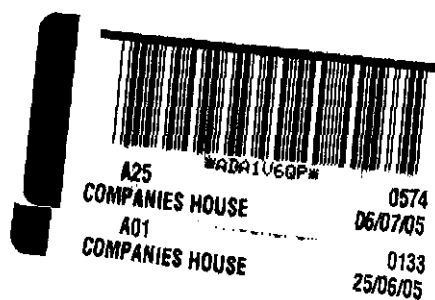

DAWCASTLE LIMITED

REPORT AND FINANCIAL STATEMENTS

◆ *Year Ended 31 December 2004* ◆

AMENDING



DAWCASTLE LIMITED

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DAWCASTLE LIMITED

COMPANY INFORMATION

| | |
|-------------------|---|
| Director | Andrew L Cohen |
| Secretary | Iain Williamson |
| Registered office | Wood Hall Lane Shenley Hertfordshire WD7 9AA |
| Registered number | 3074846 |
| Auditors | RSM Robson Rhodes LLP Centre City Tower 7 Hill Street Birmingham B5 4UU |

REPORT OF THE DIRECTOR

The director presents his report together with the audited financial statements for the year ended 31 December 2004.

Principal activities

The company has not traded in the current period and does not expect to do so for the foreseeable future.

Results and dividend

The results for the year are set out in detail on page 4. The director recommends the payment of a dividend of £1,424,503 (2003: £nil).

Director

The director at the date of this report is disclosed on page 1.

The director held no beneficial interests in the shares of the company throughout the year.

The director's interests in the shares of the parent company are disclosed in that company's accounts.

Director's responsibilities for financial statements

UK 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 these financial statements, the director has:

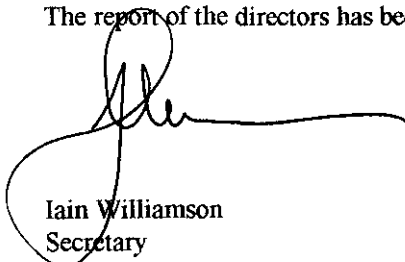
- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The director is 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. He is 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.

Auditors

A resolution to dispense from the obligation to appoint auditors will be proposed at the forthcoming AGM.

The report of the directors has been approved by the Board on 13 June 2005 and signed on its behalf by:



Iain Williamson
Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DAWCASTLE LIMITED

We have audited the financial statements on pages 4 to 7.

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

The director's responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

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 information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

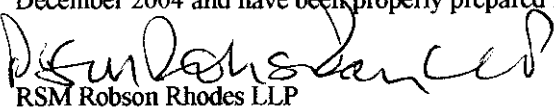
Basis of audit opinion

We conducted our audit in accordance with 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and have been properly prepared in accordance with the Companies Act 1985.


RSM Robson Rhodes LLP
Chartered Accountants and Registered Auditors
Birmingham
13 June 2005

DAWCASTLE LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 December 2004

| | Note | Year to 31 Decmeber 2004 £ | 18 Months to 31 December 2003 £ |
|---|-------------|---|--|
| Operating profit and profit for the financial year | 2 | - | - |
| Dividends paid | 4 | (1,424,503) | - |
| | | <hr/> | <hr/> |
| Retained loss for the year | 8 | (1,424,503) | - |
| | | <hr/> <hr/> | <hr/> <hr/> |

All activities derive from discontinued operations.

All recognised gains and losses have been included in the profit and loss account for the periods above.


The notes on pages 6 to 7 form part of these financial statements

DAWCASTLE LIMITED

BALANCE SHEET at 31 December 2004

| | Note | 31 December 2004 £ | 31 December 20043 £ |
|-----------------------------------|------|--------------------------|---------------------------|
| Current assets | | | |
| Debtors | 5 | 2 | 1,424,505 |
| | | <hr/> | <hr/> |
| Net assets | | 2 | 1,424,505 |
| | | <hr/> | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 6 | 2 | 2 |
| Profit and loss account | 8 | - | 1,424,503 |
| | | <hr/> | <hr/> |
| Equity shareholders' funds | 7 | 2 | 1,424,505 |
| | | <hr/> | <hr/> |

The financial statements were approved by the Board on 13 June 2005 and signed on its behalf by:


Andrew L. Cohen
Director

The notes on pages 6 to 7 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS**31 December 2004****1. ACCOUNTING POLICIES****Basis of accounting**

The accounts are prepared in accordance with applicable accounting standards under the historical cost convention.

2. OPERATING PROFIT

Auditors' remuneration is borne by the ultimate parent company.

3. EMPLOYEE INFORMATION (INCLUDING DIRECTORS)

With the exception of the directors, there were no employees during the period. The directors received no remuneration during either period.

4. DIVIDENDS PAID

| | Year ended 31 December 2003 | 18 months to 31 December 2003 |
|----------------|--|--|
| | £ | £ |
| Dividends paid | 1,424,503 | - |
| | <hr/> | <hr/> |

5. DEBTORS

| | 31 December 2003 | 30 June 2002 |
|-------------------------------------|-----------------------------|-------------------------|
| | £ | £ |
| Amounts due from group undertakings | 2 | 1,424,653 |
| | <hr/> | <hr/> |

All amounts shown in debtors fall due for repayment within one year

6. SHARE CAPITAL

| | 31 December 2003 | 30 June 2002 |
|--|-----------------------------|-------------------------|
| | £ | £ |
| Authorised | | |
| 100 Ordinary shares of £1 each | 100 | 100 |
| | <hr/> | <hr/> |
| Allotted, issued and fully paid | | |
| 2 Ordinary shares of £1 each | 2 | 2 |
| | <hr/> | <hr/> |

DAWCASTLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2004

7. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

| | 31 December 2004 £ | 31 December 2003 £ |
|---------------------------------|-----------------------------------|-----------------------------------|
| Profit for the year | - | - |
| Dividends paid | (1,424,503) | - |
| | <hr/> | <hr/> |
| Movement in shareholders' funds | (1,424,503) | - |
| Opening shareholders' funds | 1,424,505 | 1,424,505 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 2 | 1,424,505 |
| | <hr/> | <hr/> |

8. RESERVES

| | Profit and loss account £ |
|----------------------------|--|
| At 1 January 2004 | 1,424,503 |
| Retained loss for the year | (1,424,503) |
| | <hr/> |
| At 31 December 2004 | - |
| | <hr/> |

9. RELATED PARTIES TRANSACTIONS

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with 100%-owned subsidiaries of Wood Hall Securities Limited that are included in its consolidated financial statements.

10. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Wood Hall Securities Limited, whose consolidated financial statements are available from Companies House.