FLANPROP CO. LIMITED

FINANCIAL STATEMENTS

30 JUNE 2004



ALLIOTTS
Chartered Accountants
9 Kingsway
London WC2B 6XF

Company Number: 796621

FLANPROP CO. LIMITED

DIRECTORS' REPORT

The Directors submit their Report and Accounts for the year ended 30 June 2004.

Statement of Directors' Responsibilities

Company Law requires the directors to prepare accounts 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 these accounts, the directors are required to:-

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

The directors of the company during the financial year and their interests in shares of the company were:-

		30 June 2004	30 June 2003
Leslie Sieff	No. of Shares	1	1
Julius Levinkind	No. of Shares	Nil	Nil

During the above financial year, the company has not traded and there has been no income or expenditure and therefore no change in the company's position has arisen. Any expenses have been met by the directors personally.

SIGNED ON BEHALF OF THE BOARD

Director

Date approved 17 September 2004

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FLANPROP CO. LIMITED

We have audited the financial statements of Flanprop Company Limited on page 4 for the year ended 30 June 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report or of the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As described in the statement of directors' responsibilities on page 1, 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 mis-statement, 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 accounts.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2004 and have been properly prepared in accordance with the Companies Act 1985.

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ALLIOTTS
Chartered Accountants
Registered Auditors
9 Kingsway
London WC2B 6XF

Date 21st September 2004

Company Number: 796621

FLANPROP CO. LIMITED

BALANCE SHEET AS AT 30 JUNE 2004

	2004	2003
Cash	£ 2	£ 2

REPRESENTED BY:-

AUTHORISED SHARE CAPITAL

100 Ordinary Shares of £1

SHARE CAPITAL ISSUED AND FULLY PAID

2 Ordinary Shares of £1	£ 2	£ 2

Signed:

.....)
) Directors
.....)

Date approved 17th September 2004

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2004

Accounting Policies

The accounts have been prepared under the historical cost convention.