

T & T HOLDINGS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1997

Company Registration No. 1855281



AUDITORS' REPORT TO T & T HOLDINGS LIMITED

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 2 to 8, together with the financial statements of T & T Holdings Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1997.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246(5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated financial statements and whether the abbreviated financial statements have been properly prepared in accordance with that section.

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 deliver abbreviated financial statements 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.

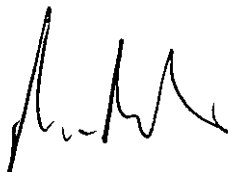
Opinion

In our opinion the company is entitled under sections 246, 247 and 249 of the Companies Act 1985 to deliver abbreviated financial statements prepared in accordance with section 246(5) and (6) of the Act in respect of the year ended 31 October 1997 and the abbreviated financial statements on pages 2 to 8 have been properly prepared in accordance with that section.

59A STATION ROAD

CHINGFORD

LONDON E4 7BJ



PRICE BAILEY

**CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS**

DATED: 23 February 1998

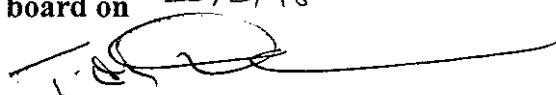
T & T HOLDINGS LIMITED**ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 1997**

	Notes		1996
FIXED ASSETS:			
Investments	2	221,711	221,201
CURRENT ASSETS:			
Debtors	53,983	55,367	
Cash at bank	72,832	1,409	
		<hr/>	<hr/>
	126,815	56,776	
CREDITORS: amounts falling due within one year	125,066	54,190	
	<hr/>	<hr/>	
NET CURRENT ASSETS		1,749	2,586
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		223,460	223,787
		<hr/>	<hr/>
CREDITORS: amounts falling due after more than one year	3	-	35,000
		<hr/>	<hr/>
		£223,460	£188,787
		<hr/>	<hr/>
CAPITAL AND RESERVES:			
Called up share capital	5	21,000	20,000
Profit and loss account		202,460	168,787
		<hr/>	<hr/>
Shareholders' funds		£223,460	£188,787
		<hr/>	<hr/>

The financial statements are prepared in accordance with the special provisions under Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 20/2/98

A D Matthews
Director



The notes on pages 3 to 8 form part of these abbreviated financial statements.

T & T HOLDINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1997

1. ACCOUNTING POLICIES

1.1 Accounting convention and standards

The financial statements are prepared under the historical cost convention in accordance with applicable Statements of Standard Accounting Practice and Financial Reporting Standards.

1.2 Turnover

Turnover represents the invoiced amount of services provided (stated net of value added tax).

1.3 Investment properties

Investment properties are stated in the balance sheet at their open market value, based on valuations made periodically by an independent valuer.

1.4 Deferred taxation

Deferred taxation is calculated using the liability method on timing differences between amounts as computed for taxation purposes and amounts as stated in these financial statements in conjunction with losses carried forward.

1.5 Pension costs

The company operated pension schemes for the benefit of selective employees. The assets of these schemes are held separately from those of the company in independently administered funds.

Current contributions to secure the benefits set out in the rules to the schemes are made by the subsidiary company, T & T Timber Merchants Limited, and charged to their accounts as they accrue.

T & T HOLDINGS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 OCTOBER 1997 (CONTINUED)****2. INVESTMENTS**

	1996	
Freehold premises:		
Valuation at 31 October 1996 and 31 October 1997	180,000	180,000
Short leasehold premises:		
Valuation at 31 October 1996 and 31 October 1997	1	1
Shares in group companies:		
Cost at 31 October 1996 and 31 October 1997	41,200	41,200
	<hr/>	<hr/>
	221,201	221,201
Listed investment:		
Valuation at 31 October 1997	510	-
	<hr/>	<hr/>
	£221,711	£221,201
	<hr/>	<hr/>

The freehold premises were professionally valued on 28 September 1994 at £180,000 adopting the comparable/investment method assessing the premises as per their existing usage. The historical cost of the property was £279,832.

The use of the leasehold premises was assigned over to another company on 29 October 1992. The company remains as the lessee only in the event of any default by the assignee. The lease expires on 25 December 2009. In view of this position the value of the lease has been shown at a notional value only. The historical cost of the lease is £1,682.

The listed investment relates to 150 ordinary 10p shares in Norwich Union PLC acquired as a Windfall on the flotation due to policies held. These are valued at £3.40 per share being the closing price on 31 October 1997.

T & T HOLDINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1997 (CONTINUED)

3. CREDITORS: amounts falling due after more than one year:

A commercial mortgage was provided by Barclays Bank Plc in September 1991 secured on the company's freehold premises. The loan is repayable over seven years (maturing in September 1998) and bears interest at the rate of 2.75% over base rate. Capital is to be repaid at the rate of £35,000 per annum.

		1996
Total obligations payable	35,000	70,000
Less: Amounts falling due within one year	35,000	35,000
	<hr/>	<hr/>
Amounts falling due after more than one year and less than five years	£Nil	£35,000
	<hr/>	<hr/>

The loan is further secured by a debenture, dated 16 September 1991, which gave a fixed and floating charge over all property and assets of the company.

4. CONTINGENT LIABILITIES

The company has entered into a cross guarantee and debenture dated 30 March 1994 in regards to banking facilities of its subsidiary, T & T Timber Merchants Limited. At 31 October 1997 that company's indebtedness to the bank stood at £Nil (1996: £Nil).

Also, as explained at note 9 the company remain as lessee on their leasehold premises if at any time the assignee of the lease defaults. Obligations under the lease were, when last payable by the company, £16,600 per year. Subsequent to this time a rent review was due on 25 December 1994.

5. SHARE CAPITAL

	No.	1996 No.
Authorised		
Ordinary shares of £1 each	40,000	50,000
"A" ordinary shares of £1 each	10,000	10,000
	<hr/>	<hr/>
	50,000	50,000
	<hr/>	<hr/>

T & T HOLDINGS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 OCTOBER 1997 (CONTINUED)****5. SHARE CAPITAL (CONTINUED)**

		1996
Allotted, called up and fully paid		
20,000 ordinary shares of £1 each	20,000	20,000
1,000 "A" ordinary shares of £1 each	1,000	-
	<hr/>	<hr/>
	£21,000	£20,000
	<hr/>	<hr/>

On 15 May 1997 the authorised share capital was restructured by special resolution to allow for a second class of shares. On 31 May 1997 an allotment was made of 1,000 of the new "A" ordinary £1 shares at par value to raise cash for working capital.

6. SUBSIDIARY UNDERTAKINGS**6.1 T & T TIMBER MERCHANTS LIMITED**

The company owns 1,000 ordinary shares of £1 each representing 100% of the issued share capital

T & T Timber Merchants Limited is a company incorporated in England and Wales.

Financial information on subsidiary undertaking:

		1996
Share capital	£1,000	£1,000
	<hr/>	<hr/>
Reserves being retained profits	£181,563	£159,459
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Retained profit for the year	£22,104	£23,733
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The audit report of this company for the year ended 31 October 1997 was unqualified.

The principal activity of this subsidiary undertaking is dealing in timber and general builders supplies.

T & T HOLDINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 1997 (CONTINUED)

6. SUBSIDIARY UNDERTAKINGS (CONTINUED)

6.1 T & T TIMBER MERCHANTS LIMITED (CONTINUED)

In the directors opinion the valuation of the subsidiary used in the balance sheet is not less than the company's share of the net assets of the subsidiary undertaking.

At 31 October 1997 the balance on the company's loan account with T & T Timber Merchants Limited was £23,596 owed by the company, (1996: £55,367 owed to the company).

6.2 M & H BUILDERS MERCHANTS LIMITED

The company owns 4 ordinary shares of £1 each representing 100% of the issued share capital, which were acquired on 12 April 1996.

M & H Builders Merchants Limited is a company incorporated in England and Wales.

Financial information on subsidiary undertaking:

	Year ended 31.10.97	1.10.95 to 31.10.96
Share capital	£4	£4
Reserves being retained profits	£71,880	£29,791
Retained profit/(net distribution) for the period	£42,089	£(12,718)

The audit report of this company for the year ended 31 October 1997 was unqualified.

The principal activity of this subsidiary undertaking was providing mechanical, electrical, plumbing and engineering equipment on hire.

In the directors opinion the valuation of the subsidiary used in the balance sheet is not less than the company's share of the net assets of the subsidiary undertaking.

T & T HOLDINGS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 OCTOBER 1997 (CONTINUED)****6. SUBSIDIARY UNDERTAKINGS (CONTINUED)****6.3 GROUP ACCOUNTS**

The company is not required to prepare group accounts as it has taken advantage of the exemptions conferred by Section 248 of the Companies Act 1985 because it satisfied the Companies Act definition of a "small group". Accordingly the accounts present information as an individual undertaking and not about its group.

7. RELATED PARTY TRANSACTIONS

Included in turnover for the year is £210,000 (1996: £90,000) in relation to rent and management charges payable by the company's subsidiary of T & T Timber Merchants Limited.

During the year there were the following movements on directors current accounts with the company:

	Due to directors At 11.11.96	Net movement	Due to directors At 31.10.97
T P Hardy	491	23,509	24,000
A D & J I Matthews	598	23,402	24,000
	<hr/>	<hr/>	<hr/>
	£1,089	£46,911	£48,000
	<hr/>	<hr/>	<hr/>