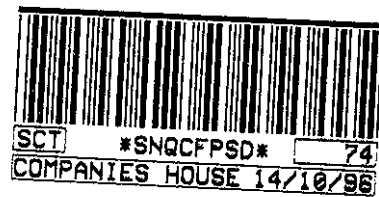


CREE MILLS LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 30 APRIL 1996



CREE MILLS LIMITED

DIRECTORS

A M Bottomley (Chairman)

J A H Mackenzie

SECRETARY AND REGISTERED OFFICE

J McBirnie, Clan Weaving Mill, Woodside Walk, Hamilton

DIRECTORS' REPORT

The directors submit their report and the audited Accounts of the company for the year ended 30 April 1996.

1 STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare Accounts that give a true and fair view of the state of affairs of the company and of the profit or loss for its financial year. In doing so the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the Accounts 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

2 REVIEW OF THE BUSINESS

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

3 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.

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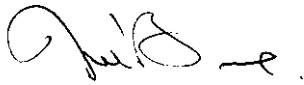
CREE MILLS LIMITED

DIRECTORS' REPORT

4 AUDITORS

Neville Russell, who were appointed during the year, have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting

BY ORDER OF THE BOARD

A handwritten signature in dark ink, appearing to read 'J McBIRNIE', followed by a horizontal line.

J McBIRNIE
Secretary

29 July 1996

NEVILLE RUSSELL

Chartered Accountants



REPORT OF THE AUDITORS TO THE MEMBERS OF CREE MILLS LIMITED

We have audited the Accounts 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 the financial statements. It is our responsibility as auditors to form an independent opinion, based on our audit, on those financial 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 includes also 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 30 April 1996 and have been properly prepared in accordance with the Companies Act 1985.

Neville Russell

NEVILLE RUSSELL
Chartered Accountants
Registered Auditors
90 St Vincent Street
GLASGOW
G2 5UB

29 July 1996



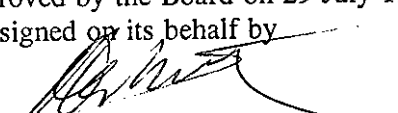
CREE MILLS LIMITED

BALANCE SHEET

30 APRIL 1996

	1996 £	1995 £
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	10,000
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 29 July 1996
and signed on its behalf by


A M BOTTOMLEY
DIRECTOR

29 July 1996

Notes

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.