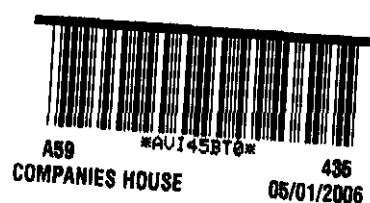


White Rose Finance Company Limited
Directors' Report and Unaudited Financial Statements
for the period ended 30 June 2005
company registration England 558783



White Rose Finance Company Limited
Unaudited financial statements
for the period ended 30 June 2005

Directors	J. Guthrie	
	J. M. Johnson	(resigned 31st December 2004)
	P. J. Guthrie	
	R. Guthrie	
	B. P. Swiers	(resigned 31st January 2005)
	M. Robson	(appointed 31st January 2005)
	M. J. Harrison	(appointed 31st January 2005)

Secretary	B. P. Swiers
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Registered Office	137 Scalby Road Scarborough North Yorkshire YO12 6TB
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Accountants	Moore Stephens 12 Alma Square Scarborough North Yorkshire YO11 1JU
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Business Address	137 Scalby Road Scarborough North Yorkshire YO12 6TB
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Bankers	Bank of Scotland Head Office The Mound Edinburgh EH1 1YZ
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Company Number	England 558783
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White Rose Finance Company Limited

Directors' report

for the period ended 30 June 2005

The directors have pleasure in presenting their annual report to shareholders together with the unaudited accounts for the period ended 30 June 2005.

Principal activity and business review

The principal activities of the company are those of a finance company and the collection of income from investments and dealing in current asset investments.

The profit and loss account reflects the following results and recommended distribution:

	30/06/05	30/09/04
	£	£
Profit after taxation	24,608	32,750
Recommended dividend	30,000	30,000
Retained (loss) / profit transferred to reserves	(5,392)	2,750

Directors' review

The state of the company's affairs is satisfactory. The results for the period under review are dealt with in the attached statement of accounts which reflect a profit for the period of £24,608 (2004 - £32,750) before appropriations. A final dividend of £30,000 is proposed leaving £5,392 to be transferred from reserves.

Directors and their interests

The directors interests in the capital of the company during the period were:

J. Guthrie	
J. M. Johnson	(resigned 31st December 2004)
P. J. Guthrie	
R. Guthrie	
B. P. Swiers	(resigned 31st January 2005)
M. Robson	(appointed 31st January 2005)
M. J. Harrison	(appointed 31st January 2005)

	Ordinary £1 shares	
	30/06/05	30/09/04
Beneficial Interests		
P. J. Guthrie	400	400
R. Guthrie	400	400
Non-beneficial Interests		
J. M. Johnson	-	300
B. P. Swiers	-	300
M. J. Harrison	300	-
J. Guthrie	300	-

White Rose Finance Company Limited

Directors' report

for the period ended 30 June 2005

Elective resolutions

The shareholders have passed elective resolutions dispensing with the requirement to hold an annual general meeting and to lay the accounts before an annual general meeting. Nevertheless the directors would like to remind the shareholders that any shareholder has the right to call for the accounts to be laid before a meeting of the shareholders and this right may be exercised by notice in writing to the company's registered office within 28 days from the date of receipt of the accounts.

Statement of 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 of the profit or loss of the company for that period. In preparing these the directors are required to:

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

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board



B. P. Swiers
Secretary

White Rose Finance Company Limited

Chartered Accountants' report to the Board of Directors on the unaudited financial statements of White Rose Finance Company Limited for the period ended 30 June 2005

In accordance with the engagement letter dated 23 March 2005 and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of White Rose Finance Company Limited for the period ended 30 June 2005 set out on pages 4 to 10. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 6 from the accounting records and information and explanations you have given to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

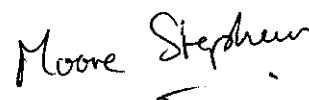
We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the period ended 30 June 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

12 Alma Square
Scarborough
North Yorkshire
YO11 1JU

21 December 2005



Moore Stephens

Chartered Accountants

White Rose Finance Company Limited
Profit & loss account
for the period ended 30 June 2005

	Notes	2005 £	Year to 30/09/04 £
Turnover		89,776	165,220
Cost of sales		(92,342)	(203,464)
Gross loss		(2,566)	(38,244)
Administrative expenses		(1,278)	(815)
Provision for diminution in value of current asset investments		(5,725)	(33,827)
(Loss) on ordinary activities before dividends and interest		(9,569)	(72,886)
Income from quoted investments		28,423	93,100
Loss on realisation of fixed asset investments		(12,097)	-
Interest receivable	4	36,742	12,536
Interest payable and similar charges	3	(15,342)	-
Profit on ordinary activities before taxation		28,157	32,750
Tax on profit on ordinary activities		(3,549)	-
Profit on ordinary activities after taxation	7	24,608	32,750
Dividends	8	(30,000)	(30,000)
(Loss)/retained profit for the period	14	(5,392)	2,750

Statement of total recognised gains and losses

There were no recognised gains or losses in the period other than have been recognised in the profit and loss account.

White Rose Finance Company Limited

Balance sheet

as at 30 June 2005

	Notes	2005 £	30/09/04 £
Fixed assets			
Investments	9	389,194	401,791
Current assets			
Investments	10	243,507	207,433
Debtors	11	257,627	55,273
Cash at bank		75,218	287,550
		<u>576,352</u>	<u>550,256</u>
Creditors: amounts falling due within one year	12	<u>(49,596)</u>	<u>(30,705)</u>
Net current assets		<u>526,756</u>	<u>519,551</u>
Total assets less current liabilities		<u>915,950</u>	<u>921,342</u>
Capital and reserves			
Called up share capital	13	600	600
Profit and loss account	14	915,350	920,742
Equity shareholders' funds	7	<u>915,950</u>	<u>921,342</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

For the period in question the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. The members have not required the company to obtain an audit of its accounts for the period in accordance with section 249B(2). The directors acknowledge their responsibility for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- preparing accounts which give a true and fair view of the state of affairs of the company, as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the board of directors on 21 December 2005


J. Guthrie
Director

White Rose Finance Company Limited

Notes to the accounts

for the period ended 30 June 2005

1. Accounting Policies

1.1. Accounting convention

These accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), adopting the following principal accounting policies.

1.2. Turnover

Turnover is the amount received on the sale of quoted current asset investments.

1.3. Investment Income

Income from quoted investments is accounted for at the amount receivable.

1.4. Investments

Current asset investments are valued at the lower of cost and net realisable value.

1.5. Deferred taxation

The company has applied FRS19 in accounting for deferred tax. The general principle is that deferred tax is recognised as a liability or asset if the transactions or events that give an obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date, although deferred tax is not provided on timing differences arising when a fixed asset is revalued without there being any commitment to sell the asset.

2. Employees

The directors, who were the only employees during the period, received no emoluments for their services to the company during the current period (2004 - nil).

3. Interest payable and similar charges

	2005	Year to
	£	30/09/04
		£
On loans	15,342	-

4. Interest receivable

	2005	Year to
	£	30/09/04
		£
Bank interest	2,603	10,290
Other interest receivable	34,139	2,246
	36,742	12,536

White Rose Finance Company Limited

Notes to the accounts

for the period ended 30 June 2005

5. Taxation

	2005	Year to
	£	30/09/04
Analysis of tax charge in the year		
Current tax		
UK corporation tax on profits of the period	3,549	-
Total current tax	3,549	-
Deferred tax	-	-
Tax on profit on ordinary activities	3,549	-
Factors affecting the tax charge for the year		
Profit on ordinary activities before tax	28,157	32,750
Profit on ordinary activities before tax multiplied by the standard rate of UK corporation tax of 30%	8,447	9,825
Effects of:		
Trading losses carried forward	-	18,105
Capital losses carried forward	3,629	-
Investment income taxed at source	(8,527)	(27,930)
Current tax charge for year	3,549	-

White Rose Finance Company Limited

Notes to the accounts

for the period ended 30 June 2005

6. Deferred taxation

	2005 £	Year to 30/09/04 £
Full potential amounts		
Capital losses	7,890	4,261
	<u>7,890</u>	<u>4,261</u>
Of which provided in the accounts		
Capital Losses	-	-
	<u>-</u>	<u>-</u>
Analysis of movement		
Balance b/fwd	-	
Deferred tax charge for the period	-	
	<u>-</u>	
Balance c/fwd	-	

7. Reconciliation of movements in shareholders' funds

	2005 £	Year to 30/09/04 £
Profit for the financial period after taxation	24,608	32,750
Dividend	(30,000)	(30,000)
	<u>(5,392)</u>	<u>2,750</u>
Shareholders' funds at 30 September 2004	921,342	918,592
	<u>915,950</u>	<u>921,342</u>
Shareholders' funds at 30 June 2005		

8. Dividends

	2005 £	Year to 30/09/04 £
Proposed dividend	<u>30,000</u>	<u>30,000</u>

White Rose Finance Company Limited
Notes to the accounts
for the period ended 30 June 2005

9. Fixed asset investments

	Quoted shares £
Cost	
As at 30 September 2004	401,792
Disposals	(12,598)
As at 30 June 2005	<u>389,194</u>
Open market value	
As at 30 September 2004	<u>4,164,250</u>
As at 30 June 2005	<u>5,083,000</u>

10. Current asset investments

	Quoted shares	Year to
	2005	30/09/04
	£	£
Short term investments brought forward	241,260	-
Additions during year at cost	134,141	444,724
Disposals during year at cost	(92,342)	(203,464)
Provision for diminution in value	(39,552)	(33,827)
	<u>243,507</u>	<u>207,433</u>
Market valuation at at 30 June 2005	<u>320,134</u>	<u>228,012</u>

11. Debtors

	2005	30/09/04
	£	£
Other debtors	14,309	55,273
Loans to third parties	242,805	-
Accrued income	513	-
	<u>257,627</u>	<u>55,273</u>

White Rose Finance Company Limited

Notes to the accounts

for the period ended 30 June 2005

12. Creditors: amounts falling due within one year

	2005 £	30/09/04 £
Corporation tax	3,549	-
Accruals and deferred income	16,047	705
Proposed dividend	30,000	30,000
	<u>49,596</u>	<u>30,705</u>

13. Share capital

	2005 £	30/09/04 £
Authorised 20,000 Shares of £1 each	<u>20,000</u>	<u>20,000</u>
Allotted, called up and fully paid 600 Shares of £1 each	<u>600</u>	<u>600</u>

14. Reserves

	2005 £	Year to 2004 £
Profit and loss account		
As at 30 September 2004	920,742	917,992
(Loss)/retained profit for the period	(5,392)	2,750
	<u>915,350</u>	<u>920,742</u>
As at 30 June 2005		

15. Related party transactions

On 19th October 2004 the company received a loan of £2,000,000 from the Trustees of J M Guthrie's 1965 Settlement. This was repaid on 14th December 2004 together with accrued interest of £15,342. Mr J Guthrie is a trustee and Messrs PJ Guthrie and R Guthrie are beneficiaries of J M Guthrie's 1965 Settlement and also directors of White Rose Finance Company Limited.