

DRAGROD LIMITED

DIRECTORS' REPORT

Company No:2733498

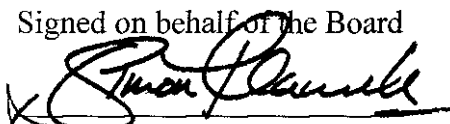
The Directors hereby submit the Annual Report and Accounts of the Company for the year ended 30 September 1998.

The Directors of the Company during the financial period and their interests in shares of the Company were:

			No of Shares held at	
			30/09/98	30/09/97
	Appointed	Resigned		
Dorgard Limited	1/02/95	-	100	100

During the above financial period the Company has not traded and there has been no income or expenditure and therefore no change in the Company's position has arisen. Any expenses have been met by the holding Company. There are no plans for the Company to commence trading.

Signed on behalf of the Board


S FLAMANK
SECRETARY

Date: 17/6/99

BALANCE SHEET AS AT 30 SEPTEMBER 1998

	30/09/98	30/09/97
ASSETS:	£	£
Cash in Hand	100	100
	<u>100</u>	<u>100</u>

CAPITAL AND RESERVES

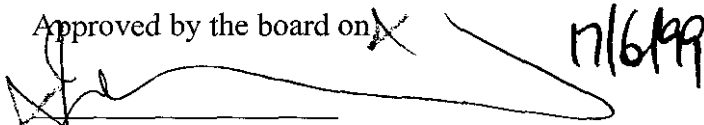
AUTHORISED SHARE CAPITAL 1000 Ordinary Shares of £1.00 each.

SHARE CAPITAL ISSUED AND FULLY PAID

100 Ordinary Shares of £1.00 each	100	100
Profit (loss) brought forward	-	-
	<u>100</u>	<u>100</u>

The Company was dormant within the meaning of Section 250 of the Companies Act 1985, throughout the financial year ended 30 September 1998.

Approved by the board on


(For and on behalf of Dorgard Limited)

Director

Notes:

1. The Company's ultimate holding Company is The Telstar Entertainment Group Plc registered in England and Wales. Copies of the accounts of the holding Company can be obtained from the Registrar of Companies, Crown Way, Maindy, Cardiff.

