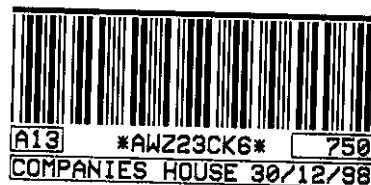


376458 (sp)

GASCOYNE HOLDINGS LIMITED

ACCOUNTS

5 April, 1998



Directors: The Marquess of Salisbury
Rt Hon The Viscount Cranborne PC
The Hon J D D Ogilvy
Lord Charles Cecil
Lord Valentine Cecil
M R Melville

Secretary: M R Melville

Registered Office: Fairfax House
Fulwood Place
Gray's Inn
London WC1V 6UB

Auditors: Saffery Champness
Chartered Accountants
Fairfax House
Fulwood Place
Gray's Inn
London WC1V 6UB

Company Number: 376458

DIRECTORS REPORT

The Directors submit their report together with the audited accounts of the company for the year ended 5 April, 1998.

Principal Activity

The Company did not trade during the year ended 5 April, 1998.

Directors' Share Interest

Directors' shareholdings in the Company were as follows:

	Ordinary Shares of £1 each	
	5.4.97	5.4.98
The Marquess of Salisbury	-	-
Viscount Cranborne	-	-
The Hon J D D Ogilvy	1	1
Lord Charles Cecil	1	1
Lord Valentine Cecil	-	-
M R Melville	-	-
	<hr/> 2	<hr/> 2

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.

Auditors

In accordance with the requirements of the Companies Act 1985, a resolution will be submitted to the Annual General Meeting to re-appoint Saffery Champness as Auditors of the Company.

By Order of the Board

Fairfax House, Fulwood Place,
Gray's Inn, London WC1V 6UB

22nd July 1998



M R Melville
Secretary

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the financial statement on page 5.

Respective responsibilities of directors and auditors

As described in the directors' report on page 2 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 significant estimates and judgements made by the directors in 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 assurance 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 statement gives a true and fair view of the state of affairs of the company as at 5th April 1998 and have been properly prepared in accordance with the Companies Act 1985.

Saffery Champness

SAFFERY CHAMPNESS
Chartered Accountants
Registered Auditors
London

22 December 1998

Balance Sheet

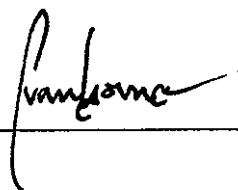
5 April 1998

	1998	1997
Current Assets		
Debtors due within one year	2	2
	-----	-----
Total assets	£2	£2
	=====	=====
Capital		
Authorised:		
100 Ordinary Shares of £1 each	£100	£100
	=====	=====
Allotted, issued and fully paid		
2 Ordinary Shares of £1 each	2	2
	-----	-----
	£2	£2
	=====	=====

The Company was dormant (within the meaning of Section 250(3) of the Companies Act 1985) throughout the financial year ended 5 April 1998.

Approved by the Board on 22nd July 1998

Director



Notes to the Accounts

- Accounting Policy**
Accounts have been prepared under the historical cost convention.
- Directors**
Neither the Chairman nor any other Director received any emoluments in respect of the year (1997 - £nil).
- Employees**
The officers of the company were the only employees during the year.