

KILLBY-TANN LIMITED
DIRECTORS' REPORT
AND FINANCIAL STATEMENTS

for the year ended
31 DECEMBER 1998



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OFFICERS

DIRECTORS

T L Smith	(Chairman)
M Birchwood	
J P H Vickers	

SECRETARY

J W Mather

REGISTERED OFFICE

Osborne House
9-11 Macaulay Road
London SW4 0QP

Registered No: 1110334 England

REPORT OF THE DIRECTORS
for the year ended 31 December 1998

The directors present their report and 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; and
- 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.

Business Review

The company did not trade in the year under review.

Results and dividends

The company did not trade during 1998 and has made neither a profit nor a loss (1997 - £Nil). No dividend is recommended (1997 - £Nil).

Directors and their interests

The members of the Board at the end of the year are shown on page 1. Mr M O P May resigned on 13 March 1998 and Mr T L Smith was appointed Chairman on 13 March 1998. Mr J P H Vickers was appointed Director on 4 August 1998 and Mr R T Beagley resigned on 26 July 1998.

The directors have not had any interest in the company's shares during the year. The interests of the directors in Killby & Gayford Group Limited, the ultimate parent company, are shown in that company's accounts.

The 'Elective Regime'

At an Extraordinary General Meeting held on 16 December 1994, the Company adopted a resolution under the terms of Section 379A, Companies Act 1985 (as amended) to take advantage of procedural relaxations permitted by that provision. Accordingly, no Annual General Meeting is to be held and the financial statements will not be laid before the Members.

This report was approved by the Board of Directors on 29 April 1999 and signed on behalf of the Board.


T L Smith
Chairman

BALANCE SHEET as at 31 December 1998

	<u>Notes</u>	<u>1998</u> £	<u>1997</u> £
Current assets			
Debtors	3	8,178	8,178
		<hr/>	<hr/>
Net current assets		£8,178	£8,178
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	4	3,000	3,000
Profit and loss account		5,178	5,178
		<hr/>	<hr/>
Equity shareholders' funds		£8,178	£8,178
		<hr/>	<hr/>

The financial statements on pages 3 and 4 were approved by the Board of Directors on 29 April 1999 and signed on behalf of the Board. The company was dormant throughout the financial year ending 31 December 1998.

 Director

 Director

NOTES TO THE ACCOUNTS
for the year ended 31 DECEMBER 1998

1. Accounting policies

The accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

2. Profit and loss account

The company did not trade during the financial year and made neither a profit or loss nor any other recognised gain or loss. There were no movements in shareholders' funds in the current and previous year or recognised gains or losses for the previous year. No director was due or received any remuneration during the year ended 31 December 1998 (1997 - £Nil).

	1998 £	1997 £
3. Debtors		
Amounts owed from the parent undertaking	£8,178	£8,178
	<u> </u>	<u> </u>
4. Called up share capital		
Authorised:		
10,000 Ordinary shares of £1 each	£10,000	£10,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid:		
3,000 Ordinary shares of £1 each	£3,000	£3,000
	<u> </u>	<u> </u>

5. Parent undertakings

The parent undertaking is Killby & Gayford Group Limited, a company registered in England and Wales.

Killby & Gayford Group Limited is the parent undertaking of the largest group, of which Killby-Tann Limited is a member and for which group accounts are drawn up. Copies of those group accounts have been delivered to, and are available from, the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

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