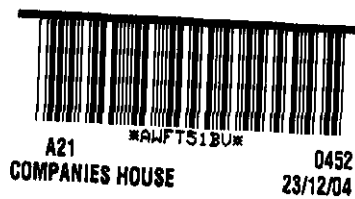


Drivepatch Limited

Director's report and financial statements

for the year ended 31 March 2004

Registered number 2759001



Drivepatch Limited

Director's report and financial statements

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Drivepatch Limited

Director's report

The director presents his report and the financial statements for the year ended 31 March 2004.

Director's responsibilities

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the director is required to:

- select suitable accounting policies and 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 that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Principal activity

The principal activity of the company was the holding of land for development.

Director and his interest

The director who served during the year and his interests in the company are as stated below:

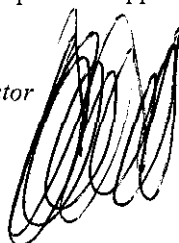
	Ordinary shares	
	2004	2003
KE Watkin	519,939	519,939

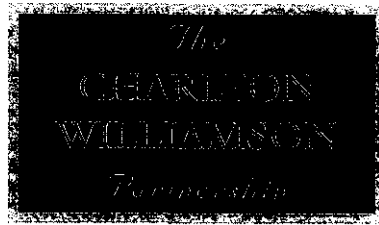
KE Watkin also holds an interest in one deferred non-voting ordinary share at the beginning and end of the year.

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

This report was approved by the director on 20 December 2004

Director





ACCOUNTANTS & BUSINESS ADVISERS

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**Accountants' report on the unaudited financial statements to the director of
Drivepatch Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 March 2004 set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

The Charlton Williamson Partnership

Accountants & Business Advisers

Date: *20 December 2004*

Drivepatch Limited

Profit and loss account

for the year ended 31 March 2004

		2004	2003
	Notes	£	£
Administrative expenses		(3,951)	38,095
Operating (loss)/profit - continuing operations	2	(3,951)	38,095
Interest receivable and similar income		-	1
Interest payable and similar charges		(332)	(1,429)
(Loss)/profit on ordinary activities before taxation		(4,283)	36,667
Taxation	3	-	(5,163)
(Loss)/profit for the financial year	8	(4,283)	31,504

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 8 form an integral part of these financial statements.

Drivepatch Limited

Balance sheet

at 31 March 2004

	Notes	£	2004 £	£	2003 £
Current assets					
Cash at bank and in hand		109		475	
		<u>109</u>		<u>475</u>	
Creditors: amounts falling due within one year	4	(227,197)		(225,583)	
Net current liabilities			(227,088)		(225,108)
Total assets less current liabilities			(227,088)		(225,108)
Creditors: amounts falling due after more than one year	5		(1,011,378)		(1,009,073)
Deficiency of assets			<u>(1,238,466)</u>		<u>(1,234,181)</u>
Capital and reserves					
Called up share capital	6		622,152		622,152
Share premium account	7		14,703		14,703
Profit and loss account	7		<u>(1,875,321)</u>		<u>(1,871,036)</u>
Equity shareholders' funds	8		<u>(1,238,466)</u>		<u>(1,234,181)</u>

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 8 form an integral part of these financial statements.

Drivepatch Limited

Balance sheet (continued)

Director's statements required by Section 249B(4)

for the year ended 31 March 2004

In approving these financial statements as director of the company I hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 March 2004 and

(c) that I acknowledge my responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

The financial statements were approved by the director on 20 December 2004

Director



The notes on pages 6 to 8 form an integral part of these financial statements.

Drivepatch Limited

Notes to the financial statements

for the year ended 31 March 2004

1 Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention .

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director consider that a liability to taxation is unlikely to materialise.

2	Operating (loss)/profit	2004	2003
		£	£
	<i>Operating (loss)/profit is stated after charging:</i>		
	Director's remuneration	-	-
		<hr/>	<hr/>
	<i>and after crediting:</i>		
	Profit on disposal of tangible fixed assets	-	42,010
		<hr/>	<hr/>
3	Taxation		
	Analysis of charge in period	2004	2003
		£	£
	Current tax		
	UK corporation tax	-	5,163
		<hr/>	<hr/>
4	Creditors: amounts falling due within one year	2004	2003
		£	£
	Trade creditors	1,905	2,229
	Amounts owed to related companies	204,443	202,698
	Corporation tax	5,495	5,163
	Other taxes and social security costs	12,631	13,023
	Other loans	1,223	970
	Accruals and deferred income	1,500	1,500
		<hr/>	<hr/>
		227,197	225,583
		<hr/>	<hr/>

Drivepatch Limited

Notes to the financial statements

for the year ended 31 March 2004

5	Creditors: amounts falling due after more than one year	2004 £	2003 £
	Director's loan account	<u>1,011,378</u>	<u>1,009,073</u>

The director's loan account is interest free and subordinated to the rights of other creditors.

6	Share capital	2004 £	2003 £
	<i>Authorised equity</i>		
	Ordinary shares of £1 each	784,400	784,400
	Deferred non-voting shares of £1 each	<u>215,600</u>	<u>215,600</u>
		<u>1,000,000</u>	<u>1,000,000</u>
	<i>Allotted, called up and fully paid equity</i>		
	Ordinary shares of £1 each	622,150	622,150
	Deferred non-voting shares of £1 each	<u>2</u>	<u>2</u>
		<u>622,152</u>	<u>622,152</u>

7	Reserves	Share premium account £	Profit and loss account £	Total £
	At beginning of year	14,703	(1,871,038)	(1,856,335)
	Loss for the year	-	(4,283)	(4,283)
	At end of year	<u>14,703</u>	<u>(1,875,321)</u>	<u>(1,860,618)</u>

8	Reconciliation of movements in shareholders' funds	2004 £	2003 £
	(Loss)/profit for the year	(4,283)	31,504
	Opening shareholders' funds	<u>(1,234,181)</u>	<u>(1,265,685)</u>
	Closing shareholders' funds	<u>(1,238,464)</u>	<u>(1,234,181)</u>

Drivepatch Limited

Notes to the financial statements

for the year ended 31 March 2004

9 Related party transactions

The director considers Pacelong Limited, Burgham Park Developments Limited, UK Yachts Limited and Tyne Theatre and Opera House Limited to be related parties as they are under the control of common shareholders. Included in these financial statements are transactions with these related parties as follows:

	2004 £	2003 £
Included in creditors: amounts falling due within one year	204,443	202,698

10 Subsidiary undertaking

The company is the sole member of a company limited by guarantee, Stakeshare Limited, which is incorporated in England and whose principal activity was the operation of a golf course members club. The company did not trade during the year.

	Last financial period end	Aggregate capital and reserves	Result for period
Stakeshare Limited	31 March 2004	£(116,432)	£-

Drivepatch Limited

The following pages do not form part of the statutory accounts.

Drivepatch Limited

Detailed trading profit and loss account

for the year ended 31 March 2004

	£	2004 £	£	2003 £
Administrative expenses				
Rent and rates	951		909	
Light and heat	1,308		2,034	
Repairs and maintenance	1,703		1,541	
Legal and professional	-		15	
Bank charges	21		68	
Write off of amounts owed by related companies	115		-	
General expenses	(147)		(652)	
Profit on disposal of tangible fixed assets	-		(42,010)	
		3,951		(38,095)
Operating (loss)/profit		(3,951)		38,095
Interest receivable				
Bank deposit interest	-		1	
		-		1
Interest payable				
Interest on VAT and surcharges	-		1,429	
Interest on overdue tax	332		-	
		(332)		(1,429)
Net (loss)/profit for the year		(4,283)		36,667