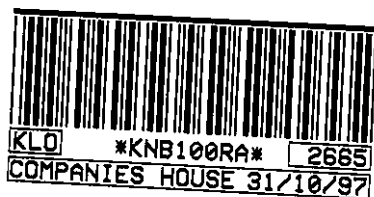


Registration Number 2811009

Ohm Construction Limited
Director's Report and Financial Statements
for the year ended 31st December 1996



Ohm Construction Limited

Company Information

Director	H D Kara
Secretary	Mrs I H Kara
Company Number	2811009
Registered Office	Suites 211-212, Empire House Empire Way, Wembley Middlesex HA9 0NA
Business Address	48 Ormesby Way Kenton Harrow Middlesex HA3 9SF

Ohm Construction Limited

Contents

	Page
Director's Report	1
Profit and Loss Account	2
Balance Sheet	3 - 4
Notes to the Financial Statements	5 - 7

Ohm Construction Limited

Director's Report for the year ended 31st December 1996

The director presents his report and the financial statements for the year ended 31st December 1996.

Principal Activity

The principal activity of the company was that of building contractors and there was no change therein during the year.

Director and his Interest

The director who served during the year and his interest in the company are as stated below:

	Ordinary shares	
	1996	1995
H D Kara	2	2

Director's Responsibilities

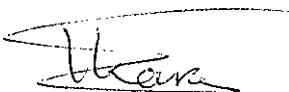
Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the director is required to:

- select suitable accounting policies and 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 30th October 1997 and signed on its behalf by



Mrs I H Kara
Secretary

Ohm Construction Limited

Profit and Loss Account for the year ended 31st December 1996

		Continuing operations	
		1996	1995
	Notes	£	£
Turnover	2	48,065	45,106
Cost of sales		(37,950)	(37,823)
Gross profit		<u>10,115</u>	<u>7,283</u>
Administrative expenses		(16,816)	(11,437)
Operating loss	3	<u>(6,701)</u>	<u>(4,154)</u>
Interest receivable and similar income		44	-
Interest payable and similar charges		(9)	-
Loss on ordinary activities before taxation		<u>(6,666)</u>	<u>(4,154)</u>
Tax on loss on ordinary activities	5	-	1,035
(Loss) for the year		<u>(6,666)</u>	<u>(3,119)</u>
Retained profit brought forward		1,390	4,509
Accumulated (loss)/profit carried forward		<u><u>(5,276)</u></u>	<u><u>1,390</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

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

Ohm Construction Limited

Balance Sheet as at 31st December 1996

		1996		1995	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	6		64		128
Current Assets					
Debtors	7	1,035		1,035	
Cash at bank and in hand		9,326		12,761	
		<u>10,361</u>		<u>13,796</u>	
Creditors: amounts falling due within one year	8	<u>(15,699)</u>		<u>(12,532)</u>	
Net Current (Liabilities)/Assets			<u>(5,338)</u>		<u>1,264</u>
Total Assets Less Current Liabilities			<u>(5,274)</u>		<u>1,392</u>
Capital and Reserves					
Called up share capital	9		2		2
Profit and loss account			(5,276)		1,390
Equity Shareholders' Funds	10		<u>(5,274)</u>		<u>1,392</u>

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

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

Ohm Construction Limited

Balance Sheet (continued)

**Director's statements required by Section 249B(4)
for the year ended 31st December 1996**

In approving these financial statements as director of the company I hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st December 1996 and

(c) that I acknowledge my responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements approved by the Board on 30th October 1997 and signed on its behalf by



H D Kara
Director

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

Ohm Construction Limited

Notes to the Financial Statements for the year ended 31st December 1996

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings
and equipment - 25% Straight Line

1.4 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing difference between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating loss

	1996 £	1995 £
Operating loss is stated after charging:		
Depreciation of tangible assets	64	64

4. Director's emoluments

	1996 £	1995 £
Remuneration and other benefits	12,041	7,672

5. Taxation

	1996 £	1995 £
UK current year taxation		
UK Corporation Tax	-	(1,035)

Ohm Construction Limited

Notes to the Financial Statements
for the year ended 31st December 1996

..... continued

6. Tangible assets

	Fixtures, fittings equipment	Total
	£	£
Cost		
At 1st January 1996		
At 31st December 1996	257	257
Depreciation		
At 1st January 1996	129	129
Charge for the year	64	64
At 31st December 1996	193	193
Net book values		
At 31st December 1996	64	64
At 31st December 1995	128	128

7. Debtors

	1996	1995
	£	£
Other debtors	1,035	1,035

8. Creditors: amounts falling due within one year

	1996	1995
	£	£
Bank overdraft	542	-
Trade creditors	1,691	-
Other taxes and social security costs	1,992	3,383
Director's accounts	8,374	7,237
Other creditors	2,000	-
Accruals and deferred income	1,100	1,912
	15,699	12,532

Ohm Construction Limited

**Notes to the Financial Statements
for the year ended 31st December 1996**

..... continued

9. Share capital	1996	1995
	£	£
Authorised equity		
1,000 Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
Allotted, called up and fully paid equity		
2 Ordinary shares of £1 each	2	2
	<hr/>	<hr/>
10. Reconciliation of movements in shareholders' funds	1996	1995
	£	£
Loss for the year	(6,666)	(3,119)
Opening shareholders' funds	1,392	4,511
	<hr/>	<hr/>
	(5,274)	1,392
	<hr/>	<hr/>

11. Related party transactions

The company was under the control of Mr H D Kara, a director. As last year and as disclosed in the Director's Report, Mr H D Kara together with Mrs I H Kara own 100% of the company's issued share capital. There were no transactions between the company and Mr H D Kara. The balance due to Mr H Kara at 31st December 1996 was £8,374 (1995: £7,237).

12. Going concern

The accounts have been prepared on a going concern basis, the validity of which is dependent upon the belief of the director that the company will continue to receive financial support from its shareholders.