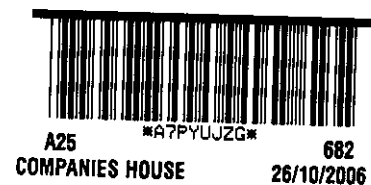


**COMPANY NUMBER:
02854347 (ENGLAND & WALES)**

M D HOLDINGS LIMITED
ABBREVIATED STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

**MEMACT LIMITED
ACCOUNTANTS
118 COLLIER ROW ROAD
ROMFORD
ESSEX
RM5 2BB**



M D HOLDINGS LIMITED
ABBREVIATED BALANCE SHEET

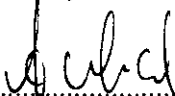
AT 31 DECEMBER 2005

	Note	2005	2004
		£	£
Fixed assets			
Investments	2	520,000	520,000
Current assets			
Cash at bank and in hand		189	161
		<u>189</u>	<u>161</u>
Creditors			
Amounts falling due within one year		(275)	-
		<u>(86)</u>	<u>161</u>
Net current (liabilities)/assets			
		<u>519,914</u>	<u>520,161</u>
Total assets less current liabilities			
		<u>519,914</u>	<u>520,161</u>
Net assets			
		<u>519,914</u>	<u>520,161</u>
Capital and reserves			
Called up share capital	3	330,000	330,000
Revaluation reserve		60,020	60,020
Profit and loss account		129,894	130,141
		<u>519,914</u>	<u>520,161</u>
Shareholders' funds			
		<u>519,914</u>	<u>520,161</u>

In the opinion of the director the company is entitled to claim exemptions from audit by virtue of subsection (1) of Section 249A of the Companies Act 1985. Members have not required the company, under s.249B(2) of the Companies Act 1985, to obtain an audit for the year ended 31 DECEMBER 2005. The director is responsible for ensuring that the company maintains accounting records in compliance with Section 221 of that Act and for preparing accounts which give a true and fair view of the affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with Section 226, and which comply with the other requirements of the Act relating to the accounts so far as applicable to the company.

In preparing these abbreviated financial statements the director has taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 20TH OCTOBER 2006 and signed on its behalf.



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The annexed notes form part of these financial statements.

M D HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2005

1. Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Cashflow statement

The Company has taken advantage of the exemption in Financial Reporting Standard No.1(revised 1996) from the requirement to produce a cashflow statement on the grounds that it is a small company.

Turnover

Turnover represents the management charges,net of VAT,rendered to the subsidiary undertaking in the United Kingdom.

Consolidation

The company and its subsidiary undertaking comprise a medium sized group.The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group financial statements.

Investments

The investment in the subsidiary company is stated at a revalued amount commensurate with the Capital and Reserves of the company at 31st December 2002.

2. Investments

	Total £
Cost	
at 1 JANUARY 2005	520,000
At 31 DECEMBER 2005	<u>520,000</u>
Net book value:	
At 31 DECEMBER 2005	<u>520,000</u>
At 31 DECEMBER 2004	<u><u>520,000</u></u>

M D HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2005

3. Share capital

	2005	2004
	£	£
Authorised		
Ordinary shares of £1000 each	1,400,000	1,400,000
	<u> </u>	<u> </u>
	£	£
Allotted, called up and fully paid		
Ordinary shares of £1000 each	330,000	330,000
	<u> </u>	<u> </u>