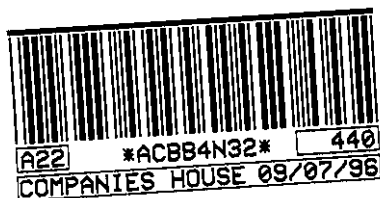


King Mines Limited

Directors' report and financial statements

31 December 1995

Registered number 1434129



King Mines Limited

Directors' report and financial statements

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King Mines Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1995.

Principal activities

The company is an investment holding company. The activities of its subsidiary undertakings are set out in note 4 to the financial statements.

Business review

The company did not trade during the year or in the year ended 31 December 1994 and, as a result, a profit and loss account has not been prepared.

Proposed dividend

The directors do not recommend the payment of a dividend (1994:£nil).

Directors and directors' interests

The directors who held office during the year were:

RM King
HM King
WM King
CM King (appointed 5 September 1995)

The directors who held office at the end of the financial year had the following interests in the ordinary shares of the company and other group companies, as recorded in the register of directors' share and debenture interests:

	Company	Class of share	Interest at beginning and end of year
RM King - as nominee	King Mines Limited	£1 ordinary	1 share
RM King	Beeson Holdings Limited	£1 ordinary	51%

None of the other directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

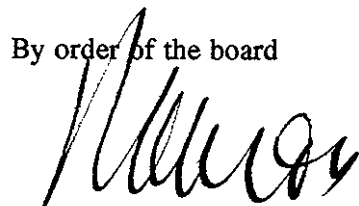
King Mines Limited

Directors' report

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



RG Menon
Secretary

Stoke Park
Stoke Poges
Slough
SL2 4NS

26 June 1996

King Mines Limited

Statement of directors' responsibilities in respect of the preparation of the financial statements

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 or 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Auditors' report to the members of King Mines Limited

We have audited the financial statements on pages 5 to 8.

Respective responsibilities of directors and auditors

As described on page 3 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 judgements 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its result for the year and have been properly prepared in accordance with the Companies Act 1985.

KPMG
Chartered Accountants
Registered Auditors

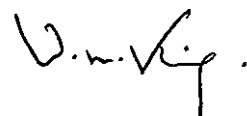
26 June 1996

King Mines Limited

Balance sheet at 31 December 1995

	<i>Note</i>	1995 £	1994 £
Fixed assets			
Investments	4	-	-
Creditors: amounts falling due within one year	5	<u>(1,232)</u>	<u>(1,232)</u>
Total assets less current liabilities		<u>(1,232)</u>	<u>(1,232)</u>
Capital and reserves			
Called up share capital	6	100	100
Profit and loss account		<u>(1,332)</u>	<u>(1,332)</u>
Deficit on shareholders' funds	7	<u>(1,232)</u>	<u>(1,232)</u>

These financial statements were approved by the board of directors on 26 June 1996 and were signed on its behalf by:



WM King
Director

King Mines Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards.

Group financial statements

The financial statements present information about the undertaking as an individual undertaking and not about its group.

Under section 228 of the Companies Act 1985, group financial statements incorporating the company and its subsidiary undertakings have not been prepared because the company is a wholly owned subsidiary undertaking of another company incorporated in Great Britain, Beeson Holdings Limited, registered in England and Wales.

Cash flow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of a parent company which has produced a group cashflow statement in accordance with the standard.

2 Profit and loss account

As the company has been dormant, it made neither a profit nor a loss during the year, and accordingly, no profit or loss account or statement of total recognised gains and losses has been prepared.

Auditors' remuneration has been borne by a subsidiary undertaking.

3 Remuneration of directors and employees

None of the directors received emoluments for their services to the company during the year (1994:£nil). The company has no employees other than the directors (1994:nil).

King Mines Limited

Notes (continued)

4 Investments

Investments in subsidiary undertakings:

The company's subsidiary undertakings at 31 December 1995 and 31 December 1994 were:

Company	Holding	Issued share capital	Principal activities
Beeson & Sons Limited	100%	14,367 Ordinary £1 shares	Property construction and dealing, antique sales and farming
Beeson & Sons Investments	100%	50,000 Ordinary £1 shares	Dormant
Beeson Investments	100%	1,000 Ordinary £1 shares	Property investment
International Packaging	100%	250,000 Ordinary £1 shares	Property investment and packaging

All subsidiary undertakings are incorporated in the United Kingdom and registered in England and Wales. The above investments were purchased at the nominal value of the issued shares and have been written down to a nil book value (1994:£nil).

5 Creditors: amounts falling due within one year

	1995	1994
	£	£
Amount owed to parent company	(1,232)	(1,232)

6 Called up share capital

	1995	1994
	£	£
Authorised, allotted, called up and fully paid Ordinary shares of £1 each	100	100

7 Shareholders' funds

There has been no movement in shareholders' funds in the year (1994:£nil).

King Mines Limited

Notes (continued)

8 Contingent liabilities

Three subsidiary undertakings are unlimited and consequently the company may incur a liability to make good deficits arising in these companies. The audited accounts of these subsidiaries showed the following deficits of shareholders' funds:

	1995 £000	1994 £000
Beeson & Sons Investments	-	-
Beeson Investments	194	(18)
International Packaging	(3,690)	(3,159)
	<u>3,496</u>	<u>3,141</u>

The financial statements of these subsidiary undertakings have been prepared on a going concern basis.

Beeson & Sons Investments does not prepare audited accounts. It has neither a surplus or deficit of shareholders funds at 31 December 1995 or 31 December 1994.

9 Ultimate parent company

The company's ultimate parent company is Beeson Holdings Limited, a company incorporated in Great Britain and registered in England and Wales. A copy of the financial statements of Beeson Holdings Limited can be obtained from Stoke Park, Stoke Poges, Slough SL2 4NS.