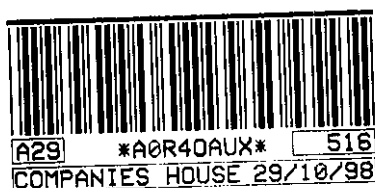


KEITH DAY (WESTERN) LIMITED
(Number 2954926, registered in England & Wales)

**DIRECTORS REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31st AUGUST 1998



OVERSBY GILSON & CO
32, CAMBRAY PLACE
CHELTENHAM
GLOS GL50 1JP

KEITH DAY (WESTERN) LIMITED

GENERAL INFORMATION

DIRECTORS :- Mr B R Galer
Mrs S Saunders-Hewett

SECRETARY :- Mr G Harper

ACCOUNTANTS :- Oversby Gilson & Co
32, Cambray Place
Cheltenham
Glos
GL50 1JP

BANKERS :- National Westminster Bank PLC
31, The Promenade
Cheltenham
Glos
GL50 1LH

REGISTERED OFFICE :- 32, Cambray Place
Cheltenham
Glos
GL50 1JP

REGISTERED NUMBER :- 2954926

KEITH DAY (WESTERN) LIMITED**DIRECTORS REPORT
FOR THE YEAR ENDED 31st AUGUST 1998**

The Directors present their Report and the Financial Statements for the year ended 31st August 1998.

PRINCIPAL ACTIVITIES

The Company's principal activity continues to be that of the provision of architectural services.

DIRECTORS

The directors who served during the year and their beneficial interests in the Company's issued share capital were:

	Number of Shares	
	31.08.98	01.09.97
Mr B R Galer	1	1
Mrs S Saunders-Hewett	1	1
	---	---
	2	2
	---	---

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period 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.

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.

This Report was approved by the Board of Directors on 23rd October 1998, taking advantage of special exemptions available to small companies.

Signed on behalf of the Board of Directors,


.....
Brian Rodney Galer, Director

KEITH DAY (WESTERN) LIMITED**PROFIT AND LOSS ACCOUNT
AND RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS
FOR THE YEAR ENDED 31st AUGUST 1998**

	(Note)	1998 £	1997 £
Turnover	(2)	52,292	25,773
Cost of Sales		-	-
		-----	-----
Gross Profit		52,292	25,773
Administration Expenses		26,491	21,014
		-----	-----
Operating Profit	(3)	25,801	4,759
Interest Received		-	-
Profit on Sale of Fixed Assets in continuing operations		-	-
		-----	-----
Profit on Ordinary Activities before Interest Payable		25,801	4,759
Interest Payable		32	2
		-----	-----
Profit on Ordinary Activities before Taxation		25,769	4,757
Taxation on Profit on Ordinary Activities	(4)	5,245	1,335
		-----	-----
Profit for the Financial Year		20,524	3,422
Dividends Declared	(5)	14,000	9,000
		-----	-----
Retained Profit / -Loss for the Year		£6,524	-£5,578
		-----	-----
<u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>			
Retained Profit / -Loss for the Year		6,524	-5,578
Balance Brought Forward		7,123	12,701
		-----	-----
Balance Carried Forward		£13,647	£7,123
		-----	-----

There were no recognised gains and losses other than those disclosed above and there have been no discontinued activities or acquisitions in the current or preceding period.

The Notes on pages 5 to 9 form part of these Financial Statements.

KEITH DAY (WESTERN) LIMITED**BALANCE SHEET
AS AT 31st AUGUST 1998**

	(Note)	1 9 9 8	1 9 9 7
		£	£
FIXED ASSETS	(6)	7,254	1,510
CURRENT ASSETS			
Work In Progress		2,240	4,100
Unrelieved Corporation Tax		-	1,143
Debtors	(7)	1,932	243
Bank Current Account		14,002	3,582
		-----	-----
		18,174	9,068
		-----	-----
CURRENT LIABILITIES			
Creditors falling due			
Within One Year	(8)	11,781	3,455
		-----	-----
		11,781	3,455
		-----	-----
NET CURRENT ASSETS		6,393	5,613
		-----	-----
Total Assets less Current Liabilities		13,647	7,123
LONG TERM LIABILITIES			
Creditors falling due			
After One Year	(9)	-	-
		-----	-----
		£13,647	£7,123
		-----	-----
CAPITAL AND RESERVES			
Called Up Share Capital	(11)	2	2
Profit and Loss Account		13,645	7,121
		-----	-----
		£13,647	£7,123
		-----	-----

For the period ended 31st August 1998, the Company was entitled to the exemption conferred by subsection (1) of Section 249A of the Companies Act, 1985.

No notice from members requiring an audit has been delivered under subsection (2) of Section 249B of the Companies Act, 1985 in relation to the Company's accounts for the financial period.

KEITH DAY (WESTERN) LIMITED

**BALANCE SHEET
AS AT 31st AUGUST 1998 (Continued)**

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 the Company as at the end of the financial period, and of its profit and loss for the financial period, in accordance with the requirements of Section 226 of the Companies Act, 1985 and which otherwise comply with the requirements of the Act relating to the accounts so far as is applicable to the Company.

Approved by the Board of Directors on 23rd October 1998 and signed on its behalf. The directors have relied on special exemptions available to small companies on the grounds that the Company qualifies as a small company by virtue of Section 247 of the Companies Act, 1985.



.....
Brian Rodney Galer,
Director

The Notes on pages 5 to 9 form part of these Financial Statements.

KEITH DAY (WESTERN) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 1998****1. ACCOUNTING POLICIES****1.1 Basis of Preparation of Accounts**

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the Directors Report and which is continuing.

The Company has taken advantage of the exemption in Financial Reporting Statement number 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the Company, net of Value Added Tax and trade discounts.

1.3 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Motor Vehicles	25%, straight line basis
Fixtures and Fittings	15%, straight line basis
Office Equipment	20%, straight line basis

1.4 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.5 Stocks and Work In Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowances for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. TURNOVER

No goods or services were exported by the Company throughout the financial period.

KEITH DAY (WESTERN) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 1998 (Continued)****3. OPERATING PROFIT**

The operating profit is stated after charging:

	1998	1997
	£	£
Depreciation of tangible fixed assets owned by the Company	2,585	514
Directors Remuneration	-	-

4. TAXATION

	£
UK current year taxation	
UK corporation tax @ 21% & 20% (1997 @ 24% & 21%)	4,103
Transfer to (from) deferred taxation	-

	4,103

	£
Prior Years	
UK corporation tax	-

5. DIVIDENDS

Dividends were declared in the year amounting to:

	Net	Gross
	£	£
31st August 1998 (Final)	14,000	17,500
	-----	-----
	14,000	17,500
	-----	-----

KEITH DAY (WESTERN) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 1998 (Continued)****6. TANGIBLE FIXED ASSETS**

	Motor Vehicles £	Fixtures & Fittings £	Office Equipment £	Total £
Cost				
As at 1st September 1997	-	316	2,025	2,341
Additions in Year	9,545	253	81	9,879
Disposals in Year	-1,550	-	-	-1,550
	-----	-----	-----	-----
As at 31st August 1998	7,995	569	2,106	10,670
	-----	-----	-----	-----
Depreciation				
As at 1st September 1997	-	95	736	831
Charge for the Year	1,998	99	488	2,585
Relating to Disposals	-	-	-	-
	-----	-----	-----	-----
As at 31st August 1998	1,998	194	1,224	3,416
	-----	-----	-----	-----
Net Book Value				
As at 31st August 1998	5,997	375	882	7,254
	-----	-----	-----	-----
As at 31st August 1997	-	221	1,289	1,510
	-----	-----	-----	-----

7. DEBTORS

	1998 £	1997 £
Trade Debtors	1,351	-
Other Debtors	581	-
Prepayments and Accrued Income	-	243
	-----	-----
	1,932	243
	-----	-----

KEITH DAY (WESTERN) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 1998 (Continued)****8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	1998	1997
	£	£
Trade Creditors	1,579	241
Mainstream Corporation Tax	649	198
Advance Corporation Tax	3,500	500
Value Added Tax	2,288	1,328
Accruals and Deferred Income	565	604
Directors Current Account	3,200	584
	-----	-----
	11,781	3,455
	-----	-----

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE
THAN ONE YEAR**

1998	1997
£	£
-	-
----	----
-	-
----	----

10. DEFERRED TAXATION

No provision for deferred taxation has been included in these financial statements as the sum is considered to be immaterial.

11. CALLED UP SHARE CAPITAL

	1998	1997
	£	£
Authorised		
Ordinary shares of £1 each	100	100
	-----	-----
Allotted		
Ordinary shares of £1 each, fully paid	2	2
	----	----

KEITH DAY (WESTERN) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 1998 (Continued)**

12. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31st August 1998.

13. FUTURE CAPITAL EXPENDITURE AND FUTURE COMMITMENTS

No amount of capital expenditure was contracted for as at 31st August 1998. No amount of expenditure remained authorised but not contracted for as at 31st August 1998.

14. TRANSACTIONS WITH DIRECTORS

No business was entered upon by the Company which involved the personal interests of any director.