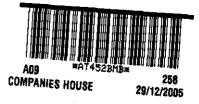
MEDTERRAIN HOLDINGS LIMITED UNAUDITED ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 31st MARCH 2005



MOORE STEPHENS

Chartered Accountants 65 New Street Salisbury Wiltshire SP1 2PH

MEDTERRAIN HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

PERIOD FROM 3rd MARCH 2004 TO 31st MARCH 2005

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MEDTERRAIN HOLDINGS LIMITED ABBREVIATED BALANCE SHEET 31st MARCH 2005

			31 Mar 05
	Note	£	£
FIXED ASSETS			
Investments	2		205,989
CURRENT ASSETS			
Debtors		49	
Cash at bank and in hand		950	
		999	
CREDITORS: Amounts falling due within one year		230,982	
NET CURRENT LIABILITIES			(229,983)
TOTAL ASSETS LESS CURRENT LIABILITIES			(23,994)
CAPITAL AND RESERVES			
Called-up equity share capital	4		100
Profit and loss account			(24,094)
DEFICIENCY			(23,994)

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the period by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

D Flatcher

MEDTERRAIN HOLDINGS LIMITED NOTES TO THE ABBREVIATED ACCOUNTS

PERIOD FROM 3rd MARCH 2004 TO 31st MARCH 2005

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Fixed assets

All fixed assets are initially recorded at cost.

2. FIXED ASSETS

	Investments £
COST Additions	205,989
At 31st March 2005	205,989
DEPRECIATION	<u>-</u>
NET BOOK VALUE At 31st March 2005	205,989

The above investment relates to a 100% holding in the issued share capital of Medterrain Greek Property Development Limited, a company registered in Corfu.

No financial information concerning the subsidiary undertaking is available for disclosure in these accounts.

3. RELATED PARTY TRANSACTIONS

The company was under the control of Mr D Fletcher throughout the current period.

No transactions with related parties were undertaken such as are required to be disclosed in the accounts apart from the balances on the directors' loan accounts. At the balance sheet date the company owed Mr D Fletcher £229,807 and Mr A Boyiakis owed the company £49.

MEDTERRAIN HOLDINGS LIMITED NOTES TO THE ABBREVIATED ACCOUNTS PERIOD FROM 3rd MARCH 2004 TO 31st MARCH 2005

4. SHARE CAPITAL

Authorised share capital:

1,000 Ordinary shares of £1 each		31 Mar 05 £ 1,000
Allotted, called up and fully paid:		
	No	£
Ordinary shares of £1 each	100	100

MEDTERRAIN HOLDINGS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS OF MEDTERRAIN HOLDINGS LIMITED

PERIOD FROM 3rd MARCH 2004 TO 31st MARCH 2005

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's 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 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 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 from 3rd March 2004 to 31st March 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.

MOORE STEPHENS Chartered Accountants

65 New Street Salisbury Wiltshire SP1 2PH