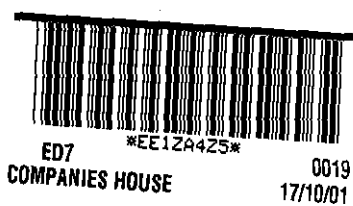


PRECEDA SHINGLES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000



AUDITORS' REPORT TO PRECEDA SHINGLES LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 3 together with the financial statements of Preceda Shingles Limited for the year ended 31st December 2000 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

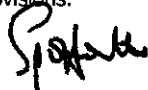
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements 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 financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 3 are properly prepared in accordance with those provisions.



Spofforths
Chartered Accountants and Registered Auditors
Courtyard House
30 Worthing Road
HORSHAM
West Sussex
RH12 1SL
Date: 11 October 2001

PRECEDA SHINGLES LIMITED**ABBREVIATED BALANCE SHEET**

AS AT 31ST DECEMBER 2000

	Notes	£	2000 £	£	1999 £
Current Assets					
Stock and work in progress		32,375		49,632	
Debtors		225,441		133,832	
		257,816		183,464	
Creditors: Amounts Falling Due Within One Year		167,535		142,391	
Net Current Assets			90,281		41,073
Total Assets Less Current Liabilities			90,281		41,073
Capital and Reserves					
Share capital	2		1		1
Profit and loss account			90,280		41,072
Shareholders' Funds			90,281		41,073

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

These financial statements were approved by the board on *qui October 2001* and signed on its behalf.


Mr P. Stedman
Director

PRECEDA SHINGLES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

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

Stocks

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

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

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.

2 Share Capital

Authorised

100 Ordinary shares of £1.00 each

2000	1999
£	£

100	100
-----	-----

Allotted

1 Allotted, called up and fully paid ordinary shares of £1.00 each

1	1
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3 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: 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.