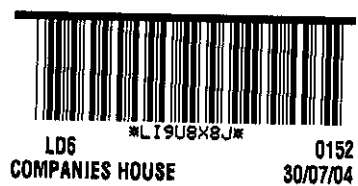


**Consolidated Equity Plc
Financial Statements
For the period ended
31 December 2003**

Company Registration Number 4815158



Consolidated Equity Plc

Financial Statements

Period from 30 June 2003 to 31 December 2003

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Consolidated Equity Plc

Company Information

The Board of Directors

P. Shalson
R.M. Hatter
D.R. Lister

Company Secretary

S. J. Pollins

Registered Office

26 Upper Brook Street
London
W1K 7QE

Auditors

Landau Morley
Chartered Accountants
& Registered Auditors
Lanmor House
370/386 High Road
Wembley
Middlesex HA9 6AX

Bankers

Lloyds Bank Plc
190 Great Portland Street
London
W1A 4LN

Consolidated Equity Plc

The Directors' Report

Period from 30 June 2003 to 31 December 2003

The directors have pleasure in presenting their report and the financial statements of the company for the period from 30 June 2003 to 31 December 2003.

Principal Activities and Review of the Business

The company was incorporated on 30 June 2003.

The principal activity of the company during the year was that of an investment holding company.

The company commenced business on 17 November 2003.

Future Developments

In the years ahead the directors believe that there is considerable scope for the development of the existing activities of the company. There are no current plans for the diversification of activities.

Results and Dividends

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements.

The directors have not recommended a dividend.

The Directors and their Interests in the Shares of the Company

The directors who served the company during the period together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At	At
	31 December 2003	30 June 2003
P. Shalson	16,667	—
R.M. Hatter	16,667	—
D.R. Lister	<u>16,667</u>	<u>—</u>

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 at the end of the period and of the profit or loss for the period then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

Consolidated Equity Plc

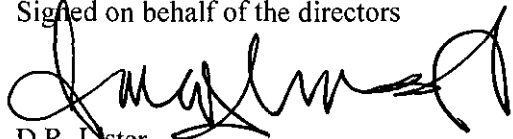
The Directors' Report *(continued)*

Period from 30 June 2003 to 31 December 2003

Auditors

A resolution to re-appoint Landau Morley as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors



D.R. Lister
Director

Approved by the directors on 26th July 2004

Consolidated Equity Plc

Independent Auditors' Report to the Shareholders of Consolidated Equity Plc

Period from 30 June 2003 to 31 December 2003

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 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.

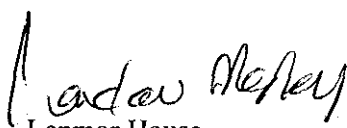
Basis of Audit Opinion

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 profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.


Landau Morley
370/386 High Road
Wembley
Middlesex HA9 6AX

LANDAU MORLEY
Chartered Accountants
& Registered Auditors

26th July 2004

Consolidated Equity Plc

Profit and Loss Account

Period from 30 June 2003 to 31 December 2003

	Note	Period from 30 Jun 03 to 31 Dec 03 £
Turnover	2	—
Administrative expenses		6,593
Other operating income		(15,500)
Profit on Ordinary Activities Before Taxation		<u>8,907</u>
Tax on profit on ordinary activities	5	3,127
Retained Profit for the Financial Period		<u><u>5,780</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 8 to 10 form part of these financial statements.

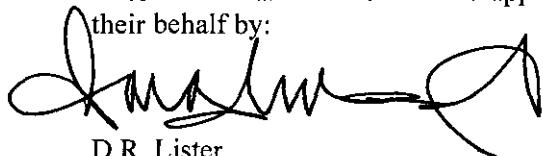
Consolidated Equity Plc

Balance Sheet

31 December 2003

	Note	£	31 Dec 03 £
Current Assets			
Debtors	6	14,767	
Cash at bank		11,197	
		<u>25,964</u>	
Creditors: Amounts Falling due Within One Year	7	<u>7,684</u>	
Net Current Assets			<u>18,280</u>
Total Assets Less Current Liabilities			<u>18,280</u>
Capital and Reserves			
Called-up equity share capital	8		12,500
Profit and loss account			<u>5,780</u>
Shareholders' Funds	9		<u>18,280</u>

These financial statements were approved by the directors on the 26th July 2004 and are signed on their behalf by:



D.R. Lister
Director

The notes on pages 8 to 10 form part of these financial statements.

Consolidated Equity Plc

Cash Flow Statement

Period from 30 June 2003 to 31 December 2003

	Note	£	Period from 30 Jun 03 to 31 Dec 03 £
Net Cash Inflow From Operating Activities	10		2,864
Cash Inflow Before Financing			<u>2,864</u>
Financing	11		8,333
Increase in Cash			<u>11,197</u>
Reconciliation of Net Cash Flow to Movement in Net Funds			
			31 Dec 03 £
Increase in cash in the period			<u>11,197</u>
Movement in net funds in the period			<u>11,197</u>
Net funds at 30 June 2003		12	<u>—</u>
Net funds at 31 December 2003		12	<u>11,197</u>

The notes on pages 8 to 10 form part of these financial statements.

Consolidated Equity Plc

Notes to the Financial Statements

Period from 30 June 2003 to 31 December 2003

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention.

Investments

There are no investments included in the accounts at the year end. The company holds 100% of the ordinary share capital of Hatchtop Limited as a nominee.

2. Turnover

The turnover and profit before tax were derived from the company's principal activity which was carried out wholly in the United Kingdom.

3. Operating Profit

Operating profit is stated after charging:

	Period from 30 Jun 03 to 31 Dec 03 £
Auditors' remuneration	
- as auditors	1,175
- for other services	<u>2,632</u>

4. Particulars of Employees

No salaries or wages have been paid to employees, including the directors, during the period.

5. Taxation on Ordinary Activities

(a) Analysis of charge in the period

	Period from 30 Jun 03 to 31 Dec 03 £
Current tax:	
UK Corporation tax based on the results for the period at 30%	3,127
Total current tax	<u>3,127</u>

(b) Factors affecting current tax charge

	Period from 30 Jun 03 to 31 Dec 03 £
Profit on ordinary activities before taxation	<u>8,907</u>
Profit/(loss) on ordinary activities by rate of tax	2,672
Expenses not deductible for tax purposes	<u>455</u>
Total current tax (note 5(a))	<u>3,127</u>

Consolidated Equity Plc

Notes to the Financial Statements

Period from 30 June 2003 to 31 December 2003

6. Debtors

	31 Dec 03
	£
Amounts owed by related undertakings	79
Other debtors	14,688
	<u>14,767</u>

Debtors includes the following balances with related parties:

Leafyhill Limited	
(Company in which P. Shalson has an interest)	65
Brooksplace Plc	
(Company in which R. Hatter has an interest)	14
D.R. Lister	
(Director of the company)	<u>4,188</u>

The amount due from D.R. Lister is in contravention of the Companies Act and was repaid within 9 months of the year end. Included in this amount is £4,167 for called up share capital not paid.

7. Creditors: Amounts Falling due Within One Year

	31 Dec 03
	£
Amounts owed to related undertakings	100
Corporation tax	3,127
Accruals and deferred income	4,457
	<u>7,684</u>

Creditors includes the following balance with related parties:

Hatchtop Limited	
(Company in which the directors have an interest)	<u>100</u>

8. Share Capital

Authorised share capital:

	31 Dec 03
	£
90,000 Ordinary shares of £1 each	<u>90,000</u>

Allotted and called up:

	No.	£
Ordinary shares - £0.25 paid of £1 each	<u>50,001</u>	<u>12,500</u>

During the period, 50,001 ordinary shares of £1 each were allotted, partly paid, for 25p cash.

Consolidated Equity Plc

Notes to the Financial Statements

Period from 30 June 2003 to 31 December 2003

9. Reconciliation of Movements in Shareholders' Funds

	31 Dec 03 £
Profit for the financial period	5,780
New equity share capital subscribed	12,500
Net addition to funds	18,280
Closing shareholders' equity funds	18,280

10. Reconciliation of Operating Profit to Net Cash Inflow From Operating Activities

	Period from 30 Jun 03 to 31 Dec 03 £
Operating profit	8,907
Increase in debtors	(10,600)
Increase in creditors	4,557
Net cash inflow from operating activities	2,864

11. Financing

	Period from 30 Jun 03 to 31 Dec 03 £
Issue of equity share capital	8,333
Net cash inflow from financing	8,333

12. Analysis of Changes in Net Funds

	At 30 Jun 2003 £	Cash flows £	At 31 Dec 2003 £
Net cash:			
Cash in hand and at bank	—	11,197	11,197
Net funds	—	11,197	11,197