

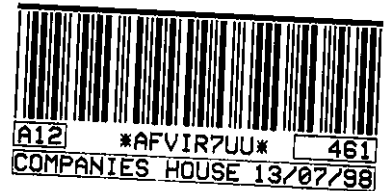
POWMAC (HOLDINGS) LIMITED

COMPANY NUMBER 01270534

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER, 1997



Hardcastle Burton

166 Northwood Way  
Northwood  
Middlesex HA6 1RB

Chartered Accountants  
Registered Auditors

REPORT OF THE DIRECTORS

The directors submit their annual report and the accounts of the Company for the year ended 31st December, 1997.

PRINCIPAL ACTIVITY

The principal activity of the company is that of property investment.

DIRECTORS

The directors during the year under review and their interests in the share capital of the company were as follows:-

	£1 ordinary shares	
	1997	1996
C R Moss	9,689	10,199
Mrs M E Moss	1	1
C L Moss	255	-
Mrs J M Wood	255	-

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD



C R MOSS  
DIRECTOR

11th May, 1998

POWMAC (HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE

YEAR ENDED 31ST DECEMBER, 1997

			Year ended 31st December, 1996
	<u>Note</u>	£	£
<u>TURNOVER</u>	1	19,741	21,335
<u>OPERATING COSTS</u>	2	12,972	19,906
		<hr/>	<hr/>
<u>PROFIT FOR THE FINANCIAL YEAR</u>		6,769	1,429
Retained profit brought forward		9,761	8,332
		<hr/>	<hr/>
<u>RETAINED PROFIT CARRIED FORWARD</u>		16,530	9,761
		=====	=====

The annexed notes form part of these financial statements.

POWMAC (HOLDINGS) LIMITED

BALANCE SHEET

AS AT

31ST DECEMBER, 1997

	Note	£	£	As at 31st December, 1996	
				£	£
<u>TANGIBLE FIXED ASSETS</u>	4		102,400		102,558
<u>CURRENT ASSETS</u>					
Cash and bank balances		448		-	
		---		---	
		448		-	
<u>CREDITORS</u> : Amounts falling due within one year	5	76,118		82,597	
		-----	(75,670)	-----	(82,597)
			26,730		19,961
			=====		=====
<u>CAPITAL AND RESERVES</u>					
Called up share capital	6		10,200		10,200
Profit and loss account			16,530		9,761
			-----		-----
Shareholders funds			26,730		18,532
			=====		=====

The company is entitled to exemption from audit under Section 249(1) of the Companies Act 1985 for the year ending 31st March 1997.

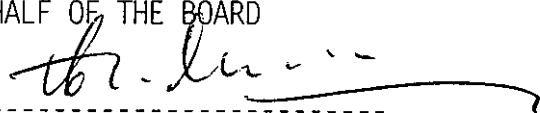
No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

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

These financial statements have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

ON BEHALF OF THE BOARD

  
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C R MOSS - DIRECTOR

11th May 1998

The notes form part of these financial statements.

1. ACCOUNTING POLICIES

a) Accounting convention. These accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

b) Turnover. Turnover represents net invoiced sales of services, excluding value added tax.

c) Tangible fixed assets. Depreciation is provided at the following annual rates on a reducing balance to write off each asset over its estimated useful life:

Fixtures, fittings and office equipment    15%  
=====

Land and buildings are not depreciated as the directors maintain them to a standard to retain its value.

d) Pensions. The company operates a defined contribution pension scheme. The assets of the scheme are held independently from the company. Contributions payable for the year are charged to the profit and loss account.

2. TURNOVER

The turnover and result for the year are attributable to the one principal activity of the company.

3. OPERATING PROFIT IS STATED AFTER CHARGING :

	<u>1997</u> £	<u>1996</u> £
Directors' remuneration	2,500	5,750
Depreciation	158	225
Bank interest and charges	-	3,469
	=====	=====

POWMAC (HOLDINGS) LIMITED

NOTES TO THE ACCOUNTS

FOR THE

YEAR ENDED 31ST DECEMBER, 1997

4. TANGIBLE FIXED ASSETS

	<u>Total</u> £	<u>Land &amp; Buildings</u> £	<u>Fixtures fittings &amp; and Equipment</u> £
<u>COST</u>			
At 1st January 1996	107,958	101,508	6,450
Additions	-	-	-
31st December 1997	<u>107,958</u>	<u>101,508</u>	<u>6,450</u>
<u>DEPRECIATION</u>			
At 1st January 1997	5,400	-	5,400
Provided	158	-	158
At 31st December 1997	<u>5,558</u>	<u>-</u>	<u>5,558</u>
<u>NET BOOK VALUE</u>			
At 1st January, 1997	<u>102,400</u>	<u>101,508</u>	<u>892</u>
At 31st December 1996	<u>102,558</u>	<u>101,508</u>	<u>1,050</u>

5. CREDITORS

	<u>1997</u> £	<u>1996</u> £
<u>Due within one year</u>		
Bank overdraft (secured)	-	29,703
Director's current account	74,149	52,112
Accruals	1,969	782
	<u>76,118</u>	<u>82,597</u>

POWMAC (HOLDINGS) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 1997

6. SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
Ordinary shares of £1 each	<u>£</u>	<u>£</u>
Authorised, issued and fully paid	10,200	10,200
	<u>=====</u>	<u>=====</u>
Issued and fully paid	10,200	10,200
	<u>=====</u>	<u>=====</u>

7. PENSION COMMITMENTS

The Company operated a defined contribution scheme for the director. Contributions of £100 (1996 : £1,200) have been charged to the profit and loss account.

POWMAC (HOLDINGS) LIMITED

ACCOUNTANTS REPORT TO THE  
SHAREHOLDERS OF POWMAC (HOLDINGS) LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31st December 1997 set out on pages 2 to 6 and you consider that the company is exempt from an audit and a report under Section 249A(2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

*Hardcastle Burton*  
HARDCASTLE BURTON  
CHARTERED ACCOUNTANTS

166 Northwood Way,  
Northwood, Middlesex.  
HA6 1RB.

11th May, 1998