

DUELGUIDE (BOND STREET) LIMITED

Financial Statements

For the Year Ended 31 December 2006

Registered in England No 2166971

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Duelguide (Bond Street) Limited
Financial Statements
For the year ended 31 December 2006

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Duelguide (Bond Street) Limited

Financial Statements

For the year ended 31 December 2006

Directors' Report

The directors present their report and audited financial statements for the year ended 31 December 2006

Principal activities, business review and future outlook

The principal activity of the Company is investment in entities which hold investment in properties

The outlook for 2007 is consistent with the current year and the directors believe that the Company will maintain the current level of performance in the future

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to be fluctuation in interest rates

Key performance indicators

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the Company

Results and dividend

The Company made a loss of £6,201,000 for the year ended 31 December 2006 (2005 £4,587,000)

The directors do not propose the payment of a dividend for the year ended 31 December 2006 (2005 £nil)

Political and charitable contributions

The Company made no political or charitable contributions during the year (2005 £nil)

Directors and directors' interests

The directors who held office during the year and up to the date of approval of this Directors' report were as follows

SAJ Nahum
MR Turner

None of the Directors who held office at the end of the financial year had an interest in the equity of the Company or of any other Group Company

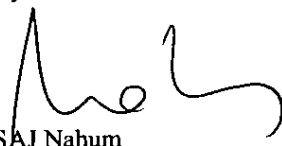
Disclosure of information to auditors

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

In accordance with section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the Company is to be proposed at the forthcoming annual general meeting

By order of the board


SAJ Nahum
Director
26 October 2007

25 Harley Street
London
W1G 9BR

Statement of the Directors' Responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with the UK Accounting Standards.

The financial statements are required by law to 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 year.

In preparing these 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, and
- Prepare the financial statements on a 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 that disclose with reasonable accuracy at any time the position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the members of Duelguide (Bond Street) Limited

We have audited the financial statements of Duelguide (Bond Street) Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under 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 Partnership and the Partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation for the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions 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 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.


KPMG LLP
Chartered Accountants
Registered Auditor

8 Salisbury Square
London
EC4Y 8BB
26 October 2007

Duelguide (Bond Street) Limited
Financial Statements
For the year ended 31 December 2006

Profit and Loss Account

For the year ended 31 December 2006

| | Notes | 2006 £'000 | 2005 £'000 |
|---|-------|----------------|----------------|
| Administrative expenses | 2 | (19) | (194) |
| Operating loss | | <u>(19)</u> | <u>(194)</u> |
| Impairment of investment | 5 | (1,971) | - |
| Interest payable and similar charges | 3 | (4,211) | (4,393) |
| Loss on ordinary activities before taxation | | <u>(6,201)</u> | <u>(4,587)</u> |
| Tax on loss on ordinary activities | 4 | - | - |
| Loss for the financial year | 9 | <u>(6,201)</u> | <u>(4,587)</u> |

Amounts reported in the profit and loss account relate to continuing operations

There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis

There were no recognised gains or losses during the year other than those disclosed in the profit and loss account

The notes on pages 7 to 12 form part of these financial statements

Duelguide (Bond Street) Limited
Financial Statements
For the year ended 31 December 2006

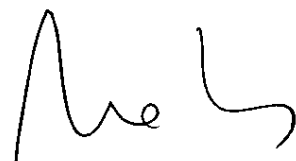
Balance Sheet

As at 31 December 2006

| | Notes | 2006 £'000 | 2005 £'000 |
|--|-------|-----------------|----------------|
| Fixed assets | | | |
| Investments | 5 | 110,281 | 110,079 |
| | | <hr/> 110,281 | <hr/> 110,079 |
| Current assets | | | |
| Debtors | 6 | 4,961 | 3,179 |
| Cash at bank | | - | 179 |
| | | <hr/> 4,961 | <hr/> 3,358 |
| Creditors - amounts falling due within one year | 7 | (110,081) | (102,076) |
| | | <hr/> (105,120) | <hr/> (98,717) |
| Net current liabilities | | | |
| Total assets less current liabilities | | <hr/> 5,161 | <hr/> 11,362 |
| Net assets | | <hr/> 5,161 | <hr/> 11,362 |
| Capital and reserves | | | |
| Called up share capital | 8 | 4 | 4 |
| Share premium account | 9 | 14,430 | 14,430 |
| Profit and loss account | 9 | (9,273) | (3,072) |
| | | <hr/> 5,161 | <hr/> 11,362 |
| Equity shareholders' funds | 9 | <hr/> 5,161 | <hr/> 11,362 |

The notes on pages 7 to 12 form part of these financial statements

Approved by the board of directors on 26 October 2007 and signed on their behalf by,


SAJ Nahum
Director

25 Harley Street
London
W1G 9BR

Duelguide (Bond Street) Limited

Financial Statements

For the year ended 31 December 2006

Reconciliation of Movements in Shareholders' Funds

For the year ended 31 December 2006

| | 2006 £'000 | 2005 £'000 |
|-----------------------------|---------------|---------------|
| Loss for the financial year | (6,201) | (4,587) |
| Opening shareholders' funds | <u>11,362</u> | <u>15,949</u> |
| Closing shareholders' funds | <u>5,161</u> | <u>11,362</u> |

The notes on pages 7 to 12 form part of these financial statements

Notes to the Financial Statements

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost accounting rules. The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to produce group accounts.

Going concern

The financial statements have been prepared on the going concern basis notwithstanding the company's net current liabilities of £105,120,000, which the directors believe to be appropriate for the following reasons. The company is dependant for its working capital on funds provided to it by GS Finco Limited, the immediate parent company, and other companies in the GS Finco Limited group. Companies within the GS Finco Limited group have provided an undertaking that for at least 12 months from the date of approval of these financial statements, they will not seek repayment of the amounts currently made available unless the company is able to finance repayment from internally generated sources. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Investments

Fixed asset investments are stated in the balance sheet at cost less any impairment charges for permanent diminution in value.

Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax on all timing differences that have originated but not reversed at the balance sheet date, where an event has occurred that results in an obligation to pay more or less tax in the future, except that deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profit from which future reversal of the relevant timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates, which apply at the balance sheet date.

Cash flow statement

The company is a wholly-owned subsidiary of GS Finco Limited and is included in the consolidated financial statements of GS Finco Limited, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

Related party transactions

The company is a wholly-owned subsidiary of GS Finco Limited and is included in the consolidated financial statements of GS Finco Limited, which are publicly available. Consequently the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investors of the group qualifying as related parties). The consolidated financial statements of GS Finco Limited, within which this company is included, can be obtained from the address given in note 10.

Duelguide (Bond Street) Limited

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For the year ended 31 December 2006

Notes to the Financial Statements

2. Administrative expenses

| | 2006 £'000 | 2005 £'000 |
|-------------------------|---------------|---------------|
| Group management charge | - | 187 |
| Other | 19 | 7 |
| | <u>19</u> | <u>194</u> |

None of the directors received any remuneration from the company during the year (2005 - £nil)

The company had no employees in the current or prior year

The audit fee of £5,000 (2005 £5,000) has been borne by a fellow group undertaking in the current and prior year

Included in administrative expenses is £18,000 (2005 £nil) of non audit services provided by the auditors in relation to tax advice

3 Interest payable and similar charges

| | 2006 £'000 | 2005 £'000 |
|---|---------------|---------------|
| Interest payable to other group undertaking | <u>4,211</u> | <u>4,393</u> |

4. Taxation

(i) Analysis of charge for the year

| | 2006 £'000 | 2005 £'000 |
|---|---------------|---------------|
| Current tax: | | |
| UK Corporation tax charge | - | - |
| Adjustments in respect of prior years | - | - |
| Current tax charge (note 4 (ii)) | <u>-</u> | <u>-</u> |
| Deferred tax: | | |
| Arising from origination and reversal of timing differences | | |
| Accelerated capital allowances | - | - |
| Total deferred tax | <u>-</u> | <u>-</u> |
| Tax on loss on ordinary activities | <u>-</u> | <u>-</u> |

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4. Taxation (continued)

(ii) Factors affecting tax charge for the year

| | 2006 £'000 | 2005 £'000 |
|--|----------------|----------------|
| Loss on ordinary activities before tax | <u>(6,201)</u> | <u>(4,587)</u> |
| Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 30 per cent (2005 - 30 per cent) | 1,860 | 1,376 |
| Effects of | | |
| Capital allowances in excess of depreciation | 1,187 | 1,410 |
| Expenses not deductible for tax purposes | (73) | (60) |
| Disallowable items and permanent differences | (1,204) | (189) |
| Group relief apportioned against CFC profits | - | (638) |
| Other short term timing differences | (775) | 1,351 |
| Unrelieved tax losses arising in the year | (995) | (3,250) |
| Current tax charge | <u>-</u> | <u>-</u> |

(iii) Factors that may affect future tax charges

The company has the following potential deferred tax assets and liabilities that have not been recognised

| | 2006 £'000 | 2005 £'000 |
|---|---------------|---------------|
| Unrelieved losses | 4,245 | 3,250 |
| Unrelieved interest | 3,678 | 2,903 |
| Capital allowances in excess of depreciation | (2,226) | (1,039) |
| Potential unrecognised net deferred tax asset/(liability) | <u>5,697</u> | <u>5,114</u> |

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Notes to the Financial Statements

5. Fixed asset investments

| | Subsidiaries | Other investment | Total |
|---------------------------------|--------------|------------------|----------|
| | £'000 | £'000 | £'000 |
| Cost | | | |
| At 1 January 2006 | 45,822 | 88,342 | 134,164 |
| Additions | - | 2,173 | 2,173 |
| At 31 December 2006 | 45,822 | 90,515 | 136,337 |
| Provision for impairment | | | |
| At 1 January 2006 | - | (24,085) | (24,085) |
| Charge for the year | - | (1,971) | (1,971) |
| At 31 December 2006 | - | (26,056) | (26,056) |
| Net book amount | | | |
| At 31 December 2006 | 45,822 | 64,459 | 110,281 |
| At 1 January 2006 | 45,822 | 64,257 | 110,079 |

Subsidiary undertakings

The principal subsidiary undertakings, all of which have share capital consisting entirely of ordinary shares are as follows

| Name | Principal activity | Percentage owned | Country of incorporation |
|-----------------------------------|---------------------|------------------|--------------------------|
| Echo Property Investments Limited | Property Investment | 100% | Isle of Man |

Other investment

The other investment represents a Limited Partnership interest as follows

| Name | Principal activity | Percentage owned | Country of incorporation |
|---------------------------------------|---------------------|------------------|--------------------------|
| The Global Switch Limited Partnership | Property Investment | 25% | England & Wales |

6. Debtors

| | 2006 £'000 | 2005 £'000 |
|---|---------------|---------------|
| Amount owed by holding company | 4,254 | 2,249 |
| Amounts owed by fellow group undertakings | 707 | 707 |
| Other debtors | - | 223 |
| | <u>4,961</u> | <u>3,179</u> |

Amounts owed by holding company and fellow group undertakings are repayable on demand and do not bear any interest. In 2005 amounts owed by holding company and fellow group undertakings bore interest at a range of rates between 1% above the Bank of England base rate and 2% above 3 month LIBOR rate.

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Notes to the Financial Statements

7. Creditors: amounts falling due within one year

| | 2006 £'000 | 2005 £'000 |
|--|----------------|----------------|
| Amount owed to holding company | 1,629 | - |
| Amount owed to fellow group undertakings | 108,378 | 102,030 |
| Other creditors | 28 | - |
| Accruals and deferred income | 46 | 46 |
| | <u>110,081</u> | <u>102,076</u> |

Amounts owed to fellow group undertakings are repayable on demand and bear interest at a range of rates between 1% above the Bank of England base rate and 2% above 3 month LIBOR rate. Amounts owed to holding company are interest free and repayable on demand.

8. Called up share capital

| | Authorised £ | Issued, called up and fully paid £ |
|-----------------------------------|-----------------|---|
| At 1 January and 31 December 2006 | | |
| 'A' ordinary shares of £1 each | 2,500 | 2,177 |
| 'B' ordinary shares of £1 each | 2,500 | 2,177 |
| Ordinary shares of £1 each | <u>5,000</u> | <u>4,354</u> |

There were no changes during the year in the authorised or called up share capital.

9. Reserves

| | Share capital £'000 | Share premium £'000 | Profit and loss account £'000 | Total £'000 |
|-----------------------------|------------------------|---------------------------|-------------------------------------|----------------|
| At 1 January 2006 | 4 | 14,430 | (3,072) | 11,362 |
| Loss for the financial year | - | - | (6,201) | (6,201) |
| At 31 December 2006 | <u>4</u> | <u>14,430</u> | <u>(9,273)</u> | <u>5,161</u> |

Notes to the Financial Statements

10. Ultimate holding company

The immediate holding and controlling company is GS Finco Limited a company registered in England and Wales

At 31 December 2006 the ultimate holding and controlling company was Landal Worldwide Corp, a company registered in the British Virgin Islands

The accounts of GS Finco Limited, which is both the largest and smallest group in which the results of the company are consolidated, are publicly available