

MORAY ASSET MANAGEMENT LIMITED

Report of the Directors

The Directors have pleasure in submitting their report and the accounts of the Company for the year ending 31st December 1998.

Incorporation

The Company was incorporated with the name Laughton Limited on 15th November 1990. By special Resolution passed on 12th February 1991 the name of the Company was changed to Moray Asset Management Limited on 1st March 1991.

Review of Business

The main object of the Company is to provide management and consultancy services. The Company has not carried out business since incorporation and has remained dormant in terms of Section 250 of the Companies Act 1998 ("the Act").

Accounts

As the Company had no income or expenditure during the year no profit and loss account has been prepared and the Directors do not propose the payment of any dividend. All expenses in relation to the formation and maintenance of the Company have been borne by the shareholders.

The balance sheet of the Company at 31st December 1998 is set out on page 3. The Company has no fixed assets.

The Company has no subsidiary undertakings.

Share Capital

The authorised share capital of the Company is £1,000 divided into 1000 Ordinary Shares of £1 each, two of which have been allotted.

Directors and their interests

The names of the Director, and their interests in the share capital of the Company, as shown in the register maintained for the purpose of Sections 324 to 328 of the Act, are as follows.

	Ordinary Shares of £1 each held	
	at 31st December 1998	at 31st December 1997
John Baylis	0	1
Caroline Baylis	0	1
Evelyn Brierley	1	0
David Hoyle	1	0

Employees

The Company had no employees during the period.

Political and Charitable Donations

No political or charitable donations were made by the Company during the period.

Auditors

By special resolution passed on 17th June 1991, the Company having been dormant in terms of Section 250 since the time of its formation, thereby made itself exempt from the provisions of part VII of the Act relating to the audit of accounts. Accordingly no auditors have been appointed.

By Order of the Board

S Tulloch

Susan Tulloch
Company Secretary

31st January 1999

Registered Office: The Park, Findhorn, FORRES, IV36 3TZ Scotland

MORAY ASSET MANAGEMENT LIMITED

Balance sheet at 31st December 1998

	NOTE	<u>at 31.12.98</u>	<u>at 31.12.97</u>
Current Assets			
Cash at bank and in hand		<u>£2</u>	<u>£2</u>
Capital and Reserves			
Called up share Capital	1	<u>£2</u>	<u>£2</u>

Notes on balance sheet:

1. The authorised, issued and fully paid share capital was as follows:

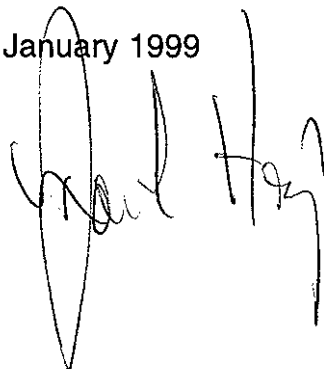
	<u>Authorised</u>		<u>Issued and fully paid</u>	
	<u>31.12.98</u>	<u>31.12.97</u>	<u>31.12.98</u>	<u>31.12.97</u>
Ordinary Shares of £1 each	1,000	1,000	2	2

2. In terms of section 250 of the Companies Act 1985 the Company has been dormant throughout the period from its incorporation on 15th November 1990 to 31st December 1998.

Approved by the Board on 31st January 1999

Signed on behalf of the Board

DAVID HOYLE
31st January 1999



Registered Office: The Park, Findhorn, FORRES IV36 3TZ, Scotland