

DAGLISH INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR THE 17 MONTHS ENDED 30 JUNE 1996

Edwards & Co. (Isle of Man)
Clinch's House
Lord Street
Douglas
Isle of Man IM99 1RZ

11720 - 1996

Registered Office
Bell House
175 Regent Street
London W1R 7FB



DAGLISH INTERNATIONAL LIMITED

DIRECTORS' REPORT FOR THE 17 MONTHS ENDED 30 JUNE 1996

The directors present their report and financial statements for the 17 months ended 30 June 1996.

Principal Activities and Review of the Business

The company was not active in the period.

The company will be operative in the forthcoming financial year.

Results and Dividends

The results for the 17 months are set out on page 4.

It is proposed that the retained loss of £ 2,666 is transferred to reserves.

Directors

The following directors have held office during the 17 months

A.J Weir	(Appointed 1 July 1995)
C. Volland	(Appointed 1 May 1995) And (Resigned 15 December 1995)
D.P Capelen	(Appointed 1 May 1995) And (Resigned 1 July 1996)
M.W. Denton	
J.R. Beardsley	(Appointed 27 February 1995) And (Resigned 13 December 1996)
J Schornoz	(Appointed 1 May 1995) And (Resigned 9 December 1996)
S Frei	(Appointed 9 December 1996)

The Directors had no interest in the issued share capital of the company.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Edwards & Co. (Isle of Man) be reappointed as auditors of the company will be put to the Annual General Meeting.

DAGLISH INTERNATIONAL LIMITED

**DIRECTORS' REPORT
FOR THE 17 MONTHS ENDED 30 JUNE 1996**

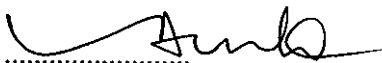
Directors' Responsibilities

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.

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.

By order of the Board



M.W. Denton

Date19.5.97.....

P.O. Box 227, Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ
Telephone 01624 663166 0171 559 0000
Facsimile 0171 437 9509
E-mail edwards@edsline.demon.co.uk

DAGLISH INTERNATIONAL LIMITED

**AUDITORS' REPORT
TO THE SHAREHOLDERS OF DAGLISH INTERNATIONAL LIMITED**

We have audited the financial statements on pages 4 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 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 June 1996 and of its loss for the 17 months then ended and have been properly prepared in accordance with the Companies Act 1985.

Edwards & Co.
Edwards & Co. (Isle Of Man)

19.5.97

Chartered Accountants
Registered Auditor

Clinch's House
Lord Street
Douglas
Isle of Man IM99 1RZ

DAGLISH INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE 17 MONTHS ENDED 30 JUNE 1996

	Notes	17 Months ended 30 June 1996 £
Administrative expenses		(2,771)
Operating loss		<u>(2,771)</u>
Other interest receivable and similar income	2	105
Loss on ordinary activities before taxation		<u>(2,666)</u>
Tax on loss on ordinary activities	3	-
Loss on ordinary activities after taxation	6	<u><u>(2,666)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

DAGLISH INTERNATIONAL LIMITED

**BALANCE SHEET
AS AT 30 JUNE 1996**

	Notes	1996 £	£
Current Assets			
Cash at bank and in hand		395	
Creditors: amounts falling due within one year	4	<u>(2,061)</u>	
Total Assets Less Current Liabilities			<u>(1,666)</u>
Capital and Reserves			
Called up share capital	5	1,000	
Profit and loss account	6	<u>(2,666)</u>	
Shareholders' Funds - equity interests	7		<u>(1,666)</u>

The financial statements were approved by the Board on 19.5.97



M.W. Denton
Director

DAGLISH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 12 MONTHS ENDED 30 JUNE 1996**

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Foreign currency translation

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

1.3 Cash Flow

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

2 Other Interest Receivable and Similar Income	1996
	£
Profit on Exchange	105
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3 Taxation

Due to the losses incurred during the year no provision has been made for taxation.

4 Creditors: amounts falling due within one year	1996
	£
Shareholders loan	2,061
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5 Share Capital

The authorised share capital of the Company comprises 1000 Ordinary shares of £1 each all of which have been issued and are fully paid up (1995 - 1000)

6 Statement of Movements on Profit and Loss Account

	Profit and loss account
	£
Retained loss for the period	(2,666)
Balance at 30 June 1996	(2,666)
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DAGLISH INTERNATIONAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 17 MONTHS ENDED 30 JUNE 1996**

7	Reconciliation of Movements in Shareholders' Funds	1996
		£
	Loss for the financial period	(2,666)
	Proceeds from issue of shares	1,000
		<hr/>
	Net depletion in shareholders' funds	(1,666)
	Opening shareholders' funds	-
		<hr/>
	Closing shareholders' funds	(1,666)
		<hr/>

8 Employees

Number of employees

There were no employees during the 17 months apart from the directors