

Company Registration No. 2962158

**TOWERBOND ASSOCIATES LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2004**

11114-B-2004

**Registered Office**  
5 Bourlet Close  
London  
W1W 7BL



# TOWERBOND ASSOCIATES LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

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The directors present their report and financial statements for the year ended 31 December 2004.

### Principal activity

The principal activity of the company is that of an investment company.

### Review of the business and future developments

The directors consider that the results of the company are satisfactory and that the company is expected to continue at its present levels in the future.

### Results and dividends

The results for the year are set out on page 4.

No dividends have been declared or paid during this or the comparative period.

### Directors

The following directors have held office since 1 January 2004:

M Denton

T Lane

The directors have no interest in the issued share capital of the company.

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Matthew Edwards & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

### 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 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. 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.

On behalf of the board



M Denton (Director)

Date: 26/10/05

**MATTHEW EDWARDS & CO**  
CHARTERED ACCOUNTANTS

Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ  
Telephone: +44 (0) 1624 663166 Facsimile: +44 (0) 1624 677108  
E-mail: [audit@matthew-edwards.com](mailto:audit@matthew-edwards.com)

**TOWERBOND ASSOCIATES LIMITED**

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF TOWERBOND ASSOCIATES LIMITED**

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We have audited the financial statements of Towerbond Associates Limited on pages 4 to 13 for the year ended 31 December 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the directors and auditors**

As described in the statement of directors' responsibilities on page 1 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.

**MATTHEW EDWARDS & CO**  
CHARTERED ACCOUNTANTS

Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ  
Telephone: +44 (0) 1624 663166 Facsimile: +44 (0) 1624 677108  
E-mail: audit@matthew-edwards.com

**TOWERBOND ASSOCIATES LIMITED**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE SHAREHOLDERS OF TOWERBOND ASSOCIATES LIMITED**

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**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 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Matthew Edwards & Co.  
Chartered Accountants  
Registered Auditor



Clinch's House, Lord Street  
Douglas  
Isle of Man

**TOWERBOND ASSOCIATES LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2004**

	Notes	2004 £	2003 £
Administrative expenses		(8,134)	(5,059)
<b>Operating loss</b>	<b>2</b>	(8,134)	(5,059)
Other interest receivable and similar income	<b>3</b>	-	542
Interest payable and similar charges	<b>4</b>	(242)	(132)
<b>Loss on ordinary activities before taxation</b>		(8,376)	(4,649)
Tax on loss on ordinary activities	<b>5</b>	-	(1,280)
<b>Loss on ordinary activities after taxation</b>	<b>10</b>	(8,376)	(5,929)
<b>Profit brought forward at 1 January 2004</b>		202,424	208,353
<b>Profit carried forward at 31 December 2004</b>		194,048	202,424

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

**TOWERBOND ASSOCIATES LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2004**

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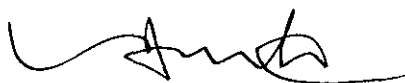
	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Loss for the financial year</b>	<b>(8,376)</b>	<b>(5,929)</b>
Currency translation differences on foreign currency loans	-	(11,556)
Currency translation differences on foreign currency investments	-	11,556
	<hr/>	<hr/>
<b>Total recognised gains and losses relating to the year</b>	<b>(8,376)</b>	<b>(5,929)</b>
	<hr/>	<hr/>

**TOWERBOND ASSOCIATES LIMITED**

**BALANCE SHEET  
AS AT 31 DECEMBER 2004**

	Notes	2004 £	£	2003 £	£
<b>Fixed assets</b>					
Investments	6		339,791		339,791
<b>Current assets</b>					
Debtors	7	-		6,700	
Cash at bank and in hand		3,893		-	
		<u>3,893</u>		<u>6,700</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(148,636)</u>		<u>(143,067)</u>	
<b>Net current liabilities</b>			<u>(144,743)</u>		<u>(136,367)</u>
<b>Total assets less current liabilities</b>			<u>195,048</u>		<u>203,424</u>
<b>Capital and reserves</b>					
Called up share capital	9		1,000		1,000
Profit and loss account	10		194,048		202,424
<b>Shareholders' funds - equity interests</b>	11		<u>195,048</u>		<u>203,424</u>

The financial statements were approved by the Board on 26/10/05.....



M Denton  
Director

TOWERBOND ASSOCIATES LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2004

	£	2004 £	£	2003 £
Net cash inflow from operating activities		7,646		1,207
Taxation		(3,753)		(1,207)
Net cash inflow/(outflow) before management of liquid resources and financing		3,893		-
Increase/(decrease) in cash in the year		3,893		-



**TOWERBOND ASSOCIATES LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2004**

<b>1</b>	<b>Reconciliation of operating loss to net cash inflow from operating activities</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	Operating loss	(8,134)	(5,059)
	Foreign exchange	(242)	542
	Decrease/(increase) in debtors	6,700	(542)
	Increase in creditors within one year	9,322	17,822
		<u>7,646</u>	<u>1,207</u>

<b>2</b>	<b>Analysis of net funds/(debt)</b>	<b>1 January 2004</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2004</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Net cash:				
	Cash at bank and in hand	-	3,893	-	3,893
		<u>-</u>	<u>3,893</u>	<u>-</u>	<u>3,893</u>
	Net (debt)/funds	-	3,893	-	3,893
		<u>-</u>	<u>3,893</u>	<u>-</u>	<u>3,893</u>

<b>3</b>	<b>Reconciliation of net cash flow to movement in net funds</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	Increase in cash in the year	3,893	-
	Cash inflow from increase in debt	-	-
		<u>3,893</u>	<u>-</u>
	<b>Movement in net funds in the year</b>	<b>3,893</b>	<b>-</b>
	Opening net debt	-	-
		<u>3,893</u>	<u>-</u>
	<b>Closing net funds</b>	<b>3,893</b>	<b>-</b>

# TOWERBOND ASSOCIATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards.

#### 1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.4 Foreign currency translation

The company's accounting records are maintained in Pounds Sterling.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

<b>2 Operating loss</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Operating loss is stated after charging:		
Auditors' remuneration	881	975
	<u>          </u>	<u>          </u>
<b>3 Other interest receivable and similar income</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Profit on foreign exchange	-	542
	<u>          </u>	<u>          </u>
	-	542
	<u>          </u>	<u>          </u>
<b>4 Interest payable and similar charges</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
On overdue tax	-	132
Loss on foreign exchange	242	-
	<u>          </u>	<u>          </u>
	242	132
	<u>          </u>	<u>          </u>

**TOWERBOND ASSOCIATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2004**

<b>5 Taxation</b>	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Domestic current year tax</b>		
Corporation tax at 30.00% (2003 - 30.00%)	-	-
Adjustment for prior years	-	1,280
	<u>-</u>	<u>1,280</u>
<b>Current tax charge</b>	<u>-</u>	<u>1,280</u>
 <b>Factors affecting the tax charge for the year</b>		
Loss on ordinary activities before taxation	(8,376)	(4,649)
	<u>(8,376)</u>	<u>(4,649)</u>
 Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax of 30.00% (2003: 30.00%)	(2,513)	(1,395)
	<u>(2,513)</u>	<u>(1,395)</u>
Effects of:		
Non deductible expenses	-	30
Losses not recognised for accounting purposes	2,513	1,365
Other tax adjustments	-	1,280
	<u>2,513</u>	<u>2,675</u>
 <b>Current tax charge</b>	<u>-</u>	<u>1,280</u>

On the basis of these financial statements no provision has been made for corporation tax.

**TOWERBOND ASSOCIATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2004**

**6 Fixed asset investments**

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2004 & at 31 December 2004	339,791
At 31 December 2003	339,791

**Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
LA GTM France Sarl	France	Ordinary	94

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal Activity	Capital and reserves	Profit for the year
		£	£
LA GTM France Sarl	Manufacturing Company	1,225,045	72,316

<b>7 Debtors</b>	<b>2004</b>	<b>2003</b>
	£	£
Other debtors	-	6,700

<b>8 Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	£	£
Corporation tax	-	3,753
Other creditors	141,728	133,613
Accruals and deferred income	6,908	5,701
	148,636	143,067

**TOWERBOND ASSOCIATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2004**

<b>9 Share capital</b>	<b>2004 No.</b>	<b>2003 No.</b>
<b>Authorised</b>		
1,000 ordinary £1 shares	1,000	1,000
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>	<b>£</b>	<b>£</b>
1,000 ordinary £1 shares	1,000	1,000
	<u>          </u>	<u>          </u>

**10 Statement of movements on profit and loss account**

**Profit and  
loss  
account  
£**

Balance at 1 January 2004	202,424
Retained loss for the year	(8,376)
	<u>          </u>
Balance at 31 December 2004	194,048
	<u>          </u>

<b>11 Reconciliation of movements in shareholders' funds</b>	<b>2004 £</b>	<b>2003 £</b>
Loss for the financial year	(8,376)	(5,929)
	<u>          </u>	<u>          </u>
Net (depletion in)/addition to shareholders' funds	(8,376)	(5,929)
Opening shareholders' funds	203,424	209,353
	<u>          </u>	<u>          </u>
Closing shareholders' funds	195,048	203,424
	<u>          </u>	<u>          </u>

**12 Contingent liabilities**

There were no contingent liabilities at the balance sheet date.

**13 Capital commitments**

There were no major capital commitments as at the balance sheet date

**14 Employees**

**Number of employees**

There were no employees during the year apart from the directors. The directors received no remuneration during the year.

**15 Immediate parent company**

The immediate parent company is Regent Finance Limited, a company incorporated in the UK.

**TOWERBOND ASSOCIATES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2004**

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**16 Ultimate Controlling Party and Related Party Transactions**

The directors are aware of the identity of the ultimate controlling party. However, they are under a duty of confidentiality that prevents them from disclosing certain information otherwise required by Financial Reporting Standard 8. Therefore they have taken the exemption offered by the Standard in respect of confidentiality.