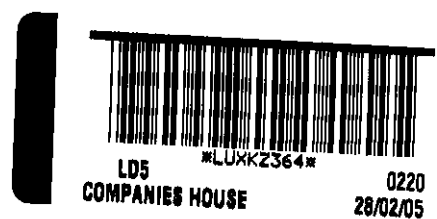


M & H INVESTMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2004

222592



M & H INVESTMENTS LIMITED

Directors

JG Hemingway
CL Robinson

Secretary

PK Mondal

Registered Office

First Floor
41 St James's Place
London
SW1A 1NS

Accountants

Mansfield & Co
Chartered Accountants
55 Kentish Town Road
Camden Town
London
NW1 8NX

Company Number

0822892

M & H INVESTMENTS LIMITED

DIRECTORS' REPORT

The directors present herewith their annual report and the audited financial statements of the company for the year ended 30 April 2004.

Results and Dividends

The surplus on ordinary activities for the year after taxation was £43,956 (2003 £4,660). No dividend is recommended in respect of the year under review.

Principal Activities and Review of the Business

The company is an investment holding company, and will continue as one.

The directors remain hopeful of the company's prospects, and are satisfied with the position at the year end.

Directors

The directors during the year were :

JG Hemingway
CL Robinson

none of whom had an interest in the shares of the company.

General

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of
the board of directors

x



x

CL Robinson
Director

M & H INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED
30 APRIL 2004

	Notes	2004 £	2003 £
Income from investments	2	49,643	10,346
Less: Administration expenses		4,742	4,960
		-----	-----
Operating profit	3	44,901	5,386
Interest payable on bank loan wholly repayable within five years		-	-
Interest receivable		57	9
		-----	-----
Profit (Loss) on Ordinary Activities before Taxation		44,958	5,395
Tax on Ordinary Activities	4	(1,002)	(735)
		-----	-----
Profit (Loss) on Ordinary Activities after Taxation		43,956	4,660
Extraordinary items:			
(Deficit) Surplus on Disposal of Investments		(39,829)	(8,590)
		-----	-----
Surplus (Deficit) for the Year and transferred to reserves	10	4,127	(3,930)
		=====	=====

All of the company's activities in the above two financial years derived from continuing operations. The company has no recognised gains or losses other than that reported above.

The notes on pages 5 to 8 form part of these financial statements.

M & H INVESTMENTS LIMITED
BALANCE SHEET
AS AT
30 APRIL 2004

	Notes	2004		2003	
		£	£	£	£
Fixed Assets					
Investments	5		652,700		666,217
Current Assets					
Cash at bank		59,118		11,078	
Debtors	8	113,089		35,444	
		-----		-----	
			172,207		46,522
Creditors: Amounts falling due within one year	6	1,146,492		1,110,451	
		-----		-----	
Net Current (Liabilities)			(974,285)		(1,063,929)
			-----		-----
Total Assets less Current Liabilities			(321,585)		(397,712)
Creditor: Amount falling due after one year	7		(712,072)		(640,072)
			-----		-----
			(1,033,657)		(1,037,784)
			=====		=====
Financed By:					
CAPITAL AND RESERVES					
Called up share capital	9		100,000		100,000
Profit and loss account	10		(1,133,657)		(1,137,784)
			-----		-----
			(1,033,657)		(1,037,784)
			=====		=====

For the financial year ended 30 April 2004, the company was entitled to exemption from audit under section 249A(1) Companies Act 1985; and no notice has been deposited under section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the 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 requirements of the Companies Act 1985, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the board of directors

x *CL Robinson* x

 CL Robinson

x *22 February 2005* x

 Date

The notes on pages 5 to 8 form part of these financial statements.

M & H INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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.

1. Accounting Policies

- a) **Accounting Convention**
The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards and in particular Financial Reporting Standard for Smaller Entities.
- b) **Going Concern**
The financial statements are prepared under the going concern concept, which is dependent upon the continued support of the loan creditors.
- c) **Income from Investments**
This comprises dividends and interest included on a receivable basis.
- d) **Fixed Asset Investments**
These are stated at cost less amounts written off.
- e) **Deferred Taxation**
Deferred taxation is provided on the liability method
- f) **Cash Flow Statement**
In accordance with the exemption contained in Financial Reporting Standing No. 1, no cash flow statement has been prepared.

M & H INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2004

2. Income from Investments	2004	2003	
	£	£	
Income from current and fixed assets investments:			
Income from fixed asset investments (listed)	10,023	10,346	
Income from fixed asset investments (unlisted)	620	-	
Dividend from subsidiary (unlisted)	39,000	-	
	-----	-----	
	<u>49,643</u>	<u>10,346</u>	
3. Operating profit	2004	2003	
This is shown after charging:	£	£	
Auditors' remuneration	-	-	
	-----	-----	
	<u>-</u>	<u>-</u>	
The company has no employees, other than the directors who did not receive any emoluments for their services.			
4. Tax on Ordinary Activities	2004	2003	
	£	£	
Corporation tax on the results for the year	-	-	
Irrecoverable tax credits written off	1,002	735	
Prior year adjustments	-	-	
Subvention receipts	-	-	
	-----	-----	
	<u>1,002</u>	<u>735</u>	
5. Fixed Assets Investments	Listed	Unlisted	Total
Cost:	£	£	£
At 1 May 2003	330,548	335,669	666,217
Additions	110,258	72,360	182,618
Written off	-	-	-
Disposals/Distribution	(80,325)	(115,810)	(196,135)
	-----	-----	-----
At 30 April 2004	<u>360,481</u>	<u>292,219</u>	<u>652,700</u>

The unlisted investments at 30 April 2004 comprise the company's participation in a joint venture in England at a written down value of £1,550 and shares in 24 St James's Place Limited (a company incorporated in England) together with an interest in a reversionary lease and shares in SOC Group PLC. These are all stated at cost (Directors' valuation - £292,219). Market value of investments listed on a recognised stock exchange at 30 April 2004 was £519,482 (2003 £328,508).

During the year, the company acquired and disposed of a majority interest in an unlisted company M&H Management Services Limited, a company incorporated in England.

M & H INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2004

6. Creditors: Amounts falling due within one year	2004	2003
	£	£
Amounts due to group companies	1,141,299	1,101,298
Accruals and deferred income	5,193	6,153
Corporation tax	-	-
Other creditors	-	3,000
	<u>1,146,492</u>	<u>1,110,451</u>

7. Creditor: Amount falling due after more than one year	2004	2003
	£	£
Loan	712,072	640,072
	<u>712,072</u>	<u>640,072</u>

The loan is not repayable within one year of the balance sheet date but has no fixed repayment date and is interest-free.

8. Debtors	2004	2003
	£	£
Amount due from a group company	-	-
Other debtors	113,089	35,444
Prepayments and accrued income	-	-
	<u>113,089</u>	<u>35,444</u>

9. Share Capital	2004	2003
	£	£
Authorised:		
Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
Issued and fully paid:		
Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>

M & H INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2004

10. Profit and Loss Account	2004	2003
	£	£
At 1 May 2003	(1,137,784)	(1,133,854)
Surplus (Deficit) for the year	4,127	(3,930)
	-----	-----
At 30 April 2004	<u>(1,133,657)</u>	<u>(1,137,784)</u>

11. Capital Commitments and Contingent Liabilities

There were no capital commitments either authorised or contracted for at 30 April 2004 (2003 £ nil). The company is joint and severally liable under cross-guaranties given to the group's bankers.

12. Parent Undertaking

In the opinion of the directors the ultimate parent undertaking at 30 April 2004 was Richemond Capital Corporation a company incorporated in the British Virgin Islands. The immediate parent undertaking was Normfield Limited, registered in England and Wales.