

LC 17521

AIB Custodial Nominees Limited
Directors' Report
and
Financial Statements
31 December 1997

AIB
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AIB Custodial Nominees Limited

Directors' Report and Financial Statements

31 December 1997

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AIB Custodial Nominees Limited

Report of the Directors in respect of the period 31 December 1997

The Directors present herewith the audited financial statements for the period ended 31 December 1997. In preparing these financial statements the Directors have exercised the options available to a small sized private company under the Companies (Amendment) Act, 1986.

Activities

1. The principal activity of the company is to act as a nominee holding company.

Review of the Business

2. As the company had neither income nor expenditure, no profit or loss arose.

Directors

3. The Directors of the company at 31 December 1997 were:-

Mr D P Murphy
Ms L Sherlock
Mr J G Wheatley

Dividends

4. The directors do not recommend the payment of a dividend in respect of the year ended 31 December 1997.

Holding Company

5. The company is a subsidiary of Allied Irish Banks, P.L.C..

Interests of Directors and Officers in Shares

6. The interests of the Directors and officers of the company in shares of group companies are set out below. The shares referred to are IR25p ordinary shares in Allied Irish Banks, P.L.C., the ultimate holding company. No Director held shares in any other group company.

Ordinary Shares at IR25p each

	31/12/97 Number	31/12/97 Options	31/12/96 Number	31/12/96 Options
Directors				
Mr D P Murphy	15,675	-	15,801	-
Ms L Sherlock	2,814	-	2,998	-
Mr J G Wheatley	6,820	10,000	6,148	-
Secretary				
Mr D J Coveney	8,690	-	9,431	-

Transactions Involving Directors

7. So far as the Board is aware, there were no transactions involving directors which require disclosure in these financial statements as required by the Companies Act 1990.

Safety, Health and Welfare at Work Act 1989

8. Allied Irish Banks, P.L.C., has prepared a safety statement in accordance with the requirements of this Act, which applies to all subsidiaries, including this company.

Auditors

9. The auditors, Coopers & Lybrand, will continue in office in accordance with the provisions of Section 160 of the Companies Act, 1963.

On Behalf of the Board

) Directors

13 May 1998
Dublin

AIB Custodial Nominees Limited

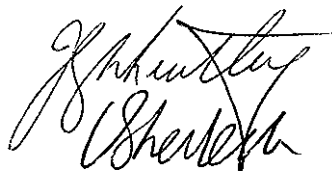
Statement of Directors' Responsibilities

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 and 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;
- disclose and explain any material departures from applicable accounting standards;
- 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 Acts 1963 to 1990. 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.

On Behalf of the Board

) Directors

Dublin

AIB Custodial Nominees Limited

Report of the Auditors to the Members

We have audited the financial statements on pages 6 to 9.

Respective Responsibilities of Directors and Auditors

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

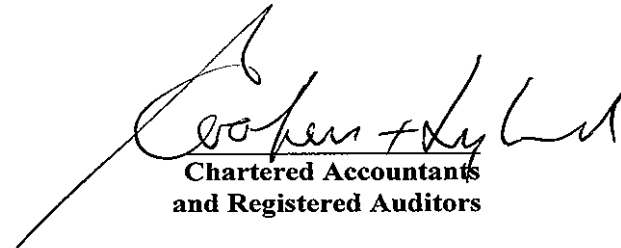
In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 1997 and have been properly prepared in accordance with the Companies Acts 1963 to 1990.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on pages 2 and 3 is consistent with the financial statements.

The net assets of the company, as stated in the balance sheet on page 7 are more than half the amount of its called up share capital and, in our opinion, on that basis there did not exist at 31 December 1997 a financial situation which, under Section 40(1) of the Companies (Amendment) Act, 1983, would require the convening of an extraordinary general meeting of the company

18/5/1998
Dublin


Chartered Accountants
and Registered Auditors

AIB Custodial Nominees Limited

Profit and Loss Account for the year ended 31 December 1997

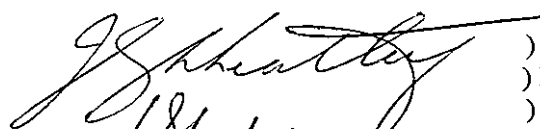
	<u>Year ended</u> <u>31 December</u> <u>1997</u>	<u>Year ended</u> <u>31 December</u> <u>1996</u>
	<u>IR£</u>	<u>IR£</u>
Gross Profit	Nil	Nil
Administrative Expenses	<u>Nil</u>	<u>Nil</u>
Profit on Ordinary Activities Before Taxation	Nil	Nil
Taxation	<u>Nil</u>	<u>Nil</u>
Profit on Ordinary Activities After Taxation	<u>Nil</u>	<u>Nil</u>

Statement of Movement in Retained Earnings

	<u>IR£</u>	<u>IR£</u>
Opening Balance	109,090	109,090
Retained for Period	<u>Nil</u>	<u>Nil</u>
Retained Profit at 31 December 1997	<u>109,090</u>	<u>109,090</u>

There were no other recognised gains or losses except as stated above and therefore no separate statement of total recognised gains and losses has been presented.

ON BEHALF OF THE BOARD



) Directors

The notes on pages 8 and 9 form part of these Financial Statements.
Auditors' Report page 5.

AIB Custodial Nominees Limited

Balance Sheet - 31 December 1997

	Notes	1997 IR£	1996 IR£
Current Assets			
Debtors	3	134,710	134,710
Creditors			
Amounts falling due within one year	4	<u>(620)</u>	<u>(620)</u>
Net Current Assets		<u>IR£134,090</u>	<u>IR£134,090</u>
Capital and Reserves			
Called Up Share Capital	5	25,000	25,000
Profit and Loss Account		<u>109,090</u>	<u>109,090</u>
		<u>IR£134,090</u>	<u>IR£134,090</u>


) Directors

The notes on pages 8 and 9 form part of these Financial Statements.
Auditors' Report page 5.

AIB Custodial Nominees Limited

Notes to the Financial Statements - 31 December 1997

1. Accounting Policies

(a) Accounting Convention

The Financial Statements have been prepared under the historical cost convention.

2. Profit and Loss Account

The company has not traded during the year. It has made neither profits nor losses and all expenses incurred by the company including the remuneration of the auditors have been borne by the parent company.

3. Debtors

	1997 IR£	1996 IR£
Amounts due by Fellow Subsidiary	<u>IR£134,710</u>	<u>IR£134,710</u>

4. Creditors

	1997 IR£	1996 IR£
Amounts falling due within one year: Sundry Creditors	<u>IR£620</u>	<u>IR£620</u>

5 Called Up Share Capital

	1997 IR£	1996 IR£
Authorised:		
Ordinary Shares of IR£1 each	<u>IR£25,000</u>	<u>IR£25,000</u>
Allotted and Fully Paid:	<u>IR£25,000</u>	<u>IR£25,000</u>

6. Ultimate Holding Company

The company regards Allied Irish Banks, P.L.C., a company incorporated in the Republic of Ireland as its ultimate parent company. The largest and smallest groups preparing consolidated accounts of which the company is a member is Allied Irish Banks, P.L.C.. Copies of the group financial statements of Allied Irish Banks, P.L.C. are available from The Secretary, Allied Irish Banks, P.L.C., Bankcentre, Ballsbridge, Dublin 4.

7. Related Party Disclosures

The Directors have availed of the exemption in Financial Reporting Standard No. 8 "Related Party Disclosures", which permits qualifying subsidiaries of an undertaking, not to disclose details of transactions and balances between group entities that are eliminated on consolidation.

8. Reporting Currency

The currency used in these financial statements is the Irish pound, which is denoted by the symbol IR£.

9. Approval of the Financial Statements

The financial statements were approved by the Board of Directors on 18 May 1998.

Auditors' report page 5.