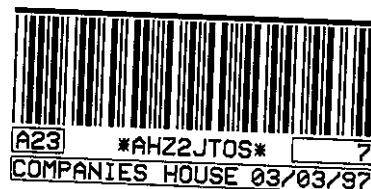


REGISTERED NUMBER: 2364310 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 1996

FOR

MAULDEN VALE LIMITED



Rawlinson
Pryde
& Partners

Certified Accountants

MAULDEN VALE LIMITED

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FOR THE YEAR ENDED 30TH JUNE 1996

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MAULDEN VALE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30TH JUNE 1996

DIRECTORS:

M J Hillson
P R Evans
R A Holland
R K Booth

SECRETARY:

R A Holland

REGISTERED OFFICE:

29, Clophill Road
Maulden
Bedford

REGISTERED NUMBER:

2364310 (England and Wales)

AUDITORS:

Rawlinson Pryde & Partners
Registered Auditor &
Certified Accountants
Argent House
5 Goldington Road
Bedford

BANKERS:

Barclays Bank Plc
111 High Street
Bedford

MAULDEN VALE LIMITED

REPORT OF THE AUDITORS TO
MAULDEN VALE LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages four to six together with the full financial statements of Maulden Vale Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page four and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30th June 1996, and the abbreviated financial statements on pages four to five have been properly prepared in accordance with that Schedule.

Other information

On 18th February 1997 we reported, as auditors of Maulden Vale Limited, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th June 1996, and our audit report was as follows:

"We have audited the financial statements on pages four to eight which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page three the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

MAULDEN VALE LIMITED

REPORT OF THE AUDITORS TO
MAULDEN VALE LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."



Rawlinson Pryde & Partners
Registered Auditor &
Certified Accountants
Argent House
5 Goldington Road
Bedford

Dated: 18th February 1997

MAULDEN VALE LIMITED

ABBREVIATED BALANCE SHEET
30TH JUNE 1996

		<u>1996</u>	<u>1995</u>
	Notes	£	£
CURRENT ASSETS:			
Stocks		913,435	1,384,700
Debtors		24,848	14,156
Cash at bank		<u>96,153</u>	<u>10,711</u>
		1,034,436	1,409,567
CREDITORS: Amounts falling due within one year	2	<u>769,210</u>	<u>1,271,057</u>
NET CURRENT ASSETS:		<u>265,226</u>	<u>138,510</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u><u>£265,226</u></u>	<u><u>£138,510</u></u>
CAPITAL AND RESERVES:			
Called up share capital	3	2	2
Profit and loss account		<u>265,224</u>	<u>138,508</u>
Shareholders' funds		<u><u>£265,226</u></u>	<u><u>£138,510</u></u>

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to the benefit of those exemptions as a small company.

In preparing the full financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

M J Hillson - DIRECTOR

R K Booth - DIRECTOR

Approved by the Board on 18th February 1997

The notes form part of these financial statements

MAULDEN VALE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30TH JUNE 1996**

1. ACCOUNTING POLICIES

Accounting convention

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

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.

Work in progress

Work in progress is valued at the lower of cost and net realisable value including construction costs incurred, together with associated professional costs. The costs of development land purchased by the company includes stamp duty and legal fees incurred relating to the acquisition.

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.

2. CREDITORS

The following secured debts are included within creditors:

	1996	1995
	£	£
Bank loans	<u>85,975</u>	<u>510,525</u>

3. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	1996	1995
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1996	1995
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

4. TRANSACTIONS WITH DIRECTORS

During the year, M J Hillson and R A Holland, directors of the company, provided necessary transactions, charging on an arms length basis, through their business M J Hillson Limited. The total amount charged in the year was £1,201,299 of which £220,549 was outstanding at the balance sheet date.

MAULDEN VALE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 1996

5. CONTINGENT LIABILITIES

Since the balance sheet date, the company has received Notices of Assessment to Corporation Tax in respect of the years ended 30 June 1994 and 30 June 1995 in excess of the amounts calculated, as shown in the accounts and paid to the Collector of Taxes.

These assessments appear to relate to an investigation by the Special Compliance Office of the Inland Revenue into transactions which took place between third parties and prior to the inception of the Company. The directors fail to understand why these assessments have been raised against the company.

Appeals have been lodged against these assessments together with postponement applications to reduce the tax to the amount shown in the accounts. The directors are confident that the excess tax assessed of £104,709.75 before the application of any interest or penalty is incorrect.