

FINANCIAL DYNAMICS HOLDINGS LIMITED

ACCOUNTS FOR

PERIOD ENDED 31ST DECEMBER 1997

COMPANY NO: 3345319



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FINANCIAL DYNAMICS HOLDINGS LIMITED

DIRECTORS REPORT FOR THE PERIOD ENDED 31ST DECEMBER 1997

The Directors present their report together with the Financial Statements for the period ended 31st December 1997.

RESULTS

There was no profit or loss during the period. The Directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The Company's principal activity is that of an Investor Holding Company.

DIRECTORS

The Directors during the period together with their interest in the share capital of the company at the beginning and end of the period were as follows:

31ST DECEMBER 1997 30TH APRIL 1997

J. HANSEN SMITH

| | | |
|------------------|---|---|
| 1 Ordinary Share | 1 | 1 |
|------------------|---|---|

D. MULVIHILL

| | | |
|------------------|---|---|
| 1 Ordinary Share | 1 | 1 |
|------------------|---|---|

A. KNOX

N. MILES

TAX STATUS

The directors consider that the company is a close company within the meaning of the Corporation Taxes Act 1970.

 BY ORDER OF THE BOARD
SECRETARY

FINANCIAL DYNAMICS HOLDINGS LIMITED
BALANCE SHEET AT 31ST DECEMBER 1997

| | NOTES | 1997 |
|---|-------|-------|
| FIXED ASSETS | | £ |
| | | £ -- |
| | | ----- |
| | | £ -- |
| CURRENT ASSETS | | |
| Stocks | | |
| Debtors | | £ -- |
| Cash at Bank and in hand | | £ 2 |
| | | ----- |
| | | £ 2 |
| CREDITORS: Amounts falling due within one year | | £ -- |
| | | ----- |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | £ 2 |
| CREDITORS: Amounts falling due after more than one year | | -- |
| PROVISIONS FOR LIABILITIES AND CHARGES | | -- |
| | | ----- |
| | | £ 2 |
| | | ===== |
| CAPITAL AND RESERVES | | |
| Called up share capital | | 2 |
| Revaluation Reserve | | -- |
| Profit and Loss Account | | £ -- |
| | | ----- |
| | | £ 2 |
| | | ===== |

In preparing these accounts we have relied upon Sections 247 to 249 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those sections as a small company.

For the year ended 31st December 1997 the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985. No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to these accounts. The directors acknowledge their responsibilities for 1) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and 2) preparing accounts which give a true and fair view of the state of the affairs of the company as at 31st December 1997 and of its result for the year then ended 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 accounts, so far as applicable to the Company.

DIRECTOR.....2

NOVEMBER 1998

FINANCIAL DYNAMICS HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST DECEMBER 1997

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The Accounts are prepared under the historical cost convention.

TURNOVER

Turnover is invoiced sales less returns exclusive of value added tax.

DEPRECIATION

Depreciation is provided on all tangible fixed assets, other than freehold land (and property held for investment), at rates calculated to write off the cost or valuation of each asset over its expected useful life, as follows:

| | |
|------------------------------|------------------------------|
| Freehold Buildings | - |
| Leasehold land and buildings | - over the term of the lease |
| Plant and machinery | - 25% reducing Balance |
| Fixtures and Fittings | - 25% reducing Balance |
| Motor Vehicles | - |

INVESTMENT PROPERTIES

Investment properties are not depreciated but are revalued annually and the net surplus arising therefrom is credited to revaluation reserve.

STOCKS

Stocks and work in progress is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

RESEARCH AND DEVELOPMENT

Research and development expenditure is written off as incurred.

FINANCIAL DYNAMICS HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31ST DECEMBER 1997

2. DEBTORS

DIRECTORS INTERESTS

a) LOAN TO DIRECTOR

No Loans were made to directors during this year.

b) MATERIAL INTERESTS OF DIRECTORS

The directors had no materials interests in the transactions of the company during the year.

| | |
|--|-------------|
| | <u>1997</u> |
| 3. CREDITORS: Amounts falling due after more than one year | -- |
| Bank Loan | -- |
| Other Loans | -- |
| | <u>1997</u> |
| 4. SHARE CAPITAL | |
| Authorised | |
| 100 ordinary shares of £1 each | |
| Allotted, issued and fully paid | |
| 2 ordinary shares of £1 each | 2 |

DORMANT COMPANY RESOLUTION

COMPANY NO: 3345319

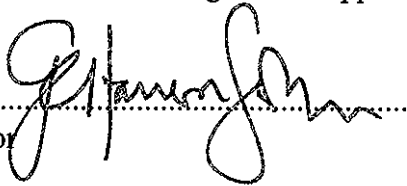
Companies Act 1985, Section 250 as amended by Section 14 of the Companies Act 1989 and by SI No. 1992/3003

Special Resolution of FINANCIAL DYNAMICS HOLDINGS LIMITED.

At a general meeting of the above company, held on the 31st day of December 1997 the following resolution was passed.

The company, having been dormant since its formation resolves to make itself exempt from the provisions of Part VII of the Companies Act 1985 relating to the audit of accounts and from obligation to appoint auditors.

Signed.....
Director



Date.31st December 1997.....