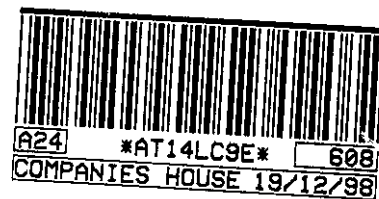


Biwater-BWIG Limited

Directors' Report and Financial Statements
Year to 31 March 1998

1388559



Biwater-BWIG Limited

Directors: D F W White
D L Magor

Report of the directors

The directors submit their report and the financial statements for the year ended 31 March 1998.

Activities

The company did not trade during the year under review.

Directors and interests in shares

The names of the present directors are as stated at the head of this report. Mr D F W White served throughout the year under review.

Mr C R J Goscomb resigned from the board on 5 November 1998.

Mr D L Magor was appointed to the board on 5 November 1998.

Both the directors are directors of Biwater Plc (formerly Biwater Limited), the ultimate parent undertaking.

None of the directors has, or has had, discloseable shareholding interests in any group company.

The ultimate parent undertaking maintains a directors' and officers' insurance policy as permitted by the Companies Act 1985.

Auditors

A special resolution has been passed whereby no auditors are appointed.

By order of the board



J E A Kerslake
Secretary

Registered office:
Biwater House
Station Approach
Dorking
Surrey RH4 1TZ

Registered number: 1388559

7 December 1998

Statement of directors' responsibilities

It is the responsibility of the directors 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 its profit or loss for the year. In preparing those financial statements, the directors are required to:

- ◆ Select suitable accounting policies and then apply them consistently;
- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue business.

The directors are responsible for keeping 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Biwater-BWIG Limited

Balance sheet 31 March 1998

	31/3/98 £	31/3/97 £
Current liabilities		
Amount owed to ultimate parent undertaking	(140,201)	(140,201)
Cash at bank and in hand	50	50
	(140,151)	(140,151)
Capital and reserves		
Called up share capital		
Authorised		
Ordinary shares of £1 each	10,000	10,000
Allotted and fully paid		
Ordinary shares of £1 each	10,000	10,000
Profit and loss account	(150,151)	(150,151)
Shareholders' funds	(140,151)	(140,151)

Notes:

1 Fundamental accounting concept

The financial statements have been prepared in accordance with applicable accounting standards and on a going concern basis as the ultimate parent undertaking, which provides finance, has confirmed that it currently intends to continue to provide financial support for the foreseeable future to enable the company to meet its liabilities as they fall due.

2 Ultimate parent undertaking

The ultimate parent undertaking is Biwater Plc (formerly Biwater Limited), which is registered in England and Wales.

3 Dormant status

The company was dormant within the meaning of Section 250(3) of the Companies Act 1985 throughout the financial year ended 31 March 1998.

Approved by the board on: 7 December 1998

D L Magor
Director

