

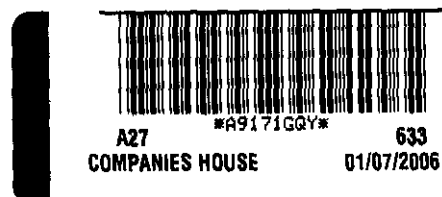
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BLACK HEATH LIMITED

REPORT AND ACCOUNTS

PERIOD ENDED 31 MARCH 2005

**Company No FC24929
Branch No BR7368**



BLACK HEATH LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2005

	Note	31 March 2005 US\$	31 March 2004 US\$
INCOME	1		
Bank interest		-	1
Interest on FKI plc loan		187	-
		<u>187</u>	<u>1</u>
EXPENSES			
Administration expenses		1,314	10,704
Tax exempt status fee	3	600	600
(Loss)/profit for the year		<u>(1,727)</u>	<u>(11,303)</u>
Dividend		-	-
(Deficit)/surplus for the year		<u>(1,727)</u>	<u>(11,303)</u>
Retained deficit b/fwd		(28,481)	(17,178)
Deficit c/fwd		<u><u>(30,208)</u></u>	<u><u>(28,481)</u></u>

These accounts are unaudited
The notes form part of these financial statements

BLACK HEATH LIMITED

BALANCE SHEET AS AT 31 MARCH 2005

	Note	31 March 2005 US\$	31 March 2004 US\$
INVESTMENTS			
Subsidiary Investment	4	610,016,226	610,016,226
		<hr/>	<hr/>
CURRENT ASSETS			
Amount due from FKI plc		3,569	5,786
Bank deposits		-	823
Prepayments		-	4,687
		<hr/>	<hr/>
		3,569	11,296
		<hr/>	<hr/>
CREDITORS – amounts falling due within one year			
Administration fees		-	(6,000)
		<hr/>	<hr/>
		-	(6,000)
		<hr/>	<hr/>
NET CURRENT ASSETS		3,569	5,296
		<hr/>	<hr/>
		610,019,795	610,021,522
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Share capital	6	610,000,003	610,000,003
Share premium		50,000	50,000
Reserves		(30,208)	(28,481)
		<hr/>	<hr/>
Total shareholders' funds	7	610,019,795	610,021,522
		<hr/>	<hr/>

Director:

N R

Director:

Antony Venet

Approved on behalf of the Board on

3rd January 2006

These accounts are unaudited
The notes form part of these financial statements

BLACK HEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2005

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention.

Income

Investment income and bank interest is credited to the profit and loss account on an accruals basis.

Investments

Investments are shown at cost.

2. CASH FLOW STATEMENT AND RELATED PARTY COSTS

The company is a wholly owned subsidiary of FKI plc and is included in the consolidated financial statements of FKI plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 and also exemption under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the FKI plc Group.

3. FILING REQUIREMENTS

The Company is managed and controlled in the UK and is therefore deemed for UK Company Law purposes to have a UK branch and is obliged to file these accounts with Companies House. The Company was incorporated in Guernsey and under Guernsey Company Law it is necessary to file an annual return with the Guernsey authorities. The Company qualifies as a tax exempt Guernsey Company and as such pays an annual fee of £600.

4. INVESTMENTS

The investment represents a subscription for 1,000,001 ordinary shares being the entire share capital in an unlisted company named Hamsard 2246. The amount of the investment is the sterling equivalent of US dollars 610,016,226.

BLACK HEATH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2005

5. ULTIMATE PARENT UNDERTAKING

The immediate and ultimate controlling party of Black Heath Limited is FKI plc. Copies of the financial statements of FKI plc can be obtained from the Company Secretary, FKI plc, Falcon Works, P O Box 7713, Meadow Lane, Loughborough LE11 1ZF or from FKI plc's website fki.co.uk

6. SHARE CAPITAL

US\$

Authorised:

610,000,000 ordinary shares of US\$1.00 each

610,000,000

2 ordinary shares of £1 each

3

610,000,003

US\$

Issued:

610,000,000 ordinary shares of US\$1.0 each

610,000,000

2 ordinary shares of £1 each

3

610,000,003

The above two classes of shares rank pari passu.

7. RECONCILIATION OF SHAREHOLDERS' FUNDS

US\$

Shareholders' funds as at 1st April 2004

610,021,522

Surplus/(deficit) for the period

(1,727)

Shareholders' funds as at 31st March 2005

610,019,795