

Blue Breeze Limited

Report and Financial Statements

Year Ended to 31 December 2006



Company Registration No 4410227

Blue Breeze Limited

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Blue Breeze Limited

DIRECTORS AND OFFICERS

DIRECTORS

J Tutton (resigned 30 April 2006)
P Oliver
Teessec Director Limited

SECRETARY

Teesland Secretarial Services Limited

REGISTERED OFFICE

Europa House
20 Esplanade
Scarborough
YO11 2AQ

AUDITORS

Ernst & Young LLP
PO Box 61
Cloth Hall Court
14 King Street
Leeds
LS1 2JN

SOLICITORS

Nabarro Nathanson
Lacon House
Theobald's Road
London
WC1X 8RW

Blue Breeze Limited

DIRECTORS' REPORT

The directors present their report and the audited accounts for the year to 31 December 2006

PRINCIPAL ACTIVITY

The principal activity of the company is that of holding property

REVIEW OF THE BUSINESS

The company has not traded during the year and therefore has not prepared a profit and loss account, or cash flow statement

DIVIDENDS

The directors recommend that no dividend be paid

DIRECTORS

The directors who held office during the year were,

J Tutton (resigned 30 April 2006)
P Oliver
Teessec Director Limited

No directors held shares in this company during the year. The interests of the directors in the share capital of the ultimate parent undertaking, Teesland plc, appears in the accounts of that company

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the 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 financial position of the company and to 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

Blue Breeze Limited

DIRECTORS' REPORT

Principal risks and uncertainties

Due to the nature of the business, there are no material risks or uncertainties which require disclosure

Key performance indicators

Due to the nature of the business, key performance indicators are not applicable

Directors' statement as to disclosure of information to auditors

In the case of each the persons who were directors when the report is approved under s234A, the following applies

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that he ought to have as a director in order to establish that the company's auditors are aware of that information

Blue Breeze Limited

DIRECTORS' REPORT


AUDITORS

A resolution to reappoint Ernst & Young LLP, as auditors will be put to the members at the annual general meeting

BY ORDER OF THE BOARD

Director

Europa House
20 Esplanade
Scarborough
YO11 2AQ


Authorised signatory for Teesside Director Limited
02530

29/8/07

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BLUE BREEZE LIMITED

We have audited the company's financial statements for the year ended 31 December 2006 which comprise the Balance Sheet and the related notes 1 to 7. 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 auditors' 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 members as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and 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).

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 for the year ended 31 December 2006,

- 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

Ernst & Young LLP
Ernst & Young LLP
Registered Auditor
Leeds

Date 5/9/07

Blue Breeze Limited

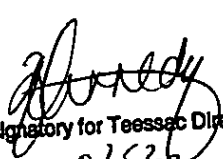
BALANCE SHEET

As at 31 December 2006

	Notes	31 December 2006 £	31 December 2005 £
CURRENT ASSETS			
Debtors	4	250,100	250,100
NET ASSETS		<u>250,100</u>	<u>250,100</u>
CAPITAL AND RESERVES			
Called up share capital	5	250,100	250,100
EQUITY SHAREHOLDERS' FUNDS		<u>250,100</u>	<u>250,100</u>

These financial statements were approved by the board of directors on 29/8/07 and were signed on its behalf by

Director


Authorised signatory for Teesac Director Limited
06536

The notes on page 9 form part of these accounts

Blue Breeze Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2006

1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and accounting standards in the United Kingdom

2 EMPLOYEES

There were no employees of the company during the year

3 TAXATION

There is no charge to corporation tax for the year due to there being no profits being earned

4	DEBTORS	2006 £	2005 £
	Amounts owed by group undertakings	250,100	250,100
		<u>250,100</u>	<u>250,100</u>

5	CALLED UP SHARE CAPITAL	2006 £	2005 £
	Authorised		
	100 ordinary shares of £1 each	100	100
	250,000 preference shares of £1 each	<u>250,000</u>	<u>250,000</u>
		<u>250,100</u>	<u>250,100</u>
	Allotted and issued		
	100 ordinary shares of £1 each	100	100
	250,000 preference shares of £1 each	<u>250,000</u>	<u>250,000</u>
		<u>250,100</u>	<u>250,100</u>

6 ULTIMATE AND PARENT UNDERTAKING

The company's immediate parent undertaking is Equity Partnerships (Osprey) Limited, which holds the share capital on behalf of The Osprey Limited Partnership. The company's ultimate parent undertaking is Teesland plc. Copies of the accounts can be obtained from 4A Melville Street, Edinburgh, EH3 7NS.

7 RELATED PARTY TRANSACTIONS

There were no related party transactions during the period