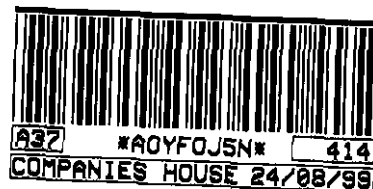


GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED

COMPANY NUMBER - 2862671

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1998



GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED

INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 1998

Pages

1	Report of the auditors to the members
2	Balance sheet
3 - 4	Notes to the abbreviated financial statements

**AUDITORS REPORT TO THE MEMBERS OF
GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED**

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 2 to 4 together with the financial statements of the company for the year ended 31 October 1998 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

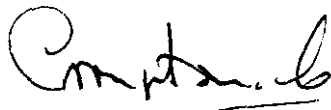
The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with 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 the 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 4 are properly prepared in accordance with those provisions.



**Crompton & Co
Registered Auditors &
Chartered Accountants
42 Queens Road
Coventry
CV1 3DX**

Dated: 18 August 1999

GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED

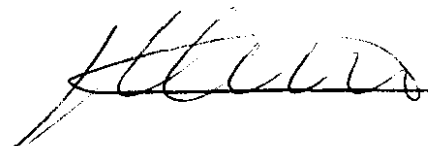
**ABBREVIATED BALANCE SHEET
AS AT 31 OCTOBER 1998**

		<u>1998</u>	<u>1997</u>
	<u>Notes</u>	£	£
FIXED ASSETS			
Tangible assets	2	15,678	18,449
CURRENT ASSETS			
Stocks		35,185	29,423
Debtors		3,723	813
Cash at bank and in hand		535	441
		<u>39,443</u>	<u>30,677</u>
CREDITORS - amounts falling due within one year	3	<u>69,830</u>	<u>80,499</u>
NET CURRENT (LIABILITIES)		<u>(30,387)</u>	<u>(49,822)</u>
ASSETS LESS CURRENT LIABILITIES		<u>(14,709)</u>	<u>(31,373)</u>
CREDITORS - amounts falling due after more than one year	3	<u>(1,085)</u>	<u>(4,657)</u>
NET (LIABILITIES)		<u><u>(15,794)</u></u>	<u><u>(36,030)</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	9,502	9,502
Profit and loss account		<u>(25,296)</u>	<u>(45,532)</u>
SHAREHOLDERS' FUNDS		<u><u>(15,794)</u></u>	<u><u>(36,030)</u></u>

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

Signed on behalf of the board of directors

J E Henry

 -Director

17th August 1999

The notes on pages 3 to 4 form part of these financial statements.

GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED

**Notes forming part of the abbreviated financial statements
to 31 October 1998**

1. ACCOUNTING POLICIES

The following are the major accounting policies operated by the company in the financial statements for the year ended 31 October 1998.

1.1 Basis of accounting

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

1.2 Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

1.3 Tangible fixed assets

Depreciation is provided at the following rates calculated on a reducing balance basis:

Fixtures, fittings and equipment	25%
----------------------------------	-----

1.4 Stocks

Stock and work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.5 Deferred taxation

Deferred taxation has been considered in accordance with Statement of Standard Accounting Practice No 15. The charge for taxation for this year and previous years has been reduced by accelerated capital allowances but provision for this deferred tax has not been made as the tax so deferred is not expected to become payable in the foreseeable future.

GROWELL HYDROPONICS AND PLANT LIGHTING LIMITED

Notes forming part of the abbreviated financial statements
to 31 October 1998 - continued

2. FIXED ASSETS

	<u>Tangible assets</u>
	£
Cost:	
At 1 November 1997	29,279
Additions	2,455
	<hr/>
At 31 October 1998	31,734
	<hr/>
Depreciation:	
At 1 November 1997	10,830
Charge for the year	5,226
	<hr/>
At 31 October 1998	16,056
	<hr/>
Net book value:	
At 31 October 1998	15,678
	<hr/>

3. CREDITORS

The following liabilities were secured:

	<u>Aggregate Amount outstanding</u>	
	<u>1998</u>	<u>1997</u>
	£	£
Loans	4,044	8,721
	<hr/>	<hr/>

4. SHARE CAPITAL

	<u>1998</u>	<u>1997</u>
	£	£
Authorised		
100 Co-Operative shares of £1 each	100	100
19,900 Non-voting investment shares of £1 each	19,900	19,900
	<hr/>	<hr/>
	20,000	20,000
	<hr/>	<hr/>
Allotted, issued and fully paid		
2 Co-Operative shares of £1 each	2	2
9,500 Non-voting investment shares of £1 each	9,500	9,500
	<hr/>	<hr/>
	9,502	9,502
	<hr/>	<hr/>

There were no changes in the year.