

COMPANY NO: 4313995

DOMAIN NORTH ROAD MANAGEMENT LIMITED

ANNUAL REPORT

Year ended 31 December 2004



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COMPANY INFORMATION

Directors	Marc Gilbard Graham Stanley Graham Sidwell Charles Cade
Secretary	Timothy Sanderson
Registered office	Premier House 44-48 Dover Street London W1S 4NX
Registered number	4313995
Auditors	RSM Robson Rhodes LLP Chartered Accountants 186 City Road London EC1V 2NU
Bankers	HBOS plc 38 Threadneedle Street London EC2P 2EH

REPORT OF THE DIRECTORS

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

Principal activities

The principal activity of the Company is the letting and management of property.

Results and Dividends

The results for the year ended 31 December 2004 are set out in the profit and loss account on page 4. The directors do not recommend the payment of a dividend.

Directors

The present directors of the Company are set out on page 1. The directors served throughout the year. Pauline Bradley and Karen Bothwell resigned as Directors on 31 January 2005.

Directors' interests

None of the directors has an interest in the shares of the Company. Marc Gilbard, Graham Stanley and Graham Sidwell are directors of the ultimate parent company. Their interests in the shares of the ultimate parent company are shown in the financial statements of that company.

Parent and ultimate parent company

The ultimate parent company is Stessa Holdings Limited which is incorporated in England and Wales.

Statement of directors' responsibilities for the Annual Report

Company law in the United Kingdom 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 these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable United Kingdom accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and 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.

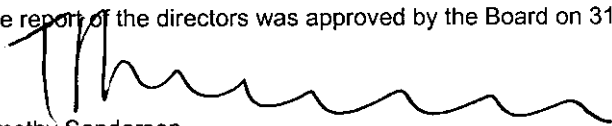
The directors are responsible for ensuring that the directors' report and other information included in the Annual Report is prepared in accordance with Company law in the United Kingdom.

Auditors

The auditors, RSM Robson Rhodes LLP, are willing to continue in office, and a resolution to reappoint them will be proposed at the forthcoming annual general meeting.

Approval

The report of the directors was approved by the Board on 31 March 2005 and signed on its behalf by:


Timothy Sanderson
Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DOMAIN NORTH ROAD MANAGEMENT LIMITED

We have audited the financial statements on pages 4 to 8.

This report is made solely to the Company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

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 information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

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 affairs of the Company as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RSM Robson Rhodes LLP
Chartered Accountants and Registered Auditor
London, England
31 March 2005

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2004

	Note	2004 £'000	2003 £'000
Turnover	1	928	871
Gross rental income		928	871
Less: property outgoings		(916)	(859)
Net rental income		12	12
Administrative expenses		-	(1)
Operating profit	2	12	11
Bank interest receivable		65	50
Profit on ordinary activities before taxation		77	61
Tax on profit on ordinary activities	4	-	-
Retained profit		77	61

All activities are continuing activities.

There are no recognised gains and losses other than the results shown above.

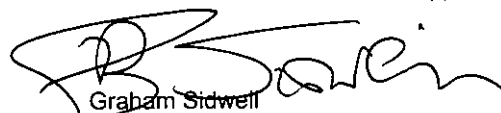
The notes of pages 6 to 8 form part of these financial statements.

BALANCE SHEET

at 31 December 2004

	Note	2004 £'000	2003 £'000
Current assets			
Debtors due after more than one year	5	5,794	5,917
Debtors due within one year	6	277	133
Cash		1,345	1,108
Creditors: Amounts falling due within one year	7	7,416 (7,269)	7,158 (7,088)
Net assets		147	70
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account	9	147	70
Shareholders' funds	10	147	70

The financial statements were approved by the Board on 31 March 2005 and signed on its behalf by:


Graham Sidwell
Director

The notes on pages 6 to 8 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2004

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Cash flow statement

The company is exempt from publishing a cash flow statement because it is ultimately a wholly owned subsidiary undertaking of Stessa Holdings Limited which publishes a consolidated cash flow statement.

Turnover

Turnover comprises gross rental income, excluding VAT.

Leases

Rentals payable under the operating leases are charged to the profit and loss account on an accrual basis over the term of the lease. The initial advance payment made in relation to the operating lease is treated as part of the rentals payable and accordingly these costs are also charged to the profit and loss account on a straight line basis over the term of the lease and are classified within prepayments (see notes 5 and 6).

Deferred taxation

The payment of taxation is deferred or accelerated because of timing differences in the treatment of certain items for taxation and accounting purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by FRS 19. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

2. OPERATING PROFIT

	2004 £'000	2003 £'000
The operating profit is arrived at after charging:		
Rent payable	499	477

The amounts payable under the operating lease will fluctuate according to the income receivable over the term of the lease.

3. STAFF COSTS

	2004 £'000	2003 £'000
Salaries and wages	121	103
Social security costs	10	8
	<u>131</u>	<u>111</u>
Average number of employees	<u>10</u>	<u>8</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2004

4. TAXATION

	2004 £'000	2003 £'000
United Kingdom Corporation Tax		
Current tax on income for the year	-	-
Deferred taxation	-	-
Total taxation	-	-
Current tax reconciliation		
	2004 £'000	2003 £'000
Profit on ordinary activities before taxation	77	61
Theoretical tax at UK corporation tax at 30% (2003: 30%)	23	18
Effects of group relief	(23)	(18)
Actual current taxation charge	-	-

5. DEBTORS DUE AFTER MORE THAN ONE YEAR

	2004 £'000	2003 £'000
Prepayments (see note 1)	5,794	5,917

6. DEBTORS DUE WITHIN ONE YEAR

	2004 £'000	2003 £'000
Trade debtors	152	5
Prepayments	125	128
	277	133

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £'000	2003 £'000
Trade creditors	4	37
Amounts owed to group undertakings	6,706	6,697
Other creditors	86	72
Accruals & deferred income	473	282
	7,269	7,088

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2004

8. SHARE CAPITAL

	2004 £	2003 £
Authorised share capital		
100 ordinary shares of £1	100	100
Issued share capital		
2 ordinary shares of £1	2	2

9. PROFIT AND LOSS ACCOUNT

	£'000
Balance at 1 January 2004	70
Profit for the year	77
Balance at 31 December 2004	147

10. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2004 £'000	2003 £'000
Profit for the year	77	61
Opening shareholders' funds	70	9
Closing shareholders' funds	147	70

11. ULTIMATE PARENT UNDERTAKING

The ultimate parent company is Stessa Holdings Limited, which is registered in England and Wales.

Group accounts are available to the public on payment of the appropriate fee, from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

12. RELATED PARTY TRANSACTIONS

Under Financial Reporting Standard 8, the Company is exempt from the requirement to disclose inter-company related party transactions on the grounds that it is a wholly owned subsidiary of a parent undertaking which prepares and publishes consolidated financial statements. There are no other related party transactions.