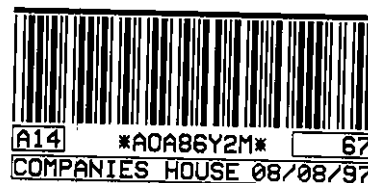


Registered number: 2274018

SPRINGVALE HOLDINGS LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 1996



SPRINGVALE HOLDINGS LIMITED

FINANCIAL STATEMENTS

for the year ended 31st December 1996

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7 - 12

The following Appendix does not form part of the statutory accounts

Detailed trading and profit and loss account	1
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SPRINGVALE HOLDINGS LIMITED

COMPANY INFORMATION

31st December 1996

Chairman	R Bevan
Other directors	A S Bevan P J Bevan C A Bevan
Secretary	P J Bevan
Auditors	Clement Keys Chartered Accountants Dartmouth House Sandwell Road West Bromwich West Midlands

SPRINGVALE HOLDINGS LIMITED

DIRECTORS' REPORT

31st December 1996

The directors present their report and the audited financial statements for the year ended 31st December 1996.

Principal activity

The principal activity of the company was property investment, development and resale.

Business review

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £639,063.

Profit, dividends and appropriations

The results for the year are shown in the profit and loss account on page 5.

An ordinary dividend amounting to £22,000 is proposed and the balance of the profit for the year is to be transferred to reserves.

Fixed assets

Changes in fixed assets during the year are set out in the notes to the accounts as follows

Tangible fixed assets	- note 8
Land and buildings	- note 9
Fixed asset investments	- note 10

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st December 1996 Ordinary shares	1st January 1996 Ordinary shares
R Bevan	-	-
A S Bevan	528	528
P J Bevan	528	528
C A Bevan	-	-

Auditors

Clement Keys have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board

P J Bevan
Secretary

3rd July 1997

SPRINGVALE HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 year. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

On behalf of the board

R Bevan
Chairman



**AUDITORS' REPORT TO THE SHAREHOLDERS OF
SPRINGVALE HOLDINGS LIMITED**

We have audited the financial statements on pages 5 to 12 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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

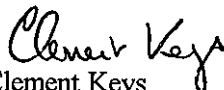
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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, 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 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

3rd July 1997
West Bromwich


Clement Keys
Chartered Accountants

**AUDITORS' REPORT TO THE DIRECTORS OF
SPRINGVALE HOLDINGS LIMITED
PURSUANT TO SCHEDULE 248(3) OF THE COMPANIES ACT 1985**

We have examined the financial statements of the company and each of its subsidiaries for the year ended 31st December 1996.

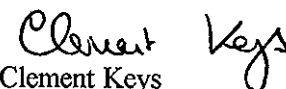
Basis of opinion

The scope of our work for the purpose of this report was limited to confirming that the company is entitled to exemption from preparing group financial statements.

Opinion

In our opinion the company is entitled to the exemption from preparing group accounts conferred by Section 248 of the Companies Act 1985.

West Bromwich
3rd July 1997


Clement Keys
Chartered Accountants
Registered Auditor

SPRINGVALE HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1996

	Notes	1996	1995
		£	£
Turnover	2	125,000	95,000
Net operating expenses			
Administrative expenses		(176,265)	(265)
Operating (loss)/profit	3	(51,265)	94,735
Interest received and similar income	5	200,359	7,811
Profit on ordinary activities before taxation		149,094	102,546
Taxation	6	(36,212)	(25,695)
Profit on ordinary activities after taxation		112,882	76,851
Dividends	7	(22,000)	(64,000)
Retained profit for the year	17	90,882	12,851

Movements in reserves are shown in the notes to the financial statements.

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

There are no recognised gains and losses in 1996 or 1995 other than the profit for the year.

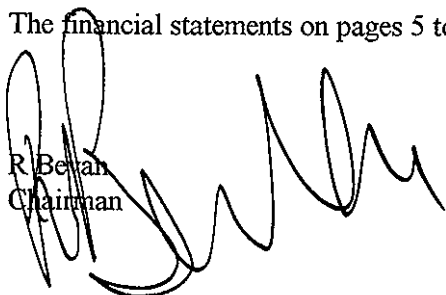
BALANCE SHEET

at 31st December 1996

	Notes	1996	1995
		£	£
Fixed assets			
Tangible assets	8	450,468	450,702
Investments	10	157,557	157,557
		<u>608,025</u>	<u>608,259</u>
Current assets			
Debtors	11	37,777	17,667
Cash at bank and in hand		512,436	248,434
		<u>550,213</u>	<u>266,101</u>
Creditors: amounts falling due within one year	12	(519,175)	(326,179)
Net current assets/(liabilities)		<u>31,038</u>	<u>(60,078)</u>
Total assets less current liabilities		<u>639,063</u>	<u>548,181</u>
Capital and reserves			
Called up share capital	14	1,056	1,056
Share premium account	15	157,241	157,241
Revaluation reserve	16	227,565	227,565
Profit and loss account	17	253,201	162,319
Total shareholders' funds	13	<u>639,063</u>	<u>548,181</u>

The financial statements on pages 5 to 12 were approved by the board of directors on 3rd July 1997.

R. Bevan
Chairman



SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st December 1996

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules as modified by the revaluation of freehold property.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	10% straight line
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No depreciation is provided on freehold buildings as the directors are of the opinion that their useful economic lives and estimated residual values are such that any element of depreciation is not material.

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.

Consolidation

The accounts present information about the company as an individual entity. The company has not prepared consolidated financial statements as permitted by the Companies Act 1985 as it meets the criteria defined for a small sized group. The investment in the subsidiary has been accounted for using the equity method of accounting.

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, entirely within the United Kingdom, stated net of value added tax.

3 Operating profit

	1996	1995
	£	£
Staff costs (note 4)	176,000	-
Depreciation of tangible fixed assets (note 8) owned assets	234	234

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st December 1996

4 Directors and employees

	1996	1995
	£	£
Staff costs including directors' emoluments		
Wages and salaries	160,000	-
Social security costs	16,000	-
	<u>176,000</u>	<u>-</u>
Average number employed (including executive directors)	No	No
Administrative staff	<u>2</u>	<u>2</u>
Directors		
Directors' emoluments for executive services	<u>176,000</u>	<u>-</u>
Chairman	-	-
Highest paid director	<u>80,000</u>	<u>-</u>

5 Interest receivable and similar income

Interest receivable	24,359	7,811
Management charges	176,000	-
	<u>200,359</u>	<u>7,811</u>

6 Taxation

Corporation tax on profit on ordinary activities at 24% (1995 25%)	<u>36,212</u>	<u>25,695</u>
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7 Dividends

Final	<u>22,000</u>	<u>64,000</u>
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SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st December 1996

8 Tangible fixed assets

	Plant and machinery	Land and buildings	Total
Cost or valuation	£	£	£
1st January 1996 and 31st December 1996	2,340	450,000	452,340
Depreciation			
1st January 1996	1,638	-	1,638
Charge for year	234	-	234
31st December 1996	1,872	-	1,872
Net book amount			
31st December 1996	468	450,000	450,468
1st January 1996	702	450,000	450,702

9 Land and buildings

	1996	1995
	£	£
Freehold valuation in 1994	450,000	450,000
Historical cost information		
Freehold land and buildings - cost	222,435	222,435

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st December 1996

10 Fixed asset investments

	Investment in subsidiary company
Cost	£
1st January 1996	
and at	
31st December 1996	157,557
Net book amount	
31st December 1996	157,557
1st January 1996	157,557

	Nature of business	Class of share	Amount issued	Amount owned by parent undertaking
			£	£
Bevan Motor Bodies Limited (Registered in England and Wales)	Commercial vehicle body construction & finishing	£1 Ordinary	2	2

At 31st December 1996, the total capital and reserves of the subsidiary undertaking was £470,430 (1995 £370,308). Its profit after taxation for the year ended 31st December 1996 amounted to £100,122 (1995 £116,559).

11 Debtors

	1996	1995
	£	£
Amounts falling due within one year		
Other debtors	277	1,667
	277	1,667
Amounts falling due after more than one year		
Other debtors	37,500	16,000
	37,777	17,667

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st December 1996

12 Creditors: amounts falling due within one year

Trade creditors	160,000	-
Amounts owed to group undertakings	221,894	196,493
Corporation tax	57,712	9,696
Other taxation and social security	16,000	27,000
Dividend	22,000	64,000
Other creditors	41,569	28,990
	<u>519,175</u>	<u>326,179</u>

13 Reconciliation of movements in shareholders' funds

Profit for the financial year	112,882	76,851
Dividends	<u>(22,000)</u>	<u>(64,000)</u>
Net addition to shareholders' funds	90,882	12,851
Opening shareholders' funds	<u>548,181</u>	<u>535,330</u>
Closing shareholders' funds	<u>639,063</u>	<u>548,181</u>

14 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>1,056</u>	<u>1,056</u>	<u>1,056</u>	<u>1,056</u>

SPRINGVALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31st December 1996

15 Share premium account

1996

£

1st January 1996

and

31st December 1996

157,241**16 Revaluation reserve**

1st January 1996

and

31st December 1996

227,565

No taxation has been provided on the surplus arising on revaluation of the property as it is not the company's intention to dispose of the property in the foreseeable future.

17 Profit and loss account

1st January 1996

162,319

Retained profit for the year

90,882

31st December 1996

253,201**18 Related party transaction**

During the year a management charge of £176,0000 was made to Bevan Motor Bodies Limited, the company's wholly owned subsidiary.