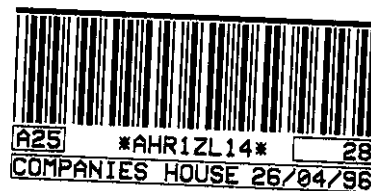


MONAVON CONSTRUCTION LIMITED

STATUTORY ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1995

Company No. 1424224 (England and Wales)



MONAVON CONSTRUCTION LIMITED  
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AUDITOR'S REPORT TO MONAVON CONSTRUCTION LIMITED  
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PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985  
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I have examined the statutory accounts on pages 2 to 5 together with the financial statements of Monavon Construction Limited, prepared under section 226 of the Companies Act 1985, for the year ended 30th June 1995.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the statutory accounts in accordance with Schedule 8 to the Companies Act 1985. It is my responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors statement on page 2 and whether the statutory accounts have been properly prepared.

BASIS OF OPINION

I have carried out the procedures I considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the statutory accounts have been properly prepared from those financial statements. The scope of my work for the purpose of this report does not include examining or dealing with events after the date of my report on the full financial statements.

OPINION

In my opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemption conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 30th June 1995 and the statutory accounts on pages 2 to 5 have been properly prepared in accordance with that schedule.

(Continued on Page 2)

## MONAVON CONSTRUCTION LIMITED

## AUDITOR'S REPORT TO MONAVON CONSTRUCTION LIMITED

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

(Continued from Page 1)

On 22nd March 1996 I reported as auditor of Monavon Construction Limited to the members on the statutory financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30th June 1995 and my audit report was as follows:

I have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

## RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

As described on page 1 the company's director is responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

## BASIS OF OPINION

I conducted my 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 judgements made by the director 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.

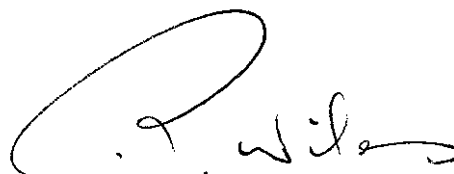
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

## OPINION

In my opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30th June 1995 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.

Robert L. Wiles, FCA.,  
Chartered Accountant  
and Registered Auditor  
33 Bush Hill,  
Winchmore Hill,  
London, N21 2BT.

22nd March 1996



Chartered Accountant

## MONAVON CONSTRUCTION LIMITED

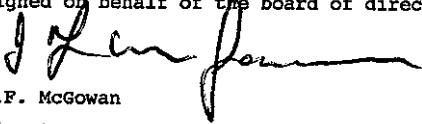
## BALANCE SHEET AS AT 30TH JUNE 1995

	Notes	1995	1994
	-----	-----	-----
FIXED ASSETS		£	£
Tangible assets	2	9,028	9,395
CURRENT ASSETS			
Stocks and work in progress		504,703	515,947
Debtors		36,247	11,081
Cash at bank and in hand		-	17,783
		-----	-----
		540,950	544,811
CREDITORS: amounts falling due within one year		(220,084)	(193,022)
		-----	-----
NET CURRENT ASSETS		320,866	351,789
TOTAL ASSETS LESS CURRENT LIABILITIES		-----	-----
		329,894	361,184
CREDITORS: Amounts falling due after more than one year	3	(184,555)	(260,654)
		-----	-----
NET ASSETS		£145,339	£100,530
		-----	-----
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and loss account		145,337	100,528
		-----	-----
		£145,339	£100,530
		-----	-----

In preparing these financial statements the directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985, and have done so on the grounds that, in their opinion, the company is entitled to the exemptions as a small company.

In preparing the company's annual 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, and have done so on the grounds that, in their opinion, the company is entitled to the exemptions as a small company.

Signed on behalf of the board of directors

  
J.F. McGowan

Director

Approved by the board on 22nd March 1996

The notes on pages 4 to 5 form part of these financial statements.

MONAVON CONSTRUCTION LIMITED

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NOTES TO THE ACCOUNTS

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FOR THE YEAR ENDED 30TH JUNE 1995

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1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF ACCOUNTS

The accounts are prepared under the historical cost convention and include the results of the company's operations which are described in the Director's Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Report Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 TURNOVER

Turnover comprises the invoiced value of goods and services supplied by the company and the amounts received from sales of leasehold property and ground rents, rents and maintenance received, net of Value Added Tax and trade discounts.

1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Furniture and Equipment	15% reducing balance basis
Motor Vehicles	25% reducing balance basis

1.4 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.5 DEFERRED TAXATION

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.6 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund during the year.

MONAVON CONSTRUCTION LIMITED

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NOTES TO THE ACCOUNTS

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FOR THE YEAR ENDED 30TH JUNE 1995

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2. FIXED ASSETS	Tangible Fixed Assets £	
COST		
At 1st July 1994	25,306	
Additions	2,115	
Disposals	-	
	-----	
At 30th June 1995	£27,421	
	-----	
DEPRECIATION		
At 1st July 1994	15,911	
On disposals	-	
Charge for year	2,482	
	-----	
At 30th June 1995	£18,393	
	-----	
NET BOOK VALUE		
At 30th June 1995	£ 9,028	
	-----	
At 30th June 1994	£ 9,395	
	-----	
3. CREDITORS	1995	1994
	-----	
	£	£
Repayable after more than five years	£184,555	£260,654
	=====	
4. CALLED UP SHARE CAPITAL	1995	1994
	-----	
	£	£
AUTHORISED		
Ordinary Shares of £1 each	£100	£100
	=====	
ALLOTTED, CALLED UP AND FULLY PAID		
Ordinary Shares of £1 each	£ 2	£ 2
	=====	