

MIARKE DEVELOPMENTS LIMITED

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 30TH JUNE 1996

W.R.KING & CO
CERTIFIED ACCOUNTANTS



MIARKE DEVELOPMENTS LIMITED

DIRECTORS:

M.E.SAUNDERS
M.SAUNDERS

REGISTERED NUMBER:

2350724

ACCOUNTANTS:

W.R.King & Co.
Certified Accountants
44 Victoria Gardens
Neath
West Glamorgan
SA11 3BH

MIARKE DEVELOPMENTS LIMITED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1996

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The following page does not form part of the Statutory Accounts

Appendix

1. Trading and Profit and Loss Account

MIARKE DEVELOPMENTS LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH JUNE 1996

The directors present their annual report with the accounts of the company for the year ended 30th June 1996.

PRINCIPAL ACTIVITY

The principal activity of the company in the year was the purchase and resale of coal.

REVIEW OF BUSINESS

A summary of the results for the year is given on page 3 of the accounts. The directors consider the state of affairs to be satisfactory.

DIVIDENDS

The directors do not recommend the payment of a dividend.

FIXED ASSETS

In the opinion of the directors, the open market value of the company's Freehold Land and Buildings is not materially in excess of that shown in the accounts in relation to its use in the company's trade.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

Ordinary Shares of £1 each

| | | |
|--------------|-----|-----|
| M.E.SAUNDERS | 999 | 999 |
| M.SAUNDERS | 1 | 1 |

Signed on behalf of the
board of directors.

Secretary

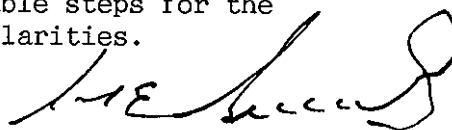
Secretary

MIARKE DEVELOPMENTS LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts 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 of the company for that period. In preparing those financial accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



M.E. SAUNDERS

Director

On behalf of the Board

AUDITORS' REPORT TO THE SHAREHOLDERS OF
MIARKE DEVELOPMENTS LIMITED

We have audited the financial accounts on pages 4 to 6 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 6a.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, 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 accounts 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 accounts.

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 30th June 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



W.R.KING & CO
Registered Auditors
Certified Accountants
44 Victoria Gardens
Neath
West Glamorgan
SA11 3BH

MIARKE DEVELOPMENTS LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1996

| | <u>Notes</u> | | | |
|---|--------------|-------------------|---|------------------|
| | £ | £ | £ | £ |
| TURNOVER | | 513,219 | | 213,400 |
| Cost of Sales | | 475,455 | | 206,918 |
| <u>GROSS PROFIT</u> | | <u>37,764</u> | | <u>6,482</u> |
| Net Operating Expenses | | | | |
| Administrative Expenses | | 74,380 | | 5,635 |
| <u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES</u> | | | | |
| <u>BEFORE TAXATION</u> | | <u>(36,616)</u> | | <u>847</u> |
| Tax on Ordinary Activities | | - | | - |
| <u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES</u> | | | | |
| <u>AFTER TAXATION</u> | | <u>£ (36,616)</u> | | <u>£ 847</u> |
| <u>STATEMENT OF RETAINED EARNINGS</u> | | | | |
| Loss Brought Forward | | (4,468) | | (5,314) |
| Retained (Loss)/Profit for the Year | | (36,616) | | 847 |
| <u>RETAINED LOSS CARRIED FORWARD</u> | | <u>£ (41,084)</u> | | <u>£ (4,467)</u> |

None of the company's activities were acquired or discontinued during the above two financial years.

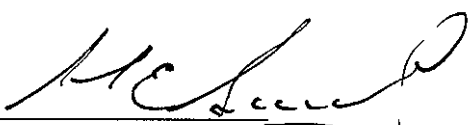
There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6a to 6b form part of these accounts.

MIARKE DEVELOPMENTS LIMITEDBALANCE SHEET
AS AT 30TH JUNE 1996

| | <u>Notes</u> | £ | £ | £ | £ |
|--|--------------|----------|------------|----------|----------|
| FIXED ASSETS | | | | | |
| Tangible Assets | 2 | | 33,209 | | 33,261 |
| CURRENT ASSETS | | | | | |
| Debtors | 3 | 4,912 | | 34,404 | |
| | | 4,912 | | 34,404 | |
| CREDITORS : Amounts Falling Due within One Year | 4 | (68,205) | | (61,132) | |
| NET CURRENT LIABILITIES | | | (63,293) | | (26,728) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | £ (30,084) | | £ 6,533 |
| CAPITAL AND RESERVES | | | | | |
| Share Capital | 5 | | 1,000 | | 1,000 |
| Other Reserves | | | 10,000 | | 10,000 |
| Profit and Loss Account | | | (41,084) | | (4,467) |
| <u>TOTAL SHAREHOLDERS' FUNDS</u> | | | £ (30,084) | | £ 6,533 |

Signed on behalf of the
board of directors



M.E.SAUNDERS
Director

Approved by the board:

The notes on pages 6a to 6b form part of these accounts.

MIARKE DEVELOPMENTS LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 1996**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|---------------------|-------------|
| Motor Vehicles | 25% on cost |
| Plant and Equipment | 10% on cost |

No depreciation is provided on freehold land.

Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

2. TANGIBLE FIXED ASSETS

| | Land & Buildings £ | Plant & Machinery etc £ | TOTAL £ |
|-----------------------|--------------------------|-------------------------------|------------|
| COST | | | |
| At 1st July 1995 | 33,000 | 1,120 | 34,120 |
| At 30th June 1996 | 33,000 | 1,120 | 34,120 |
| DEPRECIATION | | | |
| At 1st July 1995 | - | 859 | 859 |
| Charge for the year | - | 52 | 52 |
| At 30th June 1996 | - | 911 | 911 |
| NET BOOK VALUE | | | |
| At 30th June 1996 | 33,000 | 209 | 33,209 |
| At 30th June 1995 | 33,000 | 261 | 33,261 |

3. DEBTORS

| | £ | £ |
|------------------------------|-------|--------|
| Amounts due within one year: | | |
| Trade Debtors | 4,606 | 34,404 |
| Other Debtors | 306 | - |
| | 4,912 | 34,404 |

MIARKE DEVELOPMENTS LIMITEDNOTES TO ACCOUNTSFOR THE YEAR ENDED 30TH JUNE 19964. CREDITORS: Amounts falling
Due within One Year

| | £ | £ |
|---------------------------|---------------|---------------|
| Bank Overdrafts and Loans | 24,730 | 4,843 |
| Trade Creditors | 16,725 | 29,539 |
| Other Creditors | 26,750 | 26,750 |
| | <u>68,205</u> | <u>61,132</u> |

5. SHARE CAPITAL

| | £ | £ |
|---------------------------------|--------------|--------------|
| Authorised | <u>1,000</u> | <u>1,000</u> |
| Allotted, Issued and Fully Paid | <u>1,000</u> | <u>1,000</u> |

MIARKE DEVELOPMENTS LIMITEDTRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 1996

| | £ | £ | £ | £ |
|---------------------------------------|--------|------------|-------|---------|
| Sales | | 513,219 | | 213,400 |
| COST OF SALES | | | | |
| Purchases | | 475,455 | | 206,918 |
| GROSS PROFIT | | 37,764 | | 6,482 |
| LESS OVERHEADS | | | | |
| Printing and Stationery | 89 | | - | |
| Rent and Storage | 14,150 | | - | |
| Accountancy Fee | 775 | | 500 | |
| Bank Charges | 2,915 | | 1,764 | |
| Legal and Professional Fees | - | | 3,172 | |
| Sundry Expenses | 79 | | - | |
| Land Development Costs | 56,320 | | - | |
| Depreciation Motor Vehicles | - | | 147 | |
| Depreciation Plant & Equipment | 52 | | 52 | |
| | | 74,380 | | 5,635 |
| NET (LOSS)/PROFIT FOR THE YEAR | | £ (36,616) | | £ 847 |

This page does not form part of the statutory accounts.