<u>603,665</u>	<u>558,302</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>1,469,846</u>	<u>643,116</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	31.1.02 £	31.1.01 £
Bank overdrafts	58,828	68,209
Bank loans	2,918,668	2,083,204
	<u>2,977,496</u>	<u>2,151,413</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 2002**14. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal	31.1.02	31.1.01
		value:	£	£
100	Ordinary	£1	100	100
			<u> </u>	<u> </u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.1.02	31.1.01
		value:	£	£
5	Ordinary	£1	5	5
			<u> </u>	<u> </u>

15. REVALUATION RESERVE

	31.1.02	31.1.01
	£	£
Revaluation reserve	50,197	50,197
	<u> </u>	<u> </u>

16. CAPITAL REDEMPTION RESERVE

	31.1.02	31.1.01
	£	£
Capital redemption reserve	5	5
	<u> </u>	<u> </u>

17. OTHER RESERVES

	31.1.02	31.1.01
	£	£
Brought forward	64,358	64,358
	<u> </u>	<u> </u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.1.02	31.1.01
	£	£
Profit for the financial year	501,896	348,531
Dividends	(45,333)	(43,928)
	<u> </u>	<u> </u>
Net addition to shareholders' funds	456,563	304,603
Opening shareholders' funds	1,895,318	1,590,715
	<u> </u>	<u> </u>
Closing shareholders' funds	2,351,881	1,895,318
	<u> </u>	<u> </u>
Equity interests	2,351,881	1,895,318
	<u> </u>	<u> </u>