

CREE MILLS LIMITED

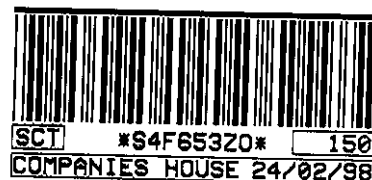
Company No: SC 28560

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1997

NEVILLE RUSSELL
Chartered Accountants
24 Bevis Marks
LONDON EC3A 7NR





CREE MILLS LIMITED

DIRECTORS:

A M Bottomley (Chairman)
J A H Mackenzie

SECRETARY:

J McBirnie

REGISTERED OFFICE:

Clan Weaving Mill
Woodside Walk
Hamilton

AUDITORS:

Neville Russell
24 Bevis Marks
LONDON EC3A 7NR

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DIRECTORS' REPORT

The directors submit their report and the audited accounts of the company for the year ended 30 April 1997.

DIRECTORS' RESPONSIBILITIES

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 of the company 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 maintaining 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 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.

REVIEW OF THE BUSINESS

The company did not trade during the year and there were no transactions on the profit and loss account.

DIRECTORS


The directors served on the board throughout the year.

Mr A M Bottomley and Mr J A H M Mackenzie, being directors of SEET plc, of which this company is a wholly owned subsidiary, are not required to notify the company of any interests in the shares of any company in the group.

AUDITORS

Neville Russell, have signified their willingness to continue in office and a resolution proposing their reappointment will be put to the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



J McBirnie
Secretary

714 August 1997

REPORT OF THE AUDITORS TO THE MEMBERS OF

CREE MILLS LIMITED

We have audited the financial statements on pages 3 and 4 which have been prepared following the accounting policies set out on page 4.

Respective responsibilities of directors and auditors

As described on page 1, 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 judgments 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 30 April 1997 and have been properly prepared in accordance with the Companies Act 1985.



CHARTERED ACCOUNTANTS
and Registered Auditors


24 Bevis Marks
LONDON EC3A 7NR

11.8.97

BALANCE SHEET as at 30 April 1997

	1997 £	1996 £
CURRENT ASSETS		
Debtors:		
Holding company	<u>£13,562</u>	<u>£13,562</u>
CAPITAL AND RESERVES		
Called up share capital:		
Authorised, allotted and fully paid 10,000 ordinary shares of £1 each	10,000	100,000
Profit and loss account	<u>3,562</u>	<u>3,562</u>
SHAREHOLDERS' FUNDS	<u>£13,562</u>	<u>£13,562</u>

Approved by the board on
And signed on its behalf by



Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 1997

1. PROFIT AND LOSS ACCOUNT

The company did not trade during the year and there were no transactions on the profit and loss account.

2. ULTIMATE PARENT COMPANY

The ultimate parent company is SEET plc, registered in Scotland. Copies of the SEET Group Accounts may be obtained from the Company Secretary, SEET plc, 16 Hope Street, Edinburgh EH2 4DD.