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TAKE TWO DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

TOGETHER WITH DIRECTORS' AND INDEPENDENT AUDITORS' REPORTS

REGISTERED NUMBER: SC205863

TAKE TWO DEVELOPMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2006

The directors present their annual report on the affairs of the Company, together with the financial statements and independent auditors' report for the year ended 31 March 2006

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The Company is a wholly owned subsidiary of The Premier Property Group Limited

The principal activity of the Company during the year has been dealing with residual matters arising from previous development property transactions. Outstanding residual matters as at 31 March 2006 are reflected in the accounts of the Company. The Company has availed of the exemptions provided to 'Small Companies' in S246 of the 1985 Act and accordingly has not presented a business review prepared in accordance with S234ZZB of the Companies Act 1985.

RESULTS AND DIVIDENDS

Results and dividends for the year were as follows

Retained profit at 31 March 2005	£	194,162
Profit transferred to reserves		133,269
Retained profit at 31 March 2006	£	<u>327,431</u>

Dividends paid to the shareholders in respect of the year were £Nil (2005 £2,750,000)

FINANCIAL RISK MANAGEMENT

The Company is not exposed to any significant financial risks as a result of its limited activities

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were

I B Tudhope
J R Davies
A Glasgow
L Higgins

At 31 March 2006 none of the directors had any interests in the share capital of the Company (2005 – Nil). The interests in the share capital of the ultimate holding company (Note 17) are disclosed in the directors' report accompanying that company's financial statements.

TAKE TWO DEVELOPMENTS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2006

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements. The directors have chosen to prepare the financial statements for the Company in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the Company and of the profit or loss for that year and comply with United Kingdom Generally Accepted Accounting Practice and the Companies Act 1985. In preparing those 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 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 which 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 the system of internal control, safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

In the case of each of the persons who are directors of the company at the date when this report was approved

so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware, and

each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

9 Charlotte Square
Edinburgh
EH2 4DR

BY ORDER OF THE BOARD



D Horne
Company Secretary

26 January 2007

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TAKE TWO DEVELOPMENTS LIMITED

We have audited the financial statements of Take Two Developments Limited for the year ended 31 March 2006 which comprise the profit and loss account, the balance sheet and the related notes 1 to 18. 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 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 United Kingdom 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 if, in our opinion, the directors' report is not 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 transactions with the company is not disclosed.

We read the directors' report for the above year 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 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.

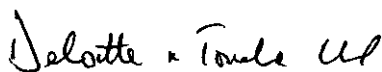
Opinion

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 March 2006 and of its profit for the year then ended, and

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.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Edinburgh
United Kingdom
26 January 2007

TAKE TWO DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2006

	<u>Notes</u>	<u>2006</u>	<u>2005</u>
TURNOVER	2	£ 19,840	£ 29,626,302
Cost of sales			(21,874,034)
GROSS PROFIT		<u>19,840</u>	<u>7,752,268</u>
Other operating expenses			(12,458)
Other operating income	3	102,793	
OPERATING PROFIT		<u>122,633</u>	<u>7,739,810</u>
Investment income	5	50,711	56,617
Interest payable and similar charges	6		(772,680)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	7	<u>173,344</u>	<u>7,023,747</u>
Tax charge on profit on ordinary activities	8	(40,075)	(1,777,348)
PROFIT FOR THE FINANCIAL YEAR		<u>£ 133,269</u>	<u>£ 5,246,399</u>
Dividends paid and proposed	9		(2,750,000)
PROFIT TRANSFERRED TO RESERVES	13	<u>£ 133,269</u>	<u>£ 2,496,399</u>

The current year results have been derived wholly from the ongoing resolution of residual matters arising from the disposal of a development property in the previous year

The Company has no recognised gains or losses in either year other than the reported profit for each year and therefore no Statement of Total Recognised Gains and Losses is presented

The reported profit on ordinary activities before taxation equates to the historical cost profit on ordinary activities before taxation

The accompanying notes form an integral part of this profit and loss account

TAKE TWO DEVELOPMENTS LIMITED

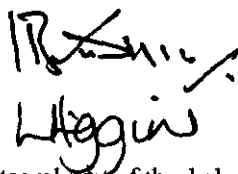
BALANCE SHEET 31 MARCH 2006

	<u>Notes</u>	<u>2006</u>	<u>2005</u>
CURRENT ASSETS			
Debtors	10	£ 463,854	£ 1,748,514
Cash at bank		34,985	
		<u>498,839</u>	<u>1,748,514</u>
CREDITORS Amounts falling due within one year	11	(170,408)	(1,553,352)
		<u></u>	<u></u>
NET ASSETS		£ 328,431	£ 195,162
		<u></u>	<u></u>
CAPITAL AND RESERVES			
Called up share capital	12	£ 1,000	£ 1,000
Profit and loss account	13	327,431	194,162
SHAREHOLDERS' FUNDS	14	<u>£ 328,431</u>	<u>£ 195,162</u>

The accompanying notes form an integral part of this balance sheet

SIGNED ON BEHALF OF THE BOARD ON 26 JANUARY 2007

I B Tudhope)
) Directors
L Higgins)



The accompanying notes form an integral part of this balance sheet

TAKE TWO DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The principal accounting policies which have been applied consistently throughout the year and the preceding year are

a) Basis of accounting

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

No cash flow statement has been presented as provided by FRS 1 (Revised) as the consolidated financial statements of the ultimate holding company (Note 17) contains a consolidated cash flow statement and are publicly available

b) Tangible fixed assets

Development properties are those properties in respect of which construction and development have not been completed at the balance sheet date and are reflected at cost, including an allocation of overheads and interest charges on external borrowings which are related to the properties, where recoverability is reasonably certain. In the opinion of the directors, the residual value of those development properties currently being operated for business purposes is sufficient to eliminate the requirement for depreciation. Provisions are made against the carrying value of development properties when the directors consider book value to exceed recoverable value. The directors consider that these policies are necessary to provide a true and fair view.

Development properties are classified within tangible fixed assets or stocks according to their likely date of realisation. The proceeds and costs on disposal of such properties are reflected in turnover and cost of sales respectively.

c) Taxation

Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The taxation liabilities of certain group undertakings are reduced wholly or in part by the surrender of losses by fellow group undertakings. The tax benefits arising from group relief are normally recognised in the financial statements of the surrendering undertakings.

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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

TAKE TWO DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)

c) Taxation (continued)

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

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 substantively enacted by the balance sheet date. Deferred tax is measured on a non discounted basis.

d) Turnover

Turnover comprises residual income from the sale of a development property and is net of VAT. Turnover is generated wholly within the United Kingdom.

2 TURNOVER

Segmental information

	<u>2006</u>	<u>2005</u>
Property development and investment	£ 19,840	£ 29,626,302

Turnover in the year comprises residual income from the sale of a development property. All turnover was sourced and derived from the United Kingdom during the year. Turnover in the prior year represents £90,243 rental income and the remainder represents sales proceeds from the disposal of development property.

3 OTHER OPERATING INCOME

Other operating income in the year relates to the release of provisions for voids and reparation work following completion of account settlements.

4 STAFF COSTS

The Company had no employees during the current or prior year and none of the directors received any remuneration from the Company or from other undertakings in respect of services to it.

TAKE TWO DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 INVESTMENT INCOME

The following is included in investment income

	<u>2006</u>	<u>2005</u>
Bank interest	£ 1,216	£
Other interest	49,495	56,617
	<u>£ 50,711</u>	<u>£ 56,617</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

The following is included in interest payable and similar charges

	<u>2006</u>	<u>2005</u>
On bank loans and overdrafts	£	£ 772,680
	<u></u>	<u></u>

7 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	<u>2006</u>	<u>2005</u>
Auditors' remuneration for audit services	£ 2,000	£ 5,000
	<u></u>	<u></u>

TAKE TWO DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

8 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises

	<u>2006</u>	<u>2005</u>
Current tax		
UK corporation tax	£ 30,403	£ 1,794,520
Adjustment in respect of prior year		
UK corporation tax	(11,928)	11,928
Total current tax charge	<u>£ 18,475</u>	<u>£ 1,806,448</u>
Deferred tax		
Origination and reversal of timing differences	£ 21,600	£ (29,100)
Total deferred tax	<u>21,600</u>	<u>(29,000)</u>
Total tax on profit on ordinary activities	<u>£ 40,075</u>	<u>£ 1,777,348</u>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	<u>2006</u>	<u>2005</u>
Profit on ordinary activities before tax	£ 173,344	£ 7,023,747
Tax on profit on ordinary activities at standard UK corporation tax rate of 30% (2005 – 30%)	52,003	2,107,124
Effects of		
Tax losses (utilised)/arising		(342,147)
Non deductible expenses		443
Adjustments in respect of prior years	(11,928)	11,928
Short term timing differences	(21,600)	29,100
Current tax charge for the year	<u>£ 18,475</u>	<u>£ 1,806,448</u>

The Company earns its profits in the UK, therefore the tax rate used for tax on profit on ordinary activities is the standard rate for UK corporation tax, currently 30% (2005 – 30%)

9 DIVIDENDS PAID

	<u>2006</u>	<u>2005</u>
Interim dividend paid of £Nil per share (2005 – £2,750)	£	£ 2,750,000

TAKE TWO DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

10 DEBTORS

The following amounts are included in the net book value of debtors

	<u>2006</u>	<u>2005</u>
Amounts falling due within one year		
Amounts owed by other group undertakings	£ 172,417	£ 912,917
VAT recoverable	47	254,176
Other debtors	283,890	552,321
Deferred tax	7,500	29,100
	<u>£ 463,854</u>	<u>£ 1,748,514</u>

The deferred tax asset of £7,500 relates to a short term timing difference which arises in respect of the tax treatment of provisions related to residual obligations on the sale of development properties. The directors expect this asset to be reclaimed in the coming year when costs of addressing these assets are met.

11 CREDITORS Amounts falling due within one year

The following amounts are included in creditors falling due within one year

	<u>2006</u>	<u>2005</u>
Amounts owed to other group undertakings	£ 30,404	£ 223,745
Accruals and deferred income	140,004	415,707
Bank overdraft		2,434
Corporation tax		911,466
	<u>£ 170,408</u>	<u>£ 1,553,352</u>

12 CALLED UP SHARE CAPITAL

	<u>2006</u>	<u>2005</u>
Authorised		
50,000 ordinary A shares of £1 each	£ 50,000	£ 50,000
50,000 ordinary B shares of £1 each	50,000	50,000
	<u>£ 100,000</u>	<u>£ 100,000</u>
Allotted, called up and fully paid		
1,000 ordinary B shares of £1 each	£ 1,000	£ 1,000

A and B ordinary shares rank pari passu in all respects

TAKE TWO DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

13 RESERVES

The movement in the year was as follows

	Profit and loss <u>account</u>
Retained profit at 31 March 2005	£ 194,162
Retained profit for the financial year	133,269
Retained profit at 31 March 2006	<u>£ 327,431</u>

14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS/(DEFICIT)

	<u>2006</u>	<u>2005</u>
Opening shareholders' funds/(deficit)	£ 195,162	£ (2,301,237)
Retained profit for the financial year	133,269	2,496,399
Closing shareholders' funds	<u>£ 328,431</u>	<u>£ 195,162</u>

15 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

There were no capital commitments at 31 March 2006 (2005 Nil)

16 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with fellow group undertakings

17 ULTIMATE HOLDING COMPANY

The immediate parent company is The Premier Property Group Limited and the ultimate holding company is Murray International Holdings Limited, both of which are registered in Scotland

The largest group in which the results of the Company are consolidated is that headed by the ultimate holding company whose principal place of business is at 9 Charlotte Square, Edinburgh, EH2 4DR. Copies of Murray International Holdings Limited financial statements are available from the above address. The smallest group in which the results of the Company are consolidated is that headed by The Premier Property Group Limited whose principal place of business is at 10 Charlotte Square, Edinburgh EH2 4DR.

18 ULTIMATE CONTROL

D E Murray, a director of the ultimate holding company (Note 17), and members of his close family control the Company as a result of controlling directly or indirectly 81% of the issued share capital of the ultimate holding company.