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GEMVIEW LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST MARCH 1997



GEMVIEW LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED

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GEMVIEW LIMITED

Report of the Directors to the Members

The Directors have pleasure in submitting their ninth Annual Report with the Accounts of the Company for the year ended 31st March 1997.

Directors

The Directors and their interest in the shares of the Company as at 31st March 1997 were: -

	Ordinary Shares
Mr. Philip Croshaw -	Nil

Principal Activity of the Company

The function of the Company during the year under review was to act as nominee in holding certain assets for third parties.

Dividend

The Directors do not recommend a dividend for the period.

State of the Company's affairs

The state of the Company's affairs as at 31st March 1997 and as at the date of this report was and is satisfactory.

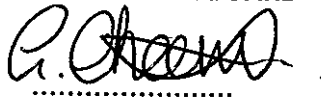
Taxation

The company incurred losses in the previous year in excess of the profits for the current year. Accordingly no provision has been made for income tax.

Auditor

The company took advantage of section 249a of the Companies Act 1985, accordingly no audit has been conducted of the company's financial records for the year ended 31st March 1997.

BY ORDER OF THE BOARD



.....
Chairman

August 17, 1997

GEMVIEW LIMITED

Balance Sheet as at 31st March 1997

	31 March 1996	
	<u>U.S \$</u>	<u>U.S \$</u>
Current Assets		
Accrued income	1,200	1,000
Short term loans	<u>12,346</u>	<u>13,887</u>
Total Assets	<u>13,546</u>	<u>14,887</u>
	=====	=====
Liabilities and Reserves -		
Current Liabilities		
Accrued expenses	<u>-</u>	<u>1,150</u>
Total Liabilities	<u>-</u>	<u>1,150</u>
Capital and Reserves		
Share Capital -		
Authorised: 1000 ordinary shares		
of £1 each	1000	
	=====	
Issued : 2 ordinary shares		
of £1 each fully paid	3	3
Profit and Loss Account	<u>13,543</u>	<u>13,734</u>
Total Capital & Reserves	<u>13,546</u>	<u>13,734</u>
	=====	=====
	13,546	14,887
	=====	=====

I have taken advantage of the exemption conferred by section 249a (1) not to have these accounts audited and confirm that no notice from members requiring an audit has been deposited under section 249b (2) of the Companies Act 1985.

I acknowledge my responsibilities for ensuring that (i) the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and (ii) the accounts give a true and fair view of the state of affairs of the company as at 31st October 1996 and of its loss for the year ended in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to the accounts so far as applicable to the company.

In preparing these modified accounts, I have relied upon the exemptions for individual accounts provided by Section A of Part III of Schedule 8 of the Companies Act 1985 and I have done so because the company is entitled to the benefit of those exemptions as a small company.

P.P. WATERLOW DOMICILIARY LTD

.....*m Brook*.....
Director

DIRECTOR

August 17, 1997

GEMVIEW LIMITED

Profit and Loss Account
for the year ended 31st March 1997

		Year ended 31 March 1996
	<u>U.S \$</u>	<u>U.S. \$</u> <u>U.S \$</u>
Income		
For Nominee services		1,200 ----- 1,600 -----
Expenses		
Audit fees	300	750
Administrative and professional charges	<u>1,091</u>	<u>700</u>
		1,391 ----- 1,450 -----
Net profit(loss) for the year		(191) ----- 150 -----
Add: Profit brought forward from previous year		<u>13,734</u> <u>13,734</u>
Accumulated profits at 31 March 1997		13,543 =====

GEMVIEW LIMITED

**Notes to the Financial Statement
for the year ended 31st March 1997**

1. Accounting Policies

Accounting policies judged material in the preparation of the financial statements are set out below in the following notes.

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention.

b. Foreign Currency

The company maintains its financial records in U.S. Dollars and the financial statements for the year ended 31st March 1996 are expressed in that currency. The rate of exchange for U.S. Dollars at the Balance Sheet date was £1 = U.S.\$1.63.

2. Current Assets

Short term loans have been granted free of interest with no fixed date for repayment.