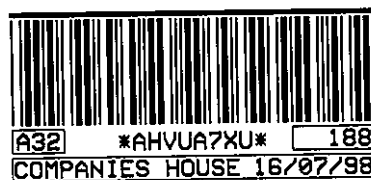


Company Number 2056742

PINEFOLD LIMITED
ABBREVIATED FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1997



PINEFOLD LIMITED
AUDITORS' REPORT TO THE DIRECTORS OF PINEFOLD LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 and 4 together with the financial statements of the company for the year ended 31st December 1997 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

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 accounts and that the abbreviated accounts to be delivered have been properly prepared from those financial statements. 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 and 4 have been properly prepared in accordance with those provisions.

Guy Walmsley & Co

Guy Walmsley & Co.
Registered Auditor,
29 High Street,
Wrexham.
LL13 8HY

Date 14 JUL 1998

PINEFOLD LIMITED
BALANCE SHEET AS AT 31ST DECEMBER 1997

	Note	1997		1996	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	2		1,239,160		1,273,290
CURRENT ASSETS					
Stock		1,200		1,100	
Debtors		11,000		18,291	
Cash at bank and in hand		14,956		4,407	
		<u>27,156</u>		<u>23,798</u>	
CREDITORS: Amounts falling due within one year	3	124,342		166,893	
NET CURRENT LIABILITIES			<u>(97,186)</u>		<u>(143,095)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,141,974</u>		<u>1,130,195</u>
CREDITORS: Amounts falling due after more than one year	3		844,747		834,662
			<u>297,227</u>		<u>295,533</u>
PROVISION FOR LIABILITIES AND CHARGES					
Deferred Taxation			5,329		6,848
			<u>291,898</u>		<u>288,685</u>
CAPITAL AND RESERVES					
Called Up Share Capital	4		100		100
Revaluation Reserve			296,743		301,351
Profit and Loss Account			(4,945)		(12,766)
SHAREHOLDERS' FUNDS			<u>291,898</u>		<u>288,685</u>

Approved by the Board of Directors on **14 JUL 1998** and signed on its behalf.
These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

Signed on Behalf of the Board



L.E. Nicholas
Director

Date **14 JUL 1998**

The notes on pages 3 and 4 form part of these financial accounts.

PINEFOLD LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1997

1. ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities and under the historical cost convention.

Turnover

Turnover is the amount derived from the provision of services falling within the Company's ordinary activities after deduction of any discounts.

Tangible Fixed Assets

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write down their cost to their estimated residual values over their useful economic lives.

Freehold Buildings	-	2% straight line basis
Office Fixtures and Equipment	-	10% straight line basis
Leased Equipment	-	10% straight line basis
Computer	-	25% straight line basis

Finance Leases and Hire Purchase Contracts

Tangible fixed assets acquired under Finance Leases or Hire Purchase Contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease or contract in accordance with the straight line method.

Operating Leases

Rentals paid under operating leases are charged to the Profit and Loss Account as incurred.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Pension

The Company operates a defined contribution scheme. The payments are charged against profits in the year in which they are made. The assets of the scheme are held separately from the Company's assets in independently administered funds.

PINEFOLD LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1997

2. FIXED ASSETS

	Freehold Property £	Office Fixtures & Equipment £	Leased Equipment £	Computer £	Total £
COST/REVALUATION					
At 1st January 1997	1,307,308	138,772	67,149	6,539	1,519,768
Additions	5,383	3,052	-	1,940	10,375
At 31st December 1997	1,312,691	141,824	67,149	8,479	1,530,143
DEPRECIATION					
At 1st January 1997	129,652	65,845	44,834	6,147	246,478
Charge for year	22,854	14,182	6,715	754	44,505
At 31st December 1997	152,506	80,027	51,549	6,901	290,983
NET BOOK AMOUNT					
At 31st December 1997	1,160,185	61,797	15,600	1,578	1,239,160

3. CREDITORS:

Included within creditors are secured creditors amounting to £898,825. (1996 £936,068).

4. SHARE CAPITAL

	1996 £	1995 £
Authorised		
Ordinary Shares of £1 each	100	100
Allotted, Called Up and Fully Paid		
Ordinary Shares of £1 each	100	100