COMPANY REGISTRATION 318267

CONSTELLATION CORPORATION PLC

(Incorporated in England and Wales under the Companies Act 1985 with Registered No. 318267)

Annual Report and Financial Statements

For the year ended 31 December 2003

CONSTELLATION CORPORATION plc

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CONSTELLATION CORPORATION plc

REPORT AND FINANCIAL STATEMENTS 2003

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J Bartle, CBE
A C Garner
R S Hingley
B R Lakefield
R G Robinson

SECRETARY

R G Robinson

REGISTERED OFFICE

6 Derby Street
London
W1Y 7HD

BANKERS

Lloyds TSB plc
14 Church Street
Rugby
Warwickshire
CV21 3PL

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
Birmingham

NOMINATED ADVISERS

City Financial Associates Limited
Pountney Hill House
6 Laurence Pountney Hill
London
EC4R 0BL

REGISTRARS

Capita IRG Plc
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

BROKERS

City Financial Associates Limited
Pountney Hill House
6 Laurence Pountney Hill
London
EC4R 0BL

CONSTELLATION CORPORATION plc

CHAIRMAN'S STATEMENT

The performance of the Group for the twelve months to 31 December 2003 continued in the direction that was indicated in my interim statement. I am pleased, therefore, that whilst still in challenging trading conditions as seen across the whole recruitment sector, and following years of losses, your company has returned to profit with a profit before tax of £2,000 (2002: loss of £858,000) on a turnover of £1,253,000 (2002: £1,070,000 from continuing operations).

At last year's annual general meeting, I committed the Group to concentrate on increasing revenues, reducing costs, generating cash flow and reducing debt. The results speak for themselves but we still have some distance to go to free the Group from its legacy of debt created as a result of its now disposed of retail activities and we are considering alternatives for resolving this.

2004 is witnessing a better market for executive search. Constellation's operating subsidiary, Garner International Limited, made important strides in 2003, not only raising turnover in general, but strengthening the employee base to broaden the client base. The business now enjoys positive and long term retainer relationships with new clients in the travel, leisure and retail markets in addition to further strengthening its retainer relationships with leading FTSE financial service businesses. I am confident that we will continue to maximise on the upturn in the market and to attract high calibre consultants with quality relationships.

In addition we are also considering other ways in which to develop the business including acquisitions of complementary and competitive activities which if successful would provide synergistic and scale benefits.

We look forward to reporting to you our progress on all these matters.

J Bartle

J BARTLE
Chairman

30 June 2004

CONSTELLATION CORPORATION plc

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2003.

ACTIVITIES

The principal activity of the Group during the period was executive search and selection.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The Chairman's Statement on page 2 reviews the activities of the Group including a statement of recent and future developments.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2003 are set out in the consolidated profit and loss account on page 11.

The directors do not recommend payment of any dividends (2002: £Nil). Further information on dividends is given in note 9 to the accounts.

Retained losses carried forward are increased by £48,000 (2002: £913,000).

DIRECTORS AND THEIR INTERESTS

The present directors who served during the year are shown on page 1. Their interests in the shares of the company as defined by the Companies Act 1985, are shown in the Report of the Remuneration Committee on pages 7 and 8.

J Bartle and R S Hingley retire by rotation, and being eligible, offer themselves for re-election.

SUBSTANTIAL SHARE INTERESTS

As at 31 December 2003, the Company had been notified of the following interests in its issued share capital and warrants:

	Ordinary shares of 0.5p each
A C Garner	301,086,939
Vidacos Nominees Limited	100,000,000
Pershing Keen Nominees Limited	64,288,331

As far as the directors are aware, no other entities or individuals held 3% or more of the shares in issue.

POST BALANCE SHEET EVENTS

In the period since the balance sheet date there have been several share placements to increase the finance available to the Company. These were as follows:

Date	**Number of shares**	**Value per share**	**Value of placement**
		pence	**£**
11 June 2004	100,000,000	0.25p	250,000
11 June 2004	10,000,000	0.25p	25,000
25 June 2004	150,000,000	0.10p	150,000

CONSTELLATION CORPORATION plc

DIRECTORS' REPORT

SHARE CAPITAL MOVEMENTS

Movements in share capital are included in note 20 to the Balance Sheet.

EMPLOYEE INVOLVEMENT

The company has well established communications and consultation procedures with all employee groups. These continually evolve to meet the changing needs of the business and are considered valuable by both management and staff.

EMPLOYMENT OF DISABLED PERSONS

It is the Company's policy to give a full and fair consideration to the employment and promotion of disabled persons where they appear suitable, having regard to their particular aptitudes and abilities. Where existing employees become disabled it is the Company's policy to find them alternative suitable employment within the Group where possible.

CREDITOR PAYMENT POLICY

The Company and Group do not have a standard or code which deals specifically with the payment of suppliers. The Group does, however, endeavour to comply with the terms and conditions agreed with suppliers when orders are placed. Trade creditor days of the Company at 31 December 2003, calculated in accordance with the requirements of the Companies Act 1985, were 300 days (2002: 229 days). This represents the ratio, expressed in days, between the amounts invoiced to the Company in the year by its suppliers and the amounts due, at the year end, to trade creditors falling due for payment within one year.

AUDITORS

On 1 August 2003, Deloitte & Touche, the company's auditors transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 265(5) of the Companies Act 1989.

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

R. G. Robinson.

R G ROBINSON

Secretary

30 June 2004

CONSTELLATION CORPORATION plc

CORPORATE GOVERNANCE

As a company listed on the Alternative Investment Market of the London Stock Exchange, Constellation Corporation plc is not required to comply with the Combined Code ("the Code") adopted by the UK Listing Authority. However, the Board of Directors has considered the effects of the Code and taken steps to comply with the Code insofar as it can be applied practically, given the size of the Group and the nature of its operations.

The Audit Committee comprises all of the non-executive directors and meets as required.

The Directors also acknowledge their responsibility for the Group's system of internal control of which the objectives are:

a) Safeguarding Group assets.

b) Ensuring proper accounting records are maintained.

c) Ensuring that the financial information used within the business and for publication is reliable.

The key procedures that have operated during the financial year are set out below:

a) The Board meets regularly to review all aspects of the Group's performance concentrating mainly on financial performance, business risks and development.

b) A number of matters are reserved for the Board's specific approval including major capital expenditure, banking and dividend policy.

In establishing the systems of internal control, the directors have implemented a control environment, risk management procedures and reporting processes appropriate to the size of the Group. The system of internal control is designed to manage rather than eliminate risk. Further procedures will continue to be adopted in respect of all the Group's activities to further improve financial control.

As explained in Note 1, trading and cash flows can be unpredictable. However, after making appropriate enquiries the Directors have formed a judgement that the Group has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Remuneration Committee consists of all the non-executive directors.

The remuneration of the non-executive directors is determined by the Board.

At present the committee annually reviews the level of directors' remuneration packages. Disclosure of directors' remuneration is provided in the report of the Remuneration Committee.

CONSTELLATION CORPORATION plc

DIRECTORS' REMUNERATION REPORT

As a company listed on the Alternative Investment Market of the London Stock Exchange, Constellation Corporation plc is not required to provide the following, unaudited information.

Unaudited information:

Under the company's Articles of Association, the Board may delegate any of its powers, authorities and discretions to a sub-committee of the Board.

The Remuneration Committee comprises the non-executive directors. The Committee is formally constituted with written terms of reference. No individual director participates when his own remuneration is under consideration.

In formulating its remuneration policy, the Committee has given full consideration to the relevant sections of the Combined Code issued by the Committee on Corporate Governance.

There follows the full text of the Remuneration Report for the year ended 31 December 2003 which has been approved and adopted by the Board of Directors for submission to the shareholders.

Composition

R S Hingley chaired the Remuneration Committee with J Bartle, B R Lakefield and R G Robinson being its other members.

Policy for Executive Directors

To attract, motivate and retain high calibre executives by rewarding them with appropriate salary, bonus scheme, benefits and share option packages.

a) Salary

Salaries are reviewed annually and the Committee takes account of similar companies in its industry by reference to published information for similar jobs as well as individual performance.

b) Bonus

The company operates a discretionary bonus scheme for certain executive directors. The scheme is based on achieving agreed levels of profitability within the part of the Group they are directly involved with. Bonus payments are non-pensionable.

c) Benefits

When appropriate, executives are provided with company cars, medical insurance and life assurance.

d) Pension

The company pension scheme is available to all executive directors.

e) Share Options

There are no share options in existence at the year end.

f) Service Contracts

A C Garner has a service contract that is subject to 24 months notice by either party. Given Mr Garner's pivotal role in the business this notice period is considered appropriate. It is the Board's intention, at an appropriate time of the Group's development, to reduce the notice period on this service contract. The Committee reviews each case of early termination individually in order to ensure compensation settlements are made which are appropriate to the circumstances taking care to ensure that poor performance is not rewarded.

Policy for Non-Executive Directors

The Board is responsible for determining the fees payable to non-executive directors. The executive director seeks to advise the Board on the level of fees based on external evidence of fees paid to non-executive directors of similar companies.

Non-executive directors are appointed initially on a fixed two year contract and thereafter on a year to year basis.

DIRECTORS' REMUNERATION REPORT

Directors' Interest in Contracts

Anderson Barrowcliff, of which R G Robinson is a partner, provides company secretarial services to the company. Apart from that there were no contracts subsisting at the end of the year in which a director of the company was materially interested.

Audited information:

Directors' Emoluments

The emoluments of the directors of the company for the year ended 31 December 2003 were as follows:-

	Salary and fees £000	Benefits £000	Pensions £000	Total 31 Dec 2003 £000	31 Dec 2002 £000
Executive Director					
A C Garner	183	-	5	188	122
Non-Executive Directors					
R S Hingley	-	-	-	-	-
B R Lakefield	-	-	-	-	-
J Bartle	-	-	-	-	-
R G Robinson	-	-	-	-	-
	183	-	5	188	142

Certain Directors waived part of their salary entitlements during the year and R S Hingley retrospectively waived his salary entitlement for the year ended 31 December 2002. The amounts waived were as follows:

	31 December 2003 £000	31 December 2002 £000
A C Garner	17	100
R S Hingley	20	20
B R Lakefield	15	15
J Bartle	20	15
R G Robinson	15	-
H R P Thompson	-	12

CONSTELLATION CORPORATION plc

DIRECTORS' REMUNERATION REPORT

Directors' Interest in Shares and Options

Details of the interests of those directors that held office during the period, all of which are beneficial, in the shares of Constellation Corporation Plc on the dates specified are as follows:-

	31 December 2003 Ordinary Shares of 0.5p Each	**31 December 2002 Ordinary Shares of 0.5p Each**
A C Garner	301,086,939	301,086,939
R S Hingley	2,000,000	2,000,000
J Bartle	6,000,000	6,000,000
B R Lakefield	35,000,000	35,000,000

R G Robinson held no shares in the company during the year.

RSHingley.

R S HINGLEY

Chairman of the Remuneration Committee

30 June 2004

CONSTELLATION CORPORATION plc

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and the group as at the end of the financial period and of the profit or loss of the group 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
- state whether applicable accounting standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CONSTELLATION CORPORATION plc

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONSTELLATION CORPORATION plc

We have audited the financial statements of Constellation Corporation plc for the year ended 31 December 2003, which comprise the consolidated profit and loss account, the consolidated balance sheet, the company balance sheet, the consolidated cash flow statement and the related notes numbered 1 to 28, together with the notes to the cash flow statement. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 circumstances of the company, 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.

Fundamental uncertainty about going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 to the accounts concerning the uncertainty as to the group meeting its trading forecasts. In view of the significance of this uncertainty, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 31 December 2003 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Birmingham

30 June 2004

CONSTELLATION CORPORATION plc

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year ended 31 December 2003

	Note	31 December 2003		31 December 2002	
		£000	£000	£000	£000
TURNOVER					
Continuing operations	2	1,253			1,070
Discontinued operations		-			273
Total turnover			1,253		1,343
Cost of sales	4		(78)		(108)
Gross profit			1,175		1,235
ADMINISTRATIVE EXPENSES:	4				
Abortive costs on potential acquisition			60		(338)
Other administrative expenses			(1,121)		(1,790)
			(1,061)		(2,128)
TOTAL OPERATING PROFIT/(LOSS)					
Continuing operations		114		(674)	
Discontinued operations		-		(219)	
Total operating profit/(loss)			114		(893)
Profit on disposal of discontinued operations			-		134
Interest payable and similar charges	5		(112)		(99)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2,6		2		(858)
Tax on profit/(loss) on ordinary activities	8		-		(4)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION			2		(862)
Minority interests	22		-		(1)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR			2		(863)
Dividends – including other finance charges in respect of non-equity shares	9		(50)		(50)
RETAINED LOSS FOR THE YEAR			(48)		(913)
Profit/(loss) per share - Basic	10		0.00p		(0.10p)
Profit/(loss) per share - Diluted	10		0.00p		(0.10p)

There are no recognised gains and losses other than the losses for the current and previous years. Accordingly, no statement of total recognised gains and losses is given.

CONSTELLATION CORPORATION plc

CONSOLIDATED BALANCE SHEET
31 December 2003

	Notes	31 December 2003		31 December 2002	
		£000	£000	£000	£000
FIXED ASSETS					
Intangible assets	12		1,092		1,158
Tangible assets	13		14		46
			1,106		1,204
CURRENT ASSETS					
Debtors	15	121		211	
Investments	16	-		-	
Cash at bank and in hand		12		6	
		133		217	
CREDITORS: amounts falling due within one year	17	(1,748)		(2,317)	
NET CURRENT LIABILITIES			(1,615)		(2,100)
TOTAL ASSETS LESS CURRENT LIABILITIES			(509)		(896)
CREDITORS: amounts falling due after more than one year	18		(978)		(593)
PROVISIONS FOR LIABILITIES AND CHARGES	19		-		-
NET LIABILITIES			(1,487)		(1,489)
CAPITAL AND RESERVES					
Called up share capital	20		5,066		5,066
Share premium account	21		4,007		4,007
Other reserve	21		639		589
Profit and loss account	21		(11,199)		(11,151)
TOTAL SHAREHOLDERS' FUNDS			(1,487)		(1,489)
Equity minority interests	22		-		-
			(1,487)		(1,489)
ANALYSIS OF SHAREHOLDERS' (DEFICIT)/FUNDS					
Equity shareholders' deficit			(2,197)		(2,149)
Non-equity shareholders' funds			710		660
			(1,487)		(1,489)

These financial statements were approved by the Board of Directors on 30 June 2004.

Signed on behalf of the Board of Directors

A C GARNER
Director

J BARTLE
Director

CONSTELLATION CORPORATION plc

BALANCE SHEET
31 December 2003

	Notes	31 December 2003		31 December 2002	
		£000	£000	£000	£000
FIXED ASSETS					
Investments	14		1,225		1,225
CURRENT ASSETS					
Debtors	15	302		558	
Cash at bank and in hand		-		-	
		302		558	
CREDITORS: amounts falling due within one year	17	(1,321)		(1,972)	
NET CURRENT LIABILITIES			(1,019)		(1,414)
TOTAL ASSETS LESS CURRENT LIABILITIES			206		(189)
CREDITORS: amounts falling due after more than one year	18		(978)		(593)
NET LIABILITIES			(772)		(782)
CAPITAL AND RESERVES					
Called up share capital	20		5,066		5,066
Share premium account	21		4,007		4,007
Other reserve	21		639		589
Profit and loss account	21		(10,484)		(10,444)
TOTAL SHAREHOLDERS' DEFICIT			(772)		(782)
ANALYSIS OF SHAREHOLDERS' (DEFICIT)/FUNDS					
Equity shareholders' deficit			(1,482)		(1,442)
Non-equity shareholders' funds			710		660
			(772)		(782)

These financial statements were approved by the Board of Directors on 30 June 2004.

Signed on behalf of the Board of Directors

A C GARNER
Director

J BARTLE
Director

CONSTELLATION CORPORATION plc

CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 December 2003

	Notes	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
Net cash flow from operating activities	(i)	200	(104)
Returns on investment and servicing of finance	(ii)	(111)	(99)
Taxation		-	(29)
Capital expenditure and financial investment	(ii)	-	-
Acquisitions and disposals	(ii)	-	(5)
Cash flow before use of liquid resources and financing		89	(237)
Financing	(ii)	(107)	147
Decrease in net cash in the period		(18)	(90)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	Notes	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
Decrease in cash in the period		(18)	(90)
Cash outflow from decrease in debt and lease financing		26	10
Net movement on secured loans		77	(18)
Directors loan advance		-	(139)
Changes in net debt resulting from cash flows		85	(237)
Net debt at start of period	(iii)	(2,028)	(1,791)
Net debt at end period	(iii)	(1,943)	(2,028)

CONSTELLATION CORPORATION plc

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 December 2003

(i) RECONCILIATION OF OPERATING PROFIT/(LOSS) TO OPERATING CASH FLOWS

	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
Operating profit/(loss)	114	(893)
Depreciation	20	39
Amortisation	83	74
Decrease in debtors	73	353
(Decrease)/increase in creditors	(90)	323
Net cash inflow/(outflow) from operating activities	200	(104)

(ii) ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
Returns on investments and servicing of finance		
Interest received	-	-
Interest paid	(110)	(95)
Interest element of finance lease rental payments	(1)	(4)
Net cash outflow for returns on investments and servicing of finance	(111)	(99)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	-	-
Acquisitions and disposals		
Cash payment on disposal of subsidiary	-	(5)
Financing		
Loans raised	-	100
Repayment of secured loans	(97)	(82)
Capital element of finance lease rental payments	(10)	(10)
Directors loan advance	-	139
Net cash (outflow)/inflow from financing	(107)	147

FRS1 requires a summary of the effects of disposals and acquisitions of subsidiary undertakings, indicating how much of the consideration comprised cash. This analysis is provided in note 3 to the accounts. The cash flows attributable to the disposed undertaking are not considered material to the cash flow statement and so are not reported separately.

CONSTELLATION CORPORATION plc

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
Year ended 31 December 2003

(iii) ANALYSIS OF NET DEBT

	At 1 January 2003 £000	Cash flow £000	Other non-cash changes £000	At 31 Dec 2003 £000
Cash in hand and at bank	6	6	-	12
Bank overdraft	(500)	(24)	450	(74)
Total for cash at bank and overdraft	(494)	(18)	450	(62)
Debt due within one year	(600)	109	(97)	(588)
Debt due after one year	(593)	(32)	(353)	(978)
Finance leases	(26)	26	-	-
Directors loan account	(315)	-	-	(315)
	(2,028)	85	-	(1,943)

(iv) MAJOR NON-CASH TRANSACTIONS

During the year £353,000 of overdraft facility was converted into long term debt and £97,000 was renegotiated under an invoice factoring agreement and is therefore reported within short term bank loans.

CONSTELLATION CORPORATION plc

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2003. The results of subsidiaries sold and acquired are included in the consolidated profit and loss account up to, or from, the date control passes. Intra-Group sales and profits are eliminated fully on consolidation.

On acquisition of a subsidiary, all of the subsidiary assets and liabilities that exist at the date of acquisition are recorded at their provisional fair values reflecting their condition at that date.

Basis of preparation of the financial statements

Going Concern

The nature of the Group's business is such that there can be considerable unpredictable variations in trading compared to forecasts. The directors have prepared projected cash flow information for the current financial year and the following financial year.

On the basis of this cash flow information, the overdraft facility which continues to be subject to a quarterly review and discussions with the Group's bankers, the Directors have formed a judgement at the time of approving the financial statements that the Company will be able to work within agreed overdraft facilities. On this basis, the Directors consider it appropriate to prepare the financial statements on the going concern basis. However, the timings of cash flows may sometimes result in the Group having insufficient facilities to meet its obligations. The financial statements do not include any adjustments that would result from not meeting current forecasts.

Goodwill

Goodwill in respect of acquisitions arising after the introduction of FRS 10 "Goodwill and intangible assets" is shown as an asset and each acquisition is assessed to determine the useful economic life of the business and the goodwill. Goodwill relating to the acquisitions made by the Company is an inseparable part of the total value of the relevant business and such businesses if properly managed, should grow in value over the years and hence neither the value of the business nor the goodwill have a measurable economic life. Where it is considered that the value of the business or its goodwill do have a measurable economic life, the goodwill would be amortised through the profit and loss account by equal annual instalments over such useful economic life.

Goodwill arising from the acquisitions is amortised over 20 years. The Directors consider this to be appropriate given the relatively high barriers of entry to the specialist field of executive search together with their commitment to investing in this business over the long term to sustain value.

The profit or loss on disposal of a previously acquired business includes the attributable amount of any purchased goodwill relating to that business not previously charged through the profit and loss account.

Where the useful economic life does not exceed 20 years, goodwill would be subject to an impairment review at the end of the first full year after acquisition and at any other time if the Directors believe that impairment may have occurred. Any impairment will be charged to the profit and loss account in the period in which it arises.

1. ACCOUNTING POLICIES (continued)

Pre FRS 10 goodwill has been written off directly to reserves as a matter of accounting policy, where the business to which this relates is subsequently disposed of such goodwill will be charged to the profit and loss account.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned:

Short leasehold property and improvements	- Over the life of the lease on a straight-line basis
Fixtures and fittings	- 25% - 33% per annum on cost
Motor vehicles	- 25% straight line

Foreign exchange

Transactions denominated in foreign currency are translated into the functional currency at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Leasing agreements which transfer to the Group substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic rate of charge on the remaining balance outstanding within each accounting period. Assets held under finance leases are depreciated over the shorter of the lease term and the useful lives of equivalent owned assets.

Deferred taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different to those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no binding contract to dispose of those assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Investments

Fixed asset investments are stated at cost less provision for any impairment in value.

Turnover

Turnover represents the VAT exclusive value of services provided during the year.

Pensions

The Group operates a number of defined contribution funded pension schemes for the benefit of certain employees. The costs of the pension schemes are charged to the profit and loss account as incurred.

CONSTELLATION CORPORATION plc

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

2. SEGMENTAL ANALYSIS

The analysis by class of business of the Group's turnover, profit/(loss) before taxation and net liabilities is set out below:

	Turnover		Profit/(loss) before tax		Net liabilities	
	Year ended 31 Dec 2003 £000	Year ended 31 Dec 2002 £000	Year ended 31 Dec 2003 £000	Year ended 31 Dec 2002 £000	Year ended 31 Dec 2003 £000	Year ended 31 Dec 2002 £000
Class of business						
Continuing operations:						
Executive search	1,253	1,070	240	(49)	(1,487)	(1,489)
Discontinued operations:						
Executive search - Asia	-	273	-	(219)	-	-
	1,253	1,343	240	(268)	(1,487)	(1,489)
Corporate central costs			(126)	(625)		
Profit on disposal of discontinued operations			-	134		
Interest payable			(112)	(99)		
Interest receivable			-	-		
			2	(858)		

	Turnover		Profit/(loss) before tax		Net liabilities	
	Year ended 31 Dec 2003 £000	Year ended 31 Dec 2002 £000	Year ended 31 Dec 2003 £000	Year ended 31 Dec 2002 £000	Year ended 31 Dec 2003 £000	Year ended 31 Dec 2002 £000
Geographical analysis by destination						
United Kingdom	1,180	1,070	2	(639)	(1,487)	(1,489)
Europe	12	-	-	-	-	-
Other	61	273	-	(219)	-	-
	1,253	1,343	2	(858)	(1,487)	(1,489)

Turnover by location is not materially different from turnover by destination.

CONSTELLATION CORPORATION plc

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

3. ACQUISITIONS, DISPOSALS AND GOODWILL

On 15th August 2002, the company disposed of its 75% shareholding in Garner International (Singapore) Pte Limited for consideration of £526,000. The consideration was satisfied by the cancellation of £464,000 deferred consideration and £86,000 intercompany liability. The balance of £25,000 was part settled in cash of £5,000. The remainder was contingent upon the completion of the proposed acquisition. As this acquisition was aborted, the final £20,000 is no longer payable.

4. ANALYSIS OF CONTINUING AND DISCONTINUED OPERATIONS

	Year ended 31 December 2003			Year ended 31 December 2002		
	Continuing £000	Discontinued £000	Total £000	Continuing £000	Discontinued £000	Total £000
Turnover	1,253	-	1,253	1,070	273	1,343
Cost of sales	(78)	-	(78)	(90)	(18)	(108)
Gross profit	1,175	-	1,175	980	255	1,235
Net operating expenses:						
Abortive costs on potential acquisition	60	-	60	(338)	-	(338)
Administrative expenses	(1,121)	-	(1,121)	(1,316)	(474)	(1,790)
	(1,061)	-	(1,061)	(1,654)	(474)	(2,128)
Operating profit/(loss)	114	-	114	(674)	(219)	(893)

CONSTELLATION CORPORATION plc

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
On bank loans and overdrafts	110	95
On finance leases	2	4
	112	99

6. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit/(loss) on ordinary activities before taxation is stated after charging:	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
Depreciation and amounts written off tangible fixed assets:		
Owned assets	10	18
Assets held under finance leases	10	21
Amortisation of intangible fixed assets	83	74
Operating lease rentals:		
Land and buildings	152	152
Auditors' remuneration:		
Audit work – Group	15	17
Other services	-	1
(Profit) on disposal of tangible fixed assets	(4)	-

The Company audit fee in the year was £10,000 (2002: £10,000).

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

7. STAFF COSTS

The average number of full time equivalent persons (including Directors) employed by the Group during the period was as follows:	Year ended 31 December 2003 No.	Year ended 31 December 2002 No.
Sales and related services	5	5
Administration	3	4
	8	9
	£000	£000
Staff costs (for the above persons):		
Wages and salaries	452	425
Social security costs	53	56
Pension costs	11	11
	516	492

The emoluments of the Directors are disclosed as required by the Companies Act 1985 on page 7 in the Report on Remuneration. The table of Directors' emoluments has been audited and forms part of these financial statements. This also includes details of the highest paid Director.

8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

Taxation is based on the profit/(loss) for the year and comprises:	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
United Kingdom corporation tax at 30% based on profit/(loss) for the year	-	-
Deferred taxation due to short term timing differences	-	-
Overseas taxation	-	-
Adjustment in respect of prior years	-	4
	-	4

The differences between the current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
Profit/(loss) on ordinary activities before taxation	2	(858)
Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of 30% (2001: 30%)	-	(257)
Effects of:		
Expenses not deductible for tax purposes	1	128
Depreciation in excess of capital allowances	3	12
Adjustment to losses carried forward	(4)	117
Adjustments to tax in respect of prior periods	-	4
Current tax charge for the year	-	4

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

9. DIVIDENDS

	Year ended 31 December 2003 £000	Year ended 31 December 2002 £000
Other finance charges in respect of non-equity shares	50	50

Following the preference dividend paid in April 2000, further dividends on the preference shares became due in October 2000, April 2001, October 2001, April 2002, October 2002, April 2003 and October 2003. Given the lack of distributable reserves of the company at these dates, these payments could not legally be made. A reserve has been created for these dividends.

10. BASIC AND DILUTED PROFIT/(LOSS) PER ORDINARY SHARE

In accordance with FRS 14, profit per ordinary share of 0.00p (2002: loss of 0.10p) has been calculated by dividing the loss on ordinary activities after taxation and non-equity dividends of £48,000 (2002: £913,000) by 907,118,360 (2002: 906,218,320), being the weighted average number of ordinary shares in issue and ranking for dividend during the period. There were no preference shares at 31 December 2003 (2002: 24,284) available for conversion and so diluted profit per ordinary share is also 0.00p.

11. LOSS OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these accounts. The parent company's loss for the year amounted to £40,000 (2002: loss of £496,000).

12. INTANGIBLE FIXED ASSETS

Group	Goodwill £000
Cost	
At 1 January and 31 December 2003	4,813
Amortisation	
At 1 January 2003	3,655
Charge for period	66
At 31 December 2003	3,721
Net book value	
At 31 December 2003	1,092
At 1 January 2003	1,158

Goodwill arising from the acquisitions is amortised over 20 years. The Directors consider this to be appropriate given the relatively high barriers of entry to the specialist field of executive search together with their commitment to investing in this business over the long term to sustain value.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

13. TANGIBLE FIXED ASSETS

	Short leasehold property and improvements £000	Fixtures and Fittings £000	Motor vehicles £000	Total £000
Cost or valuation				
At 1 January 2003	64	118	48	230
Disposals	-	-	(48)	(48)
At 31 December 2003	64	118	-	182
Depreciation				
At 1 January 2003	42	116	26	184
Charge for the period	8	2	10	20
Disposals	-	-	(36)	(36)
At 31 December 2003	50	118	-	168
Net book value				
At 31 December 2003	14	-	-	14
At 31 December 2002	22	2	22	46

Included within tangible fixed assets are assets with a net book value of £nil (2002: £22,000) held under finance leases.

The Group had no capital commitments as at 31 December 2003 (2002: £Nil).

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

14. FIXED ASSET INVESTMENTS

Company	**Shares in group undertakings £000**
Cost	
At 1 January and 31 December 2003	6,217
Provision for impairment	
At 1 January 2003 and 31 December 2003	4,992
Net book value	
At 31 December 2003	1,225
At 31 December 2002	1,225

Principal Group investments

	Country of incorporation or registration and operation	**Principal activities**	**Description and proportion of shares held by the company**
Garner International Limited	England and Wales	Executive search and selection	100% ordinary shares

15. DEBTORS

	Group		Company	
	2003	2002	2003	2002
	£000	£000	£000	£000
Trade debtors	98	163	-	-
Amounts owed by group undertakings	-	-	299	527
Other debtors	-	31	-	31
Prepayments and accrued income	23	17	3	-
	121	211	302	558

Trade debtors are factored to the bank which lends against them as they are incurred. This lending is accounted for within bank loans and overdrafts and amounted to £97,000 at 31 December 2003.

16. CURRENT ASSET INVESTMENTS

GROUP	Unquoted investments £000
Cost	
At 1 January and 31 December 2003	50
Provision	
At 31 December 2003 and 2002	50
Net book value	
At 31 December 2003	-
At 31 December 2002	-

The Group holds 100% of the preference share capital of Trac Communications Limited, a company incorporated in England and Wales. The Directors estimate the value of this investment to be £Nil (2002: £Nil). The shares are convertible on the request of the Company into ordinary shares representing 16% of the equity capital of Trac Communications Limited.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2003	2002	2003	2002
	£000	£000	£000	£000
Bank loans and overdraft (note 26)	651	1,100	553	1,100
Due under finance leases	-	26	-	-
Trade creditors	510	515	337	350
Due to group undertakings	-	-	25	25
Corporation tax payable	42	42	-	-
Other taxation and social security	112	99	-	-
Other creditors	6	10	-	-
Directors loan account	317	317	317	317
Accruals	110	208	89	180
	1,748	2,317	1,321	1,972

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2003	2002	2003	2002
	£000	£000	£000	£000
Bank loans	978	593	978	593

A maturity analysis of the above borrowings and further details of bank loans, debentures and other loans are given in note 26.

The bank loans relate to advances from Lloyds TSB plc. The loans incur interest at 2.5% per annum above bank base rate. The loans together with the overdraft, are secured by a letter of set off and guarantee between the bank, the Company and Garner International Limited over all assets.

19. PROVISIONS FOR LIABILITIES AND CHARGES

	Group £000	Company £000
At 1 January and 31 December 2003	-	-

A deferred tax asset has not been recognised in respect of the losses, capital allowances and short-term timing differences as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £3,388,501. The asset would be recoverable if taxable profits arose in the Group in the future against which the assets will crystallise.

20. CALLED UP SHARE CAPITAL

	2003 £000	2002 £000
Authorised:		
1,500,000,000 (2002: 1,500,000,000) Ordinary shares of 0.5p each	7,500	7,500
1,745,226 5p (gross) Preference shares of 50p each	873	873
	8,373	8,373
Allotted and fully paid:		
907,118,360 (2002: 906,218,320) Ordinary shares of 0.5p each	4,537	4,531
1,046,283 (2002: 1,070,567) 5p (gross) Preference shares of 50p each	529	535
	5,066	5,066

5p (gross) Preference shares

The period for conversion of these shares has now passed and so they are no longer convertible. The Preference shares carry the right to a fixed cumulative preferential dividend of 5p (gross) per annum payable half yearly on 30 April and 31 October in each year in respect of the previous half year.

On a return of capital on a winding-up, the holders of the Preference shares will have a preferential right to repayment of 100p per share and all arrears of fixed cumulative dividend but will have no right to participate in any surplus.

The holders of the Preference shares will have the right to receive notice of and attend General Meetings of the Company, but will only be entitled to vote thereat if their fixed cumulative preferential dividend is six months or more in arrears, or if Convertible Preference shares required to be redeemed by the Company have not been redeemed, or if a receiver or administrative receiver to the Company has been appointed, or on a resolution of abrogating, varying or modifying any of their class rights or privileges or for the winding-up of the Company.

The Company should have redeemed any unconverted Convertible Preference shares on 31 January 2003. The amount payable on redemption would have been the sum of 100p for each 50p share plus any arrears or accruals of the fixed dividend thereon. The Company had insufficient distributable reserves at this time and therefore no redemption was possible. The conversion period has now expired and so the Convertible Preference shares are no longer convertible.

Changes during the period

On 16 January 2003 24,284 5p Convertible Preference Shares of 50p each were converted into 900,040 Ordinary Shares of 0.5p

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

21. SHARE PREMIUM ACCOUNT AND RESERVES

Group	Share premium account £000	Other reserve £000	Profit and loss account £000	Total £000
At 1 January 2003	4,007	589	(11,151)	(6,555)
Loss for the period	-	-	(48)	(48)
Reserve for finance charges	-	50	-	50
At 31 December 2003	4,007	639	(11,199)	(6,553)

The cumulative amount of goodwill from pre 27 July 1997 acquisitions which has been written off to Group reserves, after deducting goodwill attributable to subsidiary undertakings disposed of is £411,000 (2002: £411,000).

Company	Share premium account £000	Other reserve £000	Profit and loss account £000	Total £000
At 1 January 2003	4,007	589	(10,444)	(5,848)
Loss for the period	-	-	(40)	(40)
Reserve for finance charges	-	50	-	50
At 31 December 2003	4,007	639	(10,484)	(5,838)

22. MINORITY INTERESTS

	Garner International (Singapore) Limited £000
At 1 January 2002	1
Profit and loss account	(1)
Equity minority interests at 31 December 2002	-

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003 £000	2002 £000
Profit/(loss) for the financial period	2	(863)
Finance charges in respect of non-equity shares	(50)	(50)
	(48)	(913)
Creation of other reserve for finance charges on non-equity shares	50	50
Net addition to/(reduction in) shareholders' funds	2	(863)
Opening shareholders' deficit	(1,489)	(626)
Closing shareholders' deficit	(1,487)	(1,489)

24. COMMITMENTS

Operating leases

At 31 December 2003, the Group had annual commitments under non-cancellable operating leases which expire as follows:

	Land and buildings	
	2003 £000	2002 £000
Between one and two years	152	152

25. PENSION COSTS

The Group operated several defined contribution pension schemes for the retail business. The assets of the schemes were held separately from those of the Group in independently administered funds. The pension cost represents contributions payable by the Group to the funds and amounts to £5,000 (2002: £11,000).

26. FINANCIAL INSTRUMENTS

Derivatives and other financial instruments

The Group's financial instruments comprise borrowings, some cash and liquid resources and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The Group has not entered into any derivative transactions in the year. The Group does not trade in financial instruments.

The Group has taken advantage of the exemptions available under Financial Reporting Standard No. 13 not to provide numerical disclosures in relation to short-term debtors and creditors.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and currency risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group finances operations through bank borrowings and finance leases. At the year-end all of the Group's bank borrowings were at floating rates of interest. It is the Group's policy to have all borrowings at a floating rate of interest and this policy is reviewed periodically to ensure it is appropriate.

Liquidity risk

The Group's policy is to retain a balance between short-term flexibility, achieved through overdraft facilities, and longer term planning through longer-term instalment debt. At the year-end, 24% of bank borrowings were overdrafts.

The maturity profile of the Group's financial liabilities is given below.

Currency risk

The Group's policy is not to hedge transactions, and buy and sell currency at spot rate where applicable. Each company has assets and liabilities in its native currency only.

Financial assets:

£12,000 (2002: £6,000) of cash at bank and in hand is held in the Group, all denominated in Sterling. All financial assets attract interest at floating rates, and are based on national bank offering rates.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2003

26. FINANCIAL INSTRUMENTS (continued)

Financial liabilities

MATURITY PROFILE OF FINANCIAL LIABILITIES

	Group		Company	
	2003	**2002**	**2003**	**2002**
Analysis of loan repayments	**£000**	**£000**	**£000**	**£000**
Bank loans and overdrafts:				
In one year or less or on demand	651	1,100	553	1,100
In more than one year but not more than two years	144	300	144	300
In more than two years but not more than five years	418	293	418	293
In more than five years	416	-	416	-
Debentures and other loans:				
In one year or less or on demand	-	26	-	-
Directors' loan accounts				
In one year or less or on demand	317	317	317	317
	1,946	2,036	1,848	2,010

The Group had no undrawn committed borrowing facilities at the year end (2002: nil).

INTEREST RATE PROFILE

The interest rate profile of the Group's financial liabilities was:

		2003	2002
		£000	£000
Floating rate financial liabilities		1,629	1,693
Fixed rate financial liabilities		-	26
Non interest bearing financial liabilities	- non equity shares	-	-
	- directors loan account	317	317
		1,946	2,036

Floating rate liabilities represent bank borrowings and overdrafts that bear rates of interest at between 2.5% and 3.5% above the base rate.

All of the financial instruments are held in the UK in Sterling.

26. FINANCIAL INSTRUMENTS (continued)

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by category of book values and fair values of the Group's financial liabilities which, are all denominated in sterling:

	2003		2002	
	Book value £000	Fair value £000	Book value £000	Fair value £000
Bank overdraft	50	50	500	500
Bank loan	1,579	1,579	1,193	1,193
Finance leases	-	-	26	26
Directors loan	317	317	317	317
	1,946	1,946	2,036	2,036
Non-equity share redemption value	-	-	-	-
	1,946	1,946	2,036	2,036

The fair value of cash at bank and in hand is not materially different from its book value.

27. RELATED PARTY TRANSACTIONS

In 2002 A C Garner lent the company an additional £116,000, J Bartle lent the company £13,000 and R S Hingley lent the company £12,000. Balances on these loan accounts 31 December 2003 and 31 December 2002 were: A C Garner £292,000, J Bartle £13,000 and R S Hingley £12,000. These loans are non interest bearing and at the Balance Sheet date none of these loans had any agreed repayment terms.

In addition, A C Garner has guaranteed £200,000 of bank overdraft and J Bartle and B R Lakefield have jointly guaranteed a further £100,000 of bank overdraft.

During the year ended 31 December 2002, the Company obtained acquisitions advisory services of £48,000 from Anderson Barrowcliff where R G Robinson is a partner. This amount was outstanding at 31 December 2003 and 31 December 2002.

28. POST BALANCE SHEET EVENTS

In the period since the balance sheet date there have been several share placements to increase the finance available to the Company. These were as follows:

Date	Number of shares	Value per share	Value of placement
		pence	£
11 June 2004	100,000,000	0.25p	250,000
11 June 2004	10,000,000	0.25p	25,000
25 June 2004	150,000,000	0.10p	150,000

CONSTELLATION CORPORATION Plc

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 66th Annual General Meeting of Constellation Corporation Plc will be held at the registered office of the company 6 Derby Street, London, W1J 7AD at 10.00am on 11th August 2004 for the following purposes:

1 To receive and adopt the statement of accounts of the Company for the year ended 31st December 2003 together with the reports of the Directors and Auditors thereon.

2 To re-elect J Bartle as a Director.

3 To re-elect R S Hingley as a Director.

4 To appoint Messrs, Deloitte & Touche LLP as Auditors to act as such until the conclusion of the next Annual General Meeting of the Company at which the requirements of Section 241 (1) of the Companies Act 1985 will be compiled with and to authorise the Directors of the Company to fix their remuneration.

Registered office:	By order of the Board:
6 Derby Street	R G Robinson
London	Secretary
W1J 7AD	30 June 2004

R. G. Robinson.

Notes:

1 A member of the Company entitled to attend and vote is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member.

2 Copies of Directors' contracts of service and the register of Directors' interests in the shares of the company are available for inspection at the Registered Office during normal business hours (Saturday and Sundays excepted), until the Meeting and at the Meeting.