



EASTER INVESTMENTS SEVEN LIMITED
(formerly Drayparcs (Tipton) Limited)

Report and Financial Statements for the
Period Ended 31 March 2006

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EASTER INVESTMENTS SEVEN LIMITED
(formerly Drayparcs (Tipton) Limited)

Company Information

The Board of Directors	Mr P Taylor Mr J Moss
Company Secretary	Mr S Corner
Registered Office	4 Grosvenor Place London SW1X 7EG
Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Bankers	Bank of Scotland The Mound Edinburgh EH1 1YZ
Solicitors	Maclay Murray & Spens One London Wall London EC2Y 5AB

EASTER INVESTMENTS SEVEN LIMITED **(formerly Drayparcs (Tipton) Limited)**

Report of the Directors for the Period Ended 31 March 2006

The directors present their report and the financial statements of the company for the 18 month period ended 31 March 2006.

Principal activities and business review

The principal activity of the company is that of property investment. On 1 July 2005 the company's immediate parent company, Easter Investments Five Limited, was acquired by Easterior Properties Limited. On 28 July 2005 the company changed its name from Drayparcs (Tipton) Limited to Easter Investments Seven Limited.

No detailed business review has been presented in the report of the directors. The company is part of a group which meets the Companies Act definition of a small group and is therefore exempt from the requirement to prepare such a review.

Results and dividends

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements.

The directors do not recommend the payment of a dividend (year ended 30 September 2004:£NIL).

Directors

The directors who served the company throughout the period and subsequently, except as noted, were as follows:

Mr P Taylor	(appointed 1 July 2005)
Mr J Moss	(appointed 1 July 2005)
Mr D Grove	(resigned 1 July 2005)
Mr T Middleton	(resigned 1 July 2005)
Mr L Litwinowicz	(resigned 1 July 2005)
Mr C Jones	(resigned 1 July 2005)

Directors' interests

No directors have a beneficial interest in the ordinary share capital of the company.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. The directors are required to prepare 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 period ended 31 March 2006 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.

EASTER INVESTMENTS SEVEN LIMITED
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Report of the Directors for the
Period Ended 31 March 2006 (continued)

Auditors


During the period, Haslehursts were replaced as auditors to the company. There being a vacancy, the directors appointed PricewaterhouseCoopers LLP as auditors.

For each of the persons who were directors at the time this report was prepared, the following applies:

- so far as the directors are aware, there is no relevant audit information (ie information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

A resolution to reappointment PricewaterhouseCoopers LLP will be proposed at the Annual General Meeting.

Signed by order of the Board.



Mr S Corner
Company Secretary

Approved by the directors on 22 November 2006

EASTER INVESTMENTS SEVEN LIMITED
(formerly Drayparcs (Tipton) Limited)

Independent Auditors' Report to the Members of
Easter Investments Seven Limited

Period Ended 31 March 2006

We have audited the financial statements of Easter Investments Seven Limited for the period ended 31 March 2006 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the note of historical cost profits and losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements. We also 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 Report of the Directors 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.

EASTER INVESTMENTS SEVEN LIMITED
(formerly Drayparcs (Tipton) Limited)

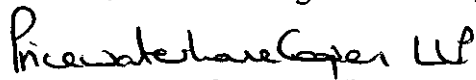
Independent Auditors' Report to the Members of
Easter Investments Seven Limited (continued)

Period Ended 31 March 2006

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 period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London

24 November 2006

EASTER INVESTMENTS SEVEN LIMITED
(formerly Drayparcs (Tipton) Limited)

Profit and Loss Account for the
Period Ended 31 March 2006

		1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
Turnover	2	327,299	227,996
Cost of sales		(13,840)	(38,827)
Gross profit		313,459	189,169
Administrative expenses		(23,065)	(3,522)
Operating profit	3	290,394	185,647
Profit on disposal of investment property		133,385	-
Interest receivable and similar income		3,049	2,768
Interest payable and similar charges	5	(59,115)	(25,387)
Profit on ordinary activities before taxation		367,713	163,028
Tax on profit on ordinary activities	6	(163,588)	(36,385)
Profit for the financial period	11	<u>204,125</u>	<u>126,643</u>

All of the company's activities during the year were continuing activities.

Statement of total recognised gains and losses

		1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
Profit for financial period		204,125	126,643
Revaluation surplus on property assets	11	686,944	65,000
Total recognised gains in the period		<u>891,069</u>	<u>191,643</u>

Note of historical cost profits and losses

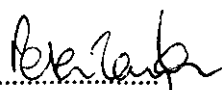
		1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
Profit on ordinary activities before taxation		367,713	163,028
Realisation of property revaluation profits of previous years	11	59,005	-
Historical cost profit on ordinary activities before taxation		<u>426,718</u>	<u>163,028</u>
Historical cost profit on ordinary activities after taxation		<u>263,130</u>	<u>126,643</u>

EASTER INVESTMENTS SEVEN LIMITED
(formerly Drayparcs (Tipton) Limited)


Balance Sheet as at
31 March 2006

	Note	31 Mar 2006 £	30 Sept 2004 £
Fixed assets			
Investment property	7	3,104,000	2,415,000
Current assets			
Debtors	8	37,127	81,935
Cash at bank		69,139	-
		<u>106,266</u>	<u>81,935</u>
Creditors: Amounts falling due within one year	9	<u>(886,072)</u>	<u>(1,150,174)</u>
Net current liabilities		<u>(779,806)</u>	<u>(1,068,239)</u>
Total assets less current liabilities		<u>2,324,194</u>	<u>1,346,761</u>
Provisions for liabilities and charges	10	<u>(86,364)</u>	<u>-</u>
Net assets		<u>2,237,830</u>	<u>1,346,761</u>
Capital and reserves			
Called-up equity share capital	12	2	2
Revaluation reserve	11	1,534,725	906,786
Profit and loss account	11	703,103	439,973
Equity shareholders' funds	15	<u>2,237,830</u>	<u>1,346,761</u>

The financial statements, which comprise the profit and loss account, the statement of total recognised gains and losses, the note of historical cost profits and losses, the balance sheet and the related notes, were approved by the directors on 22 November 2006 and are signed on their behalf by:



 Mr P Taylor



 Mr J Moss

EASTER INVESTMENTS SEVEN LIMITED

(formerly Drayparcs (Tipton) Limited)

Notes to the Financial Statements for the Period Ended 31 March 2006

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable UK Accounting Standards and the historical cost convention as modified by the revaluation of certain fixed assets. A summary of the accounting policies which have been consistently applied is set out below.

Going concern basis

At 31 March 2006, the company had an excess of current liabilities over current assets. The accounts have been prepared on a going concern basis because of the support of the ultimate parent company.

Cash flow statement

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt under FRS1 from the requirement to publish a cash flow statement.

Turnover

Turnover is the total rental income from investment properties and direct rechargeable expenses receivable by the company, excluding VAT.

Investment properties

Investment properties are included in the financial statements at valuation. Any aggregate surplus from original cost is transferred to a revaluation reserve. Any aggregate deficit from original cost is charged to the profit and loss account to the extent that it is deemed to represent a permanent diminution in value.

On realisation any gain or loss is calculated by reference to the carrying value at the last balance sheet date and is included in the profit and loss account. Any balance in the revaluation reserve is transferred directly to the profit and loss account reserve.

In accordance with SSAP 19 "Accounting for investment properties", investment properties are revalued annually. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years unexpired. The Companies Act 1985 requires all properties to be depreciated, but that requirement conflicts with the generally accepted principle set out in SSAP 19. The directors consider that, as the properties are held for long term investment, a true and fair view is given by following SSAP 19. Depreciation is only one of many factors reflected in the annual valuation of properties and the amount of depreciation or amortisation which might otherwise have been charged cannot be separately identified or quantified.

EASTER INVESTMENTS SEVEN LIMITED

(formerly Drayparcs (Tipton) Limited)

Notes to the Financial Statements for the Period Ended 31 March 2006

1. Accounting policies (continued)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where there is an obligation to pay more tax in the future or a right to pay less tax in the future.

Deferred tax assets are recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be available taxable profits against which the future reversal of the underlying timing differences can be offset.

Tenants' incentives

Rent free periods and capital contributions given to tenants are released to the profit and loss account over the shorter of either the period of the lease, or the date at which rent is adjusted to the prevailing market rate, usually the first rent review.

2. Turnover

The whole of the turnover and profit before taxation arises within the United Kingdom.

3. Operating profit

Operating loss is stated after charging:

	1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
Auditors' remuneration - as auditors	<u>2,500</u>	<u>-</u>

4. Directors and employees

The directors received no emoluments in respect of their services to the company (year ended 30 Sept 2004: £NIL). There were no employees during the period (year ended 30 Sept 2004: NIL).

5. Interest payable and similar charges

	1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
Bank interest	137	20,330
On amounts due to group undertakings	<u>58,978</u>	<u>5,057</u>
	<u>59,115</u>	<u>25,387</u>

EASTER INVESTMENTS SEVEN LIMITED
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Notes to the Financial Statements for the
Period Ended 31 March 2006

6. Tax on profit/(loss) on ordinary activities

(a) Analysis of charge in the period

	1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
UK Corporation Tax	3,047	36,000
Group relief claimed	74,177	-
Adjustment for prior years	-	385
Current tax charge	<u>77,224</u>	<u>36,385</u>
Deferred tax provision	<u>86,364</u>	<u>-</u>
	<u><u>163,588</u></u>	<u><u>36,385</u></u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is different to the standard rate of corporation tax in the UK of 30%.

	1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
Profit on ordinary activities before taxation	<u>367,713</u>	<u>163,028</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30%	110,314	48,908
Permanent difference – sale of property	(14,085)	-
Temporary difference – capital allowances	(19,005)	(12,825)
Other difference	-	(83)
Adjustment for prior years	-	385
Total current tax (note 6(a))	<u><u>77,224</u></u>	<u><u>36,385</u></u>

(c) Factors that may affect future tax charges

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

EASTER INVESTMENTS SEVEN LIMITED
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Notes to the Financial Statements for the
Period Ended 31 March 2006

7. Investment property

	<u>Investment</u> <u>Property</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Cost or valuation:		
At 1 October 2004	2,415,000	2,415,000
Additions	139,546	139,546
Disposals	(137,490)	(137,490)
Revaluation surplus	686,944	686,944
	<u>3,104,000</u>	<u>3,104,000</u>
 Cost	 1,569,275	 1,569,275
Revaluation surplus	1,534,725	1,534,725
	<u>3,104,000</u>	<u>3,104,000</u>

The investment property was valued by CB Richard Ellis Limited as at 31 March 2006 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

8. Debtors

	31 Mar 2006 £	30 Sept 2004 £
Amounts falling due within one year:		
Trade debtors	32,749	75,894
Other debtors	4,378	6,041
	<u>37,127</u>	<u>81,935</u>

9. Creditors: amounts falling due within one year

	31 Mar 2006 £	30 Sept 2004 £
Bank loan & overdrafts	-	6,403
Trade creditors	8,342	59,847
Amounts due to parent company	709,007	-
Amounts due to group undertakings	74,177	1,023,643
Corporation tax	3,271	36,007
Other taxation and social security	6,730	10,081
Other creditors	-	14,193
Accruals and deferred income	84,545	-
	<u>886,072</u>	<u>1,150,174</u>

The amount owed to the parent company is repayable on demand and bears interest of 3% above base rate.

EASTER INVESTMENTS SEVEN LIMITED
(formerly Drayparcs (Tipton) Limited)

Notes to the Financial Statements for the
Period Ended 31 March 2006

10. Provisions for liabilities and charges

Deferred tax

The amount of deferred taxation provided and not provided in the accounts is as follows:

	<u>31 March 2006</u>		<u>30 September 2004</u>	
	<u>Provided</u>	<u>Not Provided</u>	<u>Provided</u>	<u>Not Provided</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
UK corporation tax	86,364	-	-	-
Tax on capital gain on properties if sold at current valuation	-	415,231	-	213,186
	<u>86,364</u>	<u>415,231</u>	<u>-</u>	<u>213,186</u>

11. Reserves

	<u>Revaluation Reserve Investment Property £</u>	<u>Profit and Loss Account £</u>
At 1 October 2004	906,786	439,973
Realisation of prior year revaluation surplus	(59,005)	59,005
Revaluation surplus for period	686,944	-
Profit retained for period	-	204,125
At 31 March 2006	<u>1,534,725</u>	<u>703,103</u>

12. Share capital

Authorised share capital:

	<u>31 Mar 2006 £</u>	<u>30 Sept 2004 £</u>
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	<u>31 Mar 2006 £</u>	<u>30 Sept 2004 £</u>
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

13. Capital commitments and contingent liabilities

At 31 March 2006, the company had capital commitments of £NIL (30 September 2004: £NIL) in respect of obligations on building contracts. At the same date there were no contingent liabilities (30 September 2004: £NIL).

EASTER INVESTMENTS SEVEN LIMITED
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Notes to the Financial Statements for the
Period Ended 31 March 2006

14. Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8 (related party disclosures) from disclosing all transactions between 90% subsidiaries within the Easterior Properties group. During the period management fees of £11,855 were paid to Easter Management Limited in which Mr P Taylor and Mr S Corner hold directorships. At 31 March 2006, £3,825 (2004: £Nil) was outstanding.

15. Reconciliation of movements in shareholders' funds

	1 Oct 2004 to 31 Mar 2006 £	Year to 30 Sept 2004 £
Profit for the financial period	204,125	126,643
Revaluation surplus for period	686,944	65,000
Net increase in shareholders' funds	<u>891,069</u>	<u>191,643</u>
Opening shareholders' funds	1,346,761	1,155,118
Closing shareholders' funds	<u>2,237,830</u>	<u>1,346,761</u>

16. Parent company

The company's immediate parent is Easter Investments Five Limited. The ultimate parent company is Easterior Properties Limited, a company incorporated in the United Kingdom and registered in England and Wales. Copies of the financial statements of Easterior Properties Limited can be obtained from The Secretary, 4 Grosvenor Place, London SW1X 7EG.