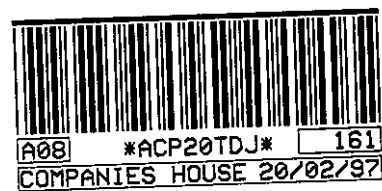


GOLDEN EAGLE INTERNATIONAL LTD

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 31ST JULY 1996

GRAHAM COHEN & CO.
CHARTERED ACCOUNTANTS



GOLDEN EAGLE INTERNATIONAL LTD

DIRECTORS:

R Siha
A Siha

SECRETARY:

A Siha

REGISTERED OFFICE:

16 South End
Croydon
Surrey
CR0 1DN

REGISTERED NUMBER:

2601888

BANKERS:

Midland Bank plc
67 George Street
Richmond
Surrey
TW9 1HG

ACCOUNTANTS:

Graham Cohen & Co.
Chartered Accountants
16 South End
Croydon
Surrey
CR0 1DN

GOLDEN EAGLE INTERNATIONAL LTD
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31ST JULY 1996

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The following page does not form part of the Statutory Accounts

11. Trading and Profit and Loss Account

GOLDEN EAGLE INTERNATIONAL LTD
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JULY 1996

The directors present their annual report with the accounts of the company for the year ended 31st July 1996.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was property management.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	<u>1996</u>	<u>1995</u>
R Siha	100	100
A Siha	-	-

DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial accounts 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 accounts comply with 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.

Continued.....

GOLDEN EAGLE INTERNATIONAL LTD
REPORT OF THE DIRECTORS (CONTINUED)

FOR THE YEAR ENDED 31ST JULY 1996

SMALL COMPANY EXEMPTIONS

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

Signed on behalf of the
board of directors

A Siha

A Siha
Secretary

29th January 1996

GOLDEN EAGLE INTERNATIONAL LTDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JULY 1996

	<u>Notes</u>	<u>1996</u>		<u>1995</u>	
		£	£	£	£
TURNOVER	2		88,776		78,734
Net Operating Expenses					
Administrative Expenses			70,464		75,406
<u>OPERATING PROFIT</u>	3		18,312		3,328
Income from Investments	5		3		-
<u>PROFIT ON ORDINARY ACTIVITIES</u>					
<u>BEFORE INTEREST</u>			18,315		3,328
<u>PROFIT ON ORDINARY ACTIVITIES</u>					
<u>BEFORE TAXATION</u>			18,315		3,328
Tax on Ordinary Activities	6		4,592		1,723
<u>PROFIT ON ORDINARY ACTIVITIES</u>					
<u>AFTER TAXATION</u>			£ 13,723		£ 1,605
<u>STATEMENT OF RETAINED EARNINGS</u>					
Retained Profit Brought Forward			8,327		6,722
Retained Profit for the Year			13,723		1,605
<u>RETAINED PROFIT CARRIED FORWARD</u>			£ 22,050		£ 8,327

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 10 form part of these accounts.

GOLDEN EAGLE INTERNATIONAL LTD**BALANCE SHEET**
AS AT 31ST JULY 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
FIXED ASSETS			
Tangible Assets	8	7,699	6,486
CURRENT ASSETS			
Debtors	9	78,584	59,976
Cash at Bank and in Hand		12,027	5,110
		<u>90,611</u>	<u>65,086</u>
CREDITORS : Amounts Falling			
Due within One Year	10	(76,160)	(63,145)
NET CURRENT ASSETS		<u>14,451</u>	<u>1,941</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 22,150</u>	<u>£ 8,427</u>
CAPITAL AND RESERVES			
Share Capital	12	100	100
Profit and Loss Account	13	22,050	8,327
<u>TOTAL SHAREHOLDERS' FUNDS</u>	11	<u>£ 22,150</u>	<u>£ 8,427</u>

continued

GOLDEN EAGLE INTERNATIONAL LTDBALANCE SHEET

(continued)

AS AT 31ST JULY 1996

The directors consider that for the year ended 31st July 1996 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

In the preparation of the accounts advantage has been taken of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

Signed on behalf of the
board of directors



R Siha
Director



Approved by the board: 29th January 1996

The notes on pages 6 to 10 form part of these accounts.

GOLDEN EAGLE INTERNATIONAL LTD**NOTES TO ACCOUNTS**
FOR THE YEAR ENDED 31ST JULY 1996**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the net invoiced sales of goods and services, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Office Equipment	25% reducing balance method
------------------	-----------------------------

Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Cash Flow Statements

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the profit and loss account.

2. TURNOVER

The Turnover and Profit (1995 - Profit) before taxation for the year is attributable to the principal activity of the Company which is property management.

3. OPERATING PROFIT

The Operating Profit (1995 - Profit) is stated after charging:

	<u>1996</u>	<u>1995</u>
	£	£
Depreciation of Tangible Fixed Assets	2,570	2,165
Accountancy Fees	5,194	5,229
	<u> </u>	<u> </u>

GOLDEN EAGLE INTERNATIONAL LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JULY 1996**4. STAFF COSTS**

The costs incurred, including directors remuneration (note 7), were as follows:

	<u>1996</u>	<u>1995</u>
	£	£
Wages and Salaries	16,919	8,568
Social Security Costs	592	141
	<u>17,511</u>	<u>8,709</u>

The average weekly number of employees during the year was as follows:

Office and Management	<u>3</u>	<u>3</u>
-----------------------	----------	----------

5. INCOME FROM INVESTMENTS

	<u>1996</u>	<u>1995</u>
	£	£
Bank Interest Received	<u>3</u>	<u>-</u>

6. TAXATION

The tax charge on the profit on ordinary activities was as follows:

	<u>1996</u>	<u>1995</u>
	£	£
Corporation Tax	<u>4,592</u>	<u>1,723</u>

Corporation tax has been charged on the profit at 24.7% (1995 25%).

The charge for the year has been increased by expenditure not allowable for taxation.

7. DIRECTORS' REMUNERATION

	<u>1996</u>	<u>1995</u>
	£	£
Directors' Emoluments	<u>12,890</u>	<u>5,160</u>
Emoluments Waived	<u>-</u>	<u>-</u>

GOLDEN EAGLE INTERNATIONAL LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JULY 1996**8. TANGIBLE FIXED ASSETS**

	Plant & Machinery etc £
COST OR VALUATION	
At 1st August 1995	11,912
Additions in year	3,783
	<hr/>
At 31st July 1996	15,695
	<hr/>
DEPRECIATION	
At 1st August 1995	5,426
Charge for the year	2,570
	<hr/>
At 31st July 1996	7,996
	<hr/>
NET BOOK VALUE	
At 31st July 1996	7,699
	<hr/>
At 31st July 1995	6,486
	<hr/>

9. DEBTORS

	<u>1996</u> £	<u>1995</u> £
Amounts due within one year:		
Trade Debtors	7,834	6,851
Amounts owed by Associated Undertakings	50,083	-
Other Debtors	20,667	53,125
	<hr/>	<hr/>
	78,584	59,976
	<hr/>	<hr/>
Other Debtors:		
Prepayments	20,667	53,125
	<hr/>	<hr/>

GOLDEN EAGLE INTERNATIONAL LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JULY 1996**10. CREDITORS**

Amounts falling due within one year:	<u>1996</u>	<u>1995</u>
	£	£
Bank Overdrafts and Loans	14,329	14,264
Trade Creditors	25,203	13,464
Amounts owed to Associated Undertakings	-	12,008
Other Creditors	36,628	23,409
	<u>76,160</u>	<u>63,145</u>
Other Creditors:		
Social Security Costs and Other Taxes	1,652	100
Accruals	28,555	6,524
Director's Loan Account	620	15,063
Corporation Tax	4,591	1,722
Hire Purchase Creditor	1,210	-
	<u>36,628</u>	<u>23,409</u>

The bank overdraft is unsecured and is due to be reviewed in November 1996.

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1996</u>	<u>1995</u>
	£	£
PROFIT FOR THE FINANCIAL YEAR	13,723	1,605
Opening Shareholders' Funds	8,427	6,823
Closing Shareholders' Funds	<u>22,150</u>	<u>8,427</u>

12. SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	£	£
Authorised	1,000	1,000
Allotted, Issued and Fully Paid Equity Shares	<u>100</u>	<u>100</u>

GOLDEN EAGLE INTERNATIONAL LTDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JULY 1996**13. RESERVES**

	<u>Profit & Loss A/c</u> £
At 1st August 1995	8,327
Prior year adjustment	-
	<hr/> 8,327
Retained Profit for the year	13,723
	<hr/> 22,050
At 31st July 1996	<hr/> <hr/>