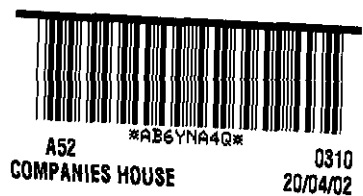


Company Registration No. 1840310 (England and Wales)

STEPHEN TYLER LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2001



STEPHEN TYLER LIMITED

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STEPHEN TYLER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001

The directors present their report and financial statements for the year ended 30 June 2001.

Principal activities and review of the business

The principal activity of the company is that of manufacturing jewellers.

The year under review was disappointing. Turnover reduced slightly but margins have come under considerable pressure in the present economic market. The directors hope for improvement over the forthcoming year.

Results and dividends

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

Directors

The following directors have held office since 1 July 2000:

Stephen John Tyler

Clare Eugenia Tyler

Directors' interests

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

	Ordinary Shares of £ 1 each	
	30 June 2001	1 July 2000
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.

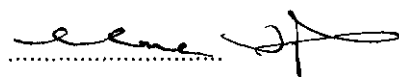
Directors' responsibilities

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:

- 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.

By order of the board



Clare Eugenia Tyler

Director

12/4/02

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 12, together with the financial statements of the company for the year ended 30 June 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

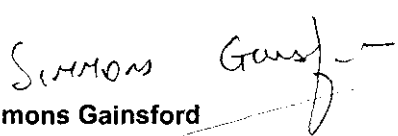
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of 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 12 are properly prepared in accordance with that provision.


Simmons Gainsford

Chartered Accountants
Registered Auditor

17/4/02

7/10 Chandos Street
Cavendish Square
London
W1G 9DQ

STEPHEN TYLER LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2001

	Notes	2001 £	2000 £
Gross profit		532,997	729,110
Administrative expenses		(427,285)	(451,249)
Operating profit	2	105,712	277,861
Other interest receivable and similar income		689	1,903
Interest payable and similar charges	3	(26,578)	(22,701)
Profit on ordinary activities before taxation		79,823	257,063
Tax on profit on ordinary activities	4	(18,982)	(52,988)
Profit on ordinary activities after taxation		60,841	204,075
Dividends	5	(48,307)	-
Retained profit for the year	13	12,534	204,075

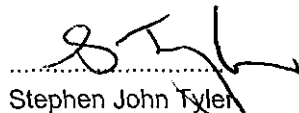
STEPHEN TYLER LIMITED

ABBREVIATED BALANCE SHEET AS AT 30 JUNE 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	6		105,808		84,134
Current assets					
Stocks	7	1,125,626		1,254,478	
Debtors	8	786,709		859,787	
Cash at bank and in hand		1,159		946	
		<u>1,913,494</u>		<u>2,115,211</u>	
Creditors: amounts falling due within one year	9	<u>(969,583)</u>		<u>(1,127,443)</u>	
Net current assets			<u>943,911</u>		<u>987,768</u>
Total assets less current liabilities			1,049,719		1,071,902
Creditors: amounts falling due after more than one year	10		<u>(44,850)</u>		<u>(79,567)</u>
			<u>1,004,869</u>		<u>992,335</u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss account	13		1,004,769		992,235
Shareholders' funds	14		<u>1,004,869</u>		<u>992,335</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 12/04/02


Stephen John Tyler
Director

STEPHEN TYLER LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

	2001 £	2000 £
Net cash inflow from operating activities	56,222	174,245
Returns on investments and servicing of finance		
Interest received	689	1,903
Interest paid	<u>(26,578)</u>	<u>(22,701)</u>
Net cash outflow for returns on investments and servicing of finance	(25,889)	(20,798)
Taxation	(51,362)	(20,659)
Capital expenditure		
Payments to acquire tangible assets	<u>(52,841)</u>	<u>(11,782)</u>
Net cash outflow for capital expenditure	(52,841)	(11,782)
Equity dividends paid	<u>(48,307)</u>	<u>-</u>
Net cash (outflow)/inflow before management of liquid resources and financing	(122,177)	121,006
Financing		
Repayment of other long term loans	(25,653)	(25,895)
Capital element of hire purchase contracts	<u>(2,167)</u>	<u>(12,295)</u>
Net cash outflow from financing	<u>(27,820)</u>	<u>(38,190)</u>
(Decrease)/increase in cash in the year	<u><u>(149,997)</u></u>	<u><u>82,816</u></u>

STEPHEN TYLER LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

1	Reconciliation of operating profit to net cash inflow from operating activities	2001	2000
		£	£
	Operating profit	105,712	277,861
	Depreciation of tangible assets	31,169	23,298
	Decrease/(increase) in stocks	128,852	(510,501)
	Decrease in debtors	71,458	76,838
	(Decrease)/Increase in creditors within one year	(280,969)	306,749
	Net cash inflow from operating activities	56,222	174,245

2	Analysis of net debt	1 July 2000	Cash flow	Other non-cash changes	30 June 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	946	213	-	1,159
	Bank overdrafts	(108,078)	(150,212)	-	(258,290)
		<u>(107,132)</u>	<u>(149,999)</u>	<u>-</u>	<u>(257,131)</u>
	Debt:				
	Finance leases	(2,167)	2,167	-	-
	Debts falling due within one year	(22,136)	(9,064)	-	(31,200)
	Debts falling due after one year	(79,567)	34,717	-	(44,850)
		<u>(103,870)</u>	<u>27,820</u>	<u>-</u>	<u>(76,050)</u>
	Net debt	<u>(211,002)</u>	<u>(122,179)</u>	<u>-</u>	<u>(333,181)</u>

3	Reconciliation of net cash flow to movement in net debt	2001	2000
		£	£
	(Decrease)/increase in cash in the year	(149,999)	82,816
	Cash outflow from decrease in debt and lease financing	27,820	36,041
	Movement in net debt in the year	(122,179)	118,857
	Opening net debt	(211,002)	(329,859)
	Closing net debt	<u>(333,181)</u>	<u>(211,002)</u>

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

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.

2 Operating profit

	2001	2000
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	31,169	23,298
Operating lease rentals	33,098	35,042
Auditors' remuneration	11,600	10,500

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

3	Interest payable	2001	2000
		£	£
	On bank loans and overdrafts	20,361	13,068
	On other loans wholly repayable within 5 years	6,192	8,774
	Hire purchase interest	25	859
		<u>26,578</u>	<u>22,701</u>
4	Taxation	2001	2000
		£	£
	Domestic current year taxation		
	U.K. corporation tax	19,000	53,000
	Adjustment for prior years	(18)	(12)
		<u>18,982</u>	<u>52,988</u>
5	Dividends	2001	2000
		£	£
	Ordinary interim paid	<u>48,307</u>	<u>-</u>

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

6 Tangible fixed assets

	Leasehold improvement	Computer equipment	Equipment	Master rings & patterns	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 July 2000	5,185	32,038	84,273	65,318	58,181	244,995
Additions	-	-	4,542	-	48,300	52,842
At 30 June 2001	5,185	32,038	88,815	65,318	106,481	297,837
Depreciation						
At 1 July 2000	5,185	15,472	57,587	51,610	31,006	160,860
Charge for the year	-	3,313	6,245	2,742	18,869	31,169
At 30 June 2001	5,185	18,785	63,832	54,352	49,875	192,029
Net book value						
At 30 June 2001	-	13,253	24,983	10,966	56,606	105,808
At 30 June 2000	-	16,567	26,685	13,707	27,175	84,134

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 30 June 2001	17,342
At 30 June 2000	23,122
Depreciation charge for the year	
30 June 2001	5,781
30 June 2000	7,707

7 Stocks

	2001 £	2000 £
Finished goods and goods for resale	1,125,626	1,254,478

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

8 Debtors	2001	2000
	£	£
Trade debtors	723,513	818,496
Other debtors	48,875	25,578
Prepayments and accrued income	14,321	15,713
	<u>786,709</u>	<u>859,787</u>
9 Creditors: amounts falling due within one year	2001	2000
	£	£
Bank loans and overdrafts	289,490	130,214
Net obligations under hire purchase contracts	-	2,167
Trade creditors	621,814	907,127
Corporation tax	19,000	53,000
Other taxes and social security costs	236	20,489
Other creditors	2,499	2,499
Accruals and deferred income	36,544	11,947
	<u>969,583</u>	<u>1,127,443</u>
Net obligations under hire purchase contracts		
Repayable within one year	-	2,192
Finance charges and interest allocated to future accounting periods	-	(25)
	<u>-</u>	<u>2,167</u>
10 Creditors: amounts falling due after more than one year	2001	2000
	£	£
Other creditors	<u>44,850</u>	<u>79,567</u>
Analysis of loans		
Wholly repayable within five years	76,050	101,703
Included in current liabilities	(31,200)	(22,136)
	<u>44,850</u>	<u>79,567</u>

The loan is from the directors. It is unsecured and the directors have confirmed that the above amounts will be repaid in equal installments over a period of 5 years (to include capital and interest). Interest is charged at bank rates.

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

11 Pension costs

The company operates a defined contribution pension for its present directors. The contributions paid are charged to the profit and loss account in the year of payment amounted to £40,550 (1999: £20,550).

12 Share capital	2001 £	2000 £
Authorised		
100 Ordinary Shares of £ 1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £ 1 each	100	100

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2000	992,235
Retained profit for the year	12,534
Balance at 30 June 2001	1,004,769

14 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Profit for the financial year	60,841	204,075
Dividends	(48,307)	-
Net addition to shareholders' funds	12,534	204,075
Opening shareholders' funds	992,335	788,260
Closing shareholders' funds	1,004,869	992,335

15 Financial commitments

At 30 June 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2001 £	2000 £
Expiry date:		
In over five years	17,236	17,236

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

16 Directors' emoluments	2001 £	2000 £
Emoluments for qualifying services	131,000	120,000
Company pension contributions to money purchase schemes	20,550	40,550
	<u>151,550</u>	<u>160,550</u>

17 Transactions with directors

The following directors had interest free loans during the year. The movement on these loans are as follows:

	Amount outstanding 2001 £	2000 £	Maximum in year £
Stephen Tyler	<u>28,447</u>	<u>23,079</u>	<u>28,447</u>

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2001 Number	2000 Number
Office and Management	4	5
Manufacturing	4	4
	<u>8</u>	<u>9</u>

Employment costs

	£	£
Wages and salaries	255,982	257,810
Social security costs	26,090	26,848
Other pension costs	20,550	40,550
	<u>302,622</u>	<u>325,208</u>