REGISTERED NUMBER: 255647 (England and Wales)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2007

FOR

BWA GROUP PLC

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2007

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2007

DIRECTORS:	D Steavenson (Chairman) R Armstrong P Redmond
SECRETARY:	JMV Butterfield
REGISTERED OFFICE:	50 Broadway Westminster London SW1H 0BL
REGISTERED NUMBER:	255647 (England and Wales)
AUDITORS:	Additions Queen Insurance Buildings 7 Queen Avenue Liverpool Merseyside L2 4TZ
SOLICITORS:	Bircham Dyson Bell 50 Broadway Westminster London SW1H 0BL
FINANCIAL ADVISERS:	Merchant Capital plc 7th Floor Aldermary House 10-15 Queen Street London EC4N 1TX
REGISTRARS:	Capita Registrars 34 Beckenham Road Beckenham Kent BR3 4TU

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 APRIL 2007

In the twelve months to 30 April 2007, the Company made a loss of £41,797. However your attention is drawn to the disclosures made in Note 17 of the accounts concerning a decision to provide in full against a loan of £100,000 made by the Company after the year end to a business it believed it would acquire. Shareholders may have noticed that the publication of these accounts has been delayed, and this was due to the desire of the Board to clarify the position with regard to this loan, the background to which is explained in some detail below.

Your Board has for some time been seeking to consummate a reverse takeover transaction. Shortly after the end of the year under review, it was approached by an organisation which specialised in identifying and investing in transactions in the mining sector with a South African gold opportunity. The organisation concerned was confident that it could raise the necessary funding to meet the target's business plan and it effectively entered into a partnership with BWA to deliver the acquisition. If the business concerned met its forecasts, there was the promise of significant upside for BWA's shareholders. In order to secure this transaction, it was necessary to make a loan of £100,000 to the target company in order to meet short term costs and to progress its business plan. Since the Company did not have sufficient funds, it raised £100,000 (half of which came from our new partner) in the form of zero interest unsecured convertible loan notes which converted into new ordinary shares at 0.5p per share. Since the then par value was 2p per share, it was necessary to effect a capital reorganisation whereby the existing ordinary shares were subdivided into 1 new ordinary share of 0.5p and one new deferred share of 1.5p. The latter have limited rights and are effectively of no value.

The acquisition was dependent on the target company securing a number of permissions from the Department of Mines in South Africa. Whereas some years ago, these would have been granted as a matter of course and in a timely manner, this proved no longer to be the case and the resultant delays resulted in the loss of some of the properties that would have formed part of the business. The management team of the target sought to replace these with other properties but have been unsuccessful in its efforts with the result that it became clear that there was no longer a viable business to acquire.

Your Board has sought repayment of the loan made and also payment of the fees incurred by the Company relating to this transaction, as provided for under the terms of an agreement specifically relating to this issue. To date, the Company has been unsuccessful in its efforts and, as a result, has deemed it necessary to provide against the loan in full. It is also necessary to settle outstanding creditors, most of which arose in relation to the aborted transaction. Certain of these amounts are under negotiation and the solvency of the company depends on the outcome of these discussions. The Board has exercised its right to effect mandatory conversion of the loan notes rather than leave these as a potential liability and, accordingly, 20m new ordinary shares have been issued to the holders of the convertible loan notes, thus taking the number of ordinary shares in issue up to 39.24m.

D Steavenson
Chairman

The directors present their report with the financial statements of the Company for the year ended 30 April 2007.

PRINCIPAL ACTIVITY
The Company did not trade during the year under review.

REVIEW OF BUSINESS
The results for the year and financial position of the Company are set out in the attached financial statements.

The review of business is referred to within the Chairman's Statement.

Details of events occurring since the year end date are set out in Note 17 of the accounts.

KEY PERFORMANCE INDICATOR
BWA has minimised the administration costs in line with the annual budget.

DIVIDENDS
No dividends will be distributed for the year ended 30 April 2007.

DIRECTORS
The directors during the year under review were:

D Steavenson
R Armstrong
P Redmond

SUBSTANTIAL SHAREHOLDINGS
Shareholdings of 3% and more of the issued share capital of the Company were extracted from the shareholders' register at close of business on 16 October 2008 as follows:

	Number	%
Ordinary 0.5p shares		
Resource Services Limited	10,000,000	25.48
Fiske Nominees	6,475,000	16.50
Bath Limited	2,575,880	6.56
P Redmond	2,475,000	6.31
J Butterfield	1,875,000	4.78
R Armstrong	1,800,000	4.58
WB Nominees	1,250,144	3.18
Merchant House Group plc	1,200,000	3.06

COMPANY'S POLICY ON PAYMENT OF CREDITORS
The Company endeavours to ensure that all payments to suppliers are made within mutually agreed credit terms, although it does not follow any specified code or standard payment practice. In cases where a dispute arises, the Company seeks to resolve it promptly and amicably to minimise delays in payment.

FINANCIAL RISK MANAGEMENT
Information relating to the Company's financial risk management is set out in note 12 of the financial statements.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
In so far as the directors are aware:
- there is no relevant audit information of which the Company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 or loss of the Company for that period. In preparing these financial statements, the directors are 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 directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

AUDITORS
The auditors, Additions, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

....
P Redmond - Director

22 October 2008

We have audited the financial statements of BWA Group plc for the period ended 30 April 2007 which comprise the profit and loss account, the balance sheet, the cash flow statement and notes 1 to 17. 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 United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Report of the Directors is consistent with the financial statements. We also report to you if, in our opinion, 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 other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Directors and the Chairman's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 30 April 2007 and of the loss for the period then ended;

- the financial statements have been properly prepared in accordance with the Companies Act 1985; and

- the information given in the Report of the Directors is consistent with the financial statements for the period ended 30 April 2007.

Emphasis of matter - Going concern
In forming our opinion, we have considered the disclosures made in Note 17 on page 13 of the financial statements concerning events occurring after the Balance Sheet date. In view of the significance of this matter in the preparation of the financial statements on the going concern basis, we consider that this disclosure should be drawn to your attention, but our opinion is not qualified in this respect.

ADDITIONS
Registered Auditors
& Chartered Accountants
Liverpool

22 October 2008

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2007

	Notes	2007 £	2006 £
TURNOVER		-	-
Administrative expenses		43,009	27,916
OPERATING LOSS	3	(43,009)	(27,916)
Exceptional item	4	(2,908)	(13,476)
		(45,917)	(41,392)
Finance charges (net)	5	4,120	4,902
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(41,797)	(36,490)
Tax on loss on ordinary activities	6	-	-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(41,797)	(36,490)
DEFICIT FOR THE YEAR		(41,797)	(36,490)
LOSS PER SHARE - Basic	7	(0.22)p	(0.19)p

CONTINUING OPERATIONS
None of the Company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES
The Company has no recognised gains or losses other than the losses for the current year or previous year.

The notes form part of these financial statements

BALANCE SHEET
AT 30 APRIL 2007

	Notes	2007 £	2006 £
CURRENT ASSETS			
Cash at bank		99,860	126,136
		99,860	126,136
CREDITORS			
Amounts falling due within one year	8	34,136	18,615
NET CURRENT ASSETS		65,724	107,521
TOTAL ASSETS LESS CURRENT LIABILITIES		65,724	107,521
CAPITAL AND RESERVES			
Called up share capital	9	384,833	384,833
Profit and loss account	10	(319,109)	(277,312)
SHAREHOLDERS' FUNDS	11	65,724	107,521

ON BEHALF OF THE BOARD:

....
P Redmond - Director

Approved by the Board on 22 October 2008

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2007

	Notes	2007 £	2006 £
Net cash outflow from operating activities	13	(30,396)	(42,908)
Returns on investments and servicing of finance	14	4,120	4,902
		(26,276)	(38,006)
Financing		-	-
Decrease in cash in the period		(26,276)	(38,006)

Reconciliation of net cash flow to movement in net funds

Decrease in cash in the period		(26,276)	(38,006)
Movement in net funds in the period	15	(26,276)	(38,006)
Net funds at 1 May 2006	15	126,136	164,142
Net funds at 30 April 2007	15	99,860	126,136

The notes form part of these financial statements

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below.

Accounting convention
The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards up to and including FRS 28.

Basis of consolidation
The Company's subsidiary, British World Airlines Limited, went into receivership on 14 December 2001. The directors are of the opinion that it is not material for the purposes of giving a true and fair view and therefore, in accordance with section 229(2) of the Companies Act 1985, group accounts have not been prepared.

The cost of the investment was written off in the year ended 30 April 2002.

Investments
Fixed asset investments are shown at cost less provision for impairment.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date. The deferred tax balance is not discounted.

Financial instruments
Financial assets are recognised in the balance sheet at the lower of cost and net realisable value. Provision is made for diminution in value where appropriate. Income and expenditure arising on financial instruments is recognised on the accruals basis and credited or charged to the profit and loss account in the financial period to which it relates.

2. STAFF COSTS

There were no staff costs, social security or other pension costs for the year ended 30 April 2007 nor for the year ended 30 April 2006.

There were no employees during the year other than the three directors (2006: four directors).

3. OPERATING LOSS

The operating loss is stated after charging:

	2007 £	2006 £
Auditors' remuneration	5,287	5,287
Auditors' remuneration for non audit work	-	1,468
Directors' emoluments	-	-

4. EXCEPTIONAL ITEMS

	2007 £	2006 £
Costs of capital reduction	2,908	13,476

5. FINANCE CHARGES (NET)

	2007 £	2006 £
Bank interest receivable	4,127	4,902
Bank interest payable	(7)	-
	4,120	4,902

6. TAXATION

Based on the results for the period no liability to UK corporation tax arose on ordinary activities for the year ended 30 April 2007 or for the year ended 30 April 2006.

The charge for the year can be reconciled to the profit and loss account as follows:

	2007 £	2006 £
Loss before tax	41,797	36,490
Loss for the year multiplied by 19% (2006: 19%)	7,941	6,933
Tax effects of:		
Expenses not allowable for tax purposes	(552)	(2,560)
Losses to relieve in future periods	(7,389)	(4,373)
Current tax charge	-	-

If provision were to be made for the full amount of potential deferred tax assets it would create a deferred tax asset of £639,920 based on tax losses available for carry forward of £3,367,998. This would be recoverable should sufficient, allowable taxable profits arise in the future.

7. LOSS PER SHARE

Basic and diluted earnings per share figures are based on the following profits and numbers of shares:

	2007 £	2006 £
Loss before tax	41,797	36,490
	Number	Number
Weighted average number of shares	19,241,627	18,343,887

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Other creditors	8,500	8,500
Accruals and deferred income	25,636	10,115
	34,136	18,615

9. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2007 £	2006 £
500,000,000	Ordinary	2p	10,000,000	10,000,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2007 £	2006 £
19,241,627	Ordinary	2p	384,833	384,833

10. RESERVES

	Profit and loss account £
At 1 May 2006	(277,312)
Deficit for the year	(41,797)
At 30 April 2007	(319,109)

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Loss for the financial year	(41,797)	(36,490)
Nominal value of shares issued in settlement of creditors	-	25,500
Net (reduction)/addition to shareholders' funds	(41,797)	(10,990)
Opening shareholders' funds	107,521	118,511
Closing shareholders' funds	65,724	107,521
Equity interests	65,724	107,521

12. FINANCIAL INSTRUMENTS

The Company uses financial instruments comprising only cash balances that arise from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations and new acquisitions.

Short-term debtors and creditors
Short-term debtors and creditors have been excluded from all the following disclosures, other than currency risks.

Currency risk
The Company operates within the UK and all transactions are denominated in sterling. As such the Company is not exposed to transaction foreign exchange risk.

Fair values
The fair values of the Company's instruments are considered equal to the book value.

Liquidity risk
Liquidity risk is the risk that the Company will have insufficient funds to meet its liabilities as they fall due. The directors monitor cash flow on a daily basis and at monthly board meetings in the context of their expectations for the business to ensure sufficient liquidity is available to meet foreseeable needs.

Interest rate risk
The directors do not consider that the business is exposed to material interest rate risk. The Company finances its operations through cash reserves. The cash reserves held by the Company during the year have negated the need to use any interest bearing short-term borrowings.

Substantially all cash resources are invested in fixed rate interest bearing deposits. The directors seek to get the best rates possible while maintaining flexibility and accessibility.

13. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating loss	(43,009)	(27,916)
Net cash outflow from exceptional items	(2,908)	(13,476)
Decrease in debtors	-	3,742
Increase/ (Decrease) in creditors	15,521	(5,258)
Net cash outflow from operating activities	(30,396)	(42,908)

14. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2007 £	2006 £
Returns on investments and servicing of finance		
Interest received	4,127	4,902
Interest paid	(7)	-
Net cash inflow for returns on investments and servicing of finance	4,120	4,902

15. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 May 2006 £	Cash flow £	At 30 April 2007 £
Net cash:			
Cash at bank	126,136	(26,276)	99,860

16. RELATED PARTY DISCLOSURES

During the year Merchant Capital plc charged the Company £18,378 (2006 - £nil) for corporate financial services. Peter Redmond, a director of the Company, is also a director of Merchant Capital.

These fees were charged on a normal trading basis. At 30 April 2007, the balance due to Merchant Capital was £14,891 (2006 - £nil).

17. EVENTS AFTER THE BALANCE SHEET DATE

After the year end the Company conditionally agreed to acquire 74% of the issued share capital of a South African company with various mineral rights.

In order to secure this transaction it was necessary for the Company to make a loan of £100,000 to the target company to enable it to meet its short term costs and progress its business plan.

In order to finance the loan, the Board decide to issue £100,000 of convertible loan notes, which were convertible into new ordinary shares of 0.5p each at the rate of 1 new ordinary share for every 0.5p of loan note. As the nominal value of the Company's existing ordinary shares was 2p per share, Special Resolutions were passed at an Extraordinary General Meeting held on 29 May 2007 to subdivide each unissued 2p ordinary share into four new ordinary shares of 0.5p each and to subdivide each existing issued 2p ordinary share into one new ordinary share of 0.5p and one deferred share of 1.5p each.

As a result of various developments, it subsequently became clear to the Board that the target business was not viable and the transaction was aborted.

To the date of signing these financial statements, the Company has been unsuccessful in its efforts to effect repayment of the £100,000 loan and the costs incurred in relation to the transaction. The Directors intend to fully provide against the loan in the financial statements for the year ended 30 April 2008. Certain creditors which arose in relation to the aborted transaction are under negotiation and the solvency of the company depends on the outcome of these discussions.

In light of this, the Board has exercised its right to effect mandatory conversion of the loan notes and, accordingly, 20 million new ordinary shares of 0.5p each have been issued to the holders of the convertible loan notes.