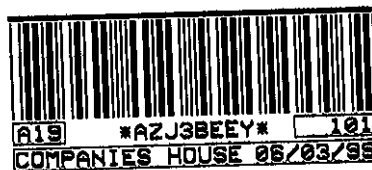


Company Registration No. 2703473 (England & Wales)

REID WILLIAMS LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 1998**



REID WILLIAMS LIMITED

COMPANY INFORMATION

Director

C R H Williams

Secretary

M A Williams

Company Number

02703473

Registered Office

Prince Regent House
108 London Street
Reading, Berks.

REID WILLIAMS LIMITED

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REID WILLIAMS LIMITED

DIRECTOR'S REPORT YEAR ENDED 30 JUNE 1998

The director presents his report together with the financial statements for the year ended 30 June 1998.

PRINCIPAL ACTIVITIES

The company has not traded during the year under review and the director does not currently anticipate that trading will commence during the next year.

As the company has not traded since incorporation no profit and loss account has been prepared.

DIRECTOR

The following director has held office since 1 July 1997:

C R H Williams

DIRECTOR'S INTERESTS

The director's beneficial interest in the shares of the company was as stated below:

	Ordinary Shares of £1 each	
	30 June 1998	1 July 1997
C R H Williams	99	99

DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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 director is 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.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



M A Williams
Secretary

3 March 1999

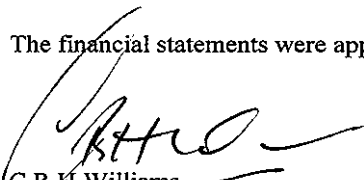
REID WILLIAMS LIMITED

BALANCE SHEET 30 JUNE 1998

	Notes	£	1998 £	£	1997 £
ASSETS EMPLOYED:					
CURRENT ASSETS					
Debtors		100		100	
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>100</u>		<u>100</u>
FINANCED BY:					
CAPITAL AND RESERVES					
Called up share capital	2		<u>100</u>		<u>100</u>
Shareholders' Funds	3		<u>100</u>		<u>100</u>

The company was dormant (within the meaning of s250 of the Companies Act 1985) throughout the accounting period ending at the date of this Balance Sheet.

The financial statements were approved by the Board on 3 March 1999


C R H Williams
Director

REID WILLIAMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 1998

1 ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, with assets carried in the balance sheet at or below the cost incurred at their dates of acquisition and without regard to their replacement cost.

2 SHARE CAPITAL	1998 £	1997 £
Authorised		
1,000 Ordinary Shares of £1 each	1,000	1,000
Issued but not paid		
100 Ordinary Shares of £1 each	100	100
3 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	1998 £	1997 £
Loss for the financial year	-	-
Opening shareholders' funds at 1 July 1997	100	100
Closing shareholders' funds at 30 June 1998	100	100