

CAPE METAL PRODUCTS LIMITED

REPORT OF THE DIRECTORS

The Report of the Directors for the twelve months ended 31st March 1988.

PRINCIPAL ACTIVITIES

The Company has not traded during the period.

DIRECTORS

The Directors during the period were:

Mr. T.M. McKain	(Chairman)
Mr. M.G. Pitt-Payne	(Secretary)
Mr. J.P. Alexander	
Mr. R.J. Brownbridge	(appointed 1.4.87)

No director had any interest in the shares of the Company at any time during the period.

HOLDING COMPANY

The Company is a wholly owned subsidiary of Cape Industries PLC, a company incorporated in England. The ultimate holding company is Charter Consolidated PLC, a company incorporated in England, which holds, through subsidiaries, 74.14% of the issued ordinary share capital and the whole of the preference share capital of Cape Industries PLC.

TAXATION STATUS

The Company is not a close company within the context of the Income and Corporation Taxes Act 1970.

By Order of the Board

Date 0861 NOV 8 2

Secretary M.G. Pitt-Payne

Iver Lane,
Uxbridge.

COMPANY NUMBER 1938748

CAPE METAL PRODUCTS LIMITED

BALANCE SHEET AT 31 MARCH 1988

	£
ASSETS	2
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Represented by:


AUTHORISED SHARE CAPITAL - 100 SHARES OF £1 EACH

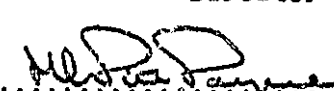
SHARE CAPITAL ISSUED AND FULLY PAID:

2 Ordinary Shares of £1 each	2
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Throughout the financial year ending on the above date the Company was dormant within the meaning of Section 252 of the Companies Act 1985.

Signed


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Director


.....
Director

Date. 28 JUN 1988

Notes to the Accounts

CONTINGENT LIABILITY

The company, together with certain other companies within the Cape Industries Group, has given joint and several guarantees to the National Westminster Bank PLC, for itself and as a trustee for certain other banks (together "the Banks") in respect of any amounts due to the Banks from the company and other Group companies, and which is secured by way of specific charges over the fixed properties, securities, book and other debts and goodwill of the companies in the Group and a floating charge on the assets and undertakings of the same companies.

The company, together with certain other companies within the Cape Industries Group, has given joint and several guarantees to the Law Debenture Corporation PLC in respect of any amounts due under the Trust Deed contributing the 7½% loan stock 1986/91 and which is secured by way of specific charges over the fixed properties, securities, book and other debts and goodwill of the companies in the Group and a floating charge on the assets and undertakings of the above companies.