

Company Registration No. 3288261

JOSS CONTRACTING LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 1997

15999NM-1997

Registered Office
60 Welbeck Street
London
W1M 8BH



JOSS CONTRACTING LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 1997**

The directors present their report and financial statements for the period ended 31 December 1997.

Principal Activities and Review of the Business

The principal activity of the company is that of an investment company.

The company was incorporated on the 5th December 1996 and commenced trade on the 26th March 1997.

Results and Dividends

The results for the period are set out on page 3.

It is proposed that the retained loss of £ 12,265 is transferred to reserves.

Fixed Assets

The significant changes in fixed assets during the period are explained in note 3 to the financial statements.

Directors

The following directors have held office since the beginning of the period

L R Taylor	(Appointed 1 June 1998)
A M Taylor	(Appointed 1 June 1998)
F M Forrai	(Appointed 30 April 1997 and resigned 1 June 1998)
J Butterfield	(Appointed 30 April 1997 and resigned 1 June 1998)
D. Rudge	(Appointed 5 December 1996)
J.D. Parker	(Appointed 5 December 1996 and resigned 30 April 1997)

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

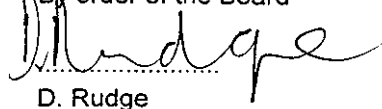
Directors' Responsibilities

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


D. Rudge

Date: 07 DEC 1998

MATTHEW EDWARDS & CO
CHARTERED ACCOUNTANTS

P.O. Box 227, Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ
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**ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE
ACCOUNTS OF JOSS CONTRACTING LIMITED**

We report on the accounts for the period ended 31 December 1997.

As described on the balance sheet you are responsible for the preparation of the accounts for the period ended 31 December 1997, set out on pages 3 to 7 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these accounts in order to assist you to fulfil your statutory responsibilities.

Our procedures consisted of comparing the accounts with the accounting records kept by the company and making such enquiries of the officers and other officials of the company as we considered necessary for the purposes of this report.

In our opinion the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.


Matthew Edwards & Co.

Chartered Accountants
Reporting Accountants

7/12/98

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

JOSS CONTRACTING LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 1997

	Notes	Period ended 31 December 1997 £
Administrative expenses		(12,265)
Loss on ordinary activities before taxation		<hr/> (12,265)
Tax on loss on ordinary activities	2	<hr/> -
Loss on ordinary activities after taxation	6	<hr/> (12,265) <hr/>

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.

JOSS CONTRACTING LIMITED

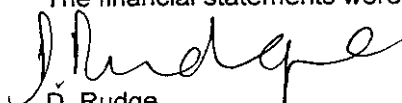
**BALANCE SHEET
AS AT 31 DECEMBER 1997**

	Notes	1997 £	£
Fixed Assets			
Tangible assets	3		23,636
Current Assets			
Cash at bank and in hand		10,648	
Creditors: amounts falling due within one year	4	(45,549)	
Net Current Liabilities			(34,901)
Total Assets Less Current Liabilities			(11,265)
Capital and Reserves			
Called up share capital	5		1,000
Profit and loss account	6		(12,265)
Shareholders' Funds - equity interests	7		(11,265)

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on **07 DEC 1998**


D. Rudge
Director

JOSS CONTRACTING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1997

1 Accounting Policies

1.1 Accounting conventions and Compliance with accounting standards

The financial statements are prepared under the historical cost convention. The accounts have been prepared in accordance with applicable accounting standards.

The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Investment properties are included in the balance sheet at their acquisition cost. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this depreciation policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.3 Foreign currency translation

The company's accounting records are maintained in Pounds Sterling.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

1.4 Cashflow

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 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

JOSS CONTRACTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 1997**

3 Tangible Fixed Assets

	Investment properties £
Cost	
At 5 December 1996	-
Additions	23,636
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At 31 December 1997	23,636
	<hr/>
Depreciation	
At 5 December 1996 & at 31 December 1997	-
	<hr/>
Net book value	
At 31 December 1997	23,636
	<hr/> <hr/>

The property is an apartment in Italy and is stated at cost.

4 Creditors: amounts falling due within one year

	1997 £
Other creditors	45,099
Accruals and deferred income	450
	<hr/>
	45,549
	<hr/> <hr/>

5 Share Capital

The authorised share capital of the Company comprises 1000 Ordinary £1 shares of which 1000 have been issued and are fully paid up.

6 Statement of Movements on Profit and Loss Account

	Profit and loss account £
Retained loss for the period	(12,265)
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Balance at 31 December 1997	(12,265)
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JOSS CONTRACTING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 1997**

7	Reconciliation of Movements in Shareholders' Funds	1997
		£
	Loss for the financial period	(12,265)
	Proceeds from issue of shares	1,000
		<hr/>
	Net depletion in shareholders' funds	(11,265)
	Opening shareholders' funds	-
		<hr/>
	Closing shareholders' funds	(11,265)
		<hr/>

8 **Contingent liabilities**

There were no contingent liabilities as at the balance sheet date.

9 **Capital Commitments**

There were no major capital commitments as at the balance sheet date.

10 **Employees**

Number of employees, wages and salaries

There were no employees during the period apart from the directors. The directors received no remuneration during the period.

11 **Ultimate Controlling Party and Related Party Transactions**

The directors are not aware of the ultimate controlling party, transactions related thereto and any other related party transactions.