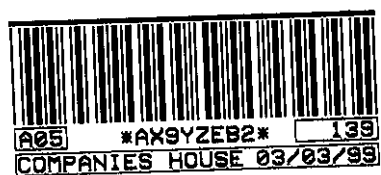


Company Number: 02765148

Covergold Limited

Abbreviated Financial Statements

for the year ended 30th November 1998



Jubilee House, Billing Brook Road, Weston Favell, Northampton NN3 8NW Telephone (01604) 414500

Auditors' Report to Covergold Limited under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 30th November 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of the director and auditors

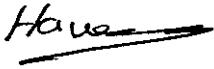
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver the abbreviated accounts prepared in accordance with sections 246(5) and (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 to 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 Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.


Hawsons
Registered auditors

Jubilee House
Billing Brook Road
Weston Favell
Northampton
NN3 8NW

27th January 1999

Covergold Limited
Abbreviated Balance Sheet
As At 30th November 1998

	Notes	1998 £	1998 £	1997 £	1997 £
Fixed Assets					
Tangible fixed assets	2		241,460		191,975
Investments	2		-		700
			<u>241,460</u>		<u>192,675</u>
Current Assets					
Stock		53,733		38,501	
Debtors		174,623		175,748	
Cash at bank and in-hand		60,129		115,928	
		<u>288,485</u>		<u>330,177</u>	
Creditors:					
Amounts falling due within one year	3	(332,643)		(339,201)	
Net Current (Liabilities)			(44,158)		(9,024)
Total Assets Less Current Liabilities			<u>197,302</u>		<u>183,651</u>
Creditors:					
Amounts falling due after more than one year	3		(17,513)		(67,359)
			<u>179,789</u>		<u>116,292</u>
Capital and Reserves					
Share capital	4		1,000		1,000
Profit and loss account			178,789		115,292
			<u>179,789</u>		<u>116,292</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved by the director on 27th January 1999.


V.G. Pinto

Director

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Cash Flow Statement

In the opinion of the director the company qualifies as a small company and accordingly a cash flow statement is not required.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Income from Investments

Investment income comprises dividends declared during the accounting period on unlisted investments.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The rates generally applicable are:

Freehold land and buildings	2% straight line
Motor vehicles	25% straight line
Computer equipment	25% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost being the actual cost of purchase.

Contribution to Pension Funds

Contributions to the defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Covergold Limited**Notes to the Abbreviated Accounts****for the year ended 30th November 1998****2 Fixed Assets**

	Tangible Fixed Assets £	Fixed Asset Investments £
Cost		
At 1st December 1997	213,240	700
Additions	85,442	-
Disposals	(9,240)	(700)
At 30th November 1998	<u>289,442</u>	<u>-</u>
Depreciation and amortisation		
At 1st December 1997	21,265	-
Provided for year	30,641	-
Disposals	(3,924)	-
At 30th November 1998	<u>47,982</u>	<u>-</u>
Net Book Value		
At 30th November 1998	<u>241,460</u>	<u>-</u>
At 30th November 1997	<u>191,975</u>	<u>700</u>

3 Creditors

Creditors include £33,357 (1997: £78,534) which is secured.

4 Share Capital

Authorised	1998 £	1997 £
1,000 Ordinary shares of £1 each (1997: 1,000)	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted and fully paid	1998 £	1997 £
1,000 Ordinary shares of £1 each (1997: 1,000)	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

5 Fixed Asset Investment

Name	Country of registration	Class of share	Proportion held	Nature of business	Total reserves	Net loss for the year
<i>Subsidiary undertaking</i>					£	£
Covergold Limited	(Multimedia) England	Ordinary £1	100%	Dormant company	1,000	-

The above company has been dormant throughout the year and has applied to the registrar of companies to be struck off. All available reserves have been distributed by way of dividend and the cost of the investment has therefore been written off. The reserves referred to above comprise share capital of £700 and share premium of £300.