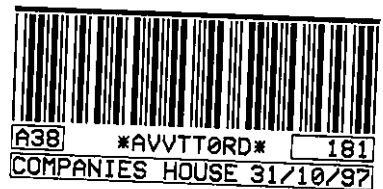


BLACKFLY INVESTMENTS LIMITED

MODIFIED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st. DECEMBER, 1996

1943863



AUDITORS REPORT TO BLACKFLY INVESTMENTS LIMITED PURSUANT TO PARAGRAPH 24 OF
SCHEDULE 8 TO THE COMPANIES ACT 1985.

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of Blackfly Investments Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31st. December, 1996.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion.

We have carried out the procedures we considered necessary to confirm, by reference to the audited statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from 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, 247 and 249 of the Companies Act 1985 to the exemptions conferred by Section B, of Part 111 of Schedule 8 to that Act, in respect of the year ended 31st. December, 1996 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other Information

On 30th September 1997 we reported as auditors of Blackfly Investments Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st. December 1996 and our audit report was as follows:-

"We have audited the financial statements on pages 6 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

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.

AUDITORS REPORT TO BLACKFLY INVESTMENTS LIMITED PURSUANT TO PARAGRAPH 24 OF
SCHEDULE 8 TO THE COMPANIES ACT 1985. (continued)

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 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 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 as at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled for the year ended 31st December 1996 to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts."


MICHAEL COSGROVE & PARTNERS
CHARTERED ACCOUNTANTS.

BREAFFY ROAD,
CASTLEBAR,
CO. MAYO.

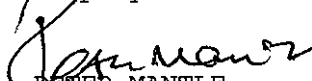
30th. September, 1997

BLACKFLY INVESTMENTS LIMITED

BALANCE SHEET AS AT 31ST. DECEMBER, 1996

		<u>1996</u>	<u>1995</u>
	<u>NOTE</u>	IR£	IR£
FIXED ASSETS			
Investments	2	762,144	712,144
CREDITORS (amounts falling due within one year)			
		-	-
NET CURRENT LIABILITIES			
		-	-
		762,144	712,144
		=====	=====
CAPITAL AND RESERVES			
Called up Share Capital	3	502,789	490,617
Share Premium Account	4	254,483	218,392
Profit & Loss Account	5	4,872	3,135
		762,144	712,144
		=====	=====

The directors rely on sections 246, 247 and 249 of the Companies Act 1985 as entitling them to deliver modified financial statements and do so on the grounds that the company is entitled to the benefit of these sections as a small company.


PETER MANTLE

DIRECTOR


JANE MANTLE

DIRECTOR

9th. September, 1997

BLACKFLY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The significant accounting policies adopted by the Company are as follows:-

a) HISTORICAL COST CONVENTION

The financial statements which are stated in Irish pounds are prepared under the historical cost convention.

b) FOREIGN CURRENCY

Assets and liabilities denominated in foreign currencies are translated into Irish Pounds at the exchange rate ruling at the Balance Sheet date, and costs and revenues at the exchange rates ruling at the date of the transactions.

Profits and Losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the Profit & loss Account.

BLACKFLY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2. INVESTMENTS

	<u>1996</u>	<u>1995</u>
	IR£	IR£
Investment in 100% Subsidiary Company, Delphi Fishery Limited		
- Shares at Cost	76,668	76,668
- Interest Free Loan	685,476	635,476
	<hr/>	<hr/>
At 31st December 1996	762,144	712,144
	=====	=====

The interest free loan is denominated in Irish Pounds with effect from 1st January 1988.

3. CALLED UP SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	STG£	STG£
<u>Authorised:</u>		
500,000 Ordinary Shares of STG£1 each.	500,000	500,000
60,000 10% non cumulative preference shares.	60,000	60,000
	=====	=====
<u>Allotted and fully paid:</u>		
403,690 Ordinary Shares of STG£1 each.	403,690	391,080
60,000 10% non cumulative preference shares.	60,000	60,000
	=====	=====
	IR£	IR£
Irish Pounds equivalent of Allotted & Fully paid up Shares		
- Ordinary Shares	430,898	418,726
- Preference Shares	71,891	71,891
	<hr/>	<hr/>
	502,789	490,617
	=====	=====

BLACKFLY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

4. SHARE PREMIUM

	<u>1996</u>	<u>1995</u>
	STG£	STG£
Share Premium	256,810 =====	219,420 =====
	IR£	IR£
Irish Pound Equivalent	254,483 =====	218,392 =====

5. PROFIT AND LOSS ACCOUNT

	<u>1996</u>	<u>1995</u>
	IR£	IR£
At 31st. December, 1995	3,135	(4,752)
Translation Adjustment	1,737	7,887
At 31st. December, 1996	<u>4,872</u> =====	<u>3,135</u> =====

6. CONTINGENT LIABILITIES

The Company has guaranteed the borrowings of its subsidiary equivalent to IR£49,310.

7. APPROVAL OF FINANCIAL STATEMENTS

These Financial Statements were approved by the Directors on 9th. September, 1997