

Registered number
3291581

PRECEDA SHINGLES LIMITED
DIRECTOR'S REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004



PRECEDA SHINGLES LIMITED

COMPANY INFORMATION

Director	P R Stedman
Secretary	R Birchenough
Auditors	Spofforths 20 Old Mill Square Storrington West Sussex RH20 4NQ
Registered office	50-51 Lineside Industrial Estate Eldon Way Littlehampton West Sussex BN17 7HE
Registered number	3291581
Solicitors	Clarke Willmott Stoneham Gate Stoneham Lane Southampton Hampshire SO50 9NW

PRECEDA SHINGLES LIMITED

CONTENTS

	Page
Director's report	1
Auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the accounts	5 to 6

PRECEDA SHINGLES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004

The director presents his report and accounts for the year ended 31 December 2004.

Principal activities

The company's principal activity was the marketing of shingles and associated building products.

Director

The director who served during the year and his interest in the share capital of the company were as follows:

£1 Ordinary shares	
31	1
December	January
2004	2004

P R Stedman

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The directors' interest in the share capital of the ultimate parent undertaking are disclosed in that company's financial statements.

Director's responsibilities

Company law requires the director to prepare accounts 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 for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He 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.

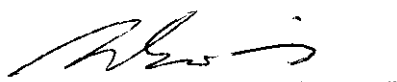
Auditors

A resolution to reappoint Spofforths as auditors will be put to the member at the Annual General Meeting.

Small company special provisions

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 28th October 2005



R Birchenough
Secretary

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF
PRECEDA SHINGLES LIMITED**

We have audited the accounts of Preceda Shingles Limited for the year ended 31 December 2004 on pages 3 to 6.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the accounts 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 not consistent with the accounts, 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 specified 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.

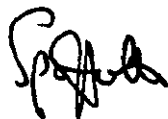
Basis of audit opinion

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 relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Spofforths
Chartered Accountants and Registered Auditors
20 Old Mill Square
Storrington
West Sussex
RH20 4NQ

Date: 31 October 2005

PRECEDA SHINGLES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	2004 £	2003 £
Turnover	2	133,590	190,338
Cost of sales		(132,277)	(168,099)
Gross profit		1,313	22,239
Administrative expenses		(3,856)	(7,712)
Operating (loss)/profit		(2,543)	14,527
(Loss)/profit on ordinary activities before taxation		(2,543)	14,527
Tax on (loss)/profit on ordinary activities	3	-	(2,678)
Retained (loss)/profit for the financial year	7	(2,543)	11,849

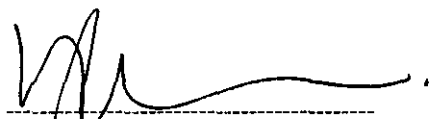
PRECEDA SHINGLES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2004

	Notes	2004	2003
		£	£
Current assets			
Stocks		22,795	45,278
Debtors	4	<u>281,820</u>	<u>245,009</u>
		304,615	290,287
Creditors: amounts falling due within one year	5	<u>(232,562)</u>	<u>(215,691)</u>
Net current assets		<u>72,053</u>	<u>74,596</u>
Net assets		<u>72,053</u>	<u>74,596</u>
Capital and reserves			
Called up share capital	6	1	1
Profit and loss account	7	<u>72,052</u>	<u>74,595</u>
Shareholder's funds		<u>72,053</u>	<u>74,596</u>

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



P R Stedman
Director

Approved by the board on 28th October 2005.

PRECEDA SHINGLES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2004

1 Principal accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents the amount receivable by the company for goods and services supplied by the company, net of VAT.

Stocks

Stocks, including work in progress, are consistently valued at the lower of cost and net realisable value.

Foreign currencies

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

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Taxation

	2004	2003
	£	£
UK corporation tax	-	2,678

PRECEDA SHINGLES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2004

4 Debtors			2004	2003
			£	£
Trade debtors			104	528
Amounts owed by group undertakings and undertakings in which the company has a participating interest			281,715	244,480
Share capital not paid			<u>1</u>	<u>1</u>
			<u>281,820</u>	<u>245,009</u>
5 Creditors: amounts falling due within one year			2004	2003
			£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest			232,562	212,931
Corporation tax			<u>-</u>	<u>2,760</u>
			<u>232,562</u>	<u>215,691</u>
6 Share capital			2004	2003
			£	£
Authorised:				
Ordinary shares of £1 each			<u>100</u>	<u>100</u>
	2004	2003	2004	2003
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
7 Profit and loss account			2004	2003
			£	£
At beginning of year			74,595	62,746
Retained (loss)/profit			<u>(2,543)</u>	<u>11,849</u>
At end of year			<u>72,052</u>	<u>74,595</u>

8 Related parties

The company's immediate parent undertaking is The Loft Shop Limited which is incorporated in England and Wales. It has included the company in its group accounts, copies of which are available from the registered office at Unit 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 England and Wales. Copies of its group accounts, which include the company, are also available from the registered office as stated above.