

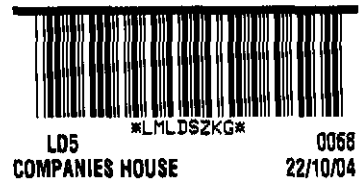
SWAN HILL NO 2 PENSION TRUST LIMITED

(REGISTERED NUMBER 2283378)

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED

5 APRIL 2004



SWAN HILL NO 2 PENSION TRUST LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 5 APRIL 2004

The directors submit their annual report together with the audited accounts for the year ended 5 April 2004.

ACTIVITY

The company acts as corporate trustee of the Swan Hill No 2 Pension Scheme.

RESULTS AND DIVIDENDS

The company did not trade during the year.

The directors do not recommend the payment of a dividend (2003 - Nil).

DIRECTORS AND DIRECTORS' SHAREHOLDINGS

The directors who served the company during the year and subsequently are as follows:

CRH Archer (resigned 26.02.04)
A G Confavreux (appointed 26.02.04)
Sir Brian Hill
R S Hough
Sir Idris Pearce (resigned 26.02.04)

At 5 April 2004 no directors or members of their families, as defined by the Companies Act 1985, held any beneficial interests in shares or debentures of any member of the Group other than the penultimate holding company, Swan Hill Group PLC. All holdings and options relate to ordinary shares in Swan Hill Group PLC. The holdings of the directors are as follows:

NAME	AS AT 5 APRIL 2003		AS AT 5 APRIL 2004	
	ORDINARY	OPTIONS	ORDINARY	OPTIONS
R S Hough	NIL	195,000	NIL	NIL
Sir Brian Hill	50,358	NIL	NIL	NIL

STATEMENT OF 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 period. 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.

SWAN HILL NO 2 PENSION TRUST LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 5 APRIL 2004 (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)


The directors confirm that they have complied with the above requirements in preparing the financial statements.

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.

AUDITORS

Pursuant to s386 of the Companies Act 1985, the Company has elected to dispense with the obligation to appoint auditors annually.

By Order of the Board



A G Confavreux
Company Secretary

30 September 2004

SWAN HILL NO 2 PENSION TRUST LIMITED

INDEPENDENT AUDITORS REPORT

To the members of Swan Hill No 2 Pension Trust Limited

We have audited the financial statements which comprise the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been 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 is not disclosed.

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 at 5 April 2004 and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP
PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
21 October 2004

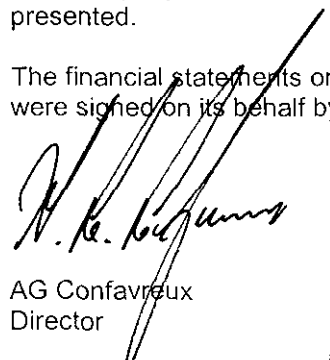
SWAN HILL NO 2 PENSION TRUST LIMITED

BALANCE SHEET AS AT 5 APRIL 2004

	<u>2004</u> £	<u>2003</u> £
<u>CURRENT ASSETS</u>		
Debtors (Note 2)	<u>100</u>	<u>100</u>
NET ASSETS	<u>100</u>	<u>100</u>
Represented by:		
<u>CAPITAL AND RESERVES</u>		
Called up share capital (Note 3)	<u>100</u>	<u>100</u>
EQUITY SHAREHOLDERS' FUNDS	<u>100</u>	<u>100</u>

The company has not traded during the year and accordingly no profit and loss account has been presented.

The financial statements on pages 5 and 6 were approved by the directors on 30 September 2004 and were signed on its behalf by:


AG Confavreux
Director


RS Hough
Director

SWAN HILL NO 2 PENSION TRUST LIMITED

NOTES TO THE ACCOUNTS - 5 APRIL 2004

1 ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared in accordance with the requirements of the Companies Act 1985 using the historical cost basis of accounting and in accordance with applicable accounting standards in the United Kingdom.

Profit and loss account

The Company has not prepared a profit and loss account as it did not trade during the year. Any expenses, including audit fees incurred by the Company, have been borne by its immediate parent.

2 DEBTORS

	<u>2004</u> £	<u>2003</u> £
Amounts due from holding company	100	100

3 CALLED UP SHARE CAPITAL

	<u>Authorised</u>		<u>Issued and fully paid</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	£	£	£	£
Ordinary shares of £1 each	100	100	100	100

4 ULTIMATE HOLDING COMPANY

The company is a wholly owned subsidiary of Swan Hill Group PLC whose ultimate parent company is Raven Mount plc. All the companies are registered in England. The address from where copies of the Group financial statements can be obtained is Swan Hill Group PLC, Waterman's Business Park, Kingsbury Crescent, Staines, Middlesex, TW18 3BA.