

DIRECTORS REPORT

The directors hereby submit the annual report and financial statements for the Company for the period ended 31 March 1998.

The Directors of the Company during the financial period and their interests in shares of the Company were:-

G. S. MEE ESQ..... Number of shares: ONE.....

R J DAIJCZAK ESQ..... Number of shares: ONE.....

During the above financial period the Company has not traded and there has been no income or expenditure and therefore no change in the Company's position has arisen. Any expenses have been paid by the Directors' personally.

Signed on behalf of the Board.....Secretary

CURRENT PERIOD**COMPARATIVES**

BALANCE SHEET AT 31/3/98.....

BALANCE SHEET AT 31/3/97.....

ASSETS £2.00.....

ASSETS £2.00.....

LIABILITIES NIL.....

LIABILITIES NIL.....

Represented by:

AUTHORISED SHARE CAPITAL 50,000..... SHARES OF £1 EACH.....

SHARE CAPITAL ISSUED & FULLY PAID TWO..... Ordinary Shares of £1 each

PROFIT/LOSS BROUGHT FORWARD NIL.....

The Company was a dormant company throughout the whole of the financial period.

SIGNED..... Director.

AUDITORS

The Company passed a Special Resolution on 18th September 1997 excluding Section 252 of the Companies Act 1985 and thus became exempt from the obligation to appoint auditors.

