

AUDITORS' REPORT TO WM C READE of ALDEBURGH LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 30 June 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

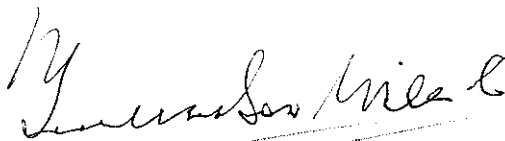
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts 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 accounts and that the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



TUBBS SON GILES & CO
REGISTERED AUDITORS
CHARTERED CERTIFIED ACCOUNTANTS

22/26 Suffolk Road
LOWESTOFT
Suffolk
NR32 1DZ

Date: 5 January 2001

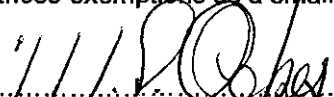


WM C READE of ALDEBURGH LIMITEDBALANCE SHEETAs at 30 June 2000

	<u>2000</u>	<u>1999</u>
	£	£
FIXED ASSETS		
Tangible Fixed Assets (Note 3)	414,927	415,339
CURRENT ASSETS		
Stocks and Work in Progress	382,800	363,407
Debtors	294,508	256,473
Cash at bank and in hand	43,630	370
	<u>720,938</u>	<u>620,250</u>
CREDITORS: Amounts falling due within one year	<u>(418,572)</u>	<u>(352,115)</u>
NET CURRENT ASSETS	<u>302,366</u>	<u>268,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>717,293</u>	<u>683,474</u>
PROVISION FOR LIABILITIES AND CHARGES		
Deferred Taxation	<u>(1,368)</u>	<u>-</u>
	<u>715,925</u>	<u>683,474</u>
SHAREHOLDERS' FUNDS		
Called Up Share Capital (Note 2)	40,000	40,000
Revaluation Reserve	264,730	264,730
Profit and Loss Account	411,195	378,744
	<u>715,925</u>	<u>683,474</u>

The Financial Statements on pages 2 to 4 were approved by the Board of Directors on 5 January 2001 and are signed on its behalf.

The directors have relied on the exemptions for individual financial statements contained in sections 246 to 247 of the Companies Act 1985 because, under that Act, the company is entitled to benefit from those exemptions as a small company.

.....  M S F OAKES

.....  V OAKES

WM C READE of ALDEBURGH LIMITED

NOTES TO THE ACCOUNTS

Year Ended 30 June 2000

1. Accounting Policies

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards.

b) Turnover

Turnover represents net invoiced sales of goods, excluding VAT and, in the case of long term contracts, the value of work done during the year.

c) Tangible Fixed Assets

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

Freehold Buildings	- 2% straight line
Plant and Machinery	- 15% reducing balance method
Fixtures and Fittings	- 15% reducing balance method
Motor Vehicles	- 25% reducing balance method

No depreciation is provided on freehold land.

d) Stocks and Work in Progress

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

Work in progress is valued at cost of direct materials and labour, plus a proportion of overheads and that proportion of the anticipated total profit on individual contracts which has fairly and reasonably been determined by reference to the progress of each contract, and due provisions for anticipated losses on contracts.

2. The authorised and issued share capital of the company is 40,000 £1 ordinary shares which have been fully paid.

WM C READE of ALDEBURGH LIMITEDNOTES TO THE ACCOUNTS (Continued)Year Ended 30 June 20003. Tangible Fixed Assets:

	<u>Freehold Property</u> £	<u>Plant and Machinery</u> £	<u>Fixtures and Fittings</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
Cost or Valuation					
At 1 July 1999	378,000	90,367	14,986	120,655	604,008
Additions	-	2,810	5,080	8,095	15,985
At 30 June 2000	378,000	93,177	20,066	128,750	619,993
Depreciation					
At 1 July 1999	4,744	86,309	10,136	87,480	188,669
Charge for the year	3,560	1,030	1,489	10,318	16,397
At 30 June 2000	8,304	87,339	11,625	97,798	205,066
Net Book Values					
At 30 June 2000	369,696	5,838	8,441	30,952	414,927
At 30 June 1999	373,256	4,058	4,850	33,175	415,339