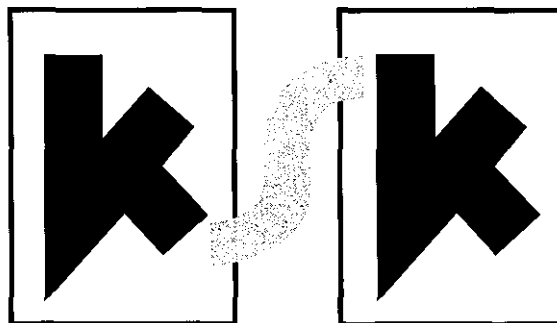


ERMS (UK) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31ST DECEMBER 1999



KEENS SHAY KEENS
CHARTERED ACCOUNTANTS



ERMS (UK) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 1999

CONTENTS	PAGES
Auditors' report to the company	1
Abbreviated balance sheet	2
Accounting policies	3
Notes to the abbreviated financial statements	5

ERMS (UK) LIMITED**AUDITORS' REPORT TO THE COMPANY****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31st December 1999 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 sections 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 report our opinion to you.

BASIS OF OPINION

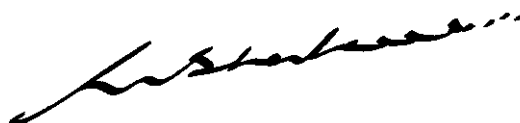
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Exchange Building
16 St Cuthbert's Street
Bedford
MK40 3JG

9th October 2000



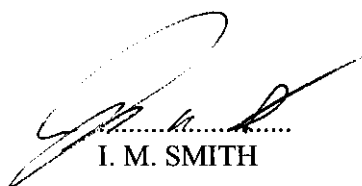
KEENS SHAY KEENS
Chartered Accountants
& Registered Auditors

ERMS (UK) LIMITED**ABBREVIATED BALANCE SHEET****31ST DECEMBER 1999**

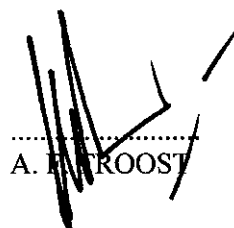
	Note	1999 £	1998 £
FIXED ASSETS	1		
Tangible assets		63,732	<u>54,836</u>
CURRENT ASSETS			
Stocks		39,474	51,646
Debtors		890,719	712,093
Cash at bank and in hand		221,954	<u>320,211</u>
		<u>1,152,147</u>	<u>1,083,950</u>
CREDITORS: Amounts falling due within one year		<u>(613,906)</u>	<u>(648,366)</u>
NET CURRENT ASSETS		538,241	435,584
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>601,973</u>	<u>490,420</u>
CAPITAL AND RESERVES			
Called-up equity share capital	2	15,000	15,000
Profit and loss account		586,973	475,420
SHAREHOLDERS' FUNDS		<u>601,973</u>	<u>490,420</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 2nd October 2000, and are signed on their behalf by:



I. M. SMITH



A. J. TROOST

ERMS (UK) LIMITED**ACCOUNTING POLICIES****YEAR ENDED 31ST DECEMBER 1999**

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cashflow statement.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- Over 9 years
Plant and Machinery	- 20% on cost
Motor Vehicles	- 33.33% on cost
Fixtures, Fittings and Equipment	- 10% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

ERMS (UK) LIMITED**ACCOUNTING POLICIES** *(CONTINUED)***YEAR ENDED 31ST DECEMBER 1999**

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

ERMS (UK) LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST DECEMBER 1999****1. FIXED ASSETS**

	Tangible Fixed Assets £
COST	
At 1st January 1999	177,978
Additions	39,151
Disposals	<u>(22,315)</u>
At 31st December 1999	<u>194,814</u>
DEPRECIATION	
At 1st January 1999	123,142
Charge for year	17,944
On disposals	<u>(10,004)</u>
At 31st December 1999	<u>131,082</u>
NET BOOK VALUE	
At 31st December 1999	<u>63,732</u>
At 31st December 1998	<u>54,836</u>

2. SHARE CAPITAL**Authorised share capital:**

	1999 £	1998 £
15,000 Ordinary shares of £1 each	<u>15,000</u>	<u>15,000</u>

Allotted, called up and fully paid:

	1999 £	1998 £
Ordinary share capital	<u>15,000</u>	<u>15,000</u>

3. ULTIMATE PARENT COMPANY

The Ultimate parent undertaking is Intercaribbean Krause Nederland B.V, a company incorporated in the Netherlands, which is controlled by A.F. Troost by virtue of his majority shareholding.