

Dayvalley Limited

FINANCIAL STATEMENTS

for the period ended

31 May 2004

Company Registration No. 04644710



Dayvalley Limited

DIRECTORS AND OFFICERS

DIRECTORS

V A Tchenguiz
R Tchenguiz

SECRETARY

M H P Ingham

COMPANY NUMBER

04644710 (England and Wales)

REGISTERED OFFICE

18 Upper Grosvenor Street
London
W1K 7PW

AUDITORS

Baker Tilly
The Clock House
140 London Road
Guildford
Surrey
GU1 1UW

SOLICITORS

Julian Holy
Emperor's Gate
114A Cromwell Road
London
SW7 4ES

Dayvalley Limited

DIRECTORS' REPORT

The directors present their report and financial statements of Dayvalley Limited for the period ended 31 May 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of an intermediate holding company.

REVIEW OF THE BUSINESS

The company was incorporated on 22 January 2003.

The results for the period and the financial position at the period end were considered satisfactory.

DIVIDENDS

The directors do not recommend payment of an ordinary dividend.

DIRECTORS

The following directors have held office since 22 January 2003:

V A Tchenguiz	(Appointed 24 April 2003)
R Tchenguiz	(Appointed 22 January 2003)
London Law Services Limited	(Appointed 22 January 2003 and resigned 22 January 2003)


DIRECTORS' INTERESTS IN SHARES

The directors at 31 May 2004 had no beneficial interest in the share capital of the company at any time during the period.

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants will be put to the members at the annual general meeting.

On behalf of the board



R Tchenguiz
Director

9 June 2005

Dayvalley Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAYVALLEY LIMITED

We have audited the financial statements on pages 5 to 8.

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 the other information 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 within the financial statements. Our responsibilities do not extend to any other information.

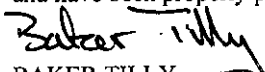
Basis of opinion

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 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 May 2004 and have been properly prepared in accordance with the Companies Act 1985.


BAKER TILLY

Registered Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey
GU1 1UW

9 June 2005

Dayvalley Limited

BALANCE SHEET

31 May 2004

	<i>Notes</i>	2004 £
FIXED ASSETS		
Investments	2	6
		<hr/>
CURRENT ASSETS		
Debtors	3	1
CREDITORS: Amounts falling due within one year	4	(6)
		<hr/>
NET CURRENT LIABILITIES		(5)
		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1
		<hr/>
CAPITAL AND RESERVES		
Called up share capital	5	1
		<hr/>
EQUITY SHAREHOLDERS' FUNDS	6	1
		<hr/>

Approved by the board on 9 June 2005

R Tchenguiz

Director



Dayvalley Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

INVESTMENTS

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

GROUP ACCOUNTS

The company and its subsidiary undertakings 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.

CASH FLOW STATEMENT

The company is exempt from the requirement to prepare a cash flow statement as it is entitled to the exemptions for small companies' accounts set out in section 246 to 249 of the Companies Act 1985.

PROFIT AND LOSS ACCOUNT

No profit and loss account has been presented as part of these financial statements as the company did not trade during the period and has made neither a profit nor a loss.

Dayvalley Limited

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 May 2004

1. EMPLOYEES

There were no employees during the period apart from the directors, who received no emoluments.

2. FIXED ASSET INVESTMENTS

	<i>Shares in group undertakings</i>
	£
Cost	
22 January 2003	-
Additions	6
	<hr/>
31 May 2004	6
	<hr/>

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

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

<i>Company</i>	<i>Country of registration or incorporation</i>	<i>Shares held</i>	
		<i>Class</i>	<i>%</i>
Subsidiary undertakings			
Bankmead Limited	England	Ordinary	100
Dawnread Limited	England	Ordinary	100
Viewpalm Limited	England	Ordinary	100
Filmcourt Limited	England	Ordinary	100
Holaw (573) Limited	England	Ordinary	100

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

	<i>Capital and reserves</i>	<i>Profit/(loss) for the year</i>
	£	£
Bankmead Limited	1	-
Dawnread Limited	1	-
Viewpalm Limited	(49,998)	(49,999)
Filmcourt Limited	1,025	1,024
Holaw (573) Limited	2	-
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Dayvalley Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the period ended 31 May 2004

3.	DEBTORS	2004 £
	Due within one year:	
	Amounts owed by group undertakings	1
4.	CREDITORS: Amounts falling due within one year	2004 £
	Amounts owed to group undertakings	6
5.	SHARE CAPITAL	2004 £
	Authorised:	
	100 Ordinary shares of £1 each	100
	Allotted, issued and fully paid:	
	1 Ordinary shares of £1 each	1
6.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2004 £
	Result for the financial period	-
	Proceeds from issue of shares	1
	Net addition to shareholders' funds	1
	Opening shareholders' funds	-
	Closing shareholders' funds	1

7. CONTROL

The immediate holding company is Rainweald Limited, a company registered in England.

The company's ultimate holding company is Vin-Rotch Properties Limited Inc., a company incorporated in the Republic of Panama.

The ultimate controlling party is the Tchenguiz Family Trust.

8. RELATED PARTY TRANSACTIONS

At the balance sheet date £1 was owed to each of the company's following subsidiaries; Bankmead Limited, Dawnread Limited, Viewpalm Limited and Filmcourt Limited, and £2 was owed to Holaw (573) Limited .

At the balance sheet date £1 was due from the company's immediate parent company, Rainweald Limited.