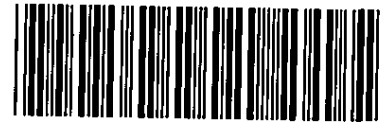


COMPANY REGISTRATION NUMBER 4567534

WILLOW PLACE PROPERTIES LIMITED
FINANCIAL STATEMENTS
31 MARCH 2007

THURSDAY



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31/01/2008

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COMPANIES HOUSE

SLAVEN JEFFCOTE LLP
Chartered Certified Accountants & Registered Auditors
1 Lumley Street
Mayfair
London
W1K 6TT

WILLOW PLACE PROPERTIES LIMITED
FINANCIAL STATEMENTS
PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

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WILLOW PLACE PROPERTIES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr B Choudhrie Lumley Management Limited Mr C P Thomas
Company secretary	JD Secretariat Limited
Registered office	1 Lumley Street Mayfair London W1K 6TT
Auditor	Slaven Jeffcote LLP Chartered Certified Accountants & Registered Auditors 1 Lumley Street Mayfair London W1K 6TT
Bankers	The Royal Bank of Scotland plc 5 Market Place Leicester LE1 6DN

WILLOW PLACE PROPERTIES LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

The directors have pleasure in presenting their report and the financial statements of the company for the period from 1 January 2006 to 31 March 2007

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period was that of a property investment company

In October 2006 the directors sold the investment property, Willow House. The director's intention is to source further investment properties in the future

DIRECTORS

The directors who served the company during the period were as follows

Mr B Choudhrie
Mr V Gole
Lumley Management Limited
Mr C P Thomas

Mr V Gole retired as a director on 24 April 2006

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 judgements and estimates that are reasonable and prudent,
- 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 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

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

WILLOW PLACE PROPERTIES LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

AUDITOR

A resolution to re-appoint Slaven Jeffcote LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
1 Lumley Street
Mayfair
London
W1K 6TT

Signed by order of the directors



JD SECRETARIAT LIMITED
Company Secretary

Approved by the directors on *30/6/08*

WILLOW PLACE PROPERTIES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
WILLOW PLACE PROPERTIES LIMITED
PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

We have audited the financial statements of Willow Place Properties Limited for the period from 1 January 2006 to 31 March 2007, which have been prepared on the basis of the accounting policies set out on page 8

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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)

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 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

WILLOW PLACE PROPERTIES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
WILLOW PLACE PROPERTIES LIMITED *(continued)*
PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

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 period 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



SLAVEN JEFFCOTE LLP
Chartered Certified Accountants
& Registered Auditors

1 Lumley Street
Mayfair
London
W1K 6TT

30/1/08

WILLOW PLACE PROPERTIES LIMITED
PROFIT AND LOSS ACCOUNT
PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

	Period from 1 Jan 06 to 31 Mar 07	Year to 31 Dec 05
	Note £	£
TURNOVER	280,270	301,093
Cost of sales	<u>117,940</u>	<u>72,996</u>
GROSS PROFIT	162,330	228,097
Administrative expenses	<u>(453,119)</u>	<u>8,808</u>
OPERATING PROFIT	2 615,449	219,289
Interest receivable	1,562	1,200
Interest payable and similar charges	3 (94,248)	(114,077)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>522,763</u>	<u>106,412</u>
Tax on profit on ordinary activities	4 29,676	31,924
PROFIT FOR THE FINANCIAL PERIOD	<u>493,087</u>	<u>74,488</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the
period as set out above

The notes on page 6 form part of these financial statements.

WILLOW PLACE PROPERTIES LIMITED

BALANCE SHEET

31 MARCH 2007

	Note	31 Mar 07 £	£	31 Dec 05 £
FIXED ASSETS				
Tangible assets	5		—	3,585,000
CURRENT ASSETS				
Debtors	6	946,276		130,701
Cash at bank		11,478		62,593
		957,754		193,294
CREDITORS: Amounts falling due within one year	7	110,650		299,134
NET CURRENT ASSETS/(LIABILITIES)			847,104	(105,840)
TOTAL ASSETS LESS CURRENT LIABILITIES			847,104	3,479,160
CREDITORS: Amounts falling due after more than one year	8		—	3,125,143
			847,104	354,017
CAPITAL AND RESERVES				
Called-up equity share capital	11		1,000	1,000
Revaluation reserve	12		—	91,833
Profit and loss account	13		846,104	261,184
SHAREHOLDERS' FUNDS	14		847,104	354,017

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

These financial statements were approved by the directors and authorised for issue on 30/01/08, and are signed on their behalf by


MR B CHOUDHRIE

The notes on page 7 form part of these financial statements

WILLOW PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable UK accounting standards

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

Turnover

Turnover represents the amounts receivable, by the company for services provided during the year, exclusive of value added tax

Fixed assets

All fixed assets are initially recorded at cost

Investment properties

Investment properties are valued annually and shown in the accounts at open market value. Gains or losses in respect of revaluing properties are recognised in the Statement of Total Recognised Gains and Losses, except in the case where the loss is deemed to be a permanent diminution in value, in which case it is charged to the profit and loss account. No depreciation is charged on this class of fixed asset. This treatment follows the principles outlined in the Standard Statement of Accounting Practice 19 (Accounting for Investment Properties) and is a departure from Financial Reporting Standard 15 (Tangible Fixed Assets), which requires all tangible fixed assets to be depreciated. This departure is necessary to give a true and fair view.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	Period from 1 Jan 06 to 31 Mar 07 £	Year to 31 Dec 05 £
Directors' emoluments	-	-
Profit on disposal of fixed assets	(471,028)	-
Auditor's fees	<u>2,000</u>	<u>2,500</u>

WILLOW PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

3. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 1 Jan 06 to 31 Mar 07 £	Year to 31 Dec 05 £
Finance charges	–	16
Other interest and similar charges	94,248	114,061
	<u>94,248</u>	<u>114,077</u>

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 1 Jan 06 to 31 Mar 07 £	Year to 31 Dec 05 £
Current tax		
UK Corporation tax based on the results for the period at 30% (2005 - 30%)	56,210	31,924
Over/under provision in prior year	(26,534)	-
Total current tax	<u>29,676</u>	<u>31,924</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 30% (2005 - 30%)

	Period from 1 Jan 06 to 31 Mar 07 £	Year to 31 Dec 05 £
Profit on ordinary activities before taxation	<u>522,763</u>	<u>106,412</u>
Profit on ordinary activities by rate of tax	156,829	31,924
Expenses not deductible for tax purposes	754	-
Adjustments to tax charge in respect of previous periods	(26,534)	-
Permanent timing differences	(101,373)	-
Total current tax (note 4(a))	<u>29,676</u>	<u>31,924</u>

WILLOW PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

5. TANGIBLE FIXED ASSETS

	Freehold Property £
COST	
At 1 January 2006	3,585,000
Disposals	(3,585,000)
At 31 March 2007	<u>-</u>
DEPRECIATION	
At 1 January 2006 and 31 March 2007	<u>-</u>
NET BOOK VALUE	
At 31 March 2007	<u>-</u>
At 31 December 2005	<u>3,585,000</u>

The above represented an investment property which was sold by the company on during the period under review

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows

	2007 £	2005 £
Historical cost:		
At 1 January 2006	3,493,167	3,493,167
Disposals in period	(3,493,167)	-
At 31 March 2007	<u>-</u>	<u>3,493,167</u>
Depreciation:		
At 1 January 2006	209,589	139,726
Aggregate depreciation on assets revalued in period	-	69,863
On disposals	(209,589)	-
At 31 March 2007	<u>-</u>	<u>209,589</u>
Net historical cost value:		
At 31 March 2007	<u>-</u>	<u>3,283,578</u>
At 1 January 2006	<u>3,283,578</u>	<u>3,353,441</u>

WILLOW PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

6. DEBTORS

	31 Mar 07	31 Dec 05
	£	£
Trade debtors	89	119,283
Amounts owed by group undertakings	938,785	3,636
VAT recoverable	7,402	–
Other debtors	–	7,782
	<u>946,276</u>	<u>130,701</u>

7. CREDITORS: Amounts falling due within one year

	31 Mar 07	31 Dec 05
	£	£
Amounts owed to group undertakings	–	98,201
Corporation tax	61,600	31,924
Other taxation	–	28,701
Other creditors	49,050	140,308
	<u>110,650</u>	<u>299,134</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	31 Mar 07	31 Dec 05
	£	£
Amounts owed to group undertakings	<u>–</u>	<u>98,201</u>

8. CREDITORS: Amounts falling due after more than one year

	31 Mar 07	31 Dec 05
	£	£
Amounts owed to group undertakings	<u>–</u>	<u>3,125,143</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	31 Mar 07	31 Dec 05
	£	£
Amounts owed to group undertakings	<u>–</u>	<u>1,622,712</u>

WILLOW PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

9. CREDITORS - CAPITAL INSTRUMENTS

Creditors include finance capital which is due for repayment as follows

	31 Mar 07 £	31 Dec 05 £
Amounts repayable		
In one year or less or on demand	–	98,201
In more than one year but not more than two years	–	104,725
In more than two years but not more than five years	–	357,488
In more than five years	–	1,160,498
	<u>–</u>	<u>1,720,912</u>

10. RELATED PARTY TRANSACTIONS

In the opinion of the directors there is no one controlling party

The company has taken advantage of the exemption from reporting related party transactions between Willow Places Properties Limited and other members of the C&C Alpha Group, conferred by Financial Reporting Standard No 8, on the grounds that the company is a wholly owned subsidiary and the parent undertaking prepares consolidated financial statements which include the company

11. SHARE CAPITAL

Authorised share capital:

	31 Mar 07 £	31 Dec 05 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	31 Mar 07		31 Dec 05	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

12. REVALUATION RESERVE

	Period from 1 Jan 06 to 31 Mar 07 £	Year to 31 Dec 05 £
Balance brought forward	91,833	91,833
Transfer to the Profit and Loss Account on realisation	<u>(91,833)</u>	<u>–</u>
Balance carried forward	<u>–</u>	<u>91,833</u>

WILLOW PLACE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 JANUARY 2006 TO 31 MARCH 2007

13. PROFIT AND LOSS ACCOUNT

	Period from 1 Jan 06 to 31 Mar 07 £	Year to 31 Dec 05 £
Balance brought forward	261,184	186,696
Profit for the financial period	493,087	74,488
Transfer from revaluation reserve	91,833	—
Balance carried forward	<u>846,104</u>	<u>261,184</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Mar 07 £	31 Dec 05 £
Profit for the financial period	493,087	74,488
Transfer from revaluation reserve	91,833	—
Transfer to profit and loss account	(91,833)	—
Net addition to shareholders' funds	<u>493,087</u>	<u>74,488</u>
Opening shareholders' funds	<u>354,017</u>	<u>279,529</u>
Closing shareholders' funds	<u>847,104</u>	<u>354,017</u>

15. GUARANTEE

The company had provided its major asset the freehold property known as Willow House, as collateral for a bank loan to its immediate parent company

16. ULTIMATE PARENT COMPANY

The company's ultimate parent undertaking at the balance sheet date is Harberry Investments Limited, a company incorporated in the British Virgin Islands

The parent undertaking of the largest group for which group accounts including Willow Place Properties Limited are drawn up is C&C Business Solutions Limited, a company registered in England and Wales

The parent undertaking of the smallest group for which group accounts including Willow Place Properties Limited are drawn up is C&C Estates Limited, a company incorporated in England and Wales

Copies of these accounts can be obtained from the company's registered office

1 Lumley Street
Mayfair
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W1K 6TT