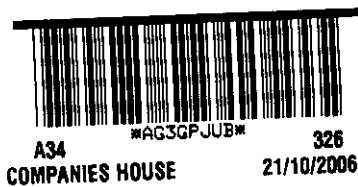


Company Registration No. 3205360 (England and Wales)

ODSTOCK PROPERTIES LIMITED

**DIRECTOR'S REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005



ODSTOCK PROPERTIES LIMITED

COMPANY INFORMATION

Director	J P Marland
Secretary	L S Westgate
Company number	3205360
Registered office	Odstock Manor Odstock Salisbury Wiltshire SP5 4JA
Accountants	Smith & Williamson Limited Old Library Chambers 21 Chipper Lane Salisbury Wiltshire SP1 1BG

ODSTOCK PROPERTIES LIMITED

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ODSTOCK PROPERTIES LIMITED

DIRECTOR'S REPORT FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005

The director presents his report and financial statements for the 17 month period ended 31 December 2005.

Principal activities

The principal activity of the company was that of property development. All of the company's assets were transferred to Herriot Limited on 31 October 2005. The company subsequently ceased trading.

Director

The following director has held office since 1 August 2004:

J P Marland

Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary 'A' shares of £ 1 each	
	31 December 2005	1 August 2004
J P Marland	-	800

	Ordinary 'B' shares of £ 1 each	
	31 December 2005	1 August 2004
J P Marland	-	161,980

During the period, J P Marland sold his shares to Herriot Limited. His interest in the share capital of Herriot Limited is disclosed in that company's financial statements.

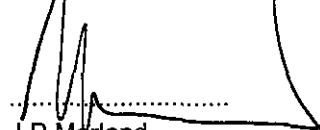
Charitable donations	2005	2004
	£	£

During the period the company made the following payments:

Charitable donations	1,500	-
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This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board



J P Marland

Director

19/10/06

Date

ODSTOCK PROPERTIES LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF ODSTOCK PROPERTIES LIMITED

In accordance with the engagement letter dated 12 November 2003, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Odstock Properties Limited for the 17 month period ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes numbered 1 to 15 from the accounting records and from information and explanations you have given to us.

This report is made to the company's board, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board that we have done so, and state those matters we have agreed to state to them in this 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 board as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 December 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Smith & Williamson Limited

Smith & Williamson Limited

Chartered Accountants

20/10/06

Old Library Chambers
21 Chipper Lane
Salisbury
Wiltshire
SP1 1BG

ODSTOCK PROPERTIES LIMITED

UNAUDITED PROFIT AND LOSS ACCOUNT FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005

	Notes	17 month period ended 31 December 2005 £	Year ended 31 July 2004 £
Turnover			
Continuing operations		-	-
Discontinued activities		-	525,000
		-	525,000
Change in stocks of work in progress		-	(10,389)
		-	514,611
Other operating income		-	7,500
		-	522,111
Raw materials and other consumables		-	231,641
		-	290,470
Staff costs		-	112,173
Other operating charges		13,225	7,605
		13,225	119,778
Operating (loss)/profit	3		
Continuing operations		-	-
Discontinued activities		(13,225)	170,692
		(13,225)	170,692
Investment income	4	4,901	720
Other interest receivable and similar income		9,333	8,529
Amounts written off investments	5	-	174
Interest payable and similar charges		(292)	-
Profit on ordinary activities before taxation		717	180,115
Tax on profit on ordinary activities	6	(204)	(38,436)
Profit on ordinary activities after taxation		513	141,679
Dividends		(30,882)	-
Retained (loss)/profit for the period/year	11	(30,369)	141,679

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

ODSTOCK PROPERTIES LIMITED

UNAUDITED BALANCE SHEET AS AT 31 DECEMBER 2005

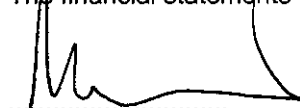
		31 December 2005		31 July 2004
	Notes	£	£	£
Fixed assets				
Investments	7	-		157,465
Current assets				
Debtors	8	276,420	361,572	
Cash at bank and in hand		-	67,944	
		<u>276,420</u>	<u>429,516</u>	
Creditors: amounts falling due within one year	9	-	(209,842)	
Net current assets		<u>276,420</u>		<u>219,674</u>
Total assets less current liabilities		<u>276,420</u>		<u>377,139</u>
Capital and reserves				
Called up share capital	10	162,780		203,475
Other reserves	11	40,695		-
Profit and loss account	11	72,945		173,664
Shareholders' funds - equity interests	12	<u>276,420</u>		<u>377,139</u>

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 19th June 2006



J P Marland
Director

ODSTOCK PROPERTIES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently (except as otherwise stated).

1.3 Revenue recognition

Turnover represents amounts receivable from property sales completed during the period and consultancy income invoiced relating to the period.

1.4 Investments

Fixed asset investments are stated at cost less provision for impairment in value.

1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Any deferred tax asset is recognised to the extent that the asset is regarded as recoverable. Any recognised deferred tax asset or liability has not been discounted.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

2 Cost of sales and net operating expenses

	31 December 2005			31 July 2004		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
	£	£	£	£	£	£
Cost of sales	-	-	-	-	242,030	242,030
Administrative expenses	-	13,225	13,225	-	119,778	119,778
Other operating income	-	-	-	-	(7,500)	(7,500)
	-	13,225	13,225	-	354,308	354,308

ODSTOCK PROPERTIES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005

3	Operating (loss)/profit	31 December 2005 £	31 July 2004 £
	Operating (loss)/profit is stated after charging:		
	Loss on foreign exchange transactions	-	3,605
	Director's emoluments	-	100,000
		<u> </u>	<u> </u>
4	Investment income	31 December 2005 £	31 July 2004 £
	Income from fixed asset investments	4,901	720
		<u> </u>	<u> </u>
5	Amounts written off investments	31 December 2005 £	31 July 2004 £
	Reversal of impairment in value of investments in prior years	-	(174)
		<u> </u>	<u> </u>
6	Taxation	31 December 2005 £	31 July 2004 £
	Domestic current year tax		
	U.K. corporation tax	155	39,486
	Adjustment for prior years	49	(1,050)
		<u> </u>	<u> </u>
	Current tax charge	204	38,436
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	717	180,115
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by UK corporation tax at 10.00% (2004 - 30.00%)	72	54,035
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	602	1,029
	Adjustments to previous periods	49	(1,050)
	Dividends and distributions received	(490)	-
	Other tax adjustments	(29)	(15,578)
		<u> </u>	<u> </u>
		132	(15,599)
		<u> </u>	<u> </u>
	Current tax charge	204	38,436
		<u> </u>	<u> </u>

ODSTOCK PROPERTIES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005

7 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost			
At 1 August 2004	132,715	24,750	157,465
Additions	275,407	-	275,407
Disposals	(408,122)	(24,750)	(432,872)
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2005	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
			Market value of listed investments £
At 31 December 2005			-
			<u>-</u>
At 31 July 2004			141,252
			<u>141,252</u>

8 Debtors	31 December 2005 £	31 July 2004 £
Trade debtors	-	250,294
Amounts owed by group undertakings	276,420	-
Other debtors	-	111,278
	<u>276,420</u>	<u>361,572</u>
	<u>276,420</u>	<u>361,572</u>

Amounts falling due after more than one year and included in the debtors above are:

	31 December 2005 £	31 July 2004 £
Other debtors	-	25,000
	<u>-</u>	<u>25,000</u>

ODSTOCK PROPERTIES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005

9	Creditors: amounts falling due within one year	31 December	31 July
		2005	2004
		£	£
	Taxation and social security	-	51,659
	Other creditors	-	158,183
		<u>-</u>	<u>209,842</u>
		<u>-</u>	<u>209,842</u>
10	Share capital	31 December	31 July
		2005	2004
		£	£
Authorised			
	1,000 Ordinary 'A' shares of £1 each	1,000	1,000
	300,000 Ordinary 'B' shares of £1 each	300,000	300,000
		<u>301,000</u>	<u>301,000</u>
		<u>301,000</u>	<u>301,000</u>
Allotted, called up and fully paid			
	800 Ordinary 'A' shares of £1 each	800	1,000
	161,980 Ordinary 'B' shares of £1 each	161,980	202,475
		<u>162,780</u>	<u>203,475</u>
		<u>162,780</u>	<u>203,475</u>

The 'B' shares shall not entitle the holders thereof to any dividends or other participation in profits, save on a winding up as specified in the Articles of Association.

During the period, the company purchased 200 of its own Ordinary 'A' shares and 40,495 of its own Ordinary 'B' shares for a total consideration of £70,350.

ODSTOCK PROPERTIES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED) FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005

11 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 August 2004	-	173,664
Retained loss for the period	-	(30,369)
Purchase of own shares	-	(70,350)
Movement during the period	40,695	-
Balance at 31 December 2005	40,695	72,945

Other reserves

Capital redemption reserve

Balance at 1 August 2004	-
Capital redemption reserve movement	40,695

Balance at 31 December 2005

40,695

12 Reconciliation of movements in shareholders' funds

	31 December 2005 £	31 July 2004 £
Profit for the financial period/year	513	141,679
Dividends	(30,882)	-
	(30,369)	141,679
Purchase of own shares	(70,350)	-
Net (depletion in)/addition to shareholders' funds	(100,719)	141,679
Opening shareholders' funds	377,139	235,460
Closing shareholders' funds	276,420	377,139

13 Transactions with the director

During the period, the amount due to J P Marland at 31 July 2004 of £43,327 was transferred to Herriot Limited.

14 Control

During the period, J P Marland sold all of his shares in the company to Herriot Limited. The ultimate controlling party remains J P Marland as he is the controlling party of Herriot Limited.

ODSTOCK PROPERTIES LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED) ***FOR THE 17 MONTH PERIOD ENDED 31 DECEMBER 2005***

15 Related party transactions

Amounts owed by group undertakings relates to a loan to Herriot Limited for the transfer of all the company's assets and liabilities during the period.

During the period, the amount due to P G Marland's Estate at 31 July 2004 of £8,770 was paid by the company.