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Company Number: 03750021

BURNING DESIRES LIMITED

ACCOUNTS FOR THE YEAR ENDED

31ST JULY 2001

AND DIRECTORS' REPORT



BURNING DESIRES LIMITED

FINANCIAL STATEMENTS AND DIRECTORS REPORT FOR THE YEAR ENDED 31ST JULY 2001

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COMPANY INFORMATION

Company number	03750021
Registered Office	137/139 Garstang Road Fulwood Preston PR2 3EB
Directors	S A Treaddell E J Treaddell
Secretary	E J Treaddell
Bankers	Yorkshire Bank PLC 3 Orchard Street Preston PR1 2EN
Accountants	Davies & Crane 5 Winckley Street Preston PR1 2AA

BURNING DESIRES LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED 31ST JULY 2001

The directors present their annual report on the affairs of the Company together with the accounts for the year ended 31st July 2001.

Principal activities

The principal activity of the company in the year under review was retailing gas fires and fireplaces.

Dividends and undistributed profits

A dividend of £24,000 has been paid in the year, and undistributed profits of £97,439 have been carried forward.

Directors and their interests

	2001	2000
S A Treadell	2	2
E J Treadell	-	-

Small company status

Advantage has been taken in the preparation of this report of special exemptions available to small companies.

137/139 Garstang Road
Fulwood
Preston, PR2 3EB

25/2/02 : Date

By order of the board



S A Treadell
Director

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss for that period.

In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

They are 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.

BURNING DESIRES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST JULY 2001

		2001		2000	
	Notes	£	£	£	£
Turnover	1		528,845		472,071
Cost of Sales			<u>298,128</u>		<u>262,230</u>
Gross Profit			230,717		209,841
Staff costs	2	86,762		83,569	
Administrative expenses		<u>62,140</u>		<u>56,324</u>	
			<u>148,902</u>		<u>139,893</u>
Operating profit			81,815		69,948
Bank interest			<u>52</u>		<u>95</u>
Profit on ordinary activities before taxation	3		81,763		69,853
Taxation	4		<u>16,249</u>		<u>13,928</u>
Profit for the financial year			65,514		55,925
Dividends paid and proposed			<u>24,000</u>		<u>-</u>
			41,514		55,925
Retained profits brought forward			<u>55,925</u>		<u>-</u>
Retained profits carried forward			<u>£ 97,439</u>		<u>£ 55,925</u>

There are no gains or losses to be reported other than the profit for the year.

BURNING DESIRES LIMITED

BALANCE SHEET At 31ST JULY 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	5	17,010	21,590
Current assets			
Stocks		59,480	54,827
Debtors	6	90,744	44,251
Cash at bank and in hand		460	139
		<u>150,684</u>	<u>99,217</u>
Creditors : amounts falling due within one year	7	<u>70,253</u>	<u>64,880</u>
Net current assets		<u>80,431</u>	<u>34,337</u>
Total assets less liabilities		<u>£ 97,441</u>	<u>£ 55,927</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		<u>97,439</u>	<u>55,925</u>
Shareholders' funds	9	<u>£ 97,441</u>	<u>£ 55,927</u>

In the directors opinion the company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31st July 2001. No member of the company has deposited a notice under section 249B(2) requiring an audit of these accounts.

The directors are responsible for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

In preparing these accounts the directors have taken advantage of special exemptions available to small companies on the grounds that the company qualifies as a small company for the year ended 31st July 2001.

Approved by the Board on:

10/2/02

and signed on its behalf:

S Treadell

S A Treadell

BURNING DESIRES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JULY 2001

Note

1 Accounting policies

- (a) The accounts are prepared under the historical cost convention.
- (b) Turnover comprises the invoice value of goods and services supplied in the United Kingdom exclusive of VAT.
- (c) Tangible fixed assets are depreciated at the following annual rates
 - motor vehicle 25% on written down value
 - fittings and equipment 15% on written down value
 - computer straight line over 3 years
- (d) Stocks are valued at the lower of cost or net realisable value after making due allowance for any obsolete or slow moving items.
- (e) The director does not consider that there are any material timing differences at present which require provision for deferred taxation.

2 Staff costs

2001 2000

Staff costs include:

- directors' emoluments	£ 45,894	£ 47,228
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3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

2001 2000

Depreciation and amounts written-off		
- tangible fixed assets	£ 4,580	£ 5,812

4 Tax on ordinary activities

2001 2000

Tax at the small company rate

16,269 13,928

Adjustment for previous years

-20 -

Charge for the year

£ 16,249 £ 13,928

5 Fixed assets

	Motor vehicle	Fixtures & fittings	Computer	Total
	£	£	£	£
Cost at 1st August 2000	15,495	11,067	840	27,402
Additions	-	-	-	-
Cost at 31st July 2001	15,495	11,067	840	27,402
Depreciation at 1st August 2000	3,865	1,667	280	5,812
Charge for the year	2,900	1,400	280	4,580
Depreciation at 31st July 2001	6,765	3,067	560	10,392
Net book value at 31st July 2000	£ 11,630	£ 9,400	£ 560	£ 21,590
Net book value at 31st July 2001	£ 8,730	£ 8,000	£ 280	£ 17,010

BURNING DESIRES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JULY 2001

Note

6 Debtors		2001	2000
		£	£
Trade debtors		67,493	44,251
Director's loan account		23,251	-
		<u>£ 90,744</u>	<u>£ 44,251</u>
7 Creditors		2001	2000
		£	£
Trade creditors		45,540	30,478
Social security and other taxes		22,132	19,309
Director's loan account		-	5,807
Bank overdraft		-	8,236
Accrual		2,581	1,050
		<u>£ 70,253</u>	<u>£ 64,880</u>
8 Share capital and reserves		2001	2000
Authorised share capital	1000 Ordinary £1 shares	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted, issued and fully paid:	2 Ordinary £1 shares	<u>£ 2</u>	<u>£ 2</u>
9 Shareholders' funds		2001	2000
		£	£
As at 31st July 2000		55,927	-
Profit for the period		41,514	55,927
As at 31st July 2001		<u>£ 97,441</u>	<u>£ 55,927</u>