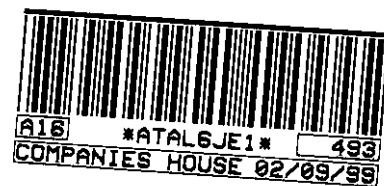


ØGLÆND PIONÉR (UK) LIMITED
ABBREVIATED STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1998

COMPANY NUMBER 3,131,122 (England and Wales)



ØGLÆND PIONÉR (UK) LIMITED

AUDITORS' REPORT TO ØGLÆND PIONÉR (UK) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of Øglænd Pionér (UK) Limited for the year ended 31 December 1998 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts in accordance with sections 246 (5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Tony Larner (Audit) Limited

Tony Larner (Audit) Limited
Chartered Certified Accountants and
Registered Auditors
6 Abbey Road
Sheringham
Norfolk
NR26 8HH

22nd April 1999

ØGLÆND PIONÉR (UK) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1998

	Notes	1998	1997
FIXED ASSETS			
Tangible assets	2	141,955	107,888
CURRENT ASSETS			
Stocks		234,924	340,392
Debtors		406,408	306,622
		<u>641,332</u>	<u>647,014</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	3	<u>(496,894)</u>	<u>(490,363)</u>
NET CURRENT ASSETS		<u>144,438</u>	<u>156,651</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		286,393	264,539
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		34,393	34,494
NET ASSETS		<u>£252,000</u>	<u>£230,045</u>
CAPITAL AND RESERVES			
Called up share capital	4	50,002	50,002
Profit and loss account		201,998	180,043
SHAREHOLDERS' FUNDS		<u>£252,000</u>	<u>£230,045</u>

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on 22nd April 1999 and signed on its behalf.


H R Pihl
Director

The notes on page 3 to 4 form part of these financial statements.

ØGLÆND PIONÉR (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1998

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention.

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

All tangible fixed assets are initially recorded at cost.

1.4 DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Leasehold Property	-	over period of lease
Plant and equipment	-	20% reducing balance basis
Office equipment	-	20% reducing balance basis
Motor vehicles	-	25% reducing balance basis

1.5 STOCK AND WORK IN PROGRESS

Stock and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.6 DEFERRED TAXATION

A provision for deferred taxation is not made as, in the opinion of the directors material timing differences will not crystallise in the near future.

1.7 LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of finance charges. The finance element of the rental payments are charged to the profit and loss account.

1.8 OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.9 FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

ØGLÆND PIONÉR (UK) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 1998**

2. TANGIBLE FIXED ASSETS

	Total
Cost	
At 31 December 1997	147,807
Additions	75,085
Disposals	(6,150)
At 31 December 1998	<u>216,742</u>
Depreciation	
At 31 December 1997	39,919
Charge for the year	37,725
Disposals	(2,857)
At 31 December 1998	<u>74,787</u>
Net Book Values	
At 31 December 1997	<u>£107,888</u>
At 31 December 1998	<u>£141,955</u>

3. CREDITORS

Creditors include the following:

	1998	1997
Secured creditors	<u>£180,438</u>	<u>£74,822</u>

4. SHARE CAPITAL

	1998	1997
Authorised:		
Ordinary shares of £1 each	<u>£100,000</u>	<u>£100,000</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>£50,002</u>	<u>£50,002</u>

5. RELATED PARTIES AND TRANSACTIONS

During the year the company purchased goods to the value of £27,186 (1997 - £7,812) from its parent undertaking Øglænd Pionér A.S under normal commercial terms. At the balance sheet date the amount outstanding was £10,551 (1997 - £1,766).

6. ULTIMATE PARENT UNDERTAKING AND CONTROLLER

In the opinion of the directors Øglænd Pionér A.S (incorporated in Norway) is the company's ultimate parent undertaking and Mrs W Meldahl who controls 69% of the shares of Øglænd Pionér A.S is the company's ultimate controller.