

BLADENE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

- for the period ended -

31 DECEMBER 1988

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BLADENE LIMITED

COMPANY INFORMATION

DIRECTORS :

J H Metzger
F Primat-Schlumberger

SECRETARY :

J H Metzger

REGISTERED OFFICE :

271 Preston Road
Harrow, HA3 OPS
Middlesex

REGISTERED NUMBER :

2918318 (England)

AUDITORS :

Watson & Co
Chartered Accountants
271 Preston Road
Harrow, HA3 OPS
Middlesex

BLADENE LIMITED

DIRECTORS' REPORT

The directors present their report on the affairs of the company together with the financial statements and auditors' report for the period 27 November 1987 to 31 December 1988.

INCORPORATION

The company was incorporated on 25 November 1987 after which it commenced to trade.

PRINCIPAL ACTIVITIES

The company is principally engaged as investment brokers throughout the world except in the United Kingdom.

RESULTS AND DIVIDENDS

The loss for the period, after taxation, amounted to FF 129,443.

No dividends are proposed.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the period were J H Metzger and F Primat-Schlumberger who had no beneficial interest in the issued share capital of the company.

COMPANY RESIDENCE

The company is controlled and managed outside the United Kingdom and does not trade or have a permanent establishment within the United Kingdom.

AUDITORS

A resolution to re-appoint Watson & Co as auditors will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD

J H Metzger - SECRETARY

28 March 1990

BLADENE LIMITED

WATSON & CO.

BALANCE SHEET
at 31 DECEMBER 1988

CURRENT ASSETS	NOTES	FF
Debtors	2	5,357,796
CREDITORS: amounts falling due within one year	3	(5,487,217)
NET LIABILITIES		----- FF (129,421) =====
CAPITAL AND RESERVES		
Called-up share capital	4	22
Profit and loss account		(129,443)
TOTAL CAPITAL EMPLOYED		----- FF (129,421) =====

SIGNED ON BEHALF OF THE BOARD

J H Metzger

DIRECTORS

F Primat-Schlumberger

Schlumberger Primat

28 March 1990

The accompanying notes are an integral part of these financial statements

BLADENE LIMITED

WATSON & CO.

PROFIT AND LOSS ACCOUNT

For the period 25 NOVEMBER 1987 to 31 DECEMBER 1988

	NOTES	FF
TURNOVER	5	-
Administrative expenses		(129,443)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	6	----- (129,443)
Tax on loss on ordinary activities	7	-
RETAINED LOSS CARRIED FORWARD		----- FF (129,443) =====

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 DECEMBER, 1988

1. ACCOUNTING POLICIES

a) Accounting convention

The financial statements are prepared under the historical cost convention.

b) Taxation

The company is considered to be non-resident in the United Kingdom for tax purposes. No liability is expected for United Kingdom taxation based on these financial statements.

c) Foreign currencies

The financial statements are stated in French francs.

Assets and liabilities denominated in other currencies are translated at the rate of exchange ruling at the balance sheet date.

Transactions in other currencies are recorded at the rate ruling at the date of transaction.

All differences are taken to the profit and loss account.

d) Turnover

The turnover of the company comprises the value of commission income arising in the normal course of business.

2. DEBTORS

Other debtors

FF 5,357,796
=====

NOTES TO THE FINANCIAL STATEMENTS.....continued

3. CREDITORS: amounts falling due
within one year

FF

Amount due to shareholders
Accrued charges5,357,774
129,443
-----FF 5,487,217
=====

4. CALLED-UP SHARE CAPITAL

Authorised -

10,000 Ordinary shares of £1 each

£10,000

=====

Allotted, called-up and fully paid -
2 Ordinary shares of £1 each

FF 22

=====

5. TURNOVER

The turnover represents commission income arising wholly outside the United Kingdom.

6. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging :

FF

Company incorporation costs
Directors' remuneration
Auditors' remuneration32,920
3,820
3,820
=====

7. TAX ON LOSS ON ORDINARY ACTIVITIES

As the company is not resident in the United Kingdom for tax purposes and has no income arising in the United Kingdom, there is no United Kingdom corporation tax liability based on these financial statements. As far as the directors are aware, the company does not have any liability to overseas taxation.

BLADENE LIMITED

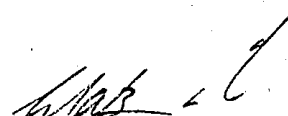
AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements set out on pages 4 to 7 in accordance with Auditing Standards.

The company's accounting records are maintained outside the United Kingdom and we have not obtained all the information and explanations we consider necessary for the purpose of our audit and we were unable to satisfy ourselves as to the completeness and accuracy of its accounting records.

The financial statements have been prepared on a going-concern basis which assumes the continued financial support of the shareholders.

Due to the significance of the above paragraphs we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs at 31 December 1988 and of its loss for the period then ended. In other respects, in our opinion, the financial statements have been properly prepared in accordance with the Companies Act 1985.



CHARTERED ACCOUNTANTS

WATSON & CO
271 Preston Road
Harrow, HA3 0PS
Middlesex

28 March 1990