Company No: 2819173

Andrew Lynton Property Limited

Annual Report

Year ended 31 December 2006

Contents of the Annual Report

Company Information

Directors	Andrew L Cohen Wendy P Cohen
Secretary	Iain Williamson
Registered office	Wood Hall Lane Shenley Hertfordshire WD7 9AA
Registered number	2819173
Auditors	Grant Thornton UK LLP Centre City Tower 7 Hill Street Birmingham B5 4UU

Report of the Directors

The directors present their report together with the audited financial statements for the year ended 31 December 2006

Principal activities

The company has not traded during the year

Results and dividend

The results for the year are set out in detail on page 4 An interim dividend of £3,342,276 (£33,423 per share) was paid during the year (2005 nil)

Directors

The directors at the date of this report are disclosed on page 1

The directors held no beneficial interests in the shares of the company throughout the year

The directors' interests in the shares of the parent company are disclosed in that company's accounts

Directors' responsibilities for financial statements

The directors are responsible for preparing 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,
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Disclosure of information to auditors

At the date of making this report each of the company's directors, as set out on page 1, confirm the following

- so far as each director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

RSM Robson Rhodes LLP ('Robson Rhodes') merged its practice with that of Grant Thornton UK LLP ('Grant Thornton') with effect from 1 July 2007, with the successor firm being Grant Thornton Robson Rhodes resigned as auditors on 1 July 2007, creating a casual vacancy which the directors have filled by appointing Grant Thornton

The report of the directors was approved by the Board on 30 July 2007 and signed on its behalf by

Iain Williamson
Secretary

Independent Auditors' Report to the Shareholders of Andrew Lynton Property Limited

We have audited the financial statements on pages 4 to 9 These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 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

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 affairs of the company as at 31 December 2006 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

Grant Thornton UK LLP

Grant Thornton UK LLP
Chartered Accountants and Registered Auditors
Birmingham, England
Date 30 July 2007

Profit and Loss Account

for the year ended 31 December 2006

	Note	2006 £	2005 £
Turnover	1	-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(123)	(120)
Profit on disposal of investment properties		105,356	-
Operating profit / (loss)	2	105,233	(120)
Interest receivable	4	71	262
Profit on ordinary activities before taxation		105,304	142
Taxation	5	(31,748)	5,839
Retained profit for the year	12	73,556	5,981

All activities relate to discontinued operations

There are no recognised gains for the year other than those shown above

Note of Historical Cost Profits and Losses

for the year ended 31 December 2006

	2006 £	2005 £
Profit on ordinary activities before taxation	105,304	142
Realisation of property revaluation gains of prior years	1,785	-
Historical cost profit on ordinary activities before taxation	107,089	142
Historical cost retained profit after taxation	75,341	5,981

The notes on pages 6 to 9 form part of these financial statements

Balance Sheet
at 31 December 2006

	Note	31 December 2006 £	31 December 2005 £
Fixed assets			
Tangible fixed assets	6	-	10,000
Current assets			
Debtors	7	100	3,248,327
Cash at bank		-	10,493
		100	3,258,820
Net current assets		100	3,258,820
Total assets less current liabilities		100	3,268,820
Provision for liabilities and charges	8	-	-
Net assets		100	3,268,820
Capital and reserves			
Called up share capital	9	100	100
Revaluation reserve	12	-	1,785
Profit and loss account	12	-	3,266,935
Equity shareholders' funds	11	100	3,268,820

The financial statements were approved by the Board on 30 July 2007 and signed on its behalf by

Andrew L Cohen
Director

The notes on pages 6 to 9 form part of these financial statements

Notes to the Financial Statements

31 December 2006

1. ACCOUNTING POLICIES

Basis of accounting
The financial statements are prepared in accordance with applicable UK accounting standards, under the historical cost convention as modified by the revaluation of certain land and buildings

Turnover
Turnover represents rent receivable during the year, excluding value added tax

Depreciation
The only tangible fixed assets held were investment properties, on which no depreciation is provided

Deferred taxation
The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by FRS 19 Deferred tax is provided in full, in accordance with FRS19, on those timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future Timing differences arise because of differences between the treatment of certain items for accounting and taxation purposes Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered

Deferred tax is measured at the tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date Deferred tax assets and liabilities are not discounted

Investment properties
Investment properties, other than those leasehold properties with an unexpired term of less than 20 years, are included in the balance sheet at cost from the date of exchange of contracts or at subsequent revaluation In accordance with SSAP 19 Investment properties are revalued at their open market value annually either by independent professional third party valuers or by the directors The aggregate surplus or deficit is transferred to a revaluation reserve No depreciation is provided on investment properties as held for investment purposes

2. OPERATING PROFIT / (LOSS)

	2006	2005
	£	£
Operating profit is stated after charging		
Auditors' remuneration	-	-

Auditors' remuneration is borne by the ultimate parent undertaking

3. EMPLOYEE INFORMATION (INCLUDING DIRECTORS)

With the exception of the directors, there were no employees during the period The directors received no remuneration during either period

Notes to the Financial Statements
31 December 2006

4. INTEREST RECEIVABLE

	2006 £	2005 £
Bank interest	71	262

5 TAXATION ON PROFIT FROM ORDINARY ACTIVITIES

	2006 £	2005 £
Current Tax		
UK corporation tax on profits of the period	-	-
Group relief payable / (receivable)	31,748	(339)
Adjustment in respect of prior periods	-	(5,500)
Total current tax	31,748	(5,839)

The tax assessed for the period is higher than the standard rate of corporation tax in the UK The differences are explained below

	2006 £	2005 £
Profit on ordinary activities before tax	105,304	142
Profit on ordinary activities at the standard rate of Corporation tax in the UK of 30% (2005 – 30%)	31,591	43
Effects of		
Difference between capital gains and profit on sale of assets	157	-
Capital allowances for year in excess of depreciation	-	(382)
Adjustment to tax charge in respect of prior periods	-	(5,500)
Current tax charge / (credit) for period	31,748	(5,839)

Notes to the Financial Statements
31 December 2006

6. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Total £
Cost and Net Book Value		
At 1 January 2006	10,000	10,000
Disposals	(10,000)	(10,000)
At 31 December 2006	-	-

	2006 £	2005 £
Land and buildings comprise:		
Cost	-	8,215
Revaluation	-	1,785
	-	10,000

7. DEBTORS

	2006 £	2005 £
Amounts owed from group undertakings	100	3,248,327

All amounts shown in debtors fall due for repayment within one year

8. PROVISION FOR LIABILITIES AND CHARGES

No provision has been made for deferred tax on gains recognised on revaluing property to its market value The total amount un-provided for is £nil (2005 - £nil) At present, it is not envisaged that any tax will become payable in the foreseeable future

9 SHARE CAPITAL

	2006 £	2005 £
Authorised, issued and fully paid		
100 Ordinary shares of £1 each	100	100

Notes to the Financial Statements

31 December 2006

10. TRANSACTIONS WITH RELATED PARTIES

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with 100%-owned subsidiaries of Wood Hall Securities Limited that are included in its consolidated financial statements

11 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	31 December 2006 £	31 December 2005 £
Profit for the year	73,556	5,981
Dividends	(3,342,276)	-
Opening shareholders' funds	3,268,820	3,262,839
Closing shareholders' funds	100	3,268,820

12. RESERVES

	Revaluation Reserve £	Profit and loss account £
At 1 January 2006	1,785	3,266,935
Retained profit for the period	-	73,556
Dividends	-	(3,342,276)
Disposal of property	(1,785)	1,785
At 31 December 2006	-	-

13 CASH FLOW STATEMENT

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company

14. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Wood Hall Securities Limited, whose consolidated financial statements are available from Companies House