

**PHOENIX PRIVATE EQUITY
LIMITED**

Report and Financial Statements

31 December 2003



PHOENIX PRIVATE EQUITY LIMITED

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REPORT AND FINANCIAL STATEMENTS 2003

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D J Gregson
P H Lenon
A W Muirhead
J R Thomas

SECRETARY

S.J. Darrington

REGISTERED OFFICE

33 Glasshouse Street
London
W1B 5DG

AUDITORS

Deloitte & Touche LLP
London

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

PRINCIPAL ACTIVITY

The company did not trade during the current or preceding financial year.

The directors do not recommend the payment of any dividend (2002 - £nil) and do not propose to carry any amount to reserves (2002 - £nil).

DIRECTORS

The directors of the company throughout the year were:

D.J. Gregson
P.H. Lenon
A.W. Muirhead
J.R. Thomas

At the year end D.J. Gregson, P.H. Lenon, A.W. Muirhead and J.R. Thomas were members of the parent limited liability partnership, Phoenix Equity Partners Holdings LLP. There are no other disclosable interests under Section 324 of the Companies Act 1985.

AUDITORS

On 1 August 2003, Deloitte & Touche transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Board of Directors gave its consent to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP and a resolution to appoint Deloitte & Touche LLP as auditors to the company will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Director

16 August 2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 as at the end of the financial year 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; and
- 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PHOENIX PRIVATE EQUITY LIMITED

We have audited the financial statements of Phoenix Private Equity Limited for the year ended 31 December 2003 which comprise the balance sheet and the related notes 1 to 5. These financial statements have been prepared under the accounting policy 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 auditors' 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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

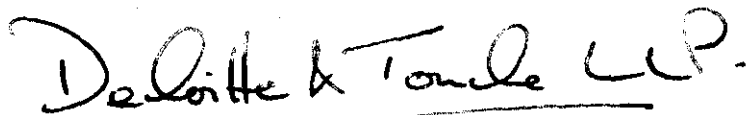
Basis of audit opinion

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 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

16 August

2004

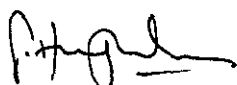
PHOENIX PRIVATE EQUITY LIMITED

BALANCE SHEET As at 31 December 2003

	Note	2003 £	2002 £
CURRENT ASSETS			
Other debtors - unpaid share capital		2	2
NET CURRENT ASSETS		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Called up share capital	2	2	2
EQUITY SHAREHOLDERS' FUNDS		<u>2</u>	<u>2</u>

This financial statement was approved by the Board of Directors on 16 August 2004.

Signed on behalf of the Board of Directors



Director

PHOENIX PRIVATE EQUITY LIMITED

NOTES TO THE ACCOUNTS Year ended 31 December 2003

1. ACCOUNTING POLICY

These financial statements have been prepared under United Kingdom law and accounting standards.

2. CALLED UP SHARE CAPITAL

	2003 £	2002 £
Authorised:		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and nil paid:		
2 ordinary shares of £1 each	2	2

3. PROFIT AND LOSS ACCOUNT

The company did not trade during the current or preceding financial year. Consequently, during those years the company made neither a profit nor a loss and no profit and loss account has been presented. The directors received no remuneration for their services to this company (2002 - £nil). The audit fee was borne by a fellow subsidiary for the current and preceding year. There has been no movement in shareholders' funds during the current or preceding financial year and therefore no reconciliation of movement in shareholders' funds is included in these financial statements.

4. ULTIMATE PARENT ENTITY

The ultimate parent entity and controlling party (which is also the parent of the only group of which the company is a member for which group accounts are prepared) is Phoenix Equity Partners Holdings LLP, a limited liability partnership incorporated in Great Britain. Copies of the group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The immediate parent company is Phoenix Equity Partners Group Limited.

5. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard 8 Related Party Disclosure relating to transactions between 90% or more controlled subsidiaries. There were no other related party transactions requiring disclosure.