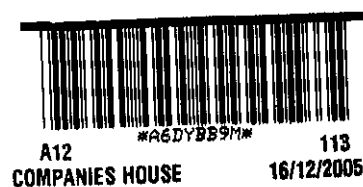


REGISTRAR OF COMPANIES

REGISTERED NUMBER: 1697219 (England and Wales)

**Report of the Directors and
Unaudited Financial Statements
for the Year Ended 30 June 2004
for
St Mary Abchurch Investments Limited**



St Mary Abchurch Investments Limited

**Contents of the Financial Statements
for the Year Ended 30 June 2004**

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St Mary Abchurch Investments Limited

**Company Information
for the Year Ended 30 June 2004**

DIRECTORS:

S A Richards
W S C Richards
A J Lewis

SECRETARY:

Tarrakarn Limited

REGISTERED OFFICE:

Lower Hope
Ullingswick
Hereford
Herefordshire
HR1 3JF

REGISTERED NUMBER:

1697219 (England and Wales)

ACCOUNTANTS:

Munday Long & Co Limited
Chartered Certified Accountants
Alton House
66/68 High Street
Northwood
Middlesex
HA6 1BL

St Mary Abchurch Investments Limited

**Report of the Directors
for the Year Ended 30 June 2004**

The directors present their report with the financial statements of the company for the year ended 30 June 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an investment company.

DIRECTORS

The directors during the year under review were:

S A Richards
W S C Richards
J A L Manby

The beneficial interests of the directors holding office on 30 June 2004 in the issued share capital of the company were as follows:

	30.6.04	1.7.03
Ordinary Shares £1 shares		
S A Richards	10,000	10,000
W S C Richards	20,000	20,000
J A L Manby	-	-

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



W S C Richards - Director

10 November 2005

St Mary Abchurch Investments Limited

Profit and Loss Account
for the Year Ended 30 June 2004

	Notes	30.6.04 £	£	30.6.03 £	£
TURNOVER			-		-
Administrative expenses			<u>154,180</u>		<u>(41,579)</u>
			154,180		(41,579)
Other operating income			<u>129</u>		<u>-</u>
OPERATING PROFIT/(LOSS)	2		154,309		(41,579)
Profit/loss on sale of invest			<u>25,923</u>		<u>(112,565)</u>
			180,232		(154,144)
Income from fixed asset investments		15,954		14,841	
Interest receivable and similar income		<u>10,115</u>		<u>23,758</u>	
			<u>26,069</u>		<u>38,599</u>
			206,301		(115,545)
Amounts written off investments	3		<u>85,087</u>		<u>6,700</u>
			291,388		(108,845)
Interest payable and similar charges			<u>(20,000)</u>		<u>(20,749)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			271,388		(129,594)
Tax on profit/(loss) on ordinary activities	4		<u>(60,681)</u>		<u>5,668</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION			<u>210,707</u>		<u>(123,926)</u>
RETAINED PROFIT/(DEFICIT) FOR THE YEAR			<u>210,707</u>		<u>(123,926)</u>

The notes form part of these financial statements

St Mary Abchurch Investments Limited

**Balance Sheet
30 June 2004**

	Notes	30.6.04 £	30.6.03 £
FIXED ASSETS			
Investments	5	1,243,878	556,925
CURRENT ASSETS			
Debtors	6	104,078	215,371
Cash at bank		181,084	654,443
		<u>285,162</u>	<u>869,814</u>
CREDITORS			
Amounts falling due within one year	7	101,184	209,590
NET CURRENT ASSETS		<u>183,978</u>	<u>660,224</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,427,856</u>	<u>1,217,149</u>
CREDITORS			
Amounts falling due after more than one year	8	200,000	200,000
		<u>1,227,856</u>	<u>1,017,149</u>
CAPITAL AND RESERVES			
Called up share capital	9	60,000	60,000
Profit and loss account	10	1,167,856	957,149
SHAREHOLDERS' FUNDS		<u>1,227,856</u>	<u>1,017,149</u>

The notes form part of these financial statements

St Mary Abchurch Investments Limited

Balance Sheet - continued
30 June 2004

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 June 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



W S C Richards - Director

Approved by the Board on 10 November 2005

The notes form part of these financial statements

St Mary Abchurch Investments Limited

**Notes to the Financial Statements
for the Year Ended 30 June 2004**

1. ACCOUNTING POLICIES

Accounting convention

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).

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT/(LOSS)

The operating profit (2003 - operating loss) is stated after charging:

	30.6.04	30.6.03
	£	£
Auditors' remuneration	59	2,436
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	-	-
	<u> </u>	<u> </u>

3. AMOUNTS WRITTEN OFF INVESTMENTS

	30.6.04	30.6.03
	£	£
Amounts written off investment	9,126	163,624
Provisions written back	(94,213)	(170,324)
	<u> </u>	<u> </u>
	(85,087)	(6,700)
	<u> </u>	<u> </u>

4. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	30.6.04	30.6.03
	£	£
Current tax:		
UK corporation tax	31,966	-
Under provision in prior years	-	23,047
	<u> </u>	<u> </u>
Total current tax	31,966	23,047
Deferred tax:		
Tax losses carried forward	28,715	(28,715)
	<u> </u>	<u> </u>
Tax on profit/(loss) on ordinary activities	60,681	(5,668)
	<u> </u>	<u> </u>

St Mary Abchurch Investments Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2004**

4. TAXATION - continued

Factors affecting the tax charge/(credit)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.04	30.6.03
	£	£
Profit/(loss) on ordinary activities before tax	<u>271,388</u>	<u>(129,594)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003 - 0%)	81,416	-
Effects of:		
Unrealised gains	(25,526)	-
Expenses not allowable for tax	210	-
Excess management charges brought forward	(11,571)	-
Capital losses brought forward	(7,777)	-
Franked investment income	(4,786)	-
Underprovided in earlier years	-	23,047
Current tax charge/(credit)	<u>31,966</u>	<u>23,047</u>

5. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
COST			
At 1 July 2003	664,721	1,000	665,721
Additions	<u>504,287</u>	<u>97,579</u>	<u>601,866</u>
At 30 June 2004	<u>1,169,008</u>	<u>98,579</u>	<u>1,267,587</u>
PROVISIONS			
At 1 July 2003	108,796	-	108,796
Provision for year	9,126	-	9,126
Provision written back	<u>(94,213)</u>	<u>-</u>	<u>(94,213)</u>
At 30 June 2004	<u>23,709</u>	<u>-</u>	<u>23,709</u>
NET BOOK VALUE			
At 30 June 2004	<u>1,145,299</u>	<u>98,579</u>	<u>1,243,878</u>
At 30 June 2003	<u>555,925</u>	<u>1,000</u>	<u>556,925</u>

Market value of listed investments at 30 June 2004 - £1,828,169 (2003 - £861,730).

St Mary Abchurch Investments Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2004**

6. DEBTORS

	30.6.04 £	30.6.03 £
Amounts falling due within one year:		
Due from related companies	4,000	-
Deferred tax asset		
Tax losses carried forward	-	28,715
Amounts due from company under common control	68,377	154,955
	<u>72,377</u>	<u>183,670</u>
Amounts falling due after more than one year:		
Taxation	<u>31,701</u>	<u>31,701</u>
Aggregate amounts	<u>104,078</u>	<u>215,371</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.04 £	30.6.03 £
Taxation	31,966	-
Other creditors	36,000	24,000
Accruals	10,018	169,590
Directors' current accounts	23,200	16,000
	<u>101,184</u>	<u>209,590</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.04 £	30.6.03 £
Convertible loan stock	<u>200,000</u>	<u>200,000</u>

The loan stock is convertible into 20,000 ordinary shares or redeemable at par in whole or in part on 30 June and 31 December 1997 to 2004.

9. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:			30.6.04	30.6.03
Number:	Class:	Nominal value:	£	£
60,000	Ordinary Shares	£1	<u>60,000</u>	<u>60,000</u>

St Mary Abchurch Investments Limited

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2004**

10. RESERVES

	Profit and loss account £
At 1 July 2003	957,149
Retained profit for the year	210,707
At 30 June 2004	<u>1,167,856</u>

11. TRANSACTIONS WITH DIRECTORS

During the year under review the company paid W S C Richards, £ 10,000 (2002 - £10,000) in respect of interest on his £100,000 convertible loan stock. All transactions took place under normal commercial terms.

12. RELATED PARTY DISCLOSURES

During the year under review the company was charged £nil (2003 -£ 36,736), by Tarrakarn Limited, a company owned and controlled by the directors, for management services. All transactions took place under normal commercial terms. Furthermore, accrued management charges relating to earlier years totalling £160,054 due to Tarrakarn Ltd were waived by mutual agreement.

Last year the company paid Carter Consolidated Limited, a company owned and controlled by D H Carter £625 (2002 - £2,150), for professional services carried out on the company's behalf. All transactions took place under normal commercial terms.

Last year the company paid Tarrakarn Limited £1,000 , for professional services carried out on the company's behalf. All transactions took place under normal commercial terms.

During the year under review, the company paid J L A Manby £2,281 (2003 - £1,047) for professional services carried out on the company's behalf. All transactions took place under normal commercial terms.

The company owns shares in the following companies where W S C Richards is also a director and shareholder. The percentage shareholding represents the total holding of the company, W S C Richards and St Mary Abchurch Investments (1984) Ltd, an associated company.

	2004	2003
	%	%
Xpertise Group Plc	5.20	5.20
Corin Group Plc	1.40	1.07
Minerva Plc	0.13	0.13