



TAMOA LIMITED

Report and Financial Statements

31 December 1998



**Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR**

REPORT AND FINANCIAL STATEMENTS 1998

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

REPORT AND FINANCIAL STATEMENTS 1998

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M S Gorvy
S B Gorvy
A J Leibowitz
T Moross

SECRETARY

Hanover Management Services Limited

REGISTERED OFFICE

16 Hans Road
London SW3 IRS

AUDITORS

Deloitte & Touche
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 1998.

STATEMENT OF 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 as at the end of the financial year 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;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on a 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.

ACTIVITIES

The company's principal and foreseeable activity is that of an investment holding company and the directors do not anticipate any change in activities.

RESULTS AND DIVIDENDS

The results for the year are set out on page 5.

The directors recommend the payment of a dividend of £1,524,484 for the year ended 31 December 1998 (1997 - £1,552,380). The retained profit for the year is £332,301 (1997 -£1,826,834).

DIRECTORS

The present directors are shown on page 1. All directors served throughout the year.

None of the directors who held office during the year held any interest in the shares of the company, nor in the shares of the company's ultimate parent company and its subsidiaries.

YEAR 2000

The company has recognised the potential issues arising from the Year 2000. It is the intention that all systems within the company will be Year 2000 compliant, as far as is reasonably possible, on or before 30 June 1999. Compliance costs are being contained within existing staffing levels and hardware and software costs are not material.

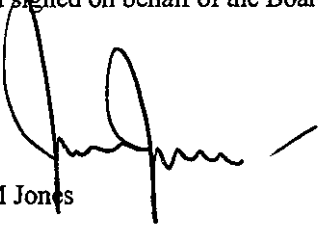


DIRECTORS' REPORT

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



J M Jones

For and on behalf of
Hanover Management Services Limited

Secretary

26 1999



TAMOA LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described 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 statements give a true and fair view of the state of the company's affairs as at 31 December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and
Registered Auditors

2 June 1999

PROFIT AND LOSS ACCOUNT
Year ended 31 December 1998

	Note	1998 £	1997 £
Administrative expenses		(1,190)	(1,244)
OPERATING LOSS	3	(1,190)	(1,244)
Income from interests in subsidiary undertakings		1,525,484	1,552,380
Income from interests in associated undertakings		-	38,192
Profit on disposal of interests in associated undertakings		-	2,531,563
Interest receivable and similar income	4	647,938	305,104
Interest payable and similar charges	5	(166,602)	(92,947)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,005,630	4,333,048
Tax on profit on ordinary activities	6	(148,845)	(953,834)
PROFIT FOR THE FINANCIAL YEAR		1,856,785	3,379,214
Dividend paid	7	(1,524,484)	(1,552,380)
RETAINED PROFIT FOR THE FINANCIAL YEAR	13	332,301	1,826,834

All activities derive from continuing operations.

There are no recognised gains or losses other than the profit for both years. Accordingly, no statement of recognised gains and losses is given.

There are no movements in shareholders' funds other than the profit for both years. Accordingly, no reconciliation of movement in shareholders' funds is given.


BALANCE SHEET
31 December 1998

	Note	£	1998 £	£	1997 £
FIXED ASSETS					
Investments in subsidiary undertakings	8		19,200,100		19,200,100
CURRENT ASSETS					
Debtors: amounts falling due within one year	9	441,600		441,600	
Debtors: amounts falling due after more than one year	9	6,865,970		6,472,204	
		<u>7,307,570</u>		<u>6,913,804</u>	
CREDITORS: amounts falling due within one year	10	<u>(1,175)</u>		<u>(1,175)</u>	
NET CURRENT ASSETS			<u>7,306,395</u>		<u>6,912,629</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			26,506,495		26,112,729
CREDITORS: amounts falling due after more than one year	11		<u>(4,192,970)</u>		<u>(4,131,505)</u>
NET ASSETS			<u>22,313,525</u>		<u>21,981,224</u>
CAPITAL AND RESERVES					
Called up share capital	12		20,000,200		20,000,200
Other reserves	13		159,223		159,223
Profit and loss account	13		<u>2,154,102</u>		<u>1,821,801</u>
TOTAL EQUITY SHAREHOLDERS' FUNDS			<u>22,313,525</u>		<u>21,981,224</u>

These financial statements were approved by the Board of Directors on 2 June 1999.

Signed on behalf of the Board of Directors

T Moross
Director

A J Leibowitz
Director

NOTES TO THE ACCOUNTS
Year ended 31 December 1998

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, unless otherwise stated.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost less any provision for permanent diminution in value.

Group financial statements are not prepared as the company is a wholly owned subsidiary of a company incorporated in Great Britain.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the directors received any emoluments for their services to the company during the year (1997 - £nil). There were no other employees (1997 - nil).

3. OPERATING LOSS

	1998 £	1997 £
Operating loss is after charging:		
Auditors' fee	1,175	1,175
	<u>1,175</u>	<u>1,175</u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1998 £	1997 £
Loans to group undertakings	537,054	222,876
Other interest	110,884	82,228
	<u>647,938</u>	<u>305,104</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	1998 £	1997 £
Loans from group undertakings	166,602	92,947
	<u>166,602</u>	<u>92,947</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 1998

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1998 £	1997 £
Group relief	126,777	931,713
Tax suffered on investment income	22,068	22,121
	<u>148,845</u>	<u>953,834</u>

The tax charge is low because dividend income is not subject to corporation tax.

7. DIVIDENDS

	1998 £	1997 £
Equity dividend to group undertakings at £152,448 per 'A' deferred share of £1 each (1997 - £155,238)	1,524,484	1,552,380

8. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

The following are the principal companies in which the company has an interest. All are incorporated in Great Britain, registered in England and Wales and are 100% owned, unless otherwise stated.

Directly held	Principal activity
Hanover Financial Services Limited	Nominee company
Portmans (Property Consultants) Ltd (90%)	Management and consulting
Portstock Ltd	Investment dealing
Pride Foods Limited (95%)	Holding company of subsidiaries engaged in the food industry
SGMS Ltd	Investment
Fineman Lever & Co Ltd (90%)	Property management

Group financial statements have not been prepared as the company is a subsidiary of another company incorporated in Great Britain. In the opinion of the directors the aggregate value of the shares in and amounts owing from the company's unconsolidated subsidiary undertakings is not less than the total amount at which they are stated in the balance sheet.

£

Shares at cost:

At 1 January and 31 December 1998	<u>19,200,100</u>
-----------------------------------	-------------------


NOTES TO THE ACCOUNTS
Year ended 31 December 1998
9. DEBTORS

	1998 £	1997 £
Amounts falling due within one year:		
Other debtors	441,600	441,600
Amounts falling due after more than one year:		
Amounts due from group undertakings:		
Parent undertaking	6,203,570	5,368,204
Other debtors	662,400	1,104,000
	<u>6,865,970</u>	<u>6,472,204</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998 £	1997 £
Other creditors	1,175	1,175

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1998 £	1997 £
Amounts due to group undertakings		
Subsidiary undertakings	2,145,565	2,027,213
Fellow subsidiary undertakings	1,547,405	1,604,292
Other creditors	500,000	500,000
	<u>4,192,970</u>	<u>4,131,505</u>

The loans from the fellow group undertakings are repayable after more than one year with no fixed repayment date. The loans are unsecured and interest is charged at a commercial rate.


NOTES TO THE ACCOUNTS
Year ended 31 December 1998
12. CALLED UP SHARE CAPITAL

	1998 £	1997 £
Authorised:		
30,000,100 ordinary shares of £1 each	30,000,100	30,000,100
90 deferred shares of £1 each	90	90
10 'A' deferred shares of £1 each	10	10
	<u>30,000,200</u>	<u>30,000,200</u>
Allotted, called up and fully paid:		
20,000,100 ordinary shares of £1 each	20,000,100	20,000,100
90 deferred shares of £1 each	90	90
10 'A' deferred shares of £1 each	10	10
	<u>20,000,200</u>	<u>20,000,200</u>

The deferred shares have no voting rights and are not entitled to a dividend. The 'A' deferred shares rank pari passu with the deferred shares except for their right to receive dividends.

13. STATEMENT OF MOVEMENTS ON RESERVES

	Other reserves £	Profit and loss account £	Total £
Balance at 1 January 1998	159,223	1,821,801	1,981,024
Profit for the year	-	332,301	332,301
	<u>159,223</u>	<u>2,154,102</u>	<u>2,313,325</u>

14. ULTIMATE PARENT UNDERTAKING

The ultimate parent company and controlling party is Quadriga Holdings SA, which is incorporated in Luxembourg.

The company is a subsidiary of Hanover Acceptances Limited, a company incorporated in Great Britain and registered in England and Wales. A copy of the group financial statements of Hanover Acceptances Limited is available from the Company Secretary, 16 Hans Road, London, SW3 1RS.

15. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption from the disclosure of related party transactions with entities that are part of the group in accordance with Paragraph 3(c) of Financial Reporting Standard No. 8.