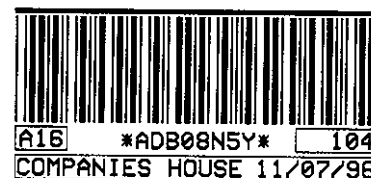


Company Number 2663122
(England and Wales)

EXPLORE TRADER LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 1995

RADFORD & SERGEANT
Chartered Accountants & Registered Auditors
71, HIGH STREET, ALDERSHOT
HANTS GU11 1BY



EXPLORE TRADER LIMITED

COMPANY INFORMATION

Directors	T.V.Cox
Secretary	D.J.Cox
Company Number	2663122 (England & Wales)
Registered Office	Culdrose House, 1, Frederick Street, Aldershot, Hants, GU11 1LQ.
Auditors	Radford & Sergeant, Chartered Accountants & Registered Auditors, 71 High Street, Aldershot, Hants, GU11 1BY.

EXPLORE TRADER LIMITED

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EXPLORE TRADER LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30th SEPTEMBER 1995

FINANCIAL STATEMENTS

The Directors present their report and audited financial statements for the year ended 30TH September 1995.

Statement of Directors' Responsibilities

Company law requires 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 the profit or loss of the company for that period. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in 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.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of manufacturers of leisure equipment, the company has not traded during this or the previous financial year.

DIRECTORS


The directors who held office during the year and their beneficial interests in the company's issued ordinary share capital were:

	Number of Shares	
	1995	1994
T.V.Cox	-	-

AUDITORS

The Auditors Radford & Sergeant will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

This report which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the Board on December 1995 and signed on its behalf.

T.V.Cox, 
Director,

EXPLORE TRADER LIMITED
AUDITORS' REPORT TO THE SHAREHOLDERS OF EXPLORE TRADER LIMITED
FOR THE YEAR ENDED 30th SEPTEMBER 1995

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on pages 5-7.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

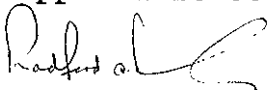
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurances that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30th September 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


RADFORD & SERGEANT,
Chartered Accountants
& Registered Auditors,
71, High Street,
Aldershot,
Hampshire,
GU11 1BY.

21st December, 1995.

EXPLORE TRADER LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 30th SEPTEMBER 1995

	Notes	1995	1994
	-----	-----	-----
Turnover		-	-
Cost of Sales		-	-
		-----	-----
GROSS PROFIT		-	-
Selling, Distribution costs & administration expenses		-	-
		-----	-----
OPERATING PROFIT/(LOSS)		-	-
Profit/(Loss) on disposal of tangible fixed assets		-	-
		-----	-----
Profit/(Loss) on Ordinary Activities Before Interest		-	-
Interest receivable		-	-
Interest payable		-	-
		-----	-----
Profit/(Loss) on ordinary activities before taxation		-	-
Taxation on profit on ordinary activities		-	-
		-----	-----
Profit/(Loss) on ordinary activities after taxation		-	-
Dividend:- Paid		-	-
		-----	-----
Retained Profit/(Loss) for the year		-	-
Retained profit brought forward		(41794)	(41794)
		-----	-----
Retained profit carried forward		(41794)	(41794)
		=====	=====

There were no recognised gains and losses for 1995 or 1994 other than those included in the Profit and Loss accounts.

The notes on pages 5 to 9 form part of these financial statements

EXPLORE TRADER LIMITED
BALANCE SHEET
FOR THE YEAR ENDED 30th SEPTEMBER 1995

	Notes	1995	1994
	-----	-----	-----
FIXED ASSETS			
Intangible assets	2	2714	2714
CURRENT ASSETS			
Stocks		-	-
Debtors		-	-
Cash at Bank and in Hand		-	-
		-----	-----
CREDITORS: Amounts falling due within one year		-	-
		-----	-----
NET CURRENT ASSETS		-	-
		=====	=====
Total Assets less Current Liabilities		2714	2714
CREDITORS: Amounts falling due after one year	3	43508	43508
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Tax		-	-
		-----	-----
NET ASSETS		(40794)	(40794)
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	4	1000	1000
Profit and Loss Account		(41794)	(41794)
		-----	-----
Shareholders' funds	5	(40794)	(40794)
		=====	=====
Represented by:			
Equity Interests		(40794)	(40794)
Non Equity Interests		-	-
		-----	-----
		(40794)	(40794)
		=====	=====

The directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985. The financial statements were approved by the board on 21 December 1995 and signed on its behalf.

T.V.Cox,
Director.



The notes on pages 5 to 7 form part of these financial statements.

EXPLORE TRADER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th SEPTEMBER 1995

1. ACCOUNTING POLICIES

- a) The financial statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the directors report, as stated the company has ceased trading. The principal accounting policies which the directors have adopted are set out below.

The company has taken advantage of the exemptions in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures & fittings & plant	- 20% straight line basis
Office Equipment	- 20% straight line basis

d) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

EXPLORE TRADER LIMITED
 NOTES TO THE FINANCIAL STATEMENTS Cont.
 FOR THE YEAR ENDED 30th SEPTEMBER 1995

e) Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

f) Stocks and Work in Progress

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

g) Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability will crystallise in the near future.

2. TANGIBLE FIXED ASSTSS

The following intangible fixed assets are carried at their original cost to the company.

	1995	1994
	----	----
Formation Expenses	591	591
Goodwill	2123	2123
	----	----
	2714	2714
	====	====

3. CREDITORS: Amounts falling Due after more than one year,

	1995	1994
	----	----
Loans to parent company	43508	43508
	-----	-----
	43508	43508
	=====	=====

4.	SHARE CAPITAL	1995	1994
		----	----
	Authorised		
	Ordinary shares of 1 each	1000	1000
		=====	=====
	Allotted called up and fully paid		
	Ordinary Shares of 1 each	1000	1000
		=====	=====
5.	MOVEMENT ON SHAREHOLDERS' FUNDS		
	Profit for the Year	-	-
	Less Dividends	-	-
		-----	-----
		-	-
	Opening Shareholders Funds	(40794)	(40794)
		-----	-----
	Closing Shareholders Funds	(40794)	(40794)
		=====	=====
6.	CONTINGENT LIABILITIES		
	The Directors are not aware of any such liabilities.		
7.	CAPITAL COMMITMENTS		
	At 30th September 1995 the company had capital commitments as follows		
		1995	1994
		----	----
	Capital Expenditure		
	Contracted for	Nil	Nil
	Authorised but not contracted for	Nil	NIL
		===	===
8.	ULTIMATE HOLDING COMPANY		
	The ultimate holding company is Explore Worldwide Limited, a company incorporated in England and Wales.		