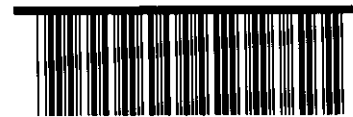


Registered

COMPANY NO. 3682106

UNBEADABLE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2001



A35	*A2H2NCMG*	0727
COMPANIES HOUSE		19/07/02
A24	*A2H2NCMG*	0480
COMPANIES HOUSE		10/07/02

UNBEADABLE LIMITED

REPORT OF THE DIRECTOR

The Director has pleasure in presenting her Report and Financial Statements for the year ended 31st December 2001. This Report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

Principal activity and business review

The principal activity of the company throughout the period was that of jewellery design and manufacturing.

Directors and their interests

The director who served the company throughout the period together with her interests (including family interests) in the shares of the company were as follows:-

	Ordinary shares of £1 each	
	<u>31 December 2001</u>	<u>31st December 2000</u>
A. Van de Pol	100	100

Auditors

A resolution to reappoint Messrs. J. Richard Hildebrand & Co. as Auditors will be proposed at the forthcoming Annual General Meeting.

UNBEADABLE LIMITED

REPORT OF THE DIRECTOR (cont)

Statement of directors' responsibilities

Company law requires the director 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 the period.

In preparing those financial statements the Director is required to:-

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable her to ensure that the financial statements comply with the Companies Act 1985. She is 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

.....
A. Van de Pol
Director

.....
Dated

13/5/02

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF

UNBEADABLE LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2001

We have audited the Financial Statements which comprise the Profit and Loss account, the Balance Sheet, and the related notes, set out on pages 3 to 8. The Financial Statements have been prepared under the historical cost convention, and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors Responsibilities on page 2, the company's director is responsible for the preparation of the financial statements, in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors Report is inconsistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information required by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relating to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF


UNBEADABLE LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2001 (cont)

Opinion

In our opinion the Financial Statements give a true and fair view of the state of the company's affairs at 31st December 2001, and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

399 Hendon Way,
London NW4 3LH


J. RICHARD HILDEBRAND & CO.
CHARTERED CERTIFIED ACCOUNTANTS
AND REGISTERED AUDITORS

July 2002

UNBEADABLE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2001

	Note	2001	2000
Turnover	2	1719388	1789735
Cost of Sales		<u>(925339)</u>	<u>(818453)</u>
Gross Profit		794049	971282
Other Operating Income		<u>822</u>	<u>2351</u>
		794871	973633
Administrative Expenses		<u>(854827)</u>	<u>(785181)</u>
(Loss)/Profit on ordinary activities before taxation	3	(59956)	188452
Taxation	4	<u>11148</u>	<u>(36626)</u>
(Loss)/Profit on Ordinary Activities after Taxation		(48808)	151826
Dividends paid and proposed	5	<u>(55000)</u>	<u>(48000)</u>
(Sustained Loss)/Retained Profit for the period		<u>(103808)</u>	<u>103826</u>
Balance brought forward		<u>162940</u>	<u>59114</u>
Balance carried forward		<u>59132</u>	<u>162940</u>

UNBEADABLE LIMITED
BALANCE SHEET AT 31ST DECEMBER 2001

		<u>2001</u>	<u>2000</u>
	NOTE	£	£
Fixed Assets			
Tangible Assets	6	46315	49484
Intangible Assets	7	<u>1</u>	<u>1</u>
		46316	49485
Current Assets			
Stock		69299	52726
Debtors	8	222292	209817
Cash at bank and in hand		<u>590</u>	<u>31998</u>
		<u>292181</u>	<u>294541</u>
Creditors: Amounts falling due within one year	9	<u>279265</u>	<u>180986</u>
Net Current Assets		<u>12916</u>	<u>113555</u>
Total Assets Less Current Liabilities		<u>59232</u>	<u>163040</u>
Capital and Reserves			
Called up share capital - equity interests	10	100	100
Profit and Loss Account		<u>59132</u>	<u>162940</u>
Shareholders' Funds		<u>59232</u>	<u>163040</u>

The Director acknowledges her responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st December 2001 and of its results for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company. The company has prepared these accounts in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and with the Financial Reporting Standard for Smaller Entities, March 2000.

Approved by the board:- A. Van de Pol..... Dated 15/2/02

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UNBEADABLE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001

1. Principal Accounting Policies

Accounting basis and standards

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the invoiced value of goods sold and services provided net of value added tax. In the opinion of the Directors 12 per cent of sales related to markets outside the UK.

Depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost or revalued amounts, less estimated residual value, of each asset, over its expected useful life as follows:

Goodwill	Not Depreciated
Leasehold Property	Straight Line over the period of the lease
Fixtures and Fittings	25% reducing balance

Goodwill is not depreciated because it has been valued at the nominal sum of £1.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred tax is accounted for under the liability method in respect of the taxation effects of all timing differences which are expected to reverse in the future, calculated at the rate at which it is estimated that tax will be payable. The Directors do not consider that any material provision is appropriate.

Foreign Currencies

Purchases and sales denominated in a foreign currency are translated into sterling at the rate ruling at the time of the transaction.

Debtors and creditors are stated in the accounts at the rate ruling at the balance sheet date.

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UNBEADABLE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001

2. Turnover

Turnover is attributable to the one principal activity of the company.

3. Profit before Taxation	2001	2000
	£	£

The profit before taxation is stated after charging

Auditors Remuneration	6950	6750
Depreciation - owned tangible fixed assets	17353	14820
Directors Remuneration	<u>25125</u>	<u>12000</u>

The director also received benefits in kind to the value of approximately £8460 (2000 £8350).

4. Taxation

The charge (credit) is comprised of the following:-

Corporation tax at 20% on the profit for the period	-	36626
Corporation tax recovered by carry-back of losses	<u>(11148)</u>	<u>-</u>
	<u>(11148)</u>	<u>36626</u>

5. Dividends

Paid in period at £550 (2000 £480) per share	<u>55000</u>	<u>48000</u>
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6. Tangible Assets

	Leasehold Land and Buildings £	Plant and Machinery £	Total £
Cost at 1st January 2001	42504	27546	70050
Additions	<u>4200</u>	<u>9984</u>	<u>14184</u>
At 31st December 2001	<u>46704</u>	<u>37530</u>	<u>84234</u>
Depreciation at 1st January 2001	8940	11626	20566
Charge for the Year	<u>7506</u>	<u>9847</u>	<u>17353</u>
At 31st December 2001	<u>16446</u>	<u>21473</u>	<u>37919</u>
Net Book Value at 31st December 2001	<u>30258</u>	<u>16057</u>	<u>46315</u>

UNBEADABLE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2001

7.	Intangible Assets	2001	2000
		£	£
	Goodwill at Cost	<u>1</u>	<u>1</u>
8.	Debtors		
	Trade debtors	181233	202617
	Other Debtors	<u>41059</u>	<u>7200</u>
		<u>222292</u>	<u>209817</u>
9.	Creditors: Amounts falling due within one year		
	Bank loans and overdrafts (secured)	141072	-
	Trade Creditors	24456	28398
	Other Creditors	41223	63631
	Social security and other taxes	37258	72207
	Accruals and deferred income	<u>35256</u>	<u>16750</u>
		<u>279265</u>	<u>180986</u>
<p>The company's bankers held an unscheduled mortgage debenture dated 31st August 2000 incorporating a fixed and floating charge over all current and future assets of the company. They also hold a guarantee for £200,000 given by the Director supported by life insurance cover in the said sum, and a second legal mortgage over her private residence.</p>			
10.	Share Capital		
	Authorised:		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	Called up, allotted and fully paid:		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>