

METALOID LIMITED**DIRECTORS' REPORT**

The Directors hereby submit the Annual Report and Financial Statements of the company for the year ended 31st December, 1998.

The Directors of the Company during the period and their interests in the shares of the company at 31st December, 1998 were as follows:

No. of Ordinary shares

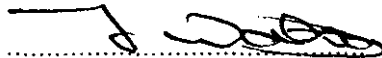
Miss J.R.H. Watson

-

During the above financial period, the company was dormant within the meaning of section 250 of the Companies Act 1985, there having been no significant accounting transactions of the company required to be entered in its accounting records. The company was entitled to the exemptions under section 250 of the Companies Act 1985 and no auditors have been appointed.

Any expenses have been met by the directors personally.

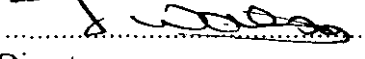
Signed by:



J.R.H. Watson- Director
14th September, 1999

BALANCE SHEET AS AT 31ST DECEMBER, 1998

| | 1998 | 1997 |
|-----------------------------------|----------|----------|
| | £ | £ |
| <u>Current Assets</u> | | |
| Cash at bank and in hand | £(1,202) | £(1,202) |
| <u>Share Capital and Reserves</u> | | |
| Authorised:- | | |
| 1,000 Ordinary shares of £1 each | | |
| Issued and fully paid | | |
| 100 Ordinary shares of £1 each | 100 | 100 |
| Profit and loss account | (1,302) | (1,302) |
| | £(1,202) | £(1,202) |

Signed: 
Director

