REGISTERED NUMBER: 255647 (England and Wales)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2008

FOR

BWA GROUP PLC

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2008

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2008

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 Limited 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 2008

In the twelve months to 30 April 2008, the Company made a loss of £157,118. A significant part of this loss related to an abortive acquisition in the gold mining sector in South Africa. These events were described in some detail in my last statement to shareholders, but I will summarise them again. As a condition for progressing the proposed transaction, it was necessary for BWA Group to make a loan of £100,000 to the target company to enable it to meet its short term costs and to progress its business plan. In order to be in a position to make such a loan, BWA raised £100,000 in the form of zero interest unsecured convertible loan notes. However, when that company had failed to secure necessary permissions from the local Department of Mines, permissions that some years ago would have been granted as a matter of course, it became clear that there was no longer a viable business to acquire.

Your Board has endeavoured to secure repayment of the loan and also payment of the fees incurred by the Company, as provided for under the terms of the agreement specifically relating to this issue. Nevertheless, to date its efforts have proved unsuccessful. Steps have been taken to ameliorate the impact on the Company by effecting mandatory conversion of the loan notes and by negotiating with the professionals who handled the transaction, a process which is on-going. However, the loss for the year reflects the decision to write off the loan in full and also bears a charge of £43,733 relating to the costs of the transaction.

In the event that BWA is unable to secure repayment of the amounts owed to it, the Board believes that the future of the Company can only be secured by an injection of new equity capital during the course of the year, and it proposes to assess the options available to it in this respect.

D Steavenson
Chairman

The directors present their report with the financial statements of the Company for the year ended 30 April 2008.

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 19 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 2008.

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 22 February 2009 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 14 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:

....
R Armstrong - Director

24 February 2009

We have audited the financial statements of BWA Group plc for the period ended 30 April 2008 which comprise the profit and loss account, the balance sheet, the cash flow statement and notes 1 to 19. 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 2008 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 2008.

Emphasis of matter - Going concern
In forming our opinion, we have considered the adequacy of the disclosures made in the Accounting Policies - Basis of Preparing the Financial Statements on page 9 of the financial statements concerning future financing. 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

24 February 2009

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2008

		Notes	2008 £	2007 £
TURNOVER			-	-
Administrative expenses			15,340	43,009
OPERATING LOSS		3	(15,340)	(43,009)
Exceptional items	- abort costs	4	(43,733)	-
	- provision for bad debt	4	(100,000)	-
	- costs of capital reduction	4	-	(2,908)
			(159,073)	(45,917)
Finance charges (net)		5	1,955	4,120
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(157,118)	(41,797)
Tax on loss on ordinary activities		6	-	-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION			(157,118)	(41,797)
DEFICIT FOR THE YEAR			(157,118)	(41,797)
LOSS PER SHARE - Basic		7	(0.81)p	(0.22)p
- Diluted		7	(0.40)p	(0.22)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.

BALANCE SHEET
AT 30 APRIL 2008

	Notes	2008 £	2007 £
CURRENT ASSETS			
Debtors and prepayments	8	5,077	-
Cash at bank		44,257	99,860
		49,334	99,860
CREDITORS			
Amounts falling due within one year	9	40,728	34,136
NET CURRENT ASSETS		8,606	65,724
TOTAL ASSETS LESS CURRENT LIABILITIES		8,606	65,724
CAPITAL AND RESERVES			
Called up share capital	11	384,833	384,833
Other reserves	12	100,000	-
Profit and loss account	12	(476,227)	(319,109)
SHAREHOLDERS' FUNDS	13	8,606	65,724

ON BEHALF OF THE BOARD:

....
R Armstrong - Director

Approved by the Board on 24 February 2009

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2008

	Notes	2008 £	2007 £
Net cash outflow from operating activities	15	(152,558)	(30,396)
Returns on investments and servicing of finance	16	1,955	4,120
		(150,603)	(26,276)
Financing			
Proceeds on issue of convertible loan notes	16	95,000	-
Decrease in cash in the period		(55,603)	(26,276)

Reconciliation of net cash flow to movement in net funds

		2008 £	2007 £
Decrease in cash in the period		(55,603)	(26,276)
Movement in net funds in the period	17	(55,603)	(26,276)
Net funds at 1 May 2007	17	99,860	126,136
Net funds at 30 April 2008	17	44,257	99,860

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 29.

Basis of preparing the financial statements

The Directors are seeking a suitable company, business or investment to acquire in the small to medium sized sector with a view to seeking access to a UK quoted market and enhancing shareholder value. When appropriate, the Directors recognise that a further fundraising is necessary in order to provide additional resources for the Company to ensure it is able to effect such an acquisition.

The Directors consider that in preparing the financial statements they have taken into account all information that can reasonably be expected to be available including the post balance sheet events set out in Note 19. On this basis they consider that it is appropriate to prepare the financial statements on a going concern basis. This assumes that the Company will recover amounts due to it in relation to the abortive acquisition, as set out in Note 4, or that alternative finance will be raised to cover the Company's on-going working capital requirements.

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.

Compound financial instruments

The Company has adopted FRS25 Financial Instruments: disclosure and presentation.

Financial assets and liabilities are recognised in the balance sheet at the lower of cost and net realisable value when the Company becomes a party to the contractual provisions of the instrument. 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.

Convertible loan notes are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Company, is included in equity.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity. Upon conversion, the appropriate transfer is made from reserves to ordinary share capital.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan note.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

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.

2. STAFF COSTS

There were no staff costs, social security or other pension costs for the year ended 30 April 2008 nor for the year ended 30 April 2007.

There were no employees during the year other than the three directors (2007: three directors).

3. OPERATING LOSS

The operating loss is stated after charging:

	2008 £	2007 £
Auditors' remuneration	5,175	5,287
Directors' emoluments	-	-

4. EXCEPTIONAL ITEMS

	2008 £	2007 £
Costs of abortive takeover	43,733	-
Provision for bad debt	100,000	-
Costs of capital reduction	-	2,908
	143,733	2,908

During the year 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.

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 have therefore decided to fully provide against the loan and to write off in full the costs which arose in relation to the aborted transaction. They continue to pursue recovery of the debt.

5. FINANCE CHARGES (NET)

	2008 £	2007 £
Bank interest receivable	1,955	4,127
Bank interest payable	-	(7)
	1,955	4,120

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 2008 or for the year ended 30 April 2007.

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

	2008 £	2007 £
Loss before tax	157,118	41,797
Loss for the year multiplied by 20% (2007: 19%)	31,423	7,941
Tax effects of:		
Expenses not allowable for tax purposes	(28,747)	(552)
Losses to relieve in future periods	(2,676)	(7,389)
Current tax charge	-	-

The change in the UK standard rate of corporation tax from 20% to 21% with effect from 1 April 2008 is not expected to have a material impact on future taxation charges.

If provision were to be made for the full amount of potential deferred tax assets it would create a deferred tax asset of £710,090 based on tax losses available for carry forward of £3,381,383. 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:

	2008 £	2007 £
Basic		
Loss before tax	157,118	41,797
	Number	Number
Weighted average number of shares	19,241,627	19,241,627

	2008 £	2007 £
Diluted		
Loss before tax	157,118	41,797
	Number	Number
Weighted average number of shares	39,241,627	19,241,627

The comparative weighted average number of shares has been adjusted to reflect the capital reorganisation approved at an extraordinary general meeting held on 29 May 2007 (see note 11).

8. DEBTORS

	2008 £	2007 £
Other debtors	5,000	-
Prepayments	77	-
	5,077	-

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Other creditors	27,179	8,500
Accruals and deferred income	13,549	25,636
	40,728	34,136

10. CONVERTIBLE LOAN NOTES

On 3 May 2007, £100,000 unsecured convertible loan notes 2008 were issued, subject to the following terms:

Principal	*Coupon*	*Conversion terms No. 0.5p ordinary shares per £1 loan note*	*Maturity Date*	*Liability element*
£100,000	0%	200	2 May 2008	£ Nil

The notes are convertible into ordinary shares of the Company by the noteholder at any time between the date of issue of the notes and their conversion date of 2 November 2007 subject to certain conditions being met.

The loan notes will convert automatically into ordinary shares upon completion of a reverse takeover (as defined under the PLUS rules) or an acquisition or investment by the Company subject to certain conditions being met.

In the event conversion had not taken place by 8 November 2007 the loan notes may be converted at any time prior to the maturity date at the option of the Company and have therefore been treated as equity under FRS 25 Financial Instruments: Disclosure and Presentation.

11. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2008 £	2007 £
1,942,275,119	Ordinary	0.5p	9,702,375	-
19,241,627	Deferred	1.5p	297,625	-
154,300,000	CPS	2p	3,086,000	-
500,000,000	Ordinary	2p	-	10,000,000
			13,086,000	10,000,000

11. CALLED UP SHARE CAPITAL (continued)

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2008 £	2007 £
19,241,627	Ordinary	0.5p	87,208	-
19,241,627	Deferred	1.5p	297,625	-
19,241,627	Ordinary	2p	-	384,833
			384,833	384,833

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;
- subdivide each existing issued 2p ordinary share into one new ordinary share of 0.5p and one deferred share of 1.5p each; and
- increase the authorised capital of the Company to £13,086,000 by the creation of 154,300,000 Convertible Participating Preference shares (CPS) of 2p each

The Convertible Participating Preference shares rank pari passu with the ordinary shares in regard to payment of dividends or any other right or participation in the profits in the Company and with regard to a return of capital on liquidation or otherwise. The CPS will not carry any voting rights at a general meeting save in respect of any resolutions that vary the CPS rights.

The deferred shares carry no right to receive any dividend or distribution. The holders of the deferred shares have no rights to receive notice, attend, speak or vote at any general meeting of the Company. On a return of capital on liquidation or otherwise, the holders of the deferred shares are entitled to receive the nominal amount paid up on the deferred shares after the repayment of £10,000,000 per ordinary share.

12. RESERVES

	Other reserves £	Profit and loss account £
At 1 May 2007	-	(319,109)
Equity component on issue of convertible loan notes (note 10)	100,000	-
Deficit for the year	-	(157,118)
At 30 April 2008	100,000	(476,227)

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Loss for the financial year	(157,118)	(41,797)
Equity component on issue of convertible loan notes	100,000	-
Net (reduction)/addition to shareholders' funds	(57,118)	(41,797)
Opening shareholders' funds	65,724	107,521
Closing shareholders' funds	8,606	65,724
Equity interests	8,606	65,724

14. 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.

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

	2008 £	2007 £
Operating loss	(15,340)	(43,009)
Net cash outflow from exceptional items	(143,733)	(2,908)
(Increase) in debtors	(77)	-
Increase in creditors	6,592	15,521
Net cash outflow from operating activities	(152,558)	(30,396)

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

	2008 £	2007 £
Returns on investments and servicing of finance		
Interest received	1,955	4,127
Interest paid	-	(7)
Net cash inflow for returns on investments and servicing of finance	1,955	4,120
Financing		
Convertible loan notes issued	100,000	-
Unpaid amounts	(5,000)	-
Net cash inflow from financing	95,000	-

17. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 May 2007 £	Cash flow £	At 30 April 2008 £
Net cash:			
Cash at bank	99,860	(55,603)	44,257

18. RELATED PARTY DISCLOSURES

During the year Merchant Capital Limited charged the Company £14,489 (2007 - £18,378) 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 2008, the balance due to Merchant Capital was £Nil (2007 - £14,891).

19. EVENTS AFTER THE BALANCE SHEET DATE

After the year end, the Board exercised its right to effect mandatory conversion of the loan notes (note 11) and, accordingly, 20 million new ordinary shares of 0.5p each have been issued to the holders of the convertible loan notes.