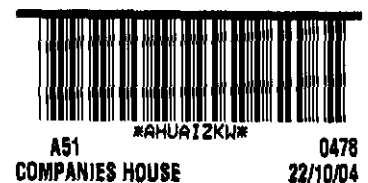


COMPANY REGISTRATION NUMBER 1,560,203

**TWH (DEVELOPMENTS) LIMITED**  
**FINANCIAL STATEMENTS**  
**31st MARCH 2004**



# **TWH (DEVELOPMENTS) LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31st MARCH 2004**

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# **TWH (DEVELOPMENTS) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

Eric Charlton  
Mark R. Dakin

**Company secretary**

Eric Charlton

**Registered office**

St Peter's House  
Hartshead  
Sheffield  
S1 2EL

**Auditors**

Robert M. Grierson & Co.  
Chartered Accountants  
& Registered Auditors  
Moor Oaks Lodge  
6 Moor Oaks Road  
Sheffield  
S10 1BX

# TWH (DEVELOPMENTS) LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31st MARCH 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2004.

### PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activities during the year were those of an investment company.

Although a small loss was incurred the directors expect the company to remain solvent during the coming year.

### RESULTS AND DIVIDENDS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

### THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE PARENT COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

|               | Ordinary shares of £1 each in the parent company |                    |
|---------------|--|--------------------|
|               | At<br>31 March 2004                              | At<br>1 April 2003 |
| Eric Charlton | 100  | 100                |
| Mark R. Dakin | <u>100</u>                                       | <u>100</u>         |

### DIRECTORS' RESPONSIBILITIES

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 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. The directors 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.

# TWH (DEVELOPMENTS) LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31st MARCH 2004

### AUDITORS

A resolution to re-appoint Robert M. Grierson & Co. as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
St Peter's House  
Hartshead  
Sheffield  
S1 2EL

Signed by order of the directors

  
ERIC CHARLTON  
Company Secretary

Approved by the directors on 15 October 2004

# **TWH (DEVELOPMENTS) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF TWH (DEVELOPMENTS) LIMITED**

**YEAR ENDED 31st MARCH 2004**

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's shareholder, 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 shareholder 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 shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 consider the implications for our report if we become aware of any apparent misstatements within it.

### **BASIS OF AUDIT 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 company's circumstances, consistently applied and adequately disclosed.

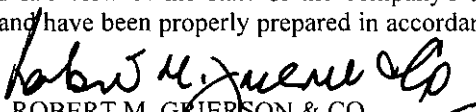
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 of the state of the company's affairs as at 31st March 2004 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Moor Oaks Lodge  
6 Moor Oaks Road  
Sheffield  
S10 1BX

15th October 2004

  
ROBERT M. GRIERSON & CO.  
Chartered Accountants  
& Registered Auditors

# TWH (DEVELOPMENTS) LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st MARCH 2004

|   | Note     | 2004<br>£            | 2003<br>£            |
|---|----------|----------------------|----------------------|
| <b>TURNOVER</b>   | <b>2</b> | —                    | 16,946               |
| Administrative expenses                                     |          | <u>6,352</u>         | <u>9,634</u>         |
| <b>OPERATING (LOSS)/PROFIT</b>                              | <b>3</b> | <b>(6,352)</b>       | <b>7,312</b>         |
| Profit on disposal of fixed assets                          | <b>6</b> | —                    | <u>69,982</u>        |
|   |          | <u>(6,352)</u>       | <u>77,294</u>        |
| Interest receivable and similar income                      |          | <b>2,107</b>         | 41,191               |
| Interest payable and similar charges                        | <b>7</b> | <u>(72)</u>          | <u>(1,789)</u>       |
| <b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |          | <u>(4,317)</u>       | <u>116,696</u>       |
| Tax on (loss)/profit on ordinary activities                 | <b>8</b> | <u>(1,414)</u>       | <u>22,339</u>        |
| <b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>  |          | <u>(2,903)</u>       | <u>94,357</u>        |
| Dividends   | <b>9</b> | —                    | 1,400,000            |
| <b>LOSS FOR THE FINANCIAL YEAR</b>                          |          | <u>(2,903)</u>       | <u>(1,305,643)</u>   |
| Balance brought forward                                     |          | <u>35,745</u>        | <u>1,341,388</u>     |
| Balance carried forward                                     |          | <u><u>32,842</u></u> | <u><u>35,745</u></u> |

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 11 form part of these financial statements.

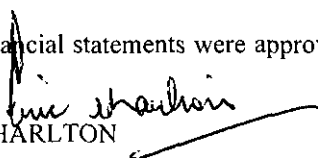
# TWH (DEVELOPMENTS) LIMITED

## BALANCE SHEET

31st MARCH 2004

|   | Note | 2004<br>£     | £             | 2003<br>£      | £             |
|---|------|---------------|---------------|----------------|---------------|
| <b>CURRENT ASSETS</b>                                 |      |               |               |                |               |
| Debtors   | 10   | 1,414         |               | —              |               |
| Cash at bank  |      | <u>35,830</u> |               | <u>126,550</u> |               |
|   |      | 37,244        |               | 126,550        |               |
| <b>CREDITORS: Amounts falling due within one year</b> | 11   | <u>4,302</u>  |               | <u>90,705</u>  |               |
| <b>NET CURRENT ASSETS</b>                             |      |               | <u>32,942</u> |                | <u>35,845</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      |               | <u>32,942</u> |                | <u>35,845</u> |
| <b>CAPITAL AND RESERVES</b>                           |      |               |               |                |               |
| Called-up equity share capital                        | 13   |               | 100           |                | 100           |
| Profit and loss account                               |      |               | <u>32,842</u> |                | <u>35,745</u> |
| <b>SHAREHOLDER'S FUNDS</b>                            | 14   |               | <u>32,942</u> |                | <u>35,845</u> |

These financial statements were approved by the directors on the 15 April 2004 and are signed on their behalf by:

  
ERIC CHARLTON  
Director

The notes on pages 8 to 11 form part of these financial statements.



# TWH (DEVELOPMENTS) LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31st MARCH 2004

|   | Note | 2004<br>£              | 2003<br>£             |
|---|------|------------------------|-----------------------|
| <b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>                           |      | <b>(4,550)</b>         | <b>(29,390)</b>       |
| <b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>                      |      |                        |                       |
| Interest received   |      | 2,107                  | 41,191                |
| Interest paid   |      | (72)                   | (1,789)               |
| <b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b> |      | <b>2,035</b>           | <b>39,402</b>         |
| <b>TAXATION</b>   |      | <b>(76,889)</b>        | <b>(69,636)</b>       |
| <b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>                         | 15   | <b>—</b>               | <b>1,619,982</b>      |
| <b>EQUITY DIVIDENDS PAID</b>  |      | <b>—</b>               | <b>(1,400,000)</b>    |
| <b>(DECREASE)/INCREASE IN CASH</b>  | 16   | <b><u>(79,404)</u></b> | <b><u>160,358</u></b> |

### RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

|   | 2004<br>£             | 2003<br>£              |
|---|-----------------------|------------------------|
| Operating (loss)/profit                           | (6,352)               | 7,312                  |
| Decrease in debtors                               | —                     | 6,798                  |
| Increase/(decrease) in creditors                  | 1,802                 | (43,500)               |
| <b>Net cash outflow from operating activities</b> | <b><u>(4,550)</u></b> | <b><u>(29,390)</u></b> |

The notes on pages 8 to 11 form part of these financial statements.

# TWH (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2004

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention.

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, *only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned.* However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

|                | 2004 | 2003   |
|----------------|------|--------|
|                | £    | £      |
| United Kingdom | —    | 16,946 |

### 3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

|                        | 2004  | 2003  |
|------------------------|-------|-------|
|                        | £     | £     |
| Auditors' remuneration |       |       |
| - as auditors          | 1,763 | 3,550 |

# TWH (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2004

### 4. PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were:

|                       | 2004     | 2003         |
|-----------------------|----------|--------------|
|                       | £        | £            |
| Wages and salaries    | —        | (250)        |
| Social security costs | —        | —            |
|                       | <u>—</u> | <u>(250)</u> |

### 5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

|                       | 2004     | 2003         |
|-----------------------|----------|--------------|
|                       | £        | £            |
| Emoluments receivable | —        | (250)        |
|                       | <u>—</u> | <u>(250)</u> |

### 6. PROFIT ON DISPOSAL OF FIXED ASSETS

|                                    | 2004     | 2003          |
|------------------------------------|----------|---------------|
|                                    | £        | £             |
| Profit on disposal of fixed assets | —        | 69,982        |
|                                    | <u>—</u> | <u>69,982</u> |

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

|                                    | 2004      | 2003         |
|------------------------------------|-----------|--------------|
|                                    | £         | £            |
| Interest payable on bank borrowing | 66        | 531          |
| Other similar charges payable      | 6         | 1,258        |
|                                    | <u>72</u> | <u>1,789</u> |

### 8. TAXATION ON ORDINARY ACTIVITIES

|  | 2004           | 2003          |
|--|----------------|---------------|
|  | £              | £             |
| Current tax:   |                |               |
| In respect of the year:  |                |               |
| UK Corporation tax based on the results for the year at 21% (2003 - 21%) | (1,414)        | 76,889        |
| Over/under provision in prior year                                       | —              | 8,250         |
| Total current tax  | <u>(1,414)</u> | <u>85,139</u> |
| Deferred tax:  |                |               |
| Origination and reversal of timing differences                           |                |               |
| Capital allowances   | —              | (62,800)      |
| Tax on (loss)/profit on ordinary activities                              | <u>(1,414)</u> | <u>22,339</u> |

### 9. DIVIDENDS

No dividend has been recommended for the year ended 31st March 2004.

# TWH (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2004

### 10. DEBTORS

|                           | 2004         | 2003     |
|---------------------------|--------------|----------|
|                           | £            | £        |
| Corporation tax repayable | <u>1,414</u> | <u>—</u> |

### 11. CREDITORS: Amounts falling due within one year

|                              | 2004         | 2003          |
|------------------------------|--------------|---------------|
|                              | £            | £             |
| Bank loans and overdrafts    | —            | 11,316        |
| Corporation tax              | —            | 76,889        |
| Accruals and deferred income | <u>4,302</u> | <u>2,500</u>  |
|                              | <u>4,302</u> | <u>90,705</u> |

### 12. RELATED PARTY TRANSACTIONS

The company's ultimate controlling party, in which the directors were partners throughout the year was Irwin Mitchell (Solicitors). Fees of £2,539 were charged in the company's financial statements for the year for legal services provided by the controlling party.

### 13. SHARE CAPITAL

#### Authorised share capital:

|                                | 2004       | 2003       |
|--------------------------------|------------|------------|
|                                | £          | £          |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |

#### Allotted, called up and fully paid:

|                            | 2004       |            | 2003       |
|----------------------------|------------|------------|------------|
|                            | No         | £          | No         |
|                            | 100        | 100        | 100        |
| Ordinary shares of £1 each | <u>100</u> | <u>100</u> | <u>100</u> |

### 14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

|                                      | 2004           | 2003               |
|--------------------------------------|----------------|--------------------|
|                                      | £              | £                  |
| (Loss)/Profit for the financial year | (2,903)        | 94,357             |
| Dividends                            | —              | (1,400,000)        |
|                                      | <u>(2,903)</u> | <u>(1,305,643)</u> |
| Opening shareholder's equity funds   | 35,845         | 1,341,488          |
| Closing shareholder's equity funds   | <u>32,942</u>  | <u>35,845</u>      |

### 15. CAPITAL EXPENDITURE

|  | 2004     | 2003             |
|--|----------|------------------|
|  | £        | £                |
| Receipts from sale of fixed assets       | —        | 1,619,982        |
| Net cash inflow from capital expenditure | <u>—</u> | <u>1,619,982</u> |

# TWH (DEVELOPMENTS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st MARCH 2004

### 16. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

|   | 2004     | 2003     |
|---|----------|----------|
|   | £        | £        |
| (Decrease)/Increase in cash in the period | (79,404) | 160,358  |
| Movement in net funds in the period       | (79,404) | 160,358  |
| Net funds at 1 April 2003                 | 115,234  | (45,124) |
| Net funds at 31 March 2004                | 35,830   | 115,234  |

### 17. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At<br>1 Apr 2003 | Cash flows | At<br>31 Mar 2004 |
|--------------------------|------------------|------------|-------------------|
|                          | £                | £          | £                 |
| Net cash:                |                  |            |                   |
| Cash in hand and at bank | 126,550          | (90,720)   | 35,830            |
| Overdrafts               | (11,316)         | 11,316     | -                 |
| Net funds                | 115,234          | (79,404)   | 35,830            |

### 18. ULTIMATE PARENT UNDERTAKING

Throughout the year the company's immediate parent undertaking was JWPKRR Limited. The ultimate parent undertaking was Irwin Mitchell(Solicitors).

# **TWH (DEVELOPMENTS) LIMITED**

## **MANAGEMENT INFORMATION**

**YEAR ENDED 31st MARCH 2004**

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditors' report on page 4.**

# TWH (DEVELOPMENTS) LIMITED

## DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st MARCH 2004

|   | 2004<br>£             | 2003<br>£             |
|---|-----------------------|-----------------------|
| <b>TURNOVER</b>                             | —                     | 16,946                |
| <b>OVERHEADS</b>                            |                       |                       |
| Administrative expenses                     | <u>6,352</u>          | <u>9,634</u>          |
| <b>OPERATING (LOSS)/PROFIT</b>              | <u>(6,352)</u>        | <u>7,312</u>          |
| Profit on disposal of fixed assets          | <u>—</u>              | <u>69,982</u>         |
|   | <u>(6,352)</u>        | <u>77,294</u>         |
| Interest receivable and similar income      | <u>2,107</u>          | <u>41,191</u>         |
|   | <u>(4,245)</u>        | <u>118,485</u>        |
| Interest payable and similar charges        | <u>(72)</u>           | <u>(1,789)</u>        |
| <b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES</b> | <u><u>(4,317)</u></u> | <u><u>116,696</u></u> |

# TWH (DÉVELOPMENTS) LIMITED

## NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st MARCH 2004

|   | 2004         |              | 2003         |               |
|---|--------------|--------------|--------------|---------------|
|   | £            | £            | £            | £             |
| <b>ADMINISTRATIVE EXPENSES</b>                |              |              |              |               |
| <b>Personnel costs</b>                        |              |              |              |               |
| Directors salaries                            |              | —            |              | (250)         |
| <b>General expenses</b>                       |              |              |              |               |
| General expenses                              | 15           |              | 29           |               |
| Legal and professional fees                   | 4,545        |              | 6,186        |               |
| Auditors remuneration                         | <u>1,763</u> |              | <u>3,550</u> |               |
|   |              | 6,323        |              | 9,765         |
| <b>Financial costs</b>                        |              |              |              |               |
| Bank charges                                  |              | 29           |              | 119           |
|   |              | <u>6,352</u> |              | <u>9,634</u>  |
| <b>INTEREST RECEIVABLE AND SIMILAR INCOME</b> |              |              |              |               |
| Bank interest receivable                      |              | 2,107        |              | 41,159        |
| Other similar income                          |              | —            |              | 32            |
|   |              | <u>2,107</u> |              | <u>41,191</u> |
| <b>INTEREST PAYABLE AND SIMILAR CHARGES</b>   |              |              |              |               |
| Bank interest payable                         |              | 66           |              | 531           |
| Interest on corporation tax                   |              | 6            |              | 1,258         |
|   |              | <u>72</u>    |              | <u>1,789</u>  |