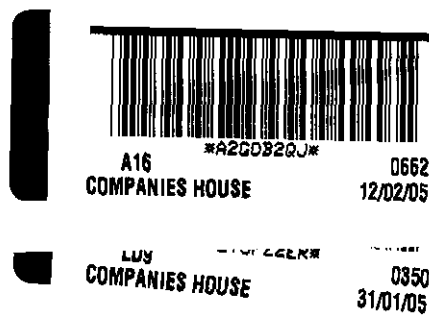


Company Registration No. 01504068 (England and Wales)

HORNSONG LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004



HORNSONG LIMITED

COMPANY INFORMATION

Directors

R Smith
R Smith
M Smith

Secretary

E Smith

Company number

01504068

Registered office

Melbury House , 34 Southborough Road
Bromley
Kent
BR1 2EB

Accountants

Winter & Co.
Melbury House,
34, Southborough Road
Bickley,
Bromley
Kent
BR1 2EB

HORNSONG LIMITED

CONTENTS

	Page
Directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4 - 6

HORNSONG LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report and financial statements for the year ended 31 March 2004.

Principal activities

The principal activity of the company continued to be that of property development, trading and investment.

Directors

The following directors have held office since 1 April 2003:

R Smith

R Smith

M Smith

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	31 March 2004	1 April 2003
R Smith	70	90
R Smith	15	10
M Smith	15	-

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

By order of the board



.....
E Smith

Secretary
.....

HORNSONG LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £	2003 £
Turnover		195,685	130,592
Cost of sales		(59,461)	(48,650)
Gross profit		136,224	81,942
Administrative expenses		(150,643)	191,023
Operating (loss)/profit	2	(14,419)	272,965
Other interest receivable and similar income		3,659	9,860
Interest payable and similar charges		-	(10,447)
(Loss)/profit on ordinary activities before taxation		(10,760)	272,378
Tax on (loss)/profit on ordinary activities	3	-	(46,500)
(Loss)/profit on ordinary activities after taxation	8	(10,760)	225,878

HORNSONG LIMITED

BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	4		810,459		810,707
Current assets					
Stocks		250,522		178,763	
Debtors	5	20,407		20,129	
Cash at bank and in hand		153,945		203,214	
		<u>424,874</u>		<u>402,106</u>	
Creditors: amounts falling due within one year	6	<u>(730,669)</u>		<u>(697,389)</u>	
Net current liabilities			<u>(305,795)</u>		<u>(295,283)</u>
Total assets less current liabilities			<u>504,664</u>		<u>515,424</u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss account	8		504,564		515,324
Shareholders' funds			<u>504,664</u>		<u>515,424</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) 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 requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements 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 (effective June 2002).

The financial statements were approved by the Board on


R. Smith
Director

HORNSONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

1 Accounting policies

1.1 Accounting convention

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

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	No depreciation is charged
Motor vehicles	25% written down value

2 Operating (loss)/profit	2004	2003
	£	£

Operating (loss)/profit is stated after charging:

Depreciation of tangible assets	248	330
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3 Taxation	2004	2003
	£	£

Domestic current year tax

U.K. corporation tax	-	46,500
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Current tax charge	-	46,500
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HORNSONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2003 & at 31 March 2004	809,715	13,188	822,903
Depreciation			
At 1 April 2003	-	12,196	12,196
Charge for the year	-	248	248
At 31 March 2004	-	12,444	12,444
Net book value			
At 31 March 2004	809,715	744	810,459
At 31 March 2003	809,715	992	810,707

5 Debtors	2004 £	2003 £
Other debtors	20,407	20,129

6 Creditors: amounts falling due within one year	2004 £	2003 £
Taxation and social security	56,973	56,973
Other creditors	673,696	640,416
	730,669	697,389

7 Share capital	2004 £	2003 £
Authorised		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100

HORNSONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

8 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2003	515,324
Retained loss for the year	(10,760)
	<hr/>
Balance at 31 March 2004	<u>504,564</u>