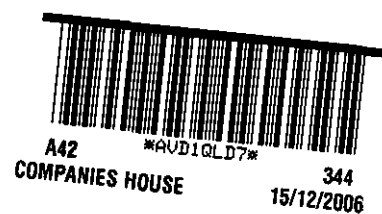


WINCHBOURNE LIMITED
FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 30 JUNE 2006

COMPANY REGISTRATION NUMBER 807607



COHEN ARNOLD
Chartered Accountants
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

WINCHBOURNE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2006

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WINCHBOURNE LIMITED

COMPANY INFORMATION

THE DIRECTORS

Mr Abraham Gluck
Mr Harold Gluck

COMPANY SECRETARY

Mr Abraham Gluck

REGISTERED OFFICE

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

ACCOUNTANTS

Cohen Arnold
Chartered Accountants
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

BANKERS

Lloyds TSB
Business & Commercial Service Centre
Dominions House
Eton Place
64 High Street
Burnham
Bucks.
SL1 7JT

WINCHBOURNE LIMITED
THE REPORT OF THE DIRECTORS
YEAR ENDED 30 JUNE 2006

The Directors have pleasure in presenting their report and the unaudited Financial Statements of the Company for the year ended 30 June 2006.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is Property investment which remained unchanged during the year and no change is envisaged in the immediate future.

The net profit on ordinary activities after providing for taxation amounted to £5,639.

The financial results of the Company's activities for the year ended 30th June 2006 are fully reflected in the attached financial statements together with the notes thereon.

The Directors do not recommend the payment of a dividend for the year under review.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The Directors who served the Company during the year together with their beneficial interests, including family holdings, in the shares of the Company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2006	At 1 July 2005
Mr Abraham Gluck	35	35
Mr Harold Gluck	<u>20</u>	<u>20</u>

LAND AND BUILDINGS

The Company's investment properties are included in the Balance Sheet at Directors' valuation.

DONATIONS

During the year the Company made the following contributions:

	2006	2005
	£	£
Charitable	<u>1,500</u>	<u>1,000</u>

WINCHBOURNE LIMITED

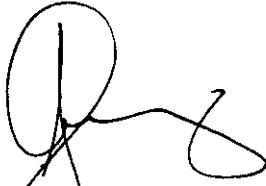
THE REPORT OF THE DIRECTORS *(continued)*

YEAR ENDED 30 JUNE 2006

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the Directors



MR ABRAHAM GLUCK
Company Secretary

Approved by the Directors on 4th Dec 2006

WINCHBOURNE LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2006

	Note	2006 £	2005 £
Net Rental Income	2	36,869	33,065
Administrative expenses		13,977	9,702
OPERATING PROFIT	3	22,892	23,363
Interest payable and similar charges		17,178	15,412
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		5,714	7,951
Tax on profit on ordinary activities	4	75	600
PROFIT FOR THE FINANCIAL YEAR		5,639	7,351
Balance brought forward		136,628	129,276
Balance carried forward		<u>142,267</u>	<u>136,627</u>

The notes on pages 8 to 12 form part of these Financial Statements.

WINCHBOURNE LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 30 JUNE 2006

	2006	2005
	£	£
Profit for the financial year attributable to the shareholders	5,639	7,351
Unrealised profit on revaluation of certain fixed assets	<u>35,500</u>	<u>40,200</u>
Total gains and losses recognised since the last annual report	<u>41,139</u>	<u>47,551</u>

The notes on pages 8 to 12 form part of these Financial Statements.

WINCHBOURNE LIMITED

BALANCE SHEET

30 JUNE 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible assets	5	823,209	716,350
CURRENT ASSETS			
Debtors	6	514,720	490,089
CREDITORS: Amounts falling due within one year	7	<u>167,886</u>	<u>165,613</u>
NET CURRENT ASSETS		<u>346,834</u>	<u>324,476</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,170,043</u>	<u>1,040,826</u>
CREDITORS: Amounts falling due after more than one year	8	<u>339,562</u>	<u>251,485</u>
		<u>830,481</u>	<u>789,341</u>
CAPITAL AND RESERVES			
Called-up equity share capital	11	100	100
Revaluation reserve	12	688,114	652,614
Profit and loss account		142,267	136,627
SHAREHOLDERS' FUNDS		<u>830,481</u>	<u>789,341</u>

The Balance sheet continues on the following page.

The notes on pages 8 to 12 form part of these Financial Statements.

WINCHBOURNE LIMITED

BALANCE SHEET *(continued)*

30 JUNE 2006

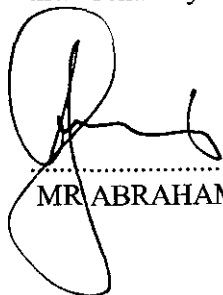
The Directors are satisfied that the Company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the Financial Statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The Directors acknowledge their responsibilities for:

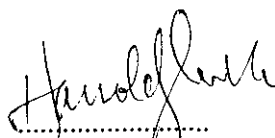
- (i) ensuring that the Company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing Financial Statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to Financial Statements, so far as applicable to the Company.

These Financial Statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These Financial Statements were approved by the Directors on the 4th Dec 2006 and are signed on their behalf by:



MR ABRAHAM GLUCK



MR HAROLD GLUCK

The notes on pages 8 to 12 form part of these Financial Statements.

WINCHBOURNE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2006

1. ACCOUNTING POLICIES

Basis of accounting

The Financial Statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

-Financial Reporting Standard for Smaller Entities (effective January 2005).

The adoption of FRSSE 2005 has not resulted in any changes that need to be reflected in these financial statements and on the results for the preceding year.

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No. 1 "Cash flow statements".

Turnover

The Turnover of the Company is represented by Rents and Charges receivable in respect of its investment properties.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 25%

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation or amortisation is provided in respect of freehold investment properties nor on leasehold investment properties having an unexpired term of more than twenty years. This departure from the requirements of the Companies Act 1985, for all properties to be depreciated, is necessary, as the Directors consider that this accounting policy results in the financial statements giving a true and fair view.

Leases having an unexpired term of less than twenty years are amortised evenly over the remaining period of the lease. Low value items of furniture and fittings are written off in the year in which they are acquired.

WINCHBOURNE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2006

1. ACCOUNTING POLICIES *(continued)*

Investment properties

Investment properties are included in the balance sheet at Directors' valuation which is in accordance with Statement of Standard Accounting Practice No. 19, which requires such properties to be stated at their open market value.

Acquisitions and disposals of properties

Acquisitions and disposals are considered to have taken place at the date of legal completion and are included in the financial statements accordingly.

Format of the Financial Statements

The financial statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 with suitable adaptation thereof which the Directors consider to be appropriate having regard to the nature of the company's activities.

2. TURNOVER AND NET RENTAL INCOME

The Turnover of the Company is represented Rents and Charges receivable in respect of its investment properties.

The net rental income is comprised as follows:

	2006 £	2005 £
Rents and charges receivable	59,667	57,797
Property outgoings	<u>(22,798)</u>	<u>(24,732)</u>
Net rental income	<u>36,869</u>	<u>33,065</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2006 £	2005 £
Directors' emoluments	<u>2,564</u>	<u>—</u>

WINCHBOURNE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2006

4. TAXATION ON ORDINARY ACTIVITIES

	2006 £	2005 £
Current tax:		
UK Corporation tax based on the results for the year	75	600
Total current tax	<u>75</u>	<u>600</u>

5. TANGIBLE FIXED ASSETS

	Freehold Properties @ Valuation £	Fixtures & Fittings @ Cost £	Total £
COST OR VALUATION			
At 1 July 2005	709,800	41,908	751,708
Additions	72,500	662	73,162
Revaluation	35,500	—	35,500
At 30 June 2006	<u>817,800</u>	<u>42,570</u>	<u>860,370</u>
DEPRECIATION			
At 1 July 2005	—	35,358	35,358
Charge for the year	—	1,803	1,803
At 30 June 2006	<u>—</u>	<u>37,161</u>	<u>37,161</u>
NET BOOK VALUE			
At 30 June 2006	<u>817,800</u>	<u>5,409</u>	<u>823,209</u>
At 30 June 2005	<u>709,800</u>	<u>6,550</u>	<u>716,350</u>

In accordance with the Company's stated accounting policy (see note 1) no depreciation has been provided in respect of freehold or long-leasehold properties which are held for investment purposes.

The historical cost of the properties is £129,686 (2005:£57,186).

WINCHBOURNE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2006

6. DEBTORS

	2006	2005
	£	£
Trade debtors	29,413	14,037
Other debtors	<u>485,307</u>	<u>476,052</u>
	<u>514,720</u>	<u>490,089</u>

Other debtors include £332,106 (2005:£323,006) due from Connected Companies, of which Messrs A and/or H Gluck are also Directors.

The above loans are interest free and repayable on demand.

7. CREDITORS: Amounts falling due within one year

	2006	2005
	£	£
Bank loans and overdrafts	150,959	153,445
Trade creditors	1,159	—
Corporation tax	675	600
Other taxation and social security	1,833	1,058
Other creditors	<u>13,260</u>	<u>10,510</u>
	<u>167,886</u>	<u>165,613</u>

8. CREDITORS: Amounts falling due after more than one year

	2006	2005
	£	£
Bank loans and overdrafts	<u>339,562</u>	<u>251,485</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the Company:

	2006	2005
	£	£
Bank loans and overdrafts	<u>339,562</u>	<u>251,485</u>

Bank loans and overdrafts are secured by legal charges over the Company's investment properties.

WINCHBOURNE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2006

9. CONTINGENCIES

The Company together with several Companies under common management is party to a cross-guarantee in respect of the loan facilities in a principal sum of up to £6.7m. At Balance sheet date the Contingent liability amounted to £5.8m.

The Company has charged its properties at 1-10 Worcester House as part security for the above bank loan facilities and the book value of the properties charged as at 30th June 2006 is approximately £817,800.

No amounts are anticipated to become payable under the guarantees.

10. RELATED PARTY TRANSACTIONS

Management of the Company's properties, administration and Corporate services provided to the Company are carried out at normal commercial rates by Taskpoint Management Limited. During the year, £8,015 (2005: £9,335) was payable to Taskpoint Management Limited, a Company whose Director is Mr A Gluck.

Interest payable and similar charges include £3,000 finance fees payable to a Company of which Mr A Gluck is also a Director.

Messrs A Gluck and H Gluck together with their families own a controlling interest in the Share Capital of the Company.

11. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12. REVALUATION RESERVE

	2006 £	2005 £
Balance brought forward	612,414	612,414
Revaluation of fixed assets	<u>75,700</u>	<u>40,200</u>
Balance carried forward	<u>688,114</u>	<u>652,614</u>