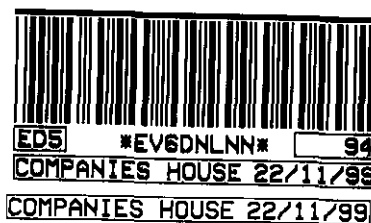


FLETCHER GREENWOOD & CO LIMITED

Company No. 2660208

DIRECTORS' REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST JULY 1999

**FLETCHER GREENWOOD & CO.
CHARTERED ACCOUNTANTS
11 BROAD STREET
MANOR ROW
BRADFORD
BD1 4QT**



FLETCHER GREENWOOD & CO LIMITED

COMPANY INFORMATION

Directors	Mr Ian Jack Fletcher Mr Anthony David Simpson
Secretary	Mr Anthony David Simpson
Company number	2660208
Registered office	11 Broad Street Manor Row Bradford BD1 4QT
Accountants	Fletcher Greenwood & Co 11 Broad Street Manor Row Bradford BD1 4QT
Bankers	Royal Bank of Scotland 45-47 Bank Street Bradford BD1 1TS

FLETCHER GREENWOOD & CO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST JULY 1999

The directors present their report and the accounts for the company for the year ended 31st July 1999.

Principal activities and review of business

The company's principal activity during the year was management consultancy.

Results and dividends

The results for the year are set out in the profit and loss account on page 3.

The directors consider the loss achieved on ordinary activities before taxation to be satisfactory.

The directors consider the state of the company's affairs to be satisfactory.

The directors do not recommend a dividend .

Future developments

Future prospects of the company are dependent on the level of turnover.

Directors and their interests

The directors who held office during the year and their beneficial interests in the company's issued share capital are given below:

Name of director	Share type	At 31st July 1999	At 1st August 1998
Mr Ian Jack Fletcher	Ordinary shares of £1 each	2	2
Mr Anthony David Simpson	Ordinary shares of £1 each	1	1

Year 2000

Many computer and digital storage systems express dates using only the last two digits of the year. These systems require modification or replacement to accommodate the Year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. There is, therefore, an exposure to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

The company is well advanced in the phase of assessing the risks to our business resulting from the date change to the Year 2000. Once this phase is completed we can assess the likely impact on our activities and develop prioritised action plans to deal with the key risks.

FLETCHER GREENWOOD & CO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST JULY 1999

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 for that year. In preparing those accounts the directors are required to:

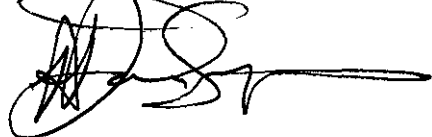
Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Prepare the accounts 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 accounts 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



Mr Anthony David Simpson, Secretary
18th November 1999

11 Broad Street
Manor Row
Bradford
BD1 4QT

FLETCHER GREENWOOD & CO LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST JULY 1999

	Notes	1999 £	1998 £
Administrative expenses		(15)	(15)
Operating loss		(15)	(15)
Interest receivable	3	1	2
Loss on ordinary activities before taxation		(14)	(13)
Tax on loss on ordinary activities	4	-	3
Loss for the financial year		(14)	(10)
Retained profit brought forward		360	370
Retained profit carried forward		346	360

All amounts relate to continuing activities.

There were no recognised gains or losses for 1999 or 1998 other than those included in the profit and loss account.

FLETCHER GREENWOOD & CO LIMITED

BALANCE SHEET

AS AT 31ST JULY 1999

	Notes	£	1999 £	£	1998 £
Current assets					
Debtors	5		-		3
Cash at bank and in hand			349		360
			<u>349</u>		<u>363</u>
Total assets less current liabilities			<u>349</u>		<u>363</u>
Capital and reserves					
Share capital	6		3		3
Profit and loss account			346		360
			<u>349</u>		<u>363</u>
Shareholders' funds	7		<u>349</u>		<u>363</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st July 1999.

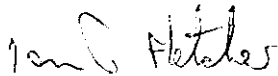
The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These accounts were approved by the board on 18th November 1999 and signed on its behalf by:



Mr Ian Jack Fletcher
Director

FLETCHER GREENWOOD & CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST JULY 1999

1 Accounting policies

Basis of accounting

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

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Interest receivable

	1999	1998
	£	£
Bank interest receivable	<u>1</u>	<u>2</u>

4 Taxation

	1999	1998
	£	£
Based on the loss for the year:		
UK corporation tax at 20.67% (1998: 21%)	<u>-</u>	<u>(3)</u>
	<u>-</u>	<u>(3)</u>

5 Debtors

	1999	1998
	£	£
Taxation	<u>-</u>	<u>3</u>
	<u>-</u>	<u>3</u>

FLETCHER GREENWOOD & CO LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST JULY 1999

6	Share capital	1999	1998
		£	£
	Authorised		
	100 Ordinary shares of £1.00 each	100	100
		100	100
	Allotted		
	- Allotted, issued and fully paid 3 ordinary shares of £1.00 each	3	3
		3	3
7	Reconciliation of movement in shareholders' funds	1999	1998
		£	£
	Loss for the financial year	(14)	(10)
	Decrease in the shareholders' funds	(14)	(10)
	Opening shareholders' funds	363	373
	Closing shareholders' funds	349	363
8	Related parties		
	Ian J Fletcher and A David Simpson , directors of the company, control the company as a result of owning all the share capital.		