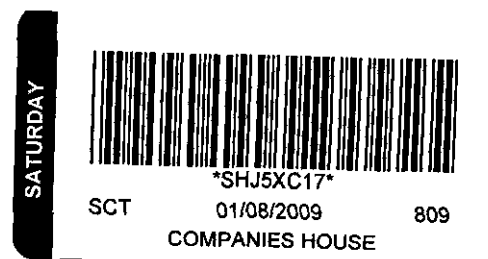


DEMURE LIMITED

Directors Report & Accounts 2008

For the Financial Period to 28 December 2008



DIRECTORS

Peter L. Perrins, C.A. - Managing Director

George P. Carter, C.A. - Financial Director

Brian R. King

Christopher J. Barr

Dr Derek J. Douglas, C.A. – Non-Executive Director

SECRETARY

George P. Carter, C.A.

AUDITORS

Ernst & Young LLP
Barony House
Stoneyfield Business Park
Stoneyfield
INVERNESS
IV2 7PA

BANKERS

Lloyds TSB Scotland plc
Edinburgh City Office
28 Hanover Street
Edinburgh
EH2 2DS

SOLICITORS

Maxwell MacLaurin
53 Bothwell Street
GLASGOW
G2 6TS

Shepherd & Wedderburn
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EN

REGISTERED OFFICE

23/25 Huntly Street
INVERNESS
IV1 1LA

Directors Report

The Directors have pleasure in submitting their Report to the shareholders, together with the Accounts for the Financial Year to 28 December 2008.

Principal Activity

The principal activity of the Company is as a Property holding and development company.

Directors

The Directors of the Company during the financial year to 28 December 2008 were:

Peter L. Perrins, C.A.
George P. Carter, C.A.
Brian R. King
Christopher J. Barr
Derek J. Douglas, C.A.

Disclosure of Information to Auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing his report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

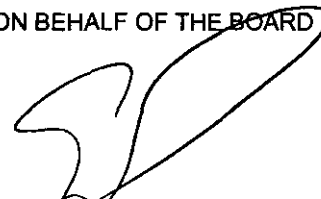
Auditors

A resolution to appoint Ernst & Young LLP as auditors will be put to members at the Annual General Meeting.

23/25 Huntly Street,
Inverness.
IV3 5PR

16 July 2009

ON BEHALF OF THE BOARD



G. P. CARTER C.A.
Director & Company Secretary

Profit & Loss Account

For the financial year to 28 December 2008

	Note	2008 £	2007 £
TURNOVER : continuing operations	2	701,827	585,430
Cost of Sales		-	-
GROSS PROFIT		701,827	585,430
Administration Expenses		(124,986)	(122,289)
OPERATING PROFIT : continuing operations	3	576,841	463,141
Gain/(Loss) on sale of fixed assets		446,704	(371,909)
Interest Receivable & other similar income		13,897	25,470
Interest Payable		(75,991)	(242,337)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		961,451	(125,635)
Tax on Ordinary Activities	4	(151,900)	(55,724)
PROFIT/(LOSS) FOR FINANCIAL PERIOD		£809,551	£(181,359)

Statement of Total Recognised Gains and Losses

For the financial year to 28 December 2008

	Note	2008 £	2007 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR ATTRIBUTABLE TO THE COMPANY		809,551	(181,359)
Unrealised surplus on revaluation of heritable properties		-	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		£809,551	£(181,359)

The notes on pages 4 –9 form part of these accounts

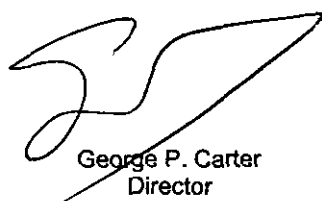
DeMure Limited

Balance Sheet

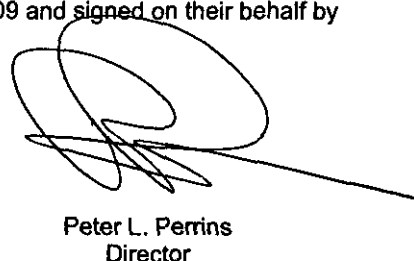
As at 28 December 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	5	<u>9,260,186</u>	<u>9,689,391</u>
CURRENT ASSETS			
Debtors	6	3,198	1,250,876
Cash at Bank		<u>251,511</u>	<u>266,952</u>
		<u>254,709</u>	<u>1,517,828</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	7	<u>579,156</u>	<u>624,478</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>(324,447)</u>	<u>893,350</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,935,739</u>	<u>10,582,741</u>
CREDITORS: AMOUNTS FALLING DUE OUTWITH ONE YEAR	8	<u>(700,000)</u>	<u>(2,894,231)</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred Taxation	9	<u>(30,577)</u>	<u>(22,899)</u>
NET ASSETS		<u><u>£8,205,162</u></u>	<u><u>£7,665,611</u></u>
CAPITAL AND RESERVES			
Called Up Share capital	10	1,772	1,772
Share Premium Account	11	6,373,898	6,373,898
Capital Redemption Reserve	11	16	16
Revaluation Reserve	11	1,636,471	1,636,471
Profit and Loss Account	11	<u>193,005</u>	<u>(346,546)</u>
EQUITY SHAREHOLDERS' FUNDS		<u><u>£8,205,162</u></u>	<u><u>£7,665,611</u></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007). These accounts were approved by the Directors on 16 July 2009 and signed on their behalf by



George P. Carter
Director



Peter L. Perrins
Director

The notes on pages 4 – 9 form part of these accounts

Notes to the Accounts

For the financial year to 28 December 2008

1. Accounting Policies

a) Basis of Preparation

The accounts have been prepared under the historical cost convention, modified to include the revaluation of investment properties, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). This requires a departure from the Companies Act 1985 relating to depreciation and an explanation of the departure is given below.

b) Investment properties

The company's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

- Investment properties are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year; and
- No depreciation is provided in respect of investment properties.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the Directors believe that the policy of not providing depreciation is necessary in order for the accounts to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

c) Depreciation

Depreciation is provided on all tangible fixed assets, other than investment properties, at rates calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful life, as follows:-

Fixture, fittings and equipment - over 1½ to 10 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

d) Deferred Taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions: -

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing difference can be deducted.
- Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the Accounts

For the financial year to 28 December 2008

2. Turnover

Turnover represents rental income in respect of the company's investment properties. All turnover arises from continuing operations in the UK.

3. Operating Profit

The operating profit is stated after charging: -

	2008 £	2007 £
Depreciation	-	-
Auditors' Remuneration	2,550	2,550
- Audit		
- Other	1,050	1,050
Directors' remuneration	114,431	78,870

4. Tax on Profit on Ordinary Activities

Analysis of charge in period

	2008 £	2007 £
Current Tax		
UK Corporation tax on profits of the period	143,430	60,611
Over Provision in Prior Year	792	(10,933)
	144,222	49,678
Deferred Tax		
(Over)/Under Provision in Prior Year	-	(3,591)
Arising in the period	7,678	9,637
Tax on profit on ordinary activities	£151,900	£55,724

Factors affecting the tax charge for the period

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK (28%). The differences are explained below: -

	2008 £	2007 £
(Loss)/Profit on ordinary activities before tax	961,451	(125,635)
(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax of 28% (2007 30%)	269,206	(37,690)
Effects of:		
Depreciation for the period in excess of capital allowances	(7,678)	(10,237)
Other differences	6,844	(13,967)
Gains not taxable arising in the period	(125,150)	110,572
Current tax charge for period	143,222	£49,678

Notes to the Accounts

For the financial year to 28 December 2008

5. Tangible Fixed Assets

	TOTAL	Heritable Property	Fixtures Fittings & Equipment
<u>Cost or Valuation</u>			
At 30 December 2007	10,120,643	10,120,643	-
Additions	9,055	9,055	-
Disposals	(543,762)	(543,762)	-
At 28 December 2008	<u>9,585,936</u>	<u>9,585,936</u>	-
<u>Depreciation and Impairment</u>			
At 30 December 2007	431,252	431,252	-
Provisions for financial year	-	-	-
On disposals	(105,502)	(105,502)	-
At 28 December 2008	<u>325,750</u>	<u>325,750</u>	-
Net Book Value			
At 28 December 2008	<u><u>£9,260,186</u></u>	<u><u>£9,260,186</u></u>	<u><u>£-</u></u>
Net Book Value			
At 30 December 2007	<u><u>£9,689,391</u></u>	<u><u>£9,689,391</u></u>	<u><u>£-</u></u>

The Company's heritable properties are held for long term investment. The written down value is based on an external valuation dated 13 March 2006, and the directors believe this valuation to be appropriate at 28 December 2008. Investment properties are valued on the basis of:

Investment properties:	Open market value for existing use
Properties awaiting development:	Open market value for alternative use

The amount of heritable property included above at net book value determined according to the historical cost accounting rules is as follows:

	2008	2007
Net book value	<u><u>8,368,049</u></u>	<u><u>£8,902,757</u></u>

Notes to the Accounts

For the financial year to 28 December 2008

6. Debtors

	2008 £	2007 £
Trade Debtors	3,198	-
Other Debtors	-	1,250,000
Prepayments	-	876
	<u>£3,198</u>	<u>£1,250,876</u>

7. Creditors: Amounts Falling Due Within One Year

	2008 £	2007 £
Bank Loan	153,846	269,231
Trade creditors	7,052	450
Other creditors	100,767	86,254
Corporation tax	141,756	60,611
Accruals and deferred income	175,735	207,932
	<u>£579,156</u>	<u>£624,478</u>

The bank loans and the overdraft which arises from time to time are secured.

8. Creditors: Amounts Falling Due Outwith One Year

	2008 £	2007 £
Bank Loans Repayable:		
Between 1 and 2 Years	153,846	269,231
Between 2 and 5 Years	461,538	807,692
After 5 Years	84,615	1,817,308
	<u>£700,000</u>	<u>£2,894,231</u>

The rate of interest payable on loans is 1¾% above base. The bank loans and the overdraft which arises from time to time are secured.

Notes to the Accounts

For the financial year to 28 December 2008

9. Deferred Taxation

	2008 £	2007 £
Balance at 30 December 2007	22,899	16,853
Provided in financial period	7,678	6,046
Balance at 28 December 2008	£30,577	£22,899

Deferred tax is provided in the accounts as follows:-

	2008 £	2007 £
Capital allowances in advance of depreciation	£30,577	£22,899

No provision for deferred taxation has been made in relation to the valuation of land and buildings. If land and buildings were disposed of at the balance sheet amounts, it is estimated that the tax liability would be £133,000 (2007: £107,000).

10. Share Capital

	2008 £	2007 £
Authorised:		
178,788 Ordinary Shares of 1p	£1,788	£1,788
Allotted, Called Up & Fully Paid:		
177,197 Ordinary Shares of 1p	£1,772	£1,772

11. Reserves

	Share Premium Account	Capital Redemption Reserve	Revaluation Reserve	Profit & Loss Account
At 30 December 2007	£6,373,898	£16	£1,636,471	£(346,546)
Retained loss for the financial period	-	-	-	809,551
Dividends Paid	-	-	-	(270,000)
At 28 December 2008	£6,373,898	£16	£1,636,471	£193,005

Notes to the Accounts*For the financial year to 28 December 2008***12. Reconciliation of Movements in Shareholders' Funds**

	2008 £	2007 £
(Loss)/profit for the Financial Period	809,551	(181,359)
Dividend Paid	(270,000)	-
Opening shareholder's Funds	7,665,611	7,846,970
At 28 December 2008	<u>£8,205,162</u>	<u>£7,665,611</u>

13. Related Party Transactions

The Company currently leases properties to companies within the Carlton Bingo plc Group. The rentals for these properties have been determined by an independent valuer. The Company received rental income from Companies within the Carlton Bingo plc Group of **£681,486** (2007: £564,776) in the year in respect of these properties. The Directors of DeMure Limited are also Directors and shareholders of Carlton Bingo plc and Carlton Clubs plc. Included within debtors (note 6) is £3,198 (2007 £nil) due from Carlton Clubs plc.

Statement of Directors' Responsibilities in Respect of the Accounts

For the financial year to 28 December 2008

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:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent; and
- (c) prepare the accounts 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.

Report of the Auditors

For the financial year to 28 December 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEMURE LIMITED

We have audited the company's financial statements for the year ended 28 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (Effective January 2007).

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 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 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.

Report of the Auditors

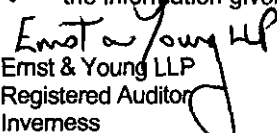
For the financial year to 28 December 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DEMURE LIMITED (CONT'D)

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 38 December 2008 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.


Ernst & Young LLP
Registered Auditor
Inverness

17 July 2009