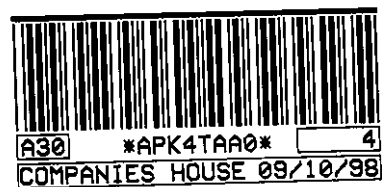


CHIMNEY COWLS LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31ST DECEMBER 1997



AUDITORS' REPORT TO CHIMNEY COWLS LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4 together with the accounts of CHIMNEY COWLS LIMITED for the period ended 31st December 1997 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

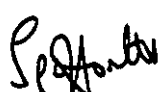
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the accounts, 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 accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



Spofforths
Chartered Accountants and Registered Auditors
Courtyard House
30 Worthing Road
Horsham
West Sussex
RH12 1SL
28th August 1998

CHIMNEY COWLS LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST DECEMBER 1997

	Notes	1997
		£
Fixed Assets		
Tangible fixed assets	2	19,425
Current Assets		
Stock and work in progress		28,026
Debtors		384,387
		<u>412,413</u>
Creditors: Amounts Falling Due Within One Year		<u>205,326</u>
Net Current Assets		<u>207,087</u>
Total Assets Less Current Liabilities		<u>226,512</u>
Capital and Reserves		
Share capital	3	1
Profit and loss account		226,511
Shareholders' Funds		<u>226,512</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the board on 21st August 1998 and signed on its behalf.

Mr D C Perks
Director



CHIMNEY COWLS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 31ST DECEMBER 1997

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets over their expected useful lives. The rates and periods generally applicable are:

Fixtures and fittings	25% per annum on cost
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Stocks

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

Contribution to Pension Funds

The company pays contributions to the group defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

CHIMNEY COWLS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 31ST DECEMBER 1997

2 Fixed Assets

	Tangible Fixed Assets
	£
Cost	
Additions	25,900
At 31st December 1997	25,900
Depreciation and Amortisation	
Charge for the period	6,475
At 31st December 1997	6,475
Net Book Value	
At 31st December 1997	19,425

3 Share Capital

	1997 £
Authorised	
100 Ordinary shares of £1.00 each	100
	100
Allotted	
1 Allotted, called up and fully paid ordinary shares of £1.00 each	1

The company issued 1 Ordinary Share of £1 on incorporation.

4 Related Parties

The company's immediate parent undertaking is The Loft Shop Limited which has included the company in its group accounts, copies of which are available from its registered office: Units 50/51, Lineside Industrial Estate, Eldon Way, Littlehampton, West Sussex, BN17 7HE.

In the directors' opinion the company's ultimate parent company and controlling party is The Loft Shop Group Limited which is incorporated in the United Kingdom. Copies of its group accounts, which include the company, are also available from the registered office as stated above.

During the year the ultimate parent company, the Loft Shop Group Limited, made a head office charge for administrative and other services provided of £193,326. This amount was outstanding at the balance sheet date.