

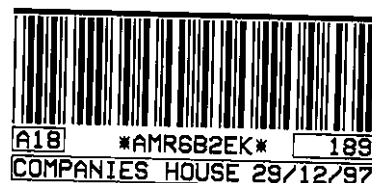
MW ENCAP (HOLDINGS) LIMITED

ANNUAL REPORT

PERIOD FROM 29 FEBRUARY 1996 TO 30 APRIL 1997

REGISTERED NUMBER: 3166262

PANNELL KERR FORSTER
Chartered Accountants



MW ENCAP (HOLDINGS) LIMITED

ANNUAL REPORT

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MW ENCAP (HOLDINGS) LIMITED

DIRECTORS' REPORT

RESULTS AND DIVIDENDS

The company was incorporated as Perdale Limited on 29 February 1996 and changed its name by special resolution to MW Encap (Holdings) Ltd on 22 April 1996.

The company's principal activity is that of a holding company.

The directors consider the year end financial position to be satisfactory, and do not expect the company to become active in its own right.

DIRECTORS

The directors during the period and their interests in the ordinary shares of the company were as follows:

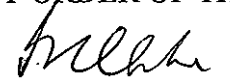
	Ordinary shares At 30 April 1997	On Incorporation
G W Dowler (appointed 22 April 1996)	66,977	-
A E Dowler (appointed 22 April 1996)	22,921	-
E I Pruchniewicz (appointed 22 April 1996)	7,702	-

The original Directors of the company were D J Dwyer and B J Doyle, they resigned on 25 March 1996 and were replaced on that day by J Barker and K Froud, who resigned on 22 April 1996.

AUDITORS

A resolution to reappoint the auditors, Pannell Kerr Forster, will be proposed at the annual general meeting.

BY ORDER OF THE BOARD


Secretary
B Clarke

Date: 31 July 1997

MW ENCAP (HOLDINGS) LIMITED

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.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

**AUDITORS' REPORT TO THE SHAREHOLDERS
OF MW ENCAP (HOLDINGS) LIMITED**

**PANNELL
KERR
FORSTER**
CHARTERED ACCOUNTANTS

We have audited the financial statements on pages 4 to 7 which have been prepared under 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. 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 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 affairs of the company as at 30 April 1997 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled for the period from 29 February 1996 to 30 April 1997 to the exemption conferred by Section 248 of the Companies Act 1985 from the requirement to prepare group accounts.

Pannell Kerr Forster

PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

Leeds
1 August 1997

MW ENCAP (HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 29 FEBRUARY TO 30 APRIL 1997

	Notes	1997
		£
TURNOVER		-
OPERATING PROFIT		-
INTEREST PAYABLE	3	(12,834)
INTEREST RECEIVABLE	2	12,834
RETAINED PROFIT		-
		<hr/>
		-
		<hr/> <hr/>

All amounts relate to continuing operations.

The company has no recognised gains or losses other than the results for the period.

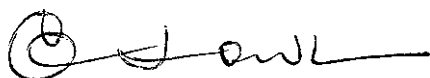
MW ENCAP (HOLDINGS) LIMITED

BALANCE SHEET

30 APRIL 1997

	Notes	1997 £
FIXED ASSETS		
Investment in subsidiary undertaking	4	301,000
CURRENT ASSETS		
Debtors	5	613,400
CREDITORS		
Amounts falling due after more than one year	6	<u>50,000</u>
NET CURRENT ASSETS		563,400
CREDITORS		
Amounts falling due after more than one year	6	<u>75,000</u>
NET ASSETS		<u>789,400</u>
CAPITAL AND RESERVES		
Called up share capital	7	121,140
Share premium	8	<u>668,260</u>
SHAREHOLDERS' FUNDS		<u>789,400</u>

Approved by the Board on 31 July 1997



Director

G W Dowler

MW ENCAP (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 29 FEBRUARY 1996 TO 30 APRIL 1997

1. ACCOUNTING POLICIES

Basis of accounting

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

Group accounts

Group accounts have not been prepared as the company is exempt from doing so due to its size under Section 248 of the Companies Act 1985.

2. INTEREST RECEIVABLE

Interest receivable and similar income represented interest receivable on loan to subsidiary company.

3. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges comprised:

	£
On bank loan	<u>12,834</u>

4. FIXED ASSETS - INVESTMENTS

Subsidiary undertaking	Registered in	Equity share capital held	Shares at Cost	Aggregate of capital and reserves	Retained loss for the Period
			£	£	£
MW Encap Ltd	England	<u>301,000</u>	<u>301,000</u>	<u>(11,621)</u>	<u>(29,208)</u>

5. DEBTORS

	£
Debtors comprised	
Amount owing by group undertakings	<u>613,400</u>

MW ENCAP (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 29 FEBRUARY 1996 TO 30 APRIL 1997

6. CREDITORS

	Amounts falling due within one year £	Amounts falling due after one year £
Creditors comprised:		
Commercial loan	<u>50,000</u>	<u>75,000</u>

7. CALLED UP SHARE CAPITAL

Called up share capital comprised allotted, called up and fully paid shares of £1 each. The authorised share capital at the start of the year was £100 divided into 100 ordinary shares of £1 each and was increased to 21,140 ordinary shares of £1 each on 22 April 1996 and then to 121140 ordinary shares of £1 each on 8 January 1997.

8. RESERVES

The movement of reserves during the period was as follows:

	Share premium account £
On incorporation	-
Arising on issue of share capital	<u>668,260</u>
At 30 April 1997	<u>668,260</u>

9. CONTROLLING PARTY

The company is controlled by G W Dowler.