

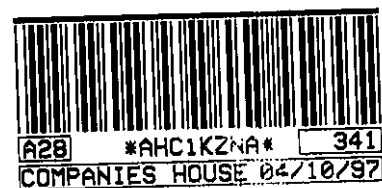
Please sign & return

REGISTERED NUMBER: 1255101 (England and Wales)

Abbreviated Financial Statements for the Year Ended 31 July 1997

for

NALESTAR LIMITED



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for the Year Ended 31 July 1997

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Company Information
for the Year Ended 31 July 1997

DIRECTORS:

J Onslow
J Brown
L S Rome

SECRETARY:

John Onslow

REGISTERED OFFICE:

Melton House
Melton Place
Off Bow Lane
Leyland
Lancashire

REGISTERED NUMBER:

1255101 (England and Wales)

AUDITORS:

Abrams Ashton
Registered Auditors
Chartered Accountants
41 St Thomas's Road
Chorley
Lancashire
PR7 1JE

NALESTAR LIMITED

Report of the Auditors to
Nalestar Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 July 1997 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

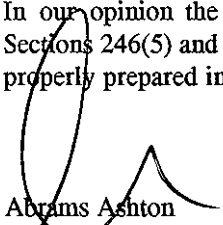
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with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



Abrams Ashton
Registered Auditors
Chartered Accountants
41 St Thomas's Road
Chorley
Lancashire
PR7 1JE

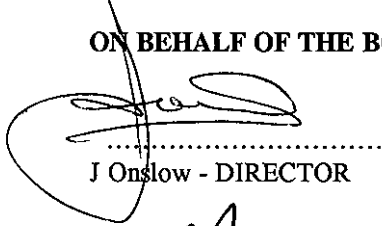
Dated: 30.9.97

NALESTAR LIMITED**Abbreviated Balance Sheet**
31 July 1997

		31.7.97		31.7.96	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		246,875		270,889
Investments	3		12,212		7,212
			<u>259,087</u>		<u>278,101</u>
CURRENT ASSETS:					
Stocks		315,587		255,090	
Debtors		259,584		280,404	
Cash at bank and in hand		164,463		7,572	
		<u>739,634</u>		<u>543,066</u>	
CREDITORS: Amounts falling due within one year	4	457,759		317,872	
NET CURRENT ASSETS:			<u>281,875</u>		<u>225,194</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			540,962		503,295
CREDITORS: Amounts falling due after more than one year	4		(9,031)		(47,636)
PROVISIONS FOR LIABILITIES AND CHARGES:			(8,152)		(1,109)
			<u>£523,779</u>		<u>£454,550</u>
CAPITAL AND RESERVES:					
Called up share capital	5		50,000		50,000
Revaluation reserve			47,626		50,665
Profit and loss account			426,153		353,885
Shareholders' funds			<u>£523,779</u>		<u>£454,550</u>

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:


.....
J Onslow - DIRECTOR


.....
J Brown - DIRECTOR

Approved by the Board on 21.9.97.....

The notes form part of these financial statements

Notes to the Abbreviated Financial Statements
for the Year Ended 31 July 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, 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.

Freehold property	- 2 % on cost
Plant & Machinery	- 25 % on reducing balance
Fixtures & Fittings	- 25 % on reducing balance
Motor vehicles	- 25 % on reducing balance

Stocks

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Notes to the Abbreviated Financial Statements
for the Year Ended 31 July 1997

2. TANGIBLE FIXED ASSETS

	Total
	£
COST OR VALUATION:	
At 1 August 1996	473,048
Additions	8,933
Disposals	(11,000)
	<hr/>
At 31 July 1997	470,981
	<hr/>
DEPRECIATION:	
At 1 August 1996	202,159
Charge for year	29,466
Eliminated on disposals	(7,519)
	<hr/>
At 31 July 1997	224,106
	<hr/>
NET BOOK VALUE:	
At 31 July 1997	246,875
	<hr/> <hr/>
At 31 July 1996	270,889
	<hr/> <hr/>

3. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 August 1996	7,212
Additions	5,000
	<hr/>
At 31 July 1997	12,212
	<hr/>
NET BOOK VALUE:	
At 31 July 1997	£12,212
	<hr/> <hr/>
At 31 July 1996	£7,212
	<hr/> <hr/>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

J & A Ashworth Limited
Country of incorporation: England
Nature of business: Textiles

Class of shares:	%
Ordinary	holding 100.00

	31.7.97	31.7.96
	£	£
Aggregate capital and reserves	63,797	19,528
Profit for the year	44,269	5,512
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Abbreviated Financial Statements
for the Year Ended 31 July 1997

3. FIXED ASSET INVESTMENTS - continued

Limeworld Limited

Country of incorporation: England

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

4. CREDITORS

The following secured debts are included within creditors:

	31.7.97	31.7.96
	£	£
Bank loans	30,031	88,736
	<u> </u>	<u> </u>

5. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.7.97	31.7.96
			£	£
100,000	Ordinary	£1	100,000	100,000
			<u> </u>	<u> </u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.7.97	31.7.96
			£	£
50,000	Ordinary	£1	50,000	50,000
			<u> </u>	<u> </u>