

REGISTERED NUMBER: 03369453 (England and Wales)

Abbreviated Financial Statements

for the Period

12 May 1997 to 30 April 1998

for

Morley Stove Company Limited



Morley Stove Company Limited

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for the Period 12 May 1997 to 30 April 1998**

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Morley Stove Company Limited
Company Information
for the Period 12 May 1997 to 30 April 1998

DIRECTORS: MP Milbourn
CJD Adams

SECRETARY: MP Milbourn

REGISTERED OFFICE: Watermead House
2 Codicote Road
Welwyn
Hertfordshire
AL6 9NB

REGISTERED NUMBER: 03369453 (England and Wales)

AUDITORS: Nicholsons
Chartered Accountants
Registered Auditors
Watermead House
2 Codicote Road
Welwyn
Herts AL6 9NB

Morley Stove Company Limited

**Report of the Auditors to
Morley Stove Company Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the period ended 30 April 1998 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

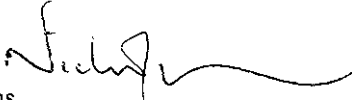
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with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



Nicholson's
Chartered Accountants
Registered Auditors
Watermead House
2 Codicote Road
Welwyn
Herts AL6 9NB

Dated: 25 February 1999

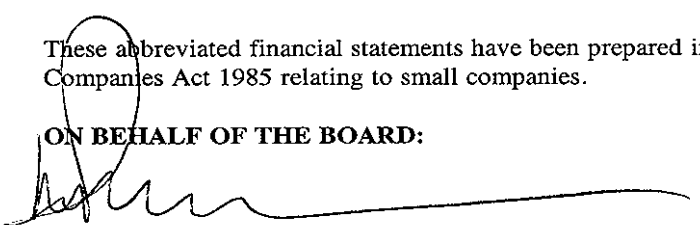
Morley Stove Company Limited

**Abbreviated Balance Sheet
30 April 1998**

	Notes	£	£
FIXED ASSETS:			
Tangible assets	2		52,405
CURRENT ASSETS:			
Stocks		139,610	
Debtors		56,953	
Cash at bank and in hand		5,636	
		<hr/>	
		202,199	
CREDITORS: Amounts falling due within one year		103,680	
		<hr/>	
NET CURRENT ASSETS:			98,519
			<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES:			150,924
CREDITORS: Amounts falling due after more than one year			150,000
			<hr/>
			£924
			<hr/>
CAPITAL AND RESERVES:			
Called up share capital	3		100,000
Profit and loss account			(99,076)
			<hr/>
Shareholders' funds			£924
			<hr/>

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

ON BEHALF OF THE BOARD:



MP Milbourn - DIRECTOR

Approved by the Board on 25 February 1999

The notes form part of these financial statements

Morley Stove Company Limited

**Notes to the Abbreviated Financial Statements
for the Period 12 May 1997 to 30 April 1998**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- see below
Office equipment	- 33% on cost

Motor vehicles are depreciated at 27.5% on cost over 3 years with the balance being the estimated residual value.

Stocks

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
Additions	62,549
At 30 April 1998	62,549
DEPRECIATION:	
Charge for period	10,144
At 30 April 1998	10,144
NET BOOK VALUE:	
At 30 April 1998	52,405

Morley Stove Company Limited

**Notes to the Abbreviated Financial Statements
for the Period 12 May 1997 to 30 April 1998**

3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
100,000	Ordinary	£1	<u>100,000</u>

99,998 Ordinary shares of £1 each were allotted and fully paid for cash at par during the period.

4. TRANSACTIONS WITH DIRECTORS

During the period Mr MP Milbourn disposed of a motor vehicle to the company at an arms length commercial value of £17,000. At the period end the company owed Mr MP Milbourn £151,026. There was no arrangement to charge interest on the loan.

During the period the company paid consultancy fees to Mr C Adams of £2,667.