

**BALANCE SHEET**

at 31 March 2006

	Notes	2006 £	2005 £
<b>CURRENT ASSETS</b>			
Debtors	2	27,064	27,064
<b>NET ASSETS</b>		<u>27,064</u>	<u>27,064</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	3	10,000	10,000
Profit and loss account		17,064	17,064
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>27,064</u>	<u>27,064</u>

For the year ended 31 March 2006 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

1. ensuring the company keeps accounting records which comply with section 221; and
2. preparing accounts 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 its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirement of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Board of Directors on 11 January 2007 and signed on their behalf by:



S M Burgess  
Director



## NOTES TO THE BALANCE SHEET

at 31 March 2006

**1. ACCOUNTING POLICIES****Basis of presentation**

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

**2. DEBTORS**

	2006 £	2005 £
Amounts owed by parent undertaking	<u>27,064</u>	<u>27,064</u>

**3. CALLED UP SHARE CAPITAL**

	2006 £	2005 £
<b>Authorised</b>		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
<b>Allotted, called up and fully paid</b>		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

**4. CONTINGENT LIABILITIES**

A Statement of Claim has been received from Qatar Industrial Development Company ("Qidco") claiming Q.Riyals 20 millions (£3.2 million) in connection with a Management Agreement entered into between Qidco and Guinness Mahon International Limited dated 25 March 1980, the benefit and obligations of which were transferred to the company on 28 July 1982.

Guinness Mahon International Limited has offered to pay Qidco on behalf of the company, an ex gratia sum of QR 550,000 (£86,821) against which Qidco countered with a figure of QR 1.55 million (£244,676). Guinness Mahon International Limited continues to defend this action and has also made related claims against its insurers. Guinness Mahon International Limited has indemnified the company for any losses it might suffer under the action up to £500,000.

**5. ULTIMATE PARENT UNDERTAKING**

The company's immediate parent undertaking is Guinness Mahon Group Services Limited.

The company's ultimate parent undertaking and controlling party is Investec plc, a company incorporated in the United Kingdom and registered in England and Wales. The consolidated financial statements of Investec plc are available to the public and may be obtained from Investec plc at 2 Gresham Street, London, EC2V 7QP. This is the smallest group in which the results of the company are consolidated