

Company Registration No. 4288359 (England and Wales)

DURGAN MONSTEIN PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003



DURGAN MONSTEIN PLC

COMPANY INFORMATION

Directors	G. R. Durgan J. H. Durgan
Secretary	G. R. Durgan
Company number	4288359
Registered office	Fielding House, Jubilee Road Littlewick Green Maidenhead SL6 2QU
Auditors	10 Station Road Henley on Thames Oxfordshire RG9 1AY
Business address	Fielding House, Jubilee Road Littlewick Green Maidenhead SL6 2QU

DURGAN MONSTEIN PLC

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DURGAN MONSTEIN PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their report and financial statements for the year ended 31 December 2003.

Principal activities and review of the business

The principal activity of the company is that of the provision of mentoring services.

During the year the company achieved turnover of £25,750, which resulted in a profit before tax of £7,779. The Directors are satisfied with the results for the year.

Results and dividends

The results for the year are set out on page 4.

Future developments

The Company is expected to continue trading at similar levels to the year ended 31st December 2003.

Commencement of trade

The Company commenced trading on the 1st January 2003.

Directors

The following directors have held office since 1 January 2003:

G. R. Durgan
J. H. Durgan

Directors' interests

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

	Ordinary share of 10p each	
	31 December 2003	1 January 2003
G. R. Durgan	499,999	499,999
J. H. Durgan	1	1

Auditors

E A Kench & Co have signified their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the forthcoming annual general meeting.

DURGAN MONSTEIN PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

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.

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.

On behalf of the board



G. R. Durgan

Director

20 July 2004

DURGAN MONSTEIN PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DURGAN MONSTEIN PLC

We have audited the financial statements of Durgan Monstein PLC on pages 4 to 9 for the year ended 31 December 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

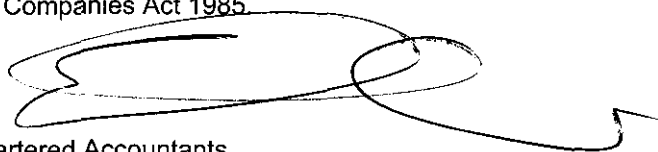
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditor

20 July 2004

10 Station Road
Henley on Thames
Oxfordshire
RG9 1AY

DURGAN MONSTEIN PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Turnover	2	25,750	-
Cost of sales		(8,000)	-
Gross profit		17,750	-
Administrative expenses		(10,128)	-
Operating profit	3	7,622	-
Other interest receivable and similar income		157	-
Profit on ordinary activities before taxation		7,779	-
Tax on profit on ordinary activities		(1,906)	-
Profit on ordinary activities after taxation		5,873	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.


There are no recognised gains and losses other than those passing through the profit and loss account.

DURGAN MONSTEIN PLC

BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	2003 £	£	2002 £	£
Current assets					
Debtors	4	6,624		-	
Cash at bank and in hand		17,470		12,500	
		<u>24,094</u>		<u>12,500</u>	
Creditors: amounts falling due within one year	5	<u>(5,721)</u>		<u>-</u>	
Total assets less current liabilities			<u>18,373</u>		<u>12,500</u>
Capital and reserves					
Called up share capital	6		12,500		12,500
Profit and loss account	7		5,873		-
			<u>18,373</u>		<u>12,500</u>
Shareholders' funds - equity interests	8		<u>18,373</u>		<u>12,500</u>

The financial statements were approved by the Board on 20 July 2004



G. R. Durgan
Director

DURGAN MONSTEIN PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

	£	2003 £	£	2002 £
Net cash inflow/(outflow) from operating activities		4,813		-
Returns on investments and servicing of finance				
Interest received	157		-	
Net cash inflow/(outflow) for returns on investments and servicing of finance		157		-
Net cash inflow/(outflow) before management of liquid resources and financing		4,970		-
Financing				
Issue of ordinary share capital	-		12,500	
Net cash (outflow)/inflow from financing		-		12,500
Increase in cash in the year		4,970		12,500

DURGAN MONSTEIN PLC

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2003	2002
		£	£
	Operating profit/(loss)	7,622	-
	Increase in debtors	(6,624)	-
	Increase in creditors within one year	3,815	-
	Net cash inflow/(outflow) from operating activities	4,813	-

2	Analysis of net funds	1 January 2003	Cash flow	Other non-cash changes	31 December 2003
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	12,500	4,970	-	17,470
	Net funds	12,500	4,970	-	17,470

3	Reconciliation of net cash flow to movement in net funds	2003	2002
		£	£
	Increase in cash in the year	4,970	12,500
	Movement in net funds in the year	4,970	12,500
	Opening net funds	12,500	-
	Closing net funds	17,470	12,500

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

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

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2003 £	2002 £
Operating profit is stated after charging:		
Auditors' remuneration	1,815	-
Remuneration of auditors for non-audit work	7,780	-
	<u> </u>	<u> </u>

4 Debtors	2003 £	2002 £
Trade debtors	5,875	-
Other debtors	749	-
	<u> </u>	<u> </u>
	6,624	-
	<u> </u>	<u> </u>

5 Creditors: amounts falling due within one year	2003 £	2002 £
Corporation tax	1,906	-
Accruals and deferred income	3,815	-
	<u> </u>	<u> </u>
	5,721	-
	<u> </u>	<u> </u>

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

6	Share capital	2003	2002
		£	£
	Authorised		
	500,000 Ordinary shares of 10p each	50,000	50,000
		<u> </u>	<u> </u>
	Allotted, called up and partly paid		
	500,000 Ordinary shares on which 2.5p has been paid	12,500	12,500
		<u> </u>	<u> </u>
7	Statement of movements on profit and loss account		
			Profit and loss account £
	Retained profit for the year		5,873
			<u> </u>
8	Reconciliation of movements in shareholders' funds	2003	2002
		£	£
	Proceeds from issue of shares	-	12,500
		<u> </u>	<u> </u>
	Net addition to shareholders' funds	5,873	12,500
	Opening shareholders' funds	12,500	-
		<u> </u>	<u> </u>
	Closing shareholders' funds	18,373	12,500
		<u> </u>	<u> </u>

9 Employees

Number of employees

There were no employees during the year apart from the directors.