

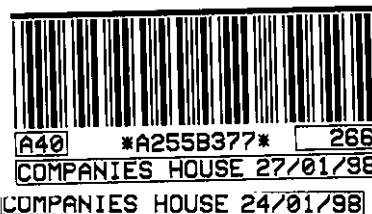
EMERGING MARKETS SEARCH & SELECTION LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1997

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EMERGING MARKETS SEARCH & SELECTION LIMITED  
AUDITORS' REPORT TO THE DIRECTORS OF  
EMERGING MARKETS SEARCH & SELECTION LIMITED  
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of Emerging Markets Search & Selection Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1997.

**Respective responsibilities of Directors and Auditors**

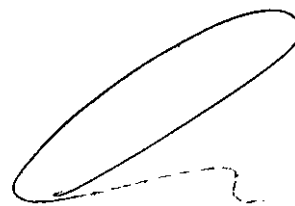
The Directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of and Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the Company's entitlement to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of Opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the Company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from the those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the Company is entitled under Sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of that Act, in respect of the year ended 31st March 1997 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that Section.



AUERBACH HOPE

REGISTERED AUDITOR

CHARTERED ACCOUNTANTS

58-60 Berners Street

London W1P 4JS

16th December 1997


EMERGING MARKETS SEARCH & SELECTION LIMITED  
ABBREVIATED BALANCE SHEET AS AT 31ST MARCH 1997


	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>1996</u>	<u>£</u>
<u>FIXED ASSETS</u>					
Tangible Fixed Assets	1c&2		31,948		1,337
<u>CURRENT ASSETS</u>					
Debtors		448,123		197,341	
Cash at Bank and in Hand		<u>547,143</u>		<u>170,401</u>	
		995,266		367,742	
<u>CREDITORS:</u> Amounts falling due within one year		(699,649)		(242,755)	
<u>NET CURRENT ASSETS</u>			295,617		124,987
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>327,565</u>		<u>126,324</u>
<u>CAPITAL AND RESERVES</u>					
Share Capital	3		100		100
Profit and Loss Account			<u>327,465</u>		<u>126,224</u>
Shareholders' Funds			<u>327,565</u>		<u>126,324</u>

In preparing these Abbreviated Financial Statements we have relied upon Sections 246 and 247 of the Companies Act 1985 and the exemptions conferred by Section A of Part III of Schedule 8 to that Act, and we have done so on the grounds that the Company is entitled to the benefit of those exemptions as a small company.

The financial statements were approved by the Board on 16th December 1997.

Signed on behalf of the Board of Directors

  
D. Williams

  
A. Williams

The notes on pages 3 and 4 form part of these financial statements.

EMERGING MARKETS SEARCH & SELECTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1997

1. ACCOUNTING POLICIES

- a. The financial statements of the Company have been prepared in accordance with the historical cost convention.
- b. Turnover represents sales excluding Value Added Tax within the U.K.
- c. Depreciation is provided on Tangible Fixed Assets in order to write off their costs over their economic lives. The rate adopted is as follows:-

Office and Computer Equipment	25% (on a reducing balance)
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2. TANGIBLE FIXED ASSETS

	<u>Total</u> <u>£</u>
<u>Cost</u>	
At 1.4.1996	1,783
Additions during the Year	70,811
Disposal during the Year	(29,550)
At 31.3.1997	<u>43,044</u>
<u>Depreciation</u>	
At 1.4.1996	446
Charge for the Year	<u>10,650</u>
At 31.3.1997	<u>11,096</u>
<u>Net Book Value</u>	
At 31.3.1997	<u>31,948</u>
At 31.3.1996	<u>1,337</u>

EMERGING MARKETS SEARCH & SELECTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1997

3. SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
<u>Authorised</u>		
1,000 Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
<u>Issued, Called Up and Fully Paid</u>		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

4. PARENT UNDERTAKING

The ultimate parent undertaking of Emerging Markets Search & Selection Limited is GMR Holdings Limited, a company incorporated in England.