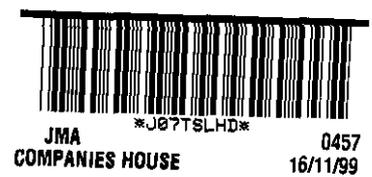


REGISTERED NUMBER: 02677179 (England and Wales)

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1999
FOR
DOWNHAM TRAIN EPSTEIN PLC



DOWNHAM TRAIN EPSTEIN PLC

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FOR THE YEAR ENDED 30 APRIL 1999

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DOWNHAM TRAIN EPSTEIN PLC

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 1999

DIRECTORS: K R Train
M J MacDonald

SECRETARY: M J MacDonald

REGISTERED OFFICE: DTE House
Hollins Mount
Bury
LANCASHIRE
BL9 8AT

REGISTERED NUMBER: 02677179 (England and Wales)

AUDITORS: John A Edgar and Co
Chartered Accountants and
Registered Auditors
569 Market Street
Whitworth
Rochdale
Lancashire OL12 8QS

DOWNHAM TRAIN EPSTEIN PLC

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 1999

The directors present their report with the financial statements of the company for the year ended 30 April 1999.

REVIEW OF BUSINESS

The company has not yet commenced to trade and therefore neither a profit nor loss was generated in the year. Any administrative expenses have been borne by the Downham Train Epstein partnership which wishes to protect the business name of the company. The company's subsidiary, Corporate Strategies Plc, was also dormant throughout the year.

DIRECTORS

The directors during the year under review were:

K R Train
M J MacDonald

The beneficial interests of the directors holding office on 30 April 1999 in the issued share capital of the company were as follows:

	30.4.99	1.5.98
Ordinary £1 shares		
K R Train	}	}
M J MacDonald	} Held jointly with others	} 2
		2

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements.

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 statements comply with the 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.

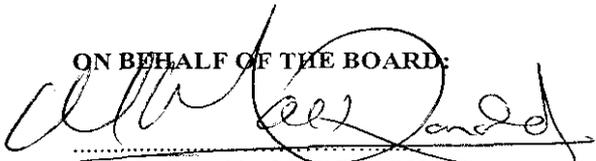
CREDITOR PAYMENT POLICY

As the company has been dormant throughout the year and has not purchased any goods or services there is no information to disclose relative to the company's creditor payment policy.

AUDITORS

The auditors, John A Edgar and Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


M J MacDonald - SECRETARY

Dated: 4 November 1999

DOWNHAM TRAIN EPSTEIN PLC

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
DOWNHAM TRAIN EPSTEIN PLC**

We have audited the financial statements on pages four to six which have been prepared under the historical cost convention and the accounting policies set out on page five.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of 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.

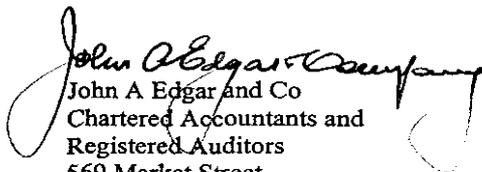
Basis of opinion

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 which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 1999 and have been properly prepared in accordance with the Companies Act 1985.



John A Edgar and Co
Chartered Accountants and
Registered Auditors
569 Market Street
Whitworth
Rochdale
Lancashire

OL12 8QS

Dated: 4 November 1999

DOWNHAM TRAIN EPSTEIN PLC

BALANCE SHEET
30 APRIL 1999

		30.4.99		30.4.98	
	Notes	£	£	£	£
FIXED ASSETS:					
Investments	2		12,061		12,061
CREDITORS: Amounts falling due within one year	3	<u>12,059</u>		<u>12,059</u>	
NET CURRENT LIABILITIES:			<u>(12,059)</u>		<u>(12,059)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£2</u>		<u>£2</u>
CAPITAL AND RESERVES:					
Called up share capital	4		<u>2</u>		<u>2</u>
Shareholders' funds	6		<u>£2</u>		<u>£2</u>

ON BEHALF OF THE BOARD:


.....
K R Train - DIRECTOR

Approved by the Board on 4 November 1999

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 1999

During the financial year and the preceding financial year the company has not traded and has received no income and incurred no expenditure. Consequently, during those periods the company has made neither a profit nor a loss.

The notes form part of these financial statements

DOWNHAM TRAIN EPSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1999

1. ACCOUNTING POLICIES

Accounting convention

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

The financial statements are in compliance with the Companies Act 1985 except that, as described below, the accounts are not consolidated and a cash flow statement has not been prepared.

Cash flow statement

The financial statements do not contain a cash flow statement as the company was dormant during the year. This is a departure from FRS 1 which requires a cash flow statement to be produced. As the company is dormant the directors are of the opinion that the cash flow statement would not provide any additional or meaningful information. The directors consider that this policy gives a true and fair view.

Consolidated Accounts

The financial statements have not been consolidated with that of its subsidiary as neither entity traded during the year. This is a departure from the Companies Act 1985 which requires consolidated accounts to be prepared. As both companies are dormant the directors are of the opinion that to consolidate would not provide any additional or meaningful information. The directors consider this policy to give a true and fair view.

Consolidated accounts

2. FIXED ASSET INVESTMENTS

		£
COST:		
At 1 May 1998		
and 30 April 1999		<u>12,061</u>
NET BOOK VALUE:		
At 30 April 1999		<u>12,061</u>
At 30 April 1998		<u>12,061</u>
	30.4.99	30.4.98
	£	£
Unlisted investments	<u>12,061</u>	<u>12,061</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Corporate Strategies Plc

Country of incorporation: England and Wales

Nature of business: Non-trading Dormant Company

	%		
Class of shares:	holding		
Ordinary	100.00		
		30.4.99	30.4.98
		£	£
Aggregate capital and reserves		<u>11,996</u>	<u>11,996</u>

DOWNHAM TRAIN EPSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 1999

**3. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	30.4.99	30.4.98
	£	£
Amount due to subsidiary undertaking – Corporate Strategies Plc	11,996	11,996
Amount due to Downham Train Epstein	<u>63</u>	<u>63</u>
	<u>12,059</u>	<u>12,059</u>

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	30.4.99	30.4.98
		value:	£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	30.4.99	30.4.98
		value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

5. TRANSACTIONS WITH DIRECTORS

The directors and others have borne all the administration expenses of the company and also have provided via a partnership which they are involved in a loan to the company on an interest free basis of £63.

6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.4.99	30.4.98
	£	£
Profit for the financial year	-	-
Opening shareholders' funds	<u>2</u>	<u>2</u>
CLOSING SHAREHOLDERS' FUNDS	<u>2</u>	<u>2</u>
Equity interests	<u>2</u>	<u>2</u>

7. CONTROL

The company is not under the control of any one individual or entity.