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COMPANY REGISTRATION NUMBER 5206721

MANTHORPE INVESTMENTS
FINANCIAL STATEMENTS
30th APRIL 2005

PAGE KIRK

Chartered Accountants & Registered Auditor
Sherwood House
7 Gregory Boulevard
Nottingham
NG7 6LB



MANTHORPE INVESTMENTS

FINANCIAL STATEMENTS

PERIOD ENDED 30th APRIL 2005

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MANTHORPE INVESTMENTS
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

PG Pochciol
CS Pochciol

Company secretary

Willoughby Corporate Nominees (1) Limited

Registered office

Manthorpe House
Brittain Drive
Codnor Gate Industrial Estate
Ripley
Derbyshire
DE5 3ND

Auditors

Page Kirk
Chartered Accountants
& Registered Auditor
Sherwood House
7 Gregory Boulevard
Nottingham
NG7 6LB

MANTHORPE INVESTMENTS

THE DIRECTORS' REPORT

PERIOD ENDED 30th APRIL 2005

The directors have pleasure in presenting their report and the financial statements of the company for the period ended 30th April 2005.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was managing investments. The company was incorporated on 16th August 2004 and commenced trading immediately.

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 recommended the following dividends:

	£
Dividends paid on restricted shares	<u>1,000,000</u>

DIRECTORS

The directors who served the company during the period were as follows:

PG Pochciol	(Appointed 17th August 2004)
CS Pochciol	(Appointed 17th August 2004)
Willoughby Corporate Registrars Limited	(Served from 16th August 2004 to 17th August 2004)

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

No rights to subscribe for shares in, or debentures of the entity or any body corporate were granted to or exercised by any director during the year.

PG Pochciol was appointed as a director on 17th August 2004.

CS Pochciol was appointed as a director on 17th August 2004.

Willoughby Corporate Registrars Limited was appointed as a director on 16th August 2004.

Willoughby Corporate Registrars Limited retired as a director on 17th August 2004.

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 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, as described on page 10, 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.

MANTHORPE INVESTMENTS

THE DIRECTORS' REPORT *(continued)*


PERIOD ENDED 30th APRIL 2005

AUDITORS

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

Registered office:
Manthorpe House
Brittain Drive
Codnor Gate Industrial Estate
Ripley
Derbyshire
DE5 3ND

Signed on behalf of the directors



CS Pochciol

Director

Approved by the directors on 8th December 2005

MANTHORPE INVESTMENTS

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MANTHORPE INVESTMENTS

PERIOD ENDED 30th APRIL 2005

We have audited the financial statements of Manthorpe Investments for the period ended 30th April 2005 on pages 6 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

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.

MANTHORPE INVESTMENTS

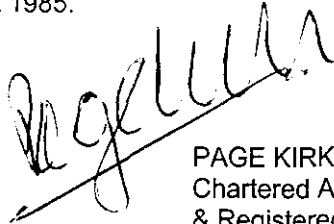
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MANTHORPE INVESTMENTS *(continued)*

PERIOD ENDED 30th APRIL 2005

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th April 2005 and of its profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.

Sherwood House
7 Gregory Boulevard
Nottingham
NG7 6LB



PAGE KIRK
Chartered Accountants
& Registered Auditor

8th December 2005

MANTHORPE INVESTMENTS

PROFIT AND LOSS ACCOUNT

PERIOD ENDED 30th APRIL 2005

	Note	2005 £
TURNOVER		—
Administrative expenses		36
OPERATING PROFIT	2	36
Interest receivable	4	6,594
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		6,630
Tax on profit on ordinary activities	5	(1,989)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		4,641
Dividends	6	(1,000,000)
LOSS FOR THE FINANCIAL PERIOD		<u>(995,359)</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 10 to 13 form part of these financial statements.

MANTHORPE INVESTMENTS

BALANCE SHEET

30th APRIL 2005

	Note	£	2005 £
FIXED ASSETS			
Investments	7		—
CURRENT ASSETS			
Debtors	8	59,181	
Cash at bank		<u>413</u>	
		59,594	
CREDITORS: Amounts falling due within one year	9	<u>4,941</u>	
NET CURRENT ASSETS			<u>54,653</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>54,653</u>
CAPITAL AND RESERVES			
Called-up equity share capital	12		12
Profit and loss account	13		<u>54,641</u>
SHAREHOLDERS' FUNDS	13		<u>54,653</u>

These financial statements were approved by the directors on the 8th December 2005 and are signed on their behalf by:

PG Pochciol
Director



The notes on pages 10 to 13 form part of these financial statements.

MANTHORPE INVESTMENTS

CASH FLOW STATEMENT

PERIOD ENDED 30th APRIL 2005

	2005 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	(59,980)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	
Income from group undertakings	4,623
Interest received	<u>1,971</u>
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	6,594
EQUITY DIVIDENDS PAID	(1,000,000)
CASH OUTFLOW BEFORE FINANCING	(1,053,386)
FINANCING	
Issue of equity share capital	12
Share premium on issue of equity share capital	<u>1,050,000</u>
NET CASH INFLOW FROM FINANCING	1,050,012
DECREASE IN CASH	(3,374)
RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES	
	2005 £
Operating profit	36
Profit on disposal of fixed asset investments	(3,787)
Increase in debtors	(59,181)
Increase in creditors	<u>2,952</u>
Net cash outflow from operating activities	(59,980)
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS	
	2005 £
Decrease in cash in the period	(3,374)
Movement in net funds in the period	<u>(3,374)</u>
Net funds at 1 May 2004	-
Net funds at 30 April 2005	413

The notes on pages 10 to 13 form part of these financial statements.

MANTHORPE INVESTMENTS

CASH FLOW STATEMENT *(continued)*

PERIOD ENDED 30th APRIL 2005

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 May 2004 £	Cash flows £	At 30 Apr 2005 £
Net cash:			
Cash in hand and at bank	—	413	413
Net funds	<u>—</u>	<u>413</u>	<u>413</u>

The notes on pages 10 to 13 form part of these financial statements.

MANTHORPE INVESTMENTS

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30th APRIL 2005

1. ACCOUNTING POLICIES

(a) Basis of accounting

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

(b) Fixed assets

All fixed assets are initially recorded at cost.

(c) Investments

All investments are initially recorded at cost.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2005
	£
Directors' emoluments	-
Profit on disposal of fixed asset investments	(3,787)
Auditors' remuneration	-
- as auditors	-
	<u>-</u>

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial period amounted to:

	2005
	No
Number of management staff	<u>2</u>

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

4. INTEREST RECEIVABLE

	2005
	£
Bank interest receivable	1,971
Interest from group undertakings	4,623
	<u>6,594</u>

5. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	2005
	£
Current tax:	
UK Corporation tax based on the results for the period at 30%	1,989
Total current tax	<u>1,989</u>

MANTHORPE INVESTMENTS

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30th APRIL 2005

5. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is the same as the standard rate of corporation tax in the UK of 30%.

	2005 £
Profit on ordinary activities before taxation	<u>6,630</u>
Profit/(loss) on ordinary activities by rate of tax	<u>1,989</u>
Total current tax (note 5(a))	<u>1,989</u>

6. DIVIDENDS

The following dividends have been paid in respect of the period:

	2005 £
Dividend paid on Restricted Shares	<u>1,000,000</u>

7. INVESTMENTS

	Investments £
COST	
Additions	458,500
Disposals	<u>(458,500)</u>
At 30th April 2005	<u>—</u>
NET BOOK VALUE	
At 30th April 2005	<u>—</u>

8. DEBTORS

	2005 £
Other debtors	<u>59,181</u>

9. CREDITORS: Amounts falling due within one year

	2005 £
Amounts owed to group undertakings	2,952
Other creditors including taxation:	
Corporation tax	<u>1,989</u>
	<u>4,941</u>

MANTHORPE INVESTMENTS

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30th APRIL 2005

10. TRANSACTIONS WITH THE DIRECTORS

During the year 800 1p Restricted shares in the company were transferred to P G Pochciol by Manthorpe Building Products Limited, a company of which he is a director. Later in the year he sold the shares back to Manthorpe Building Products Limited for £4,800.

During the year 200 1p Restricted shares in the company were transferred to C S Pochciol by Manthorpe Building Products Limited, a company of which she is a director. Later in the year she sold the shares back to Manthorpe Building Products Limited for £1,200.

11. RELATED PARTY TRANSACTIONS

Manthorpe Building Products Limited

In August 2004 a total payment of £1,000,000 was received from Manthorpe Building Products Limited for a key employee incentivisation arrangement which has been operated by transferring restricted shares within in this company. The dividend payments made under this arrangement during the period ended 30 April 2005 were P G Pochciol £800,000 and C S Pochciol £200,000.

On 18 August 2004 a loan was made to Manthorpe Building Products Limited, its parent company, for £514,500. This was the maximum outstanding amount during the year and the full amount was repaid on 28 September 2004. The interest paid on this loan for the period was £4,623.

12. SHARE CAPITAL

Authorised share capital:

	2005
	£
2 Ordinary shares of £1 each	2
1,000 Restricted shares of £0.01 each	10
	<u>12</u>

Allotted, called up and fully paid:

	No	£
Ordinary shares of £1 each	2	2
Restricted shares of £0.01 each	1,000	10
	<u>1,002</u>	<u>12</u>

During the year the company issued 2 £1 Ordinary shares and 1,000 1p Restricted shares, to form the capital base of the company.

The shares rank pari passu in all respects save for the following points.

The holders of Ordinary shares are entitled to vote at General Meetings of the company. They are also entitled to any dividend payable to shareholders on a pro rata basis (regardless of share class) after whichever is the later of the date that a second dividend is paid to the Restricted shareholders or the 7 October 2004.

The holders of the Restricted shares are entitled to receive notice of and attend any General Meetings but are not entitled to vote. They are also paid two dividends in preference to the Ordinary shareholders, as outlined above.

On winding up of the company the Restricted shares take preference over the Ordinary shares. Both classes of shares are equity shares.

MANTHORPE INVESTMENTS

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30th APRIL 2005

13. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital	Capital Contribution Reserve	Profit and loss account	Total share- holders' funds
	£	£	£	£
Balance brought forward	—	—	—	—
Loss for the period	—	—	(995,359)	(995,359)
Transfer from capital contribution reserve	—	—	1,050,000	1,050,000
Other movements				
New equity share capital subscribed	12	—	—	12
Transfer from capital contribution reserve	—	(1,050,000)	—	(1,050,000)
Capital contribution	—	1,050,000	—	1,050,000
Balance carried forward	<u>12</u>	<u>—</u>	<u>54,641</u>	<u>54,653</u>

14. ULTIMATE PARENT COMPANY

Manthorpe Investment's immediate parent undertaking is Manthorpe Building Products Limited, a company incorporated in England and Wales, which owns 100% of the issued share capital.

Manthorpe Building Products Limited is itself a 100% subsidiary of Manthorpe Limited, a company incorporated in England and Wales.

Manthorpe Limited is controlled by two directors, P G Pochciol and C S Pochciol, who between them have an interest in 100% of the issued share capital of that company.

MANTHORPE INVESTMENTS

MANAGEMENT INFORMATION

PERIOD ENDED 30th APRIL 2005

The following pages do not form part of the statutory financial statements which are the subject of the independent auditors' report on pages 4 to 5.