

PFL (EUROPE) LIMITED

DIRECTORS REPORT

The Directors submit their report and the financial statements for the year ended 31st March 2004.

PRINCIPAL ACTIVITY

The principal activity of the company during the period under review was acting as a nominee/agent/trustee.

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 3.

The Directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The Directors who served during the year and to the date of this report were: -

John Lansbury
JLA Services Ltd (resigned 15 June 2004)

The Directors did not have any interest in the share capital of the company during the period.

STATEMENT OF 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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements 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 the company will continue in business.

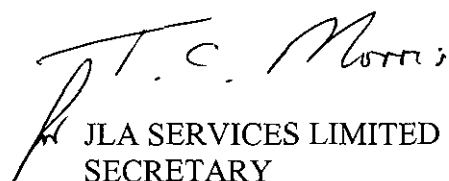


The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence to taking reasonable steps for the prevention and detection of fraud and other irregularities.

SECRETARY AND REGISTERED OFFICE

The secretary of the company is JLA Services Limited and the Registered Office is situated at 1, Cloth Court, Cloth Fair, London EC1A 7LS.

BY ORDER OF THE BOARD


JLA SERVICES LIMITED
SECRETARY

PFL (EUROPE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED

31ST MARCH 2004

(Expressed in Pounds Sterling)

	NOTE	2004	2003
Turnover and gross profit	1.3	-	-
Administration expenses		-	-
		<hr/>	<hr/>
Net operating loss before taxation	2	-	-
Taxation	4	-	-
		<hr/>	<hr/>
Net operating loss after taxation		-	-
Loss brought forward		(1,500)	(1,500)
Dividends		-	-
		<hr/>	<hr/>
Loss carried forward		(1,500)	(1,500)
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PFL (EUROPE) LIMITED

BALANCE SHEET AS AT 31ST MARCH 2004

(Expressed in Pounds Sterling)

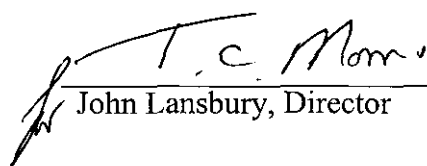
	NOTE	2004	2003
CURRENT ASSETS			
Debtors	5	2	2
CURRENT LIABILITIES			
Creditors, amounts falling due within one year		(1,500)	(1,500)
NET LIABILITIES		<u>(1,498)</u>	<u>(1,498)</u>
CAPITAL AND RESERVES			
Called up share capital	6	2	2
Profit and loss account		(1,500)	(1,500)
		<u>(1,498)</u>	<u>(1,498)</u>

In the opinion of the directors, the company is entitled for the year ended 31st March 2004 to the exemption conferred in Section 249A(1) of the Companies Act 1985. Members have not required the company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1995
- (ii) preparing financial statements which give a true and fair view of the state of the affairs of the company as at 31st March 2004 and of its loss for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to financial statements so far as applicable to the company.

Approved by the Board on 4th December 2004



John Lansbury, Director

PFL (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2004

(Expressed in Pounds Sterling)

1. ACCOUNTING POLICIES

1.1 Accounting convention

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

1.2 Foreign currencies

The financial statements are presented in Pounds Sterling being the currency in which the underlying books of account are maintained and the deemed functional currency of the company.

Assets and liabilities denominated in foreign currencies are translated into Pounds Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into Pounds Sterling at the approximate rates ruling at the date of the transaction.

All exchange differences thus arising are taken to profit and loss account.

1.3 Turnover

There was no turnover during the period under review.

2. NET OPERATING LOSS BEFORE TAXATION

Net operating loss before taxation is stated after charging :

	2004	2003
Auditors remuneration	-	-
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All expenses incurred by the Company for the year were taken up by the Shareholders.

PFL (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST MARCH 2004

(Expressed in Pounds Sterling)

3. EMPLOYEES

The average weekly number of employees during the period was 2 (2003: 2), including Directors.

None of the Directors received any emoluments.

4. TAXATION

No provision has been made for taxation in view of the reported results in these financial statements.

5. DEBTORS

	2004	2003
Due from shareholders	2	2
	<u>2</u>	<u>2</u>

6. SHARE CAPITAL

Authorised :

1,000 ordinary shares of
£1 each

<u>1,000</u>	<u>1,000</u>
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Allotted, called up and not paid :
2 ordinary shares of £1 each

<u>2</u>	<u>2</u>
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