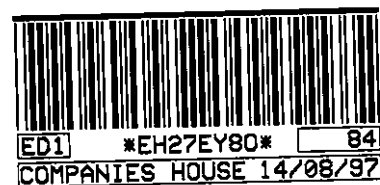


BANK OF IRELAND DIRECT MARKETING LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1997

Registered No 2476161

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BANK OF IRELAND DIRECT MARKETING LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the company for the year ended 31 March 1997.

REVIEW OF BUSINESS

The company did not trade during the year and as such there were no movements in Shareholders Funds.

RESULTS AND DIVIDENDS

The results for the year and the financial position of the company are shown in the attached financial statements. The Directors do not recommend the payment of a dividend.

FUTURE DEVELOPMENT OF THE BUSINESS

It is not intended that the company will undertake any business in the foreseeable future.

DIRECTORS AND THEIR INTERESTS

The Directors of the company at the date of this report and during the year ended 31 March 1997 are as follows:

Name

A Rogers

J Clifford

None of the Directors had any beneficial interest in the share capital of the company.

BANK OF IRELAND DIRECT MARKETING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement, which should be read in conjunction with the Auditors' Report set out on pages 3 to 4 is made with a view to distinguishing for Shareholders the respective responsibilities of the directors and of the auditors in relation to the accounts.

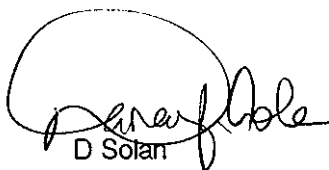
Company law requires the directors to ensure that accounts, which give a true and fair view of the state of affairs of the company and of the company profit or loss for the year, are prepared for each financial year.

With regard to the accounts on pages 5 to 7 the directors have determined that it is appropriate that they continue to be prepared on a going concern basis and consider that in their preparation:-

- suitable accounting policies have been selected and applied consistently;
- judgements and estimates that are reasonable and prudent have been made; and
- applicable accounting policies have been selected and applied consistently;

The directors have a responsibility for ensuring that proper books of account are kept which disclose the financial position of the company and which enable them to confirm that the accounts comply with the Companies Act 1985. They also have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board


D Solan
Secretary

Price Waterhouse



**AUDITORS' REPORT TO THE MEMBERS OF
BANK OF IRELAND DIRECT MARKETING LIMITED**

We have audited the financial statements on pages 5 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS' AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of the 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 that we considered necessary in order to provide us with sufficient, reliable and relevant evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by error, fraud or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



BANK OF IRELAND DIRECT MARKETING LIMITED

**AUDITORS' REPORT TO THE MEMBERS OF
BANK OF IRELAND DIRECT MARKETING LIMITED (CONTINUED)**

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1997, and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Pricewaterhouse

Chartered Accountants
and Registered Auditors

9 May 1997

BANK OF IRELAND DIRECT MARKETING LIMITED

**BALANCE SHEET
AS AT 31 MARCH 1997**

	<u>Note</u>	<u>31 March 1997</u> £	<u>31 March 1996</u> £
CURRENT ASSETS			
Debtors	3	<u>19,131</u>	<u>19,131</u>
		19,131	19,131
CREDITORS (amounts falling due within one year)	4	<u>(10,439)</u>	<u>(10,439)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,692</u>	<u>8,692</u>
CAPITAL AND RESERVES			
Called up share capital	5	2	2
Profit and loss account		<u>8,690</u>	<u>8,690</u>
		<u>8,692</u>	<u>8,692</u>

Approved by the Board on 9 May 1997.



J Clifford - Director.

The notes on pages 6 and 7 form part of these financial statements.

BANK OF IRELAND DIRECT MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been 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 year and hence incurred neither a profit nor a loss. As such, no separate profit and loss account is presented. Audit fees are borne by the ultimate parent company. No fees or emoluments were paid to directors during the year (1996:Nil).

3 DEBTORS

	<u>1997</u>	<u>1996</u>
	£	£
Amount owed by immediate parent company	<u>19,131</u>	<u>19,131</u>

4 CREDITORS

	<u>1997</u>	<u>1996</u>
	£	£
Due to Group Company	<u>10,439</u>	<u>10,439</u>

5 CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	£	£
Authorised share capital, ordinary shares of £1 each.	1,000	1,000
Issued and fully paid, ordinary shares of £1 each	2	2

BANK OF IRELAND DIRECT MARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 ULTIMATE PARENT COMPANY

The immediate parent company is Bank of Ireland Britain Holdings Limited, registered in England. The Governor and Company of the Bank of Ireland, which is a charter company incorporated in Ireland, is the ultimate parent company.

A copy of the group accounts of The Governor and Company of the Bank of Ireland can be obtained from Bank of Ireland, Lower Baggot Street, Dublin 2. These accounts represent both the smallest group and largest group into which the results of the company are consolidated.