

COFTON IRISH INVESTMENTS LIMITED**COMPANY INFORMATION****DIRECTORS**

Pierce G Molony
Judith D Molony

SECRETARY

Jordon Company Secretaries Limited

REGISTERED OFFICE

20-22 Bedford Row
London
WCR 4JS

REGISTERED NUMBER

2398604

BANKERS

Bank of Scotland (Ireland)
Harcourt Street,
Dublin 2,
Ireland.

Allied Irish Banks PLC
O'Connell Street,
Dublin 1,
Ireland

AUDITORS

M. J. O'Connor & Co.,
Certified Public Accountants,
64 North Strand Road,
Dublin 3,
Ireland



COFTON IRISH INVESTMENTS LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements for the period ended 31 December 2003.

Principal Activity

The principal activity of the Company is that of property investment.

Business review and future developments

The Company plans to continue its present activities in property rentals.

Results and dividends

The profit for the period amounted to £136,148 (2002 - £137,195). A dividend of £136,148 has been paid (2002 - £137,195) and the remainder has been transferred to reserves.

Directors

The directors of the Company are set out on page 1. All of the directors served throughout the period.

Directors' interests in shares of the company

None of the directors have a beneficial interest in the shares of the Company as defined by the Companies Act 1985.

The interest of the directors in the shares of the ultimate holding company Bumalda Investments are discussed in the financial statements of that company.

COFTON IRISH INVESTMENTS LIMITED**REPORT OF THE DIRECTORS
(Continued)****Directors Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true & fair view of the state of the affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors have;

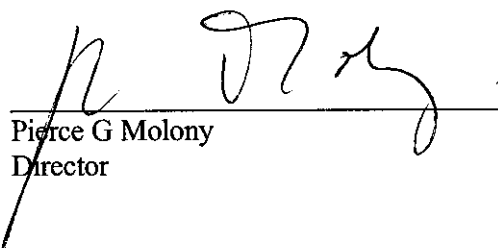
- ◆ Selected suitable accounting policies and then applied them consistently.
- ◆ Make judgements and estimates that are reasonable and prudent.
- ◆ Followed applicable accounting standards and
- ◆ Prepared the financial statements on a going concern basis

The Directors are responsible for keeping proper accounting records which 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, M J. O'Connor & Co., are willing to continue in office, and a resolution to reappoint them will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 10th September 2004 and signed on its behalf by;



Pierce G Molony
Director

**INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF
COFTON IRISH INVESTMENTS LIMITED**

We have audited the financial statements on pages 5 to 12 which have been prepared on the basis of accounting policies set out on page 8.

Respective responsibilities of Directors and Auditors

As described on page 3 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

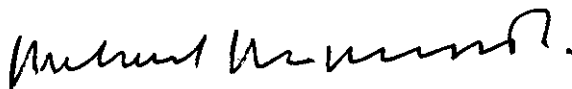
Basis of opinion

We conducted our audit in accordance with 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 December 2003 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



M J. O'Connor & Co.,
Certified Public Accountants
& Registered Auditors

64 North Strand Road,
Dublin 3.
10 September 2004.

COFTON IRISH INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2003**

	Note	Period Ended 31 st December 2003	Period Ended 31 st December 2002
		£	£
Turnover – continuing operations	2	189,156	184,906
Gross Profit		189,156	184,906
Administrative expenses		(32,968)	(25,407)
		<hr/>	<hr/>
Operating profit – continuing operations	3	156,188	159,499
		<hr/>	<hr/>
Profit on ordinary activities before taxation		156,188	159,499
Tax on profit on ordinary activities	6	(20,040)	(22,304)
Dividend paid		(136,148)	(137,195)
		<hr/>	<hr/>
Profit/(Loss) for the financial period		-	-
		<hr/>	<hr/>

All results are derived from continuing operations

The company has no recognised net gains or losses except as reported in the above profit and loss Accounts for the period or the prior year.

There is no difference between the profit reported above and the profit reported on a historic cost basis.

COFTON IRISH INVESTMENTS LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES
FOR THE PERIOD ENDED 31 DECEMBER 2003**

	Period ended 31 December 2003	Period ended 31 December 2002
	£	£
Profit/(Loss) for the financial period	-	-
Foreign currency exchange differences	(173,820)	245,286
	<hr/>	<hr/>
Total Recognised gains / (losses)	(173,820)	245,286
	<hr/>	<hr/>

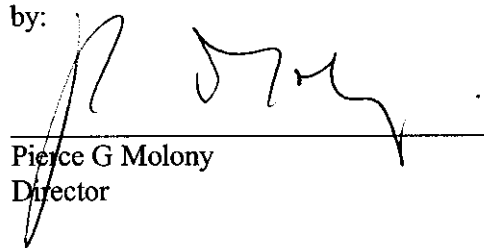
**RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS
FOR THE PERIOD ENDED 31 DECEMBER 2003**

	Period ended 31 December 2003	Period ended 31 December 2002
	£	£
Total recognised gains/losses	(173,820)	245,286
Opening Shareholders funds	497,073	251,787
	<hr/>	<hr/>
Closing Shareholders funds	323,253	497,073
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COFTON IRISH INVESTMENTS LIMITED**BALANCE SHEET
FOR THE PERIOD ENDED 31 DECEMBER 2003**

	Note	Period ended 31 December 2003	Period ended 31 December 2002
		£	£
Fixed Assets			
Investment Properties	7	1,866,003	1,866,003
Current Assets			
Debtors	8	182,938	22,050
Cash at bank & in hand		-	36,281
		182,938	58,331
Creditors: amounts falling due within one year	9	(1,725,588)	(1,427,161)
Net current liabilities		(1,542,650)	(1,368,830)
Total assets less current liabilities		323,353	497,173
Net Assets		323,353	497,173
Capital & Reserves			
Called up share capital	10	100	100
Investment revaluation reserve	11	339,538	339,538
Profit & loss account	11	(16,285)	157,535
Equity Shareholders' funds		323,353	497,173

The financial statements were approved by the Board on 10th September 2004 and signed on its behalf by:



Pierce G Molony
Director

COFTON IRISH INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements are prepared in accordance with applicable accounting standards under the historical cost convention as modified by the revaluation of certain land and buildings.

Foreign Currencies

Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at the balance sheet date. The trading results are translated into sterling at the average rate for the period. Exchange differences arising in respect of the revenue transactions in the accounting period are included in the profit and loss account. Other exchange differences are taken to reserves.

Turnover

Turnover comprises rent and charges to clients and the invoiced value of properties sold excluding value added tax.

Taxation

The charge for taxation is based on the profit for the period for the period and takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

Investment Properties

Investment properties are re-valued annually and the surplus or deficit is transferred to Revaluation Reserve. In accordance with SSAP 19 no depreciation or amortisation is provided in respect of freehold investment properties and leasehold properties with over 20 years to run.

The directors consider that this accounting policy results in the accounts giving a true & fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount, which might otherwise have been shown, cannot be separately identified & quantified.

COFTON IRISH INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003****2. TURNOVER**

	Period ended 31 December 2003	Period ended 31 December 2002
Rents receivable	189,156	184,906
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3. OPERATING PROFIT

Operating profit is arrived at after charging

	Period ended 31 December 2003	Period ended 31 December 2002
Auditors remuneration	952	910
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4. EMPLOYEES

The company had no employees during the period

5. DIRECTORS

Directors emoluments for the year were £23,645 (2002 - £22,475)

COFTON IRISH INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003**

6. TAXATION

	Period ended 31 December 2003	Period ended 31 December 2002
Corporation tax	20,040	22,304
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7. INVESTMENT PROPERTIES

	Period ended 31 December 2003	Period ended 31 December 2002
At 31 December 2002	1,866,003	1,866,003
At 31 December 2003	1,866,003	1,866,003
	<hr/>	<hr/>

8. DEBTORS

	Period ended 31 December 2003	Period ended 31 December 2002
Trade debtors	182,938	22,050
	<hr/>	<hr/>
	182,938	22,050
	<hr/>	<hr/>

COFTON IRISH INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003****9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Period ended 31 December 2003	Period ended 31 December 2002
Amounts owed to parent & fellow Subsidiary undertakings	1,540,742	1,370,149
Corporation Tax	18,869	17,555
Accruals & deferred income	165,977	39,457
	<hr/>	<hr/>
	1,725,588	1,427,161

10. SHARE CAPITAL

	Period ended 31 December 2003	Period ended 31 December 2002
Authorised 250,000 Ordinary Shares of £1 each	250,000	250,000
Allotted & fully paid 100 Ordinary shares of £1 each	<hr/> 100	<hr/> 100

11. RESERVES

	Investment Revaluation Reserve	Profit and loss account	Total
At 31 December 2002	339,538	(157,535)	497,073
Profit/Loss for the period	-	-	-
Other foreign exchange	-	-	-
Translation Differences	-	173,820	173,820
	<hr/>	<hr/>	<hr/>
At 31 December 2003	339,538	16,285	323,253

COFTON IRISH INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003**

12. BANK LOANS, OVERDRAFTS AND CONTINGENT LIABILITIES

The group's banking facilities are subject to cross guarantees entered into by the holding company and its subsidiaries. The company has created a fixed and floating charge over all its assets to secure all amounts owing to Bank of Scotland (Ireland)

13. PARENT UNDERTAKING

The ultimate parent company is Bumalda Holdings, which is registered in Dublin. Bumalda Holdings is an unlimited company.