

FINDGOLDEN LIMITED

ABBREVIATED ACCOUNTS

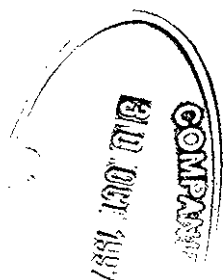
AS AT 31 DECEMBER 1996

COMPANY NUMBER SC 129807

MALCOLM MACKENZIE AND COMPANY

CHARTERED ACCOUNTANTS

EAST KILBRIDE



A handwritten signature in the bottom right corner of the page.



AUDITORS' REPORT TO THE SHAREHOLDERS OF  
FINDGOLDEN LIMITED  
PURSUANT TO SECTION 247B TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 6 together with the financial statements of Findgolden Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 December 1996.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

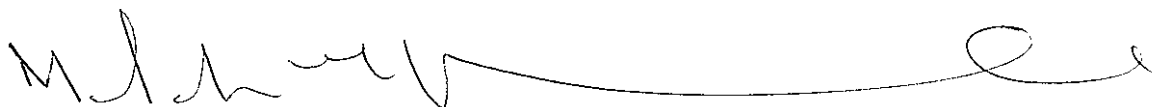
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are 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 the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 prepare accounts in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 December 1996 and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with those provisions.



Malcolm Mackenzie and Company  
Chartered Accounts and Registered Auditors  
33 Kittoch Street  
East Kilbride  
G74 4JW

Dated 29<sup>th</sup> October 1997

FINDGOLDEN LIMITED

ABBREVIATED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 1996

	NOTES	£	1996 £	£	1995 £
<b><u>FIXED ASSETS</u></b>					
Tangible Assets	2		1193152		666255
<b><u>CURRENT ASSETS</u></b>					
Stock and Work in Progress		9286		13111	
Debtors		414717		175070	
Cash at Bank and on Hand		114277		128148	
		538280		316329	
<b><u>CREDITORS:-</u></b> Amounts Falling					
Due Within One Year		585919		359505	
<b><u>NET CURRENT LIABILITIES</u></b>			(47639)		(43176)
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>			1145513		623079
<b><u>CREDITORS:-</u></b> Amounts Falling					
Due After More Than One Year	3		407577		145167
			737936		477912
<b><u>ACCRUED AND DEFERRED INCOME</u></b>					
Deferred Taxation	4	65500		48100	
Deferred Grant		122814		38435	
			188314		86535
<b><u>NET ASSETS</u></b>			549622		391377
			=====		=====
<b><u>CAPITAL AND RESERVES</u></b>	5				
Called Up Share Capital	6		61336		61336
Profit and Loss Account			378666		238212
Minority Interest			29652		11861
Capital Reserve			55969		55969
Share Premium Account			23999		23999
			549622		391377
			=====		=====

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the Board on 28.10.97 and signed on its behalf.

R THOMSON  
DIRECTOR

The Notes on Pages 4 to 6 Form Part of These Accounts.

FINDGOLDEN LIMITED  
ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1996

	<u>NOTES</u>	<u>1996</u> £	<u>1995</u> £
<u>FIXED ASSETS</u>			
Investments in Subsidiaries		313997	313997
<u>CURRENT ASSETS</u>			
Debtors		107	107
		-----	-----
		314104	314104
<u>CREDITORS:-</u> Amounts Falling Due Within One Year		95316	92747
		-----	-----
<u>NET ASSETS</u>		218788 =====	221357 =====
<u>CAPITAL AND RESERVES</u>			
	5		
Called Up Share Capital	6	61336	61336
Profit and Loss Account		133453	136022
Share Premium Account		23999	23999
		-----	-----
		218788	221357
		=====	=====

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the Board on 28.10.97 and signed on its behalf.

  
R THOMSON  
DIRECTOR

The Notes on Pages 4 to 6 Form Part of These Accounts.

FINDGOLDEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS AS AT 31 DECEMBER 1996

1 ACCOUNTING POLICIES

Basis of Preparation of Account

The accounts are prepared under the historical cost convention and include the results of the company's operations which are described in the Director's Report and all of which are continuing.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value of each asset, evenly over its expected useful life as follows:-

Property	- 1%-2% straight line
Plant and Equipment	- 10% reducing balance
Motor Vehicles	- 25% reducing balance
Office Fixtures and Fittings	- 15% reducing balance

Basis of Consolidation

The Consolidated Balance Sheet include the accounts of the parent company and its subsidiaries made up to the end of the financial year.

Turnover

Turnover represents the invoiced amount of goods and services supplied by the Company stated net of Value Added Tax and trade discounts.

Stock and Work in Progress

Stock and Work in Progress is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

Hire Purchase Commitments

Assets obtained under hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the Profit and Loss Account over the period of the agreement and represents a constant proportion of the balance of capital repayments outstanding.

Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes.

FINDGOLDEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS AS AT 31 DECEMBER 1996 - Continued

2 <u>FIXED ASSETS</u>	<u>TANGIBLE</u>
<u>GROUP</u>	<u>FIXED</u>
	<u>ASSETS</u>
<u>Cost</u>	<u>£</u>
As at 31 December 1995	1100856
Additions During Year	655917
Disposals During Year	(8200)
	<hr/>
As at 31 December 1996	1748573
	<hr/>
<u>Depreciation</u>	
As at 31 December 1995	434601
Charge on Disposal	125451
Charge for Year	(4631)
	<hr/>
As at 31 December 1996	555421
	<hr/>
<u>Net Book Values</u>	
As at 31 December 1996	1193152
	=====
As at 31 December 1995	666255
	=====

3 <u>CREDITORS: Amounts Falling Due</u>	<u>1996</u>		<u>1995</u>	
<u>After One Year</u>	<u>GROUP</u>	<u>COMPANY</u>	<u>GROUP</u>	<u>COMPANY</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Loans	220215	-	92886	-
Net Obligations under Hire				
Purchase Contracts	187362	-	52281	-
	<hr/>	<hr/>	<hr/>	<hr/>
	407577	-	145167	-
	=====	=====	=====	=====

Group - The Bank Loans are secured by a fixed and floating charge over the Group's assets and are repayable after more than five years. The Hire Purchase contracts are secured on the assets concerned and are repayable in between two and five years.

FINDGOLDEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS AS AT 31 DECEMBER 1996 - Continued

4 <u>DEFERRED TAXATION</u>	<u>AT</u> <u>31.12.95</u> <u>£</u>	<u>CREDIT</u> <u>FOR</u> <u>YEAR</u> <u>£</u>	<u>AT</u> <u>31.12.96</u> <u>£</u>
Capital Allowances in Excess of Depreciation	48100 =====	17400 =====	65500 =====
5 <u>MOVEMENT IN SHAREHOLDERS' FUNDS</u>		<u>1996</u> <u>£</u>	<u>1995</u> <u>£</u>
<u>GROUP</u>			
Profit for the Year		158245	17031
<u>Less:-</u> Dividends		-	5000
		-----	-----
		158245	12031
Opening Shareholders' Funds		391377	379346
		-----	-----
Closing Shareholders' Funds		549622 =====	391377 =====
<u>COMPANY</u>			
(Loss)/Profit for the Year		(2569)	40338
Opening Shareholders' Funds		221357	181019
		-----	-----
Closing Shareholders' Funds		218788 =====	221357 =====
6 <u>SHARE CAPITAL</u>		<u>1996</u> <u>£</u>	<u>1995</u> <u>£</u>
<u>Authorised</u>			
Ordinary Shares of £1 Each		98664 =====	100000 =====
Ordinary Shares of 1p Each		1336 =====	- =====
<u>Allotted, Called up and Fully Paid</u>			
Ordinary Shares of £1 Each		60000 =====	60000 =====
Ordinary Shares of 1p Each		1336 =====	1336 =====