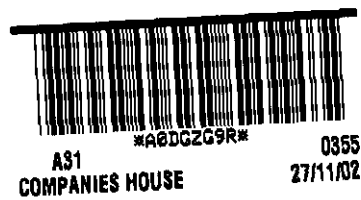


Company Registration No. 1840310 (England and Wales)

STEPHEN TYLER LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2002



STEPHEN TYLER LIMITED

CONTENTS

	Page
Directors' report	1
Auditors' report	2
Abbreviated profit and loss account	3
Abbreviated balance sheet	4
Cash flow statement	5
Notes to the cash flow statement	6
Notes to the abbreviated accounts	7 - 13

STEPHEN TYLER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2002

The directors present their report and financial statements for the year ended 30 June 2002.

Principal activities and review of the business

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

The year under review shows a promising improvement over the previous year led by the introduction of a new range of wedding bands. The directors remain confident.

Results and dividends

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

Directors

The following directors have held office since 1 July 2001:

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 2002	1 July 2001
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.

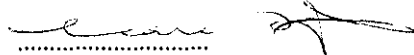
Directors' responsibilities

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


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 13, together with the financial statements of the company for the year ended 30 June 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

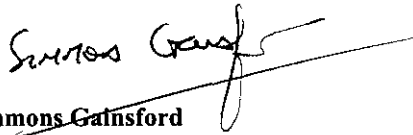
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of 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 13 are properly prepared in accordance with that provision.


Simmons Gainsford

Chartered Accountants
Registered Auditor

21/11/2002
.....

7/10 Chandos Street
Cavendish Square
London
W1G 9DQ

STEPHEN TYLER LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

		2002	2001
	Notes	£	£
Gross profit		838,583	532,997
Administrative expenses		(638,144)	(427,285)
Operating profit	2	200,439	105,712
Other interest receivable and similar income		77	689
Interest payable and similar charges	3	(28,986)	(26,578)
Profit on ordinary activities before taxation		171,530	79,823
Tax on profit on ordinary activities	4	(34,651)	(18,982)
Profit on ordinary activities after taxation		136,879	60,841
Dividends	5	(90,714)	(48,307)
Retained profit for the year	13	46,165	12,534

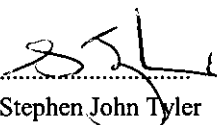
STEPHEN TYLER LIMITED

ABBREVIATED BALANCE SHEET AS AT 30 JUNE 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	6		99,546		105,808
Current assets					
Stocks	7	1,334,173		1,125,626	
Debtors	8	1,171,420		786,709	
Cash at bank and in hand		1,142		1,159	
		<u>2,506,735</u>		<u>1,913,494</u>	
Creditors: amounts falling due within one year	9	<u>(1,535,670)</u>		<u>(969,583)</u>	
Net current assets			<u>971,065</u>		<u>943,911</u>
Total assets less current liabilities			<u>1,070,611</u>		<u>1,049,719</u>
Creditors: amounts falling due after more than one year	10		<u>(19,578)</u>		<u>(44,850)</u>
			<u>1,051,033</u>		<u>1,004,869</u>
Capital and reserves					
Called up share capital	12		100		100
Profit and loss account	13		<u>1,050,933</u>		<u>1,004,769</u>
Shareholders' funds - equity interests	14		<u>1,051,033</u>		<u>1,004,869</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 18/11/02


Stephen John Tyler
Director

STEPHEN TYLER LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2002

	2002 £	2001 £
Net cash (outflow)/inflow from operating activities	(41,498)	56,222
Returns on investments and servicing of finance		
Interest received	77	689
Interest paid	<u>(28,986)</u>	<u>(26,578)</u>
Net cash outflow for returns on investments and servicing of finance	(28,909)	(25,889)
Taxation	(26,125)	(51,362)
Capital expenditure		
Payments to acquire tangible assets	(24,774)	(52,841)
Receipts from sales of tangible assets	<u>5,750</u>	<u>-</u>
Net cash outflow for capital expenditure	(19,024)	(52,841)
Equity dividends paid	<u>(90,714)</u>	<u>(48,307)</u>
Net cash outflow before management of liquid resources and financing	(206,270)	(122,177)
Financing		
Repayment of other long term loans	(25,273)	(25,653)
Repayment of other short term loans	(3,027)	-
Capital element of hire purchase contracts	<u>-</u>	<u>(2,167)</u>
Net cash outflow from financing	<u>(28,300)</u>	<u>(27,820)</u>
Decrease in cash in the year	<u><u>(234,570)</u></u>	<u><u>(149,997)</u></u>

STEPHEN TYLER LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2002

1	Reconciliation of operating profit to net cash outflow from operating activities	2002	2001
		£	£
	Operating profit	200,439	105,712
	Depreciation of tangible assets	28,312	31,169
	Profit on disposal of tangible assets	(3,027)	-
	(Increase)/decrease in stocks	(208,547)	128,852
	(Increase)/decrease in debtors	(377,586)	71,458
	Increase/(decrease) in creditors within one year	318,911	(280,969)
	Net cash outflow from operating activities	(41,498)	56,222

2	Analysis of net debt	1 July 2001	Cash flow	Other non-cash changes	30 June 2002
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,159	(17)	-	1,142
	Bank overdrafts	(258,290)	(234,552)	-	(492,842)
		<u>(257,131)</u>	<u>(234,569)</u>	<u>-</u>	<u>(491,700)</u>
	Debt:				
	Debts falling due within one year	(31,200)	3,027	-	(28,173)
	Debts falling due after one year	(44,850)	25,272	-	(19,578)
		<u>(76,050)</u>	<u>28,299</u>	<u>-</u>	<u>(47,751)</u>
	Net debt	(333,181)	(206,270)	-	(539,451)

3	Reconciliation of net cash flow to movement in net debt	2002	2001
		£	£
	Decrease in cash in the year	(234,569)	(149,999)
	Cash outflow from decrease in debt	28,299	27,820
	Movement in net debt in the year	(206,270)	(122,179)
	Opening net debt	(333,181)	(211,002)
	Closing net debt	(539,451)	(333,181)

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

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

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no liability would have been recognised as the conditions for recognition would not have been satisfied.

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

1 Accounting policies

(continued)

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2	Operating profit	2002 £	2001 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	28,312	31,169
	Loss on foreign exchange transactions	3	-
	Operating lease rentals	95,496	33,098
	Auditors' remuneration	12,000	11,600
	Profit on disposal of tangible assets	(3,027)	-
		<u>28,986</u>	<u>26,578</u>
3	Interest payable	2002 £	2001 £
	On bank loans and overdrafts	25,607	20,361
	On other loans wholly repayable within 5 years	2,971	6,192
	Hire purchase interest	-	25
	On overdue tax	408	-
		<u>28,986</u>	<u>26,578</u>

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

4	Taxation	2002	2001
		£	£
	Domestic current year tax		
	U.K. corporation tax	34,651	19,000
	Adjustment for prior years	-	(18)
		<u>34,651</u>	<u>18,982</u>
	Current tax charge	<u>34,651</u>	<u>18,982</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>171,530</u>	<u>79,823</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2001 : 20.00%)	<u>34,306</u>	<u>15,965</u>
	Effects of:		
	Non deductible expenses	348	-
	Depreciation	5,662	6,234
	Capital allowances	(5,054)	(4,511)
	Other tax adjustments	(611)	1,294
		<u>345</u>	<u>3,017</u>
	Current tax charge	<u>34,651</u>	<u>18,982</u>
5	Dividends	2002	2001
		£	£
	Ordinary interim paid	<u>90,714</u>	<u>48,307</u>

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

6 Tangible fixed assets

	Leasehold improvement	Computer equipment	Equipment	Master rings & patterns	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 July 2001	5,185	32,038	88,815	65,318	106,480	297,836
Additions	-	3,685	21,089	-	-	24,774
Disposals	-	-	-	-	(17,074)	(17,074)
At 30 June 2002	5,185	35,723	109,904	65,318	89,406	305,536
Depreciation						
At 1 July 2001	5,185	18,785	63,832	54,352	49,875	192,029
On disposals	-	-	-	-	(14,351)	(14,351)
Charge for the year	-	3,388	8,474	2,742	13,708	28,312
At 30 June 2002	5,185	22,173	72,306	57,094	49,232	205,990
Net book value						
At 30 June 2002	-	13,550	37,598	8,224	40,174	99,546
At 30 June 2001	-	13,253	24,983	10,966	56,606	105,808
At 30 June 2001						17,342
30 June 2001						5,781

7 Stocks

	2002 £	2001 £
Finished goods and goods for resale	1,334,173	1,125,626

8 Debtors

	2002 £	2001 £
Trade debtors	1,143,488	723,513
Corporation tax	7,125	-
Other debtors	3,713	48,875
Prepayments and accrued income	17,094	14,321
	1,171,420	786,709

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

9 Creditors: amounts falling due within one year	2002 £	2001 £
Bank loans and overdrafts	521,015	289,490
Trade creditors	790,347	621,814
Corporation tax	34,651	19,000
Other taxes and social security costs	29,584	236
Directors' current accounts	12,763	-
Other creditors	17,143	2,499
Accruals and deferred income	130,167	36,544
	<u>1,535,670</u>	<u>969,583</u>

10 Creditors: amounts falling due after more than one year	2002 £	2001 £
Other creditors	<u>19,578</u>	<u>44,850</u>
Analysis of loans		
Wholly repayable within five years	47,751	76,050
Included in current liabilities	<u>(28,173)</u>	<u>(31,200)</u>
	<u>19,578</u>	<u>44,850</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.

11 Pension costs

Defined contribution

	2002 £	2001 £
Contributions payable by the company for the year	<u>21,450</u>	<u>20,550</u>

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

12	Share capital	2002 £	2001 £
	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 2001	1,004,768
	Retained profit for the year	46,165
	Balance at 30 June 2002	1,050,933

14	Reconciliation of movements in shareholders' funds	2002 £	2001 £
	Profit for the financial year	136,879	60,841
	Dividends	(90,714)	(48,307)
	Net addition to shareholders' funds	46,165	12,534
	Opening shareholders' funds	1,004,869	992,335
	Closing shareholders' funds	1,051,033	1,004,869

15 Financial commitments

At 30 June 2002 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2002 £	2001 £
Expiry date:		
In over five years	49,679	17,236

STEPHEN TYLER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2002

16 Directors' emoluments	2002 £	2001 £
Emoluments for qualifying services	132,000	131,000
Company pension contributions to money purchase schemes	21,450	20,550
	<u>153,450</u>	<u>151,550</u>

17 Employees

Number of employees

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

	2002 Number	2001 Number
Office and Management	4	4
Manufacturing	4	4
	<u>8</u>	<u>8</u>

Employment costs

	£	£
Wages and salaries	262,384	255,982
Social security costs	26,994	26,090
Other pension costs	21,450	20,550
	<u>310,828</u>	<u>302,622</u>