

Dunraven Developments Limited

Annual report for the year ended 31 March 2007

Registered no 3723411



Dunraven Developments Limited

Annual report for the year ended 31 March 2007

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Dunraven Developments Limited

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Directors and secretary

Executive directors

Ms G Wilmot (Resigned on 25 November 2007)
Mr G Clarke

Secretary and registered office

Mr Philip Jones

Ty Rhondda
Forest View Business Park
Llantrisant
CF72 8LX

Directors' report for the year ended 31 March 2007

The directors present their report and the audited financial statements for the year ended 31 March 2007

Principal activity

The principal activity of the company is that of property owners and landlords

Review of business and future developments

The directors are satisfied with the progress made during the year

It is recognised that the company's ability to continue to trade is dependent on the continued support of fellow group companies, this support has been confirmed. Details of the performance of the group, of which the company is a part, are set out in the directors' report of Buy As You View Holdings Limited

Subsequent Events

On 31st December 2007, the company's former ultimate parent company Malachite 1 Limited went into administration, on that day, BAYV Investments acquired the entire share capital of Buy As You View Holdings Limited, the company's immediate parent company. At the date of approval of the financial statements, BAYV Investments Limited is therefore considered to be the ultimate parent company

Financial risk management

Details of financial risk management procedures are set out in the directors' report of Buy As You View Holdings Limited, the immediate parent company

Dividends and transfers to reserves

The results for the year are shown on page 6 of the financial statements. The directors recommend that no dividend is paid (2006 £Nil) and that the retained profit for the financial year be transferred to reserves

Directors

The directors of the company, who served during the year ended 31 March 2007, are listed on page 1

Directors' interests

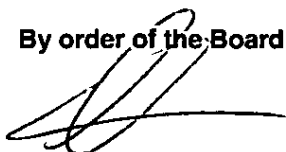
The directors had no interests in the shares of the company at any time during the year

Provision of information to auditors

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware

Each director has taken appropriate steps to ensure that they are aware of such relevant information, and that the company's auditors are aware of that information

By order of the Board



Director

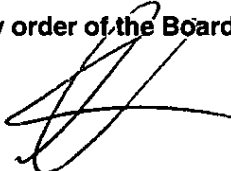
Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 March 2007 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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.

By order of the Board

A handwritten signature in black ink, consisting of a stylized 'A' or similar character, followed by a horizontal line.

Director

Independent auditors' report to the members of Dunraven Developments Limited

We have audited the financial statements of Dunraven Developments Limited for the year ended 31 March 2007 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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

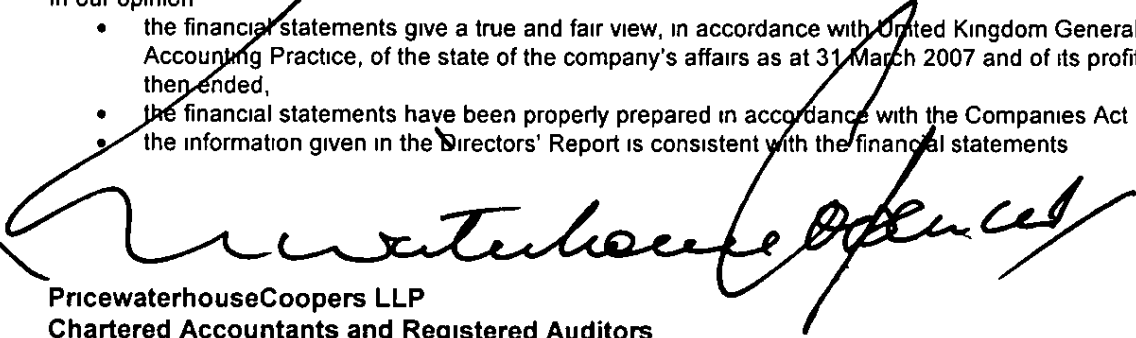
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit 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.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Cardiff

31 January 2008

Dunraven Developments Limited

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Profit and loss account for the year ended 31 March 2007

	Notes	2007 £	2006 £
Turnover	2	257,783	257,793
Net operating expenses	3	(92,928)	(91,697)
Operating profit		164,855	166,096
Interest payable and similar charges	4	(34)	(7)
Profit on ordinary activities before taxation	5	164,821	166,089
Tax on profit on ordinary activities	6	8,420	(70,390)
Retained profit for the year	13,14	173,241	95,699

All operations are continuing

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents

Dunraven Developments Limited

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Balance sheet at 31 March 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	7	4,596,400	4,701,924
Current assets		-	-
Creditors: amounts falling due within one year	8	(2,429,071)	(2,424,828)
Net current liabilities		(2,429,071)	(2,424,828)
Total assets less current liabilities		2,167,329	2,277,096
Creditors, amounts falling due after more than one year	9	(844,199)	(1,101,991)
Provisions for liabilities and charges	10	(156,406)	(164,826)
Accruals and deferred income	11	(710,129)	(726,925)
Net assets		456,595	283,354
Capital and reserves			
Called up share capital	12	10,000	10,000
Profit and loss account	13	446,595	273,354
Equity shareholders' funds	14	456,595	283,354

The financial statements on pages 5 to 11 were approved by the board of directors on 31 January 2008 and were signed on its behalf by



Director

Notes to the financial statements for the year ended 31 March 2007

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and in accordance with the Companies Act 1985. A summary of the principal accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Cash flows

The company's ultimate parent company is Buy As You View Holdings Limited and the cash flows of the company are included in the consolidated group cash flow statement of that company. Consequently, the company is exempt under the terms of the Financial Reporting Standard No 1 (revised) from publishing a cash flow statement.

Tangible fixed assets

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Freehold buildings	2%
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Freehold land is not depreciated.

Grants

Government grants related to capital expenditure are credited to revenue over the useful lives of the related assets.

Turnover

Turnover which excludes value added tax consists of property rental income derived in the United Kingdom. Income receivable under operating lease agreements is spread evenly over the term of each agreement.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Deferred taxation assets are recognised when their recovery is considered more likely than not. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Notes to the financial statements
for the year ended 31 March 2007 (continued)**

2 Turnover

The aggregate amount of rentals receivable in the year under operating leases is as follows

	2007 £	2006 £
Rentals receivable	257,783	257,793

The net book value of assets held for use in operating leases amounts to £4,596,400 (2006 £4,701,924)

3 Net operating expenses

	2007 £	2006 £
Administrative expenses	109,724	108,493
Other operating income	(16,796)	(16,796)
	92,928	91,697

4 Interest payable and similar charges

	2007 £	2006 £
On bank loans and overdrafts	34	7

5 Profit on ordinary activities before taxation

	2007 £	2006 £
Profit on ordinary activities before taxation is stated after charging		
Auditors' remuneration	4,200	2,950
Depreciation charge for the year on tangible owned fixed assets	105,524	105,517

6 Tax on profit on ordinary activities

	2007 £	2006 £
Current tax		
UK corporation tax credit on profit of the year	-	76,443
Adjustment in respect of prior years	-	2,380
Total – current tax	-	78,823
Deferred tax		
Origination and reversal of timing differences (note 11)	(8,420)	(8,433)
Tax on profit on ordinary activities	(8,420)	70,390

**Notes to the financial statements
for the year ended 31 March 2007 (continued)**

6 Tax on profit on ordinary activities (continued)

The current tax charge for the year is different from the standard rate of corporation tax in the UK

The differences are explained below

	2007	2006
	£	£
UK Corporation tax on profit on ordinary activities before tax at 30%	49,446	49,827
Deficit/(excess) of capital allowances over depreciation	8,420	8,432
Expenses not deductible for tax purposes	18,199	18,184
Group relief claimed for no payment	(76,065)	-
Adjustment in respect of previous periods	-	2,380
Current tax charge for the year	-	78,823

7 Tangible fixed assets

	Freehold land and buildings £
Cost	
At 1 April 2006 / 31 March 2007	5,276,209
Depreciation	
At 1 April 2006	574,285
Charge for year	105,524
At 31 March 2007	679,809
Net book value	
At 31 March 2007	4,596,400
At 31 March 2006	4,701,924

8 Creditors: amounts falling due within one year

	2007	2006
	£	£
Amounts owed to fellow group undertakings	2,321,205	2,317,739
Bank loans and overdrafts	15,841	11,324
Corporation tax group relief	71,013	71,013
Other creditors	4,205	7,945
Accruals and deferred income	16,807	16,807
	2,429,071	2,424,828

**Notes to the financial statements
for the year ended 31 March 2007 (continued)**

9 Creditors: amounts falling due after more than one year

	2007	2006
	£	£
Amounts owed to fellow group undertakings	844,199	1,101,991

10 Provisions for liabilities and charges

	2007	2006
	£	£
Provision for deferred tax comprises		
Accelerated capital allowances	156,406	164,826

The movement in the provision for deferred taxation is set out below

	£
At 1 April 2006	164,826
Profit and loss account	(8,420)
At 31 March 2007	156,406

A number of changes to the UK Corporation tax system were announced in the March 2007 Budget Statement and have been enacted in the 2007 Finance Act or are expected to be enacted in the 2008 Finance Act. The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The effect of the changes enacted in the Finance Act 2007 would be to reduce the deferred tax liability provided at 31 March 2007 by approximately £10,500. This decrease in deferred tax is due to the reduction in the UK corporation tax rate from 30% to 28% with effect from 1 April 2008.

11 Accruals and deferred income

	Deferred grants
	£
At 1 April 2006	726,936
Amortisation	16,807
At 31 March 2007	710,129

Notes to the financial statements for the year ended 31 March 2007 (continued)

12 Called up share capital

	2007 £	2006 £
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000

13 Profit and loss account

	£
At 1 April 2006	273,354
Retained profit for the year	173,241
At 31 March 2007	446,595

14 Reconciliation of movement in shareholders' funds

	2007 £	2006 £
Opening shareholders' funds	283,354	187,655
Profit for the financial year	173,241	95,699
Closing shareholders' funds	456,595	283,354

15 Contingent liabilities

The company has guaranteed bank and other borrowings of other group undertakings, the total of such borrowings at 31 March 2007 was £115,799,004 (2006 £109,657,602) At the date of approval of the financial statements, the amount of the contingent liability was £85,070,263.

16 Subsequent events

Details of subsequent events are set out in the directors' report

17 Ultimate and immediate parent companies

At the date of approval of these financial statements the Directors regard BAYV Investments Limited, a company registered in England and Wales as the ultimate parent company At 31 March 2007, Malachite 1 Limited (in Administration), a company registered in England and Wales, was considered to be the ultimate parent company Buy As You View Holdings Limited, the immediate parent company, had a 100% interest in the equity capital of Dunraven Developments Limited at 31 March 2007