



Chartered Accountants

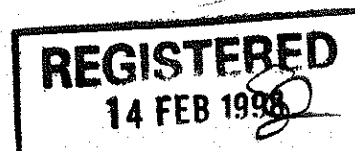
Stokes House
College Sq. East
Belfast BT1 6DH
Northern Ireland.

First Derivatives Limited

Abbreviated financial statements

For the period 16 April 1996 to 31 March 1997

(As modified by Articles 254, 255 and Schedule 8 of
The Companies (Northern Ireland) Order 1986)



First Derivatives Limited

Statement of director's responsibilities

Company law requires the director to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies (Northern Ireland) Order 1986. He is 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

Brian Conlon

Brian Conlon
Director



Chartered Accountants

Stokes House
College Sq. East
Belfast BT1 6DH
Northern Ireland

Auditors report to the director of First Derivatives Limited pursuant to paragraph 24 of schedule 8 to the Companies (Northern Ireland) Order 1986

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of First Derivatives Limited prepared under Article 234 of the Companies (Northern Ireland) Order 1986 for the period ended 31 March 1997. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors statement on page 3 and that the abbreviated accounts have been properly prepared from those financial statements.

In our opinion the company is entitled under Articles 254 and 255 of The Companies (Northern Ireland) Order 1986 to the exemptions conferred by Section A of Part III of Schedule 8 to that Order, in respect of the period ended 31 March 1997 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

On 12 February 98 we reported, as auditors of First Derivatives Limited, to the members on the financial statements prepared under Article 234 of The Companies (Northern Ireland) Order 1986 for the period ended 31 March 1997 and our audit report was as follows:

"We have audited the financial statements on pages 6 to 12.

Respective responsibilities of director and auditors

As described on page 4 the company's director is 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 judgments made by the director 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 affairs of the company as at 31 March 1997 and of the profit for the period then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986."

KPMG
Chartered Accountants
Registered Auditors

KR16

12 February 1998



First Derivatives Limited

Abbreviated balance sheet
At 31 March 1997

	Note	£	1997	£
Fixed assets				
Tangible assets	2			16,295
Current assets				
Debtors		79,030		
Cash at bank and in hand		37,524		
			116,554	
Creditors - amounts falling due within one year	3	(41,507)		
Net current assets				75,047
Total assets less current liabilities				91,342
Creditors - amounts falling due after more than one year				(26,389)
Net assets				64,953
Share capital and reserves				
Called-up share capital	4	10,000		
Profit and loss account		54,953		
Equity shareholders' funds				64,953

The director has taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies (Northern Ireland) Order 1986 on the basis that the company qualifies as a small company.

Brian Conlon
Director

First Derivatives Limited

Notes

forming part of the abbreviated financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

Depreciation of fixed assets

Depreciation is calculated to write off the original cost less the expected residual value of fixed assets over their anticipated useful lives at the following annual rates:

Motor vehicles	33 ¹ / ₃ %	straight line
Office furniture and equipment	50 %	straight line
Plant and equipment	50 %	straight line

Taxation

Corporation tax is calculated on the results of the period.

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

2 Tangible fixed assets

	Total £
Cost	
Additions	21,346
Disposals	-
At 31 March 1997	21,346
Depreciation	
Charged during period	5,051
On disposals	-
At 31 March 1997	5,051
Net book value	
At 31 March 1997	16,295

First Derivatives Limited

Notes - (continued)

3 Charges on assets

Creditors falling due within and after one year include a loan of £14,460 from the International Fund for Ireland, which is secured by an all monies assignment over the company's plant and machinery.

4 Share capital

	1997 £
<i>Authorised</i>	
Ordinary shares of £1 each	100,000
<i>Issued, allotted and fully paid</i>	
Ordinary shares of £1 each	10,000