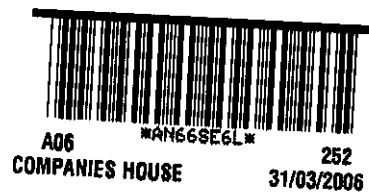


MORLANDVILLE PROPERTIES LIMITED
ABBREVIATED ACCOUNTS
FOR THE
YEAR ENDED 31 MARCH 2005

COMPANY REGISTRATION NUMBER 1101227



COHEN ARNOLD & CO.
Chartered Accountants & Registered Auditors
New Burlington House
1075 Finchley Road
LONDON NW11 0PU

MORLANDVILLE PROPERTIES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2005

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MORLANDVILLE PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the Financial Statements of the company for the year ended 31 March 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

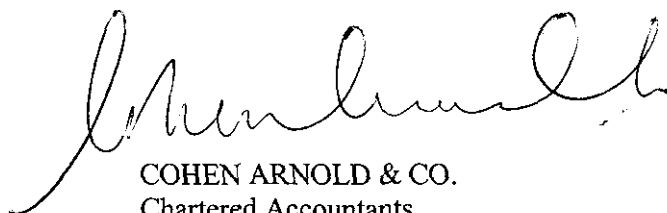
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the Financial Statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the Financial Statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



COHEN ARNOLD & CO.
Chartered Accountants
& Registered Auditors

New Burlington House
1075 Finchley Road
LONDON NW11 0PU

29/03/2006

MORLANDVILLE PROPERTIES LIMITED

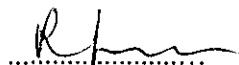
ABBREVIATED BALANCE SHEET

31 MARCH 2005

	Note	2005 £	2004 £
FIXED ASSETS	2		
Tangible assets		3,078	334
Investments		<u>331,552</u>	<u>331,552</u>
		334,630	331,886
CURRENT ASSETS			
Stocks		1,231,483	1,533,054
Debtors		6,941,906	6,612,453
Cash at bank and in hand		<u>581,199</u>	<u>156,129</u>
		8,754,588	8,301,636
CREDITORS: Amounts falling due within one year		<u>2,885,453</u>	<u>3,075,853</u>
NET CURRENT ASSETS		5,869,135	5,225,783
TOTAL ASSETS LESS CURRENT LIABILITIES		6,203,765	5,557,669
CREDITORS: Amounts falling due after more than one year	3	<u>5,876,932</u>	<u>5,336,308</u>
		<u>326,833</u>	<u>221,361</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	100	100
Profit and loss account		<u>326,733</u>	<u>221,261</u>
SHAREHOLDERS' FUNDS		<u>326,833</u>	<u>221,361</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 29/03/2006 and are signed on their behalf by:


 MRS R. GROSS

The notes on pages 3 to 4 form part of these abbreviated accounts.

MORLANDVILLE PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2005

1. ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No. 1 "Cash flow statements".

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Fixtures & Fittings	- 25% reducing balance basis
Equipment	- 25% reducing balance basis

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Format of the financial statements

The financial statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 with suitable adaptation thereof which the directors consider to be appropriate having regard to the nature of the company's activities.

MORLANDVILLE PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2005

2. FIXED ASSETS

	Tangible Assets £	Investments £	Total £
COST			
At 1 April 2004	3,071	331,552	334,623
Additions	<u>3,770</u>	<u>—</u>	<u>3,770</u>
At 31 March 2005	<u>6,841</u>	<u>331,552</u>	<u>338,393</u>
DEPRECIATION			
At 1 April 2004	2,737	—	2,737
Charge for year	<u>1,026</u>	<u>—</u>	<u>1,026</u>
At 31 March 2005	<u>3,763</u>	<u>—</u>	<u>3,763</u>
NET BOOK VALUE			
At 31 March 2005	<u>3,078</u>	<u>331,552</u>	<u>334,630</u>
At 31 March 2004	<u>334</u>	<u>331,552</u>	<u>331,886</u>

During the year the company owns 50% of the issued share capital of KAV Aberdeen Ltd which changed its name to MS Aberdeen Ltd, a property investment company incorporated in Great Britain and registered in England and Wales. MS Aberdeen Ltd accounts were not available at the time of preparation of these accounts and therefore it is not possible to disclose the Capital and Reserve figures nor the profit/loss for the period.

3. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005 £	2004 £
Bank loans and overdrafts	<u>5,876,932</u>	<u>5,336,308</u>

4. SHARE CAPITAL

Authorised share capital:

	2005 £	2004 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>