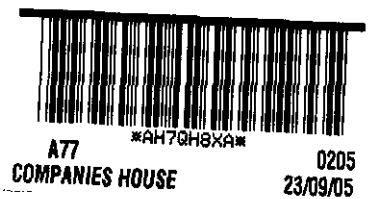


Berry Recruitment Limited

Financial statements

for the 16 months ended

31 December 2004



Company No: 03471551

Berry Recruitment Limited

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for the 16 months ended 31 December 2004

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Berry Recruitment Limited

Corporate information

for the 16 months ended 31 December 2004

Directors: S M Folds
C Chown
A Lach
O Cooke
A Brundle

Secretary: A Brundle

Registered office: Dorset House
Regent Park
297 Kingston Road
Leatherhead
Surrey
KT22 7PL

Auditors: Baker Tilly
1st Floor
46 Clarendon Road
Watford
Herts
WD17 1JJ

Bankers: Barclays Bank Plc
Ground Floor, Building 2
Turnford Place
Great Cambridge Road
Turnford
Broxbourne
Herts
EN10 6NH

Solicitors: Black Graf & Co
14-15 The Crescent
London
NW3 5LL

Berry Recruitment Limited

Report of the directors

for the 16 months ended 31 December 2004

The directors present their annual report and audited financial statements for the 16 months ended 31 December 2004.

Principal activity

The principal activity of the company in the period under review was that of an employment agency.

Business review

The company was a wholly owned subsidiary of Berry Recruitment Group plc. On 6 April 2004, as a result of a group restructuring, Berry Recruitment Group plc went into a members' voluntary liquidation. The whole issued share capital of Berry Recruitment Limited was distributed in specie to a new holding company formed for that purpose called Berry Recruitment Holdings limited (formerly Lizano Limited).

The directors intend to develop the company's existing branch network which was expanded by the acquisition of Grays Personnel Limited on 2 June 2005.

Results and dividends

The loss for the financial period was £774,000 (2003: loss £267,000).

The directors do not recommend the payment of a dividend (2003: £nil).

Directors and directors' interests

A G Berry (resigned 5/4/05)
S M Folds
S Wright (resigned 18/8/04)
C Chown
A Lach
O Cooke (appointed 5/4/05)
A Brundle (appointed 5/4/05)

The directors who held office at the end of the financial period had the following interests in the ordinary shares of the company and other group companies.

	Company	Class of share	Interest at start of period	Interest at end of period
A G Berry	Berry Recruitment Group plc	Ordinary £1	360,770	-
S Wright	Berry Recruitment Group plc	Ordinary £1	25,770	-
A G Berry	Berry Recruitment Holdings Limited	Ordinary 1p	-	38,670

None of the other directors who held office at the end of the financial period held shares in group companies.

No rights to subscribe for shares in, or debentures of, the company or any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial period.

Berry Recruitment Limited

Report of the directors (continued)

for the 16 months ended 31 December 2004

Post balance sheet events

On 31 March 2005 the whole of the issued share capital of Berry Recruitment Holdings Limited, the company's holding company, was sold to Multi Group plc, a company registered in England and Wales and listed on Alternative Investment Market. Multi Group plc is a subsidiary of Southwind Limited, a company incorporated in British Virgin Islands.

On 2 June 2005, the company purchased the business and assets of Grays Personnel Limited for £250,000. Grays has four branches which are geographically complimentary to Berry's existing network and operates in the general industrial and commercial recruitment sectors.

Political and charitable contributions

The company made £19,823 charitable contributions during the period (2003: £10,976). The company did not make any political contributions (2003: £nil).

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;

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

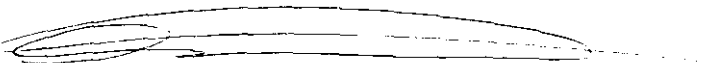
Going concern basis

The Directors, having made enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future, and therefore it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Auditors

Baker Tilly were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

This report was approved by the Board of Directors on 31 August 2005 and signed on its behalf by



A Brundle
Company Secretary
31 August 2005

Berry Recruitment Limited

Report of the independent auditors

To the shareholders of Berry Recruitment Limited

We have audited the financial statements on pages 6 to 17.

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 directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Berry Recruitment Limited

Report of the independent auditors (continued)

To the shareholders of Berry Recruitment Limited

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

Baker Tilly

Baker Tilly

Chartered Accountants

and Registered Auditor

1st Floor, 46 Clarendon Road

Watford, Herts

WD17 1JJ

31 August 2005

Berry Recruitment Limited

Profit and Loss account

for the 16 months ended 31 December 2004

	<i>Notes</i>	16 months ended 31 December 2004 £000's	As restated 8 months ended 31 August 2003 £000's
Turnover	2		
Continuing operations		8,772	3,858
Discontinued activities		-	717
		<u>8,772</u>	<u>4,575</u>
Cost of sales			
Continuing operations		(6,849)	(2,869)
Discontinued activities		-	(496)
		<u>(6,849)</u>	<u>(3,365)</u>
Gross profit		1,923	1,210
Administrative expenses			
Continuing operations		(2,549)	(1,285)
Discontinued activities		-	(151)
		<u>(2,549)</u>	<u>(1,436)</u>
Operating profit/ (loss)			
Continuing operations		(626)	(296)
Discontinued activities		-	70
		<u>(626)</u>	<u>(226)</u>
Interest payable and similar charges	6	(148)	(41)
		<u> </u>	<u> </u>
Loss on ordinary activities before taxation	3	(774)	(267)
Tax on loss on ordinary activities	7	-	-
		<u> </u>	<u> </u>
Retained loss for the period	14	<u>(774)</u>	<u>(267)</u>

The company has no recognised gains and losses in the current or preceding period other than those passing through the profit and loss account.

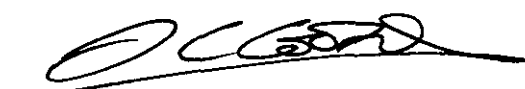
Berry Recruitment Limited

Balance sheet

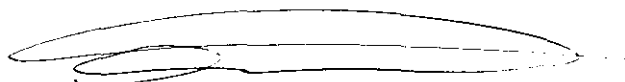
At 31 December 2004

	Notes	31 December 2004 £000's	31 August 2003 £000's
Fixed assets			
Tangible assets	9	100	144
Current assets			
Debtors	10	1,126	1,203
Cash in hand		2	3
		<u>1,128</u>	<u>1,206</u>
Creditors: amounts falling due within one year	11	(3,606)	(2,949)
		<u>(2,478)</u>	<u>(1,743)</u>
Net current liabilities			
		<u>(2,478)</u>	<u>(1,743)</u>
Total assets less current liabilities		(2,378)	(1,599)
Creditors: amounts falling due after more than one year	12	(3)	(8)
		<u>(2,381)</u>	<u>(1,607)</u>
Net liabilities			
		<u>(2,381)</u>	<u>(1,607)</u>
Capital and reserves			
Called up share capital	13	50	50
Profit and loss account	14	(2,431)	(1,657)
		<u>(2,381)</u>	<u>(1,607)</u>
Equity shareholders' funds	15	(2,381)	(1,607)
		<u>(2,381)</u>	<u>(1,607)</u>

These financial statements were approved by the board of directors on 31 August 2005 and were signed on its behalf by:



O Cooke
Director



A Brundle
Company Secretary

Berry Recruitment Limited

Notes forming part of the financial statements
for the 16 months ended 31 December 2004

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The accounts have been prepared on a going concern basis and under the historical cost accounting rules.

The company's funding requirements for the coming 12 months have been reviewed and the Multi Group plc, the company's parent company have agreed to continue to make such funds available as are needed by the company for normal working capital requirements for at least 12 months from the date of signing the financial statements.

Since the year end Multi Group plc have made informal loans of £100,000 to the company to cover working capital requirements and £250,000 to fund the acquisition of Grays Personnel Limited.

The loans to date and the parent company's willingness to provide financial support should enable the company to continue in operational existence for the foreseeable future by meeting their liabilities as they fall due for payment.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of services to customers. Turnover is recognised when the service has been delivered.

Tangible fixed assets

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Short leasehold land and buildings	- over the term of the lease
Fixtures and fittings	- 10% on cost per annum
Computer equipment	- 25% on cost per annum
Motor vehicles	- 25% on cost per annum

Taxation

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

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting 19.

Leased assets

Assets acquired under finance leases are included in fixed assets at cost and amounts outstanding under lease obligations are included in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions paid and payable to the scheme in respect of the accounting period.

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

2. Analysis of turnover, loss on ordinary activities before taxation and net assets

All of the company's turnover, trading losses and its net liabilities directly relate to the provision of recruitment services within the UK.

3. Loss on ordinary activities before taxation

	16 months ended 31 December 2004 £000's	8 months ended 31 August 2003 £000's
Loss on ordinary activities before taxation is stated after charging:		
Auditors' remuneration – Audit	43	18
Depreciation and other amounts written off tangible fixed assets		
- Owned	44	30
- Leased	8	4
Operating leases – Hire of plant and machinery	22	6
Operating leases – Hire of other assets	81	107
Loss on disposal of fixed assets	25	-
Write off Berry Recruitment Group plc loan	(92)	-
	<hr/>	<hr/>

4. Directors' remuneration

	16 months ended 31 December 2004 £000's	8 months ended 31 August 2003 £000's
Directors' emoluments	386	240
Company contributions to money purchase pension schemes	5	2
Compensation for loss of office	-	20
	<hr/>	<hr/>
	391	262
	<hr/>	<hr/>

Retirement benefits are accruing to two directors under money purchase pension schemes (2003: 2).

The emoluments received by the highest paid director totaled £150,000 (2003: £86,000).

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

5. Staff numbers and costs

The average number of persons (including directors) employed by the company during the period, analysed by category, was as follows:

	2004	2003
Operations	22	26
Administration and management	14	21
	<u>36</u>	<u>47</u>

The aggregate payroll costs of these persons were as follows:

	16 months ended 31 December 2004 £000's	8 months ended 31 August 2003 £000's
Wages and salaries	1,445	907
Social security costs	152	92
Other pension costs	21	13
	<u>1,618</u>	<u>1,012</u>

6. Interest payable and similar charges

	16 months ended 31 December 2004 £000's	8 months ended 31 August 2003 £000's
On bank loans and overdraft	21	3
Amounts payable on invoice discounting	56	27
Finance charges payable in respect of finance leases	2	1
Unsecured loans	69	10
	<u>148</u>	<u>41</u>

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

7. Taxation

No liability to UK corporation tax arose during the period under review (2003: Nil). The company has approximately £1,326,500 of losses to carry forward against future profits (2003: £919,000).

	16 months ended 31 December 2004 £000's	8 months ended 31 August 2003 £000's
Current tax reconciliation:		
Loss on ordinary activities before tax	(774)	(267)
Current tax at 19%	(147)	(51)
Effects of:		
Expenses not deductible for tax purposes	28	1
Depreciation for period in excess of capital allowances	4	6
Group relief	35	-
Losses carried forward	80	44
Total tax charge (see above)	-	-

8. Deferred taxation

A deferred tax asset of £254,000 at 19% (2003 : £219,000 at 19%) has arisen as a result of timing differences between accumulated depreciation and capital allowances and trading losses carried forward.

The movement during the period has resulted from future timing differences between accumulated depreciation and capital allowances, and from additional trading losses. The directors do not feel that it is appropriate to recognise this deferred tax asset in the light of current trading conditions.

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

9. Tangible fixed assets

	Leasehold improvements	Other tangible assets	Total
	£000's	£000's	£000's
Cost:			
At 1 September 2003	55	202	257
Additions	15	32	47
Disposals	(19)	(47)	(66)
	<hr/>	<hr/>	<hr/>
At 31 December 2004	51	187	238
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 September 2003	24	89	113
Charge for year	10	42	52
Disposals	(10)	(17)	(27)
	<hr/>	<hr/>	<hr/>
At 31 December 2004	24	114	138
	<hr/>	<hr/>	<hr/>
Net book value:			
At 31 December 2004	27	73	100
	<hr/>	<hr/>	<hr/>
At 31 August 2003	31	113	144
	<hr/>	<hr/>	<hr/>

Included in the total net book value of other tangible assets which consist of fixtures and fittings, computer equipment and motor vehicles is £8,000 (2003: £16,000) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the 16 months on these assets was £8,000 (2003: £4,000).

10. Debtors

	31 December 2004 £000's	31 August 2003 £000's
Trade debtors	1,051	911
Other debtors	75	292
	<hr/>	<hr/>
	1,126	1,203
	<hr/>	<hr/>

Other debtors include security rent deposits of £50,000 (2003: £58,000) recoverable after more than one year.

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

11. Creditors: amounts falling due within one year

	31 December 2004 £000's	31 August 2003 £000's
Bank overdrafts	101	597
Obligations under finance leases and hire purchase contracts	6	6
Trade creditors	12	111
Amounts owed to group undertakings	292	616
Taxation and social security	456	372
Discounting current account	963	835
Other creditors and accruals	1,776	412
	<u>3,606</u>	<u>2,949</u>

The discounting current account balance is the amount advanced to the company under a sales invoice discounting agreement at normal commercial rates.

The bank overdraft and discounting current account are secured by a debenture over the company's assets.

12. Creditors: amounts falling due more than one year

	31 December 2004 £000's	31 August 2003 £000's
Obligations under finance leases and hire purchase contracts	3	8
	<u>3</u>	<u>8</u>

The maturity of obligations under finance leases and hire purchase contract is as follows:

	31 December 2004 £000's	31 August 2003 £000's
Within one year	6	6
In two to five years	3	8
	<u>9</u>	<u>14</u>

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

13. Called up share capital

	31 December 2004 £	31 August 2003 £
<i>Authorized</i>		
Equity ordinary shares of £1 each	100,000	100,000
	<u> </u>	<u> </u>
<i>Allotted, called up and fully paid</i>		
Equity ordinary shares of £1 each	50,000	50,000
	<u> </u>	<u> </u>

14. Reserves

	Profit and loss account £000's
At 1 September 2003	(1,657)
Loss for the financial period	(774)
	<u> </u>
At 31 December 2004	(2,431)
	<u> </u>

15. Reconciliation of movements in equity shareholders' funds

	31 December 2004 £000's	31 August 2003 £000's
Loss for the 16 month period	(774)	(267)
	<u> </u>	<u> </u>
Net decrease in shareholders' funds	(774)	(267)
Opening shareholders' funds	(1,607)	(1,340)
	<u> </u>	<u> </u>
Closing shareholders' funds	(2,381)	(1,607)
	<u> </u>	<u> </u>

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

16. Commitments

(a) There were no capital commitments at either period end.

(b) Annual commitments under non-cancelable operating leases were as follows:

	Land and Buildings		Other	
	31 December	31 August	31 December	31 August
	2004	2003	2004	2003
	£000's	£000's	£000's	£000's
Operating leases which expire:				
Within one year	-	49	-	6
In two to five years	65	48	38	18
Over five years	20	12	-	-
	<u>85</u>	<u>109</u>	<u>38</u>	<u>24</u>

17. Pension Scheme

The group operates a defined contribution pension scheme. The £21,000 (2003: £13,000) charged during the period represents contributions payable by the company to the fund.

Of this amount £2,000 (2003: £3,000) was outstanding to the fund at the end of the period and was included in creditors.

18. Cross company guarantees

The company has given an unlimited guarantee to the bank in respect of the discounting current account of Berry Medical Limited, a fellow subsidiary company incorporated in England and Wales. This liability totaled £312,000 as at 31 December 2004 (2003: £Nil).

19. Ultimate parent company and ultimate controlling party

The company was a subsidiary undertaking of Berry Recruitment Group plc incorporated in the UK. On 6 April 2004, as part of a group restructuring, Berry Recruitment Group plc was put into a members' solvent voluntary liquidation. The whole of the issued share capital of Berry Recruitment Limited was purchased by a new holding company, incorporated in England and Wales and formed for that purpose, called Lizano Limited in exchange for shares on 7 April 2004. Lizano Limited changed its name to Berry Recruitment Holdings Limited on 13 September 2004.

The ultimate controlling party at 31 December 2004 was Mr. A G Berry who was both a director and the company's largest shareholder.

On 31 March 2005 Berry Recruitment Holdings Limited, the company's immediate holding company, was acquired by Multi Group plc, a subsidiary of Southwind Limited, a company incorporated in the British Virgin Islands. Since that date, the company's ultimate holding company has been Southwind Limited.

Berry Recruitment Limited

Notes forming part of the financial statements (continued)
for the 16 months ended 31 December 2004

20. Related party transactions

The following entities are considered to be related parties:

Party	Relationship
Berry Medical Limited	Subsidiary of Berry Recruitment Holdings Limited
Berry Recruitment Group plc	Parent company until 6 April 2004
Mark Education Limited	Subsidiary of Berry Recruitment Group plc until 6 April 2004
Berry Recruitment Holdings Limited	Parent company from 6 April 2004
Southwind Limited	Ultimate holding company
A G Berry	Director and major shareholder of parent company
S Wright	Director and shareholder of parent company
M Berry	Spouse of A G Berry
J Chown	Spouse of C Chown

All transactions during the period were in the normal course of business and are detailed below:

	16 months ended 31 December 2004 £000's	8 months ended 31 August 2003 £000's
Management charges: Mark Education Limited	203	446
Recharged expenses: Mark Education Limited	1,079	95
Intercompany VAT: Mark Education Limited	35	84
Sales: Mark Education Limited	1	-
Interest on loan: Southwind Limited	33	-
Interest on loan: A G Berry	22	-
Write off loan: Berry Recruitment Group plc	92	-
Recharged expenses: Berry Medical Limited	41	-
Emoluments for services: M Berry	29	-
Emoluments for services: J Chown	48	-

The balances outstanding with the above parties at the year end were:

	31 December 2004 £000's	31 August 2003 £000's
Creditor: Berry Recruitment Group plc	-	287
Berry Medical Limited	292	-
Southwind Limited	854	-
A G Berry	580	129
S Wright	13	-
	<hr/>	<hr/>
Debtor: Mark Education Limited	-	(329)
	<hr/>	<hr/>

Berry Recruitment Limited

Notes to the financial statements

for the 16 months ended 31 December 2004

Related Party transactions (continued)

The balance due from Mark Education at 31 December 2004 was £24,700 this balance has been fully provided against as the matter is under dispute.

On 1 September 2003 the trade and assets of a branch in Leeds with a written down value of £6,000 were sold to Berry Medical Limited for a consideration of £6,000.

21. Post Balance Sheet Events

On 31 March 2005, the share capital of Berry Recruitment Holdings Limited, the company's immediate holding company was acquired by Multi Group plc.

On 2 June 2005, the company purchased the business and assets of Grays Personnel Limited for £250,000. Grays has four branches which are geographically complimentary to Berry's existing network and operates in the general, industrial and commercial recruitment sectors.