

WILDFOWL TRUST (HOLDINGS) LTD

**Annual report
for the year ended 31st December 1997**

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Registered no. 587114

WILDFOWL TRUST (HOLDINGS) LTD

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Report of the directors for the year ended 31st December 1997

The directors present their report and the audited financial statements for the year ended 31st December 1997.

Principal activities and review of the business

The company did not trade during the year and consequently no profit or loss account is prepared.

The principal activity of the company is that of acting as trustee of property, whether real or personal belonging to or in any way, whether directly or indirectly, of interest to The Wildfowl & Wetlands Trust.

The balance sheet is therefore limited to the funds of the company in its own right. The properties of which the company is trustee are dealt with in the accounts of The Wildfowl & Wetlands Trust.

Dividends

The directors do not recommend the payment of a dividend.

Directors

The directors of the company at 31st December 1997, all of whom have been directors for the whole of the year ended on that date unless otherwise stated are:

The Lord Brassey JP DL
Sir RKH Gaskell
H S Mellor
Dr M Owen (retired 31.12.97)
T I Robshaw

Directors' interests in shares of the company

No directors held beneficial interests in the shares of the company at 31st December 1997, or at any time during the year.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st December 1997. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the Annual General Meeting.

By order of the Board



T I Robshaw
Company Secretary
8 April 1998

**Report of the auditors to the members of
Wildfowl Trust (Holdings) Limited**

We have audited the financial statements on pages 3 to 4.

Respective responsibilities of directors and auditors

As described on page 1, 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.

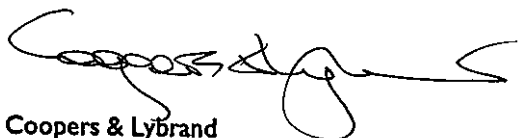
Basis of opinion

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 statements give a true and fair view of the state of the company's affairs at 31st December 1997 and have been properly prepared in accordance with the Companies Act 1985.

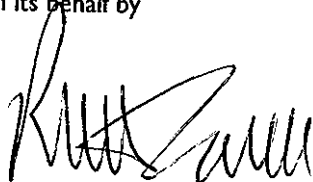


Coopers & Lybrand
Chartered Accountants and Registered Auditors
Bristol, 8 April 1998

Balance sheet - 31st December 1997

	Notes	1997 £	1996 £
Current assets			
Cash at bank and in hand		<u>0.15</u>	<u>0.15</u>
		<u>0.15</u>	<u>0.15</u>
Capital and reserves			
Called up share capital	2	<u>0.15</u>	<u>0.15</u>
		<u>0.15</u>	<u>0.15</u>

The financial statements on pages 3 and 4 were approved by the board of directors on 8 April 1998, and were signed on its behalf by



Director

Notes to the financial statements
for the year ended 31st December 1997

1 Principal accounting policies

The financial statements have been prepared in accordance with generally accepted accounting principles in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

2 Called up share capital

	Ordinary shares of 5p each	
	1997 £	1996 £
Authorised		
- value	<u>5</u>	<u>5</u>
- number	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
- value	<u>0.15</u>	<u>0.15</u>
- number	<u>3</u>	<u>3</u>