

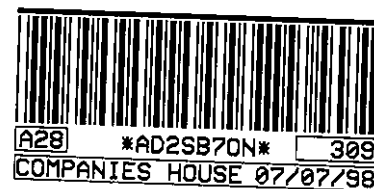
EUROPEAN CLEARING HOUSE LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST OCTOBER 1997

Registered in England

Number 02270024



EUROPEAN CLEARING HOUSE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31st October 1997.

ACTIVITIES

During the year to 31st October 1997 the Company has not traded, has not incurred any liabilities and consequently has made neither a profit or loss. This situation is likely to continue in the foreseeable future.

DIRECTORS

D M Hardy
B J Clark

The directors listed above were directors of the Company throughout the year, unless otherwise indicated.

No director held any interest at either 1st November 1996 or 31st October 1997 in the shares of the ultimate parent undertaking, The London Clearing House Limited, or in the shares and debentures of any of its subsidiaries, with the exception of B J Clark who held one non-voting ordinary share of £1 in The London Clearing House Limited at 31st October 1997.

AUDITORS

The Company is a dormant company and has passed a resolution pursuant to section 252 of the Companies Act 1985 making itself exempt from the obligation to appoint auditors for the year ended 31st October 1997.

BY ORDER OF THE BOARD

B. J. Clark
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B J Clark
Director & Secretary

29 June 1998

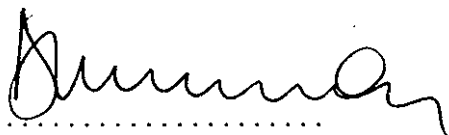
EUROPEAN CLEARING HOUSE LIMITED

BALANCE SHEET - 31ST OCTOBER 1997

	1997 £	1996 £
CURRENT ASSETS		
Amount due from ultimate parent undertaking	2	2
Representing:	=====	=====
SHARE CAPITAL		
Authorised		
100 ordinary shares of £1 each	£100	£100
CALLED UP SHARE CAPITAL	=====	=====
Issued and fully paid		
2 ordinary shares of £1 each	2	2
	=====	=====

- a) Throughout the financial year ending on the above date, the Company was dormant within the meaning of section 250(3) of the Companies Act 1985.
- b) No notice from members has been deposited with the company requiring an audit for the year ended 31st October 1997.
- c) The Directors acknowledge their obligation to keep proper accounting records and to prepare accounts which give a true and fair view of the company's position and are in accordance with the requirements of the Companies Acts.

DIRECTOR



.....

D M Hardy

29 June 1998

NOTES:

1. These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.
2. During the year the Company has not traded, has not incurred any liabilities and consequently has made neither profit or loss. The directors have received no emoluments in respect of their services to the Company.
3. The Company's ultimate parent undertaking is The London Clearing House Limited, which is incorporated in Great Britain.