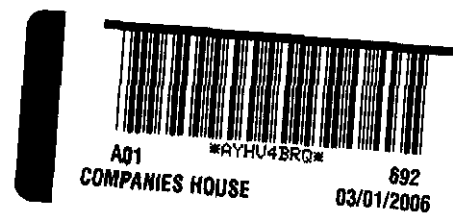


Company Registration No. 3423143

**STONEHORSE PROPERTIES LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**

18592-A-2004

**Registered Office**  
Suite 23, Park Royal House  
23 Park Royal Road  
London



# STONEHORSE PROPERTIES LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

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The director presents his 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 director considers 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 3.

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

### Directors

The following directors have held office since 1 January 2004:

B P Cocksedge	(Appointed 1 February 2005)
A M Taylor	(Resigned 1 February 2005)

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

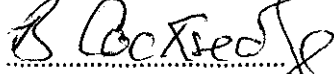
### Director's responsibilities

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

On behalf of the board



B P Cocksedge (Director)

Date: 12/12/05

# MeesPierson Intertrust

## ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE ACCOUNTS OF STONEHORSE PROPERTIES LIMITED

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We report on the accounts for the year ended 31 December 2004.

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2004, set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Our procedures consisted of comparing the accounts with the accounting records kept by the company and making such enquiries of the officers and other officials of the company as we considered necessary for the purposes of this report.

In our opinion the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.

  
MeesPierson Intertrust Limited

12/12/05.....

MeesPierson Intertrust Limited

5th Floor, 86 Jermyn Street, London, SW1Y 6AW

Telephone +44 207 930 7111, Fax +44 207 930 7444

MeesPierson Intertrust Limited registered in England and Wales, Company Registration No. 962596

Directors: D.F. Lavin, B.A. Safa, R.J. Wise

Internet: [www.meespiersonintertrust.com](http://www.meespiersonintertrust.com), E-mail: [mail@meespiersonintertrust.com](mailto:mail@meespiersonintertrust.com)

STONEHORSE PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2004

		Year ended 31 December 2004 €	Year ended 31 December 2003 €
	Notes		
Administrative expenses		(4,487)	(3,333)
<b>Operating loss</b>	<b>2</b>	<b>(4,487)</b>	<b>(3,333)</b>
Investment income	<b>3</b>	27,257	28,493
Other interest receivable and similar income	<b>3</b>	15	922
Interest payable and similar charges	<b>4</b>	(640)	-
<b>Profit on ordinary activities before taxation</b>		<b>22,145</b>	<b>26,082</b>
Tax on profit on ordinary activities	<b>5</b>	(331)	(7,825)
<b>Profit on ordinary activities after taxation</b>	<b>10</b>	<b>21,814</b>	<b>18,257</b>
<b>Profit brought forward at 1 January 2004</b>		<b>80,189</b>	<b>61,932</b>
<b>Profit carried forward at 31 December 2004</b>		<b>102,003</b>	<b>80,189</b>

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.

STONEHORSE PROPERTIES LIMITED

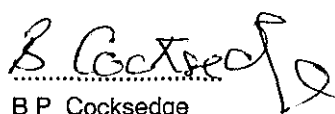
BALANCE SHEET  
AS AT 31 DECEMBER 2004

	Notes	2004 €	€	2003 €	€
<b>Fixed assets</b>					
Investments	6		1,525		565,743
<b>Current assets</b>					
Debtors	7	624,836		28,493	
		<u>624,836</u>		<u>28,493</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(522,858)</u>		<u>(512,547)</u>	
<b>Net current assets/(liabilities)</b>			101,978		(484,054)
<b>Total assets less current liabilities</b>			<u>103,503</u>		<u>81,689</u>
<b>Capital and reserves</b>					
Called up share capital	9		1,500		1,500
Profit and loss account	10		<u>102,003</u>		<u>80,189</u>
<b>Shareholders' funds - equity interests</b>	11		<u>103,503</u>		<u>81,689</u>

In preparing these financial statements:

- The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The director acknowledges his responsibilities for:
  - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - preparing accounts 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 financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on 12/12/05.....

  
B P Cocksedge  
Director

# STONEHORSE PROPERTIES 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.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### 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 director, 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 Euros.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the 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 small-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:		
Accountancy	1,089	1,181
	<u>          </u>	<u>          </u>
<b>3 Income from investments, other interest receivable and similar income</b>	<b>2004</b>	<b>2003</b>
	<b>€</b>	<b>€</b>
Income from subsidiary undertakings	27,257	28,493
Other interest	15	-
Profit on foreign exchange	-	922
	<u>          </u>	<u>          </u>
	<u>27,272</u>	<u>29,415</u>

STONEHORSE PROPERTIES LIMITED

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

4 Interest payable and similar charges	2004	2003
	€	€
Loss on foreign exchange	640	-
	<u>640</u>	<u>-</u>
	<u><u>640</u></u>	<u><u>-</u></u>
5 Taxation	2004	2003
	€	€
<b>Domestic current year tax</b>		
Corporation tax at 16.16% (2003 - 30.00%)	3,580	7,825
Adjustment for prior years	(3,249)	-
	<u>(3,249)</u>	<u>-</u>
<b>Current tax charge</b>	<u>331</u>	<u>7,825</u>
	<u><u>331</u></u>	<u><u>7,825</u></u>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	22,145	26,082
	<u>22,145</u>	<u>26,082</u>
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax of 16.16% (2003: 30.00%)	3,580	7,825
	<u>3,580</u>	<u>7,825</u>
Effects of:		
Adjustments to previous periods	(3,249)	-
	<u>(3,249)</u>	<u>-</u>
<b>Current tax charge</b>	<u>331</u>	<u>7,825</u>
	<u><u>331</u></u>	<u><u>7,825</u></u>

STONEHORSE PROPERTIES LIMITED

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

6 Fixed asset investments

	Shares in subsidiary undertakings €	Loans to subsidiary undertakings €	Total €
<b>Cost</b>			
At 1 January 2004	1,525	564,218	565,743
Additions	-	60,618	60,618
Reclassification	-	(624,836)	(624,836)
At 31 December 2004	1,525	-	1,525
At 31 December 2003	1,525	564,218	565,743

**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	Shares held Class	%
<b>Subsidiary undertakings</b>			
SCI Voltaire Immobilier	France	Ordinary	98

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 €
SCI Voltaire Immobilier	Property Developer	(69,412)	(167)

The loan to SCI Voltaire Immobilier has been reclassified as a current asset as it was repaid in June 2005.

7 Debtors	2004 €	2003 €
Other debtors	624,836	28,493

**STONEHORSE PROPERTIES LIMITED**

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

<b>8 Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	<b>€</b>	<b>€</b>
Corporation tax	3,580	15,046
Other creditors	517,270	494,384
Accruals and deferred income	2,008	3,117
	<u>522,858</u>	<u>512,547</u>

<b>9 Share capital</b>	<b>2004</b>	<b>2003</b>
	<b>No.</b>	<b>No.</b>
<b>Authorised</b>		
100,000 ordinary £1 shares	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b>	<b>€</b>	<b>€</b>
1,000 ordinary £1 shares	<u>1,500</u>	<u>1,500</u>

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

	<b>Profit and loss account €</b>
Balance at 1 January 2004	80,189
Retained profit for the period	<u>21,814</u>
Balance at 31 December 2004	<u>102,003</u>

<b>11 Reconciliation of movements in shareholders' funds</b>	<b>2004</b>	<b>2003</b>
	<b>€</b>	<b>€</b>
Profit for the financial year	21,814	18,257
Opening shareholders' funds	<u>81,689</u>	<u>63,432</u>
Closing shareholders' funds	<u>103,503</u>	<u>81,689</u>

**12 Contingent liabilities**

There were no known contingent liabilities at the balance sheet date.

**13 Capital commitments**

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

**STONEHORSE PROPERTIES LIMITED**

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

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**14 Employees**

**Number of employees**

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

**15 Ultimate Controlling Party and Related Party Transactions**

The director is 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.