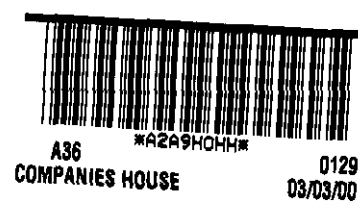


Company Registration No. 1840310 (England and Wales)

STEPHEN TYLER LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 1999



STEPHEN TYLER LIMITED

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STEPHEN TYLER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 1999

The directors present their report and financial statements for the year ended 30 June 1999.

Principal activities and review of the business

The principal activity of the company is that of Wholesale Jewellers.

Despite a small rise in turnover and margins the year was regarded as disappointing and margins continue to remain under pressure in a highly competitive marketplace.

Results and dividends

The results for the year are set out on page 3.

Directors

The following directors have held office since 1 July 1998:

Stephen John Tyler
Clare Eugenia Tyler

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary Shares of £1 each	
	30 June 1999	1 July 1998
Stephen John Tyler	35	35
Clare Eugenia Tyler	35	35

30 ordinary shares in the company are owned by The Tyler 1998 Children's Settlement.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Simmons Gainsford be reappointed as auditors of the company will be put to the Annual General Meeting.

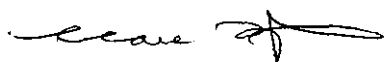
Directors' responsibilities

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:

- 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.

By order of the board



Clare Eugenia Tyler
Director
21 February 2000

STEPHEN TYLER LIMITED

AUDITORS' REPORT TO STEPHEN TYLER LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 8, together with the financial statements of the company for the year ended 30 June 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts 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 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 section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 8 are properly prepared in accordance with that provision.

Simmons Gainsford
Simmons Gainsford

Chartered Accountants
Registered Auditor

23/2/2000
.....

7/10 Chandos Street
Cavendish Square
London
W1M 9DE

STEPHEN TYLER LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 1999

	Notes	1999 £	1998 £
Gross profit		593,019	550,446
Administrative expenses		(429,915)	(306,777)
Other operating income		1,346	843
Operating profit	6	164,450	244,512
Other interest receivable and similar income	4	1,827	2,247
Interest payable and similar charges	8	(22,335)	(21,008)
Profit on ordinary activities before taxation		143,942	225,751
Tax on profit on ordinary activities	9	(29,593)	(48,363)
Profit on ordinary activities after taxation		114,349	177,388
Dividends	10	(103,286)	(78,325)
Retained profit for the year	18	11,063	99,063

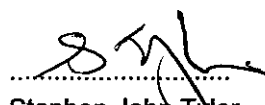
STEPHEN TYLER LIMITED

ABBREVIATED BALANCE SHEET AS AT 30 JUNE 1999

	Notes	1999 £	£	1998 £	£
Fixed assets					
Tangible assets	11		95,650		72,506
Current assets					
Stocks	12	743,977		819,659	
Debtors	13	934,476		734,207	
Cash at bank and in hand		28,251		71,992	
		<u>1,706,704</u>		<u>1,625,858</u>	
Creditors: amounts falling due within one year	14	<u>(910,844)</u>		<u>(801,413)</u>	
Net current assets			<u>795,860</u>		<u>824,445</u>
Total assets less current liabilities			891,510		896,951
Creditors: amounts falling due after more than one year	15		<u>(103,250)</u>		<u>(119,754)</u>
			<u>788,260</u>		<u>777,197</u>
Capital and reserves					
Called up share capital	17		100		100
Profit and loss account	18		788,160		777,097
Shareholders' funds	19		<u>788,260</u>		<u>777,197</u>

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

The financial statements were approved by the Board on 21/2/2000.


Stephen John Tyler
Director

STEPHEN TYLER LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 1999

	1999 £	1998 £
Net cash inflow/(outflow) from operating activities	55,561	(11,401)
Returns on investments and servicing of finance		
Interest received	1,827	2,247
Interest paid	<u>(22,335)</u>	<u>(21,008)</u>
Net cash outflow for returns on investments and servicing of finance	(20,508)	(18,761)
Taxation	(40,103)	(39,913)
Capital expenditure		
Payments to acquire tangible assets	(38,618)	(11,570)
Receipts from sales of tangible assets	<u>16,500</u>	<u>-</u>
Net cash outflow for capital expenditure	(22,118)	(11,570)
Equity dividends paid	<u>(103,286)</u>	<u>(78,325)</u>
Net cash outflow before management of liquid resources and financing	(130,454)	(159,970)
Financing		
Other new long term loans	117,734	-
Repayment of other long term loans	(136,405)	(6,966)
Capital element of hire purchase contracts	<u>(9,320)</u>	<u>-</u>
Net cash outflow from financing	(27,991)	(6,966)
Decrease in cash in the year	<u><u>(158,445)</u></u>	<u><u>(166,936)</u></u>

STEPHEN TYLER LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 1999

1 Reconciliation of operating profit to net cash inflow/(outflow) from operating activities		1999	1998
		£	£
Operating profit		164,450	244,512
Depreciation of tangible assets		28,361	21,524
Profit on disposal of tangible assets		(5,780)	-
Decrease/(increase) in stocks		75,682	(271,935)
Increase in debtors		(199,990)	(128,123)
(Decrease)/Increase in creditors within one year		(7,162)	122,621
Net cash inflow/(outflow) from operating activities		55,561	(11,401)

2 Analysis of net debt	1 July 1998	Cash flow	Other non-cash changes	30 June 1999
	£	£	£	£
Net cash:				
Cash at bank and in hand	71,992	(43,741)		28,251
Bank overdrafts	(114,776)	(103,423)		(218,199)
	<u>(42,784)</u>	<u>(147,164)</u>		<u>(189,948)</u>
Debt:				
Finance leases	-	9,319	(23,781)	(14,462)
Debts falling due within one year	(13,260)	(11,106)	-	(24,366)
Debts falling due after one year	(119,754)	18,671	-	(101,083)
	<u>(133,014)</u>	<u>16,884</u>	<u>(23,781)</u>	<u>(139,911)</u>
Net debt	<u>(175,798)</u>	<u>(130,280)</u>	<u>(23,781)</u>	<u>(329,859)</u>

3 Reconciliation of net cash flow to movement in net debt	1999	1998
	£	£
Decrease in cash in the year	(147,164)	(166,935)
Cash outflow from decrease in debt and lease financing	16,884	6,966
Change in net debt resulting from cash flows	(130,280)	(159,969)
New finance lease	(23,781)	-
Movement in net debt in the year	(154,061)	(159,969)
Opening net debt	(175,798)	(15,829)
Closing net debt	<u>(329,859)</u>	<u>(175,798)</u>

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1999

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Turnover

Turnover represents sales to outside customers at invoiced amounts less VAT.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvement	Straight line over the life of the lease
Computer equipment	20% reducing balance
Equipment	20% Reducing balance
Master rings & patterns	25% Reducing balance
Motor vehicles	25% Reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 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.

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 1999

2 Fixed assets

	Tangible assets £
Cost	
At 1 July 1998	204,870
Additions	62,225
Disposals	(33,882)
At 30 June 1999	233,213
Depreciation	
At 1 July 1998	132,364
On disposals	(23,162)
Charge for the year	28,361
At 30 June 1999	137,563
Net book value	
At 30 June 1999	95,650
At 30 June 1998	72,506

3 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Analysis of loans repayable in more than five years		
Not wholly repayable within five years by instalments	-	133,014

4 Share capital

	1999 £	1998 £
Authorised		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100