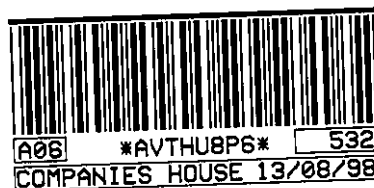


DAVIES BROTHERS (WALES) LIMITED
DIRECTORS REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30TH.NOVEMBER,1997.



DAVIES BROTHERS (WALES) LIMITED

<u>Contents</u>	<u>Page</u>
Directors Report	1
Accountants Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Accounts	5

DAVIES BROTHERS (WALES) LIMITED

Company Information

Directors:	C.T.Davies R.A.Davies
Secretary:	C.T.Davies
Company Number:	2993198 (England & Wales)
Registered Office:	1,Thomas Street, Robertstown, Aberdare, MID GLAM
Reporting Accountants:	Barlow, Mendham & Co Glandover House, 67, Bute Street, Aberdare, MID GLAM...CF44 7LD

DAVIES BROTHERS (WALES) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH.NOVEMBER,1997.

The directors present their report and the accounts for the year ended 30th.November,1997.

Principal Activity

The company's principal activity continues to be that of General Builders.

Directors

The Directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	<u>1997</u>	<u>1996</u>
C.T.Davies	1	1
R.A.Davies	1	1
	---	---
	2	2
	==	==

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 11/8/98 and signed on its behalf.



(C.T.Davies)
Director

ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS OF
DAVIES BROTHERS (WALES) LIMITED

As described on the balance sheet, you are responsible for the preparation of the Accounts for the year ended 30th. November, 1997, set out on pages 3 to 5, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Barlow Mendham & Co.

Barlow, Mendham & Co.,
Accountants & Registered Auditor,
Glandover House,
67, Bute Street,
ABERDARE.....CF44 7LD.

Date... *11 August 98*

DAVIES BROTHERS (WALES) LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30TH.NOVEMBER,1997**

	Notes	<u>1997</u>	<u>1996</u>
Turnover	1,2	36,683	-
Cost of Sales		35,404	372
		-----	-----
Gross Profit (Loss)		1,279	(372)
Selling and Distribution		-	-
Administrative Expenses	395	395	350
		-----	-----
Operating Profit (Loss)		884	(722)
Profit on Disposal of Tangible Fixed Assets		-	-
		-----	-----
Profit (Loss) on Ordinary Activities Before Interest		884	(722)
Interest Receivable		-	-
Interest Payable		-	-
		-----	-----
Profit (Loss) on Ordinary Activities before Taxation		884	(722)
Taxation on profit on Ordinary Activities		-	-
		-----	-----
Profit (Loss) on Ordinary Activities after Taxation		884	(722)
Dividends		-	-
		-----	-----
Retained Loss for the Year		884	(722)
Retained Loss at the beginning of the year		(1,072)	(350)
		-----	-----
Retained Loss at the end of the year		<u>£(188)</u>	<u>£(1,072)</u>

There were no recognised Gains or losses for 1997 or 1996 other than those included in the profit and loss account.

The notes on page 5 form part of these accounts.

DAVIES BROTHERS (WALES) LIMITED**BALANCE SHEET****AS AT 30TH.NOVEMBER,1997.**

Fixed Assets		<u>1997</u>	<u>1996</u>
Tangible Assets		-	-
Current Assets			
Stocks		-	-
Debtors	3	61	123
Cash at Bank and In Hand		3,798	2,408
		<u>3,859</u>	<u>2,531</u>
Creditors: Amounts falling due within one year.	4	4,045	3,601
		<u> </u>	<u> </u>
Net Current Assets (Liabilities)		(186)	(1,070)
		<u> </u>	<u> </u>
Total Assets less Current Liabilities		(186)	(1,070)
		<u> </u>	<u> </u>
Creditors		-	-
		<u> </u>	<u> </u>
Provisions for Liabilities and Charges		-	-
		<u> </u>	<u> </u>
Net Assets (Liabilities)		£(186)	£(1,070)
		<u> </u>	<u> </u>
Capital and Reserves			
Called up Share Capital	5	2	2
Profit and Loss Account		(188)	(1,072)
		<u> </u>	<u> </u>
Shareholders' Funds - all equity		£(186)	£(1,070)
		<u> </u>	<u> </u>

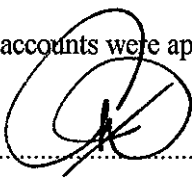
The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the Company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities.

The accounts were approved by the board on 11/8/98 and signed on its behalf.

 C.T.Davies
(Director)

The notes on page 5 form part of these accounts.

DAVIES BROTHERS (WALES) LIMITED

NOTES TO THE ACCOUNTS FOR THE

YEAR ENDED 30TH.NOVEMBER,1997.

1.Accounting Policies

1.1.Basis of Preparation of Accounts

The accounts are prepared under the Historical Cost Convention and include the results of the company's operations which are described in the Directors Report and all of which are continuing.

The company has taken advantage of the exemption in Financial reporting Standard No.1 from the requirement to produce a Cash Flow Statement on the grounds that it is a small company.

1.2 Turnover

Turnover complies the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Fixed Assets.

The company does not hold any Fixed Assets.

2.Turnover

In the year to 30th. November,1997, 100% of the Company's Turnover was to Markets in the United Kingdom. The work was carried out, on behalf of the company, by a Partnership Building Firm, whose partners are also the Directors of the Company.

3.Debtors

Due Within one Year

	<u>1997</u>	<u>1996</u>
Trade Debtors	£61	£123
	=====	=====

4.Creditors: Amounts due within one year.

Trade Creditors	2,971	2,779
Other Creditors	850	822
Social Security & Other Taxes	224	-
	-----	-----
	£4,045	£3,601
	=====	=====

5.Called Up Share Capital.

Authorised

1,000 Ordinary Shares @ £1.00	£1,000	£1,000
	=====	=====

Allotted, Issued and Fully Paid

2 Ordinary Shares @ £1.00	£2	£2
	=====	=====