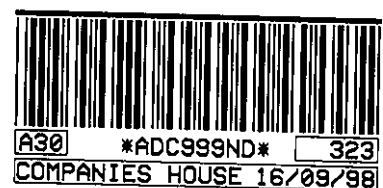


CLUGSTON TRANSPORT LIMITED

Directors' Report and Accounts

31 January 1998



Registered No 387888

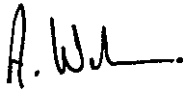
CLUGSTON TRANSPORT LIMITED

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Clugston Transport Limited will be held at St Vincent House, Normanby Road, Scunthorpe on 16 June 1998 at 10.15 am to transact the following business:

1. To receive and adopt the directors' report and accounts for the period ended 31 January 1998.
2. To re-elect Mr R Butcher as a director.

By order of the Board



A Wilson

Secretary

St Vincent House
Normanby Road
Scunthorpe
North Lincolnshire
DN15 8QT

30 April 1998

NOTE

Any member entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member.

CLUGSTON TRANSPORT LIMITED

DIRECTORS' REPORT

Directors: R Butcher
J W A Clugston

Secretary: A Wilson

Registered Office: St Vincent House, Normanby Road, Scunthorpe, North Lincolnshire, DN15 8QT.

The directors present their report and accounts for the period ended 31 January 1998.

Principal activities, review of the business and future developments

The Company did not trade during the period under review.

Directors and their interests

The directors of the Company during the period were those listed above. In accordance with the articles of association, Mr R Butcher retires by rotation and, being eligible, offers himself for re-election. Neither of the directors had an interest in the shares of the Company and both are directors of the holding company, in whose accounts their interests are shown.

Approved by the Board of Directors and signed on its behalf.



A Wilson

Secretary

30 April 1998

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company for that period. In preparing those accounts, the directors are required to

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the accounts on a going concern basis where it is appropriate.

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 accounts 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.

CLUGSTON TRANSPORT LIMITED

BALANCE SHEET - 31 January 1998

	Note	1998 £	1997 £
Fixed assets			
Amounts due from Group companies after more than one year		<u>£1,500</u>	<u>£1,500</u>
Capital and reserves			
Called up share capital	2	<u>£1,500</u>	<u>£1,500</u>

The Company was dormant, as defined by Section 250 of the Companies Act 1985, throughout the financial year.



R Butcher

Director

30 April 1998

NOTES ON THE ACCOUNTS

1 Accounting convention

The accounts are prepared under the historical cost convention.

2 Called up share capital

The authorised, allotted, called up and fully paid share capital of the Company at 31 January 1998 and 25 January 1997 comprised:

Ordinary shares of £1 each

£1,500

3 Profit and loss account

The Company has not traded during the period and accordingly has made neither a profit nor a loss. No profit and loss account has therefore been prepared.

4 Ultimate holding company

The parent company of the group of companies, for which group accounts are drawn up, and of which the Company is a member, is Clugston Group Limited.