

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005
FOR
TLPD LIMITED**

32352



TLPD LIMITED

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TLPD LIMITED

COMPANY INFORMATION
for the year ended 30 June 2005

DIRECTORS: A C Gallagher
G H Gosling

SECRETARY: S A Burnett

REGISTERED OFFICE: 15 Hockley Court
Stratford Road
Hockley Heath
Solihull
West Midlands
B94 6NW

REGISTERED NUMBER: 32352 (England and Wales)

AUDITORS: PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham

TLPD LIMITED

REPORT OF THE DIRECTORS for the year ended 30 June 2005

The directors present their report with the audited financial statements of the company for the year ended 30 June 2005.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property development.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

Both the result for the year, and the year end financial position were satisfactory. The directors consider future prospects to be satisfactory.

On 30 June 2005, the company transferred its trade, assets and liabilities (excluding investments) to its parent undertaking J J Gallagher Limited at market value.

DIVIDENDS

The directors do not recommend the payment of a dividend.

DIRECTORS

The directors during the year under review were:

A C Gallagher
G H Gosling

The directors holding office at 30 June 2005 did not hold any direct beneficial interest in the issued share capital of the company at 1 July 2004 or 30 June 2005.

The interests of the directors in the shares of the holding company can be seen in the Report and Accounts of that company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 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;
- 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 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.

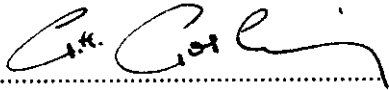
TLPD LIMITED

**REPORT OF THE DIRECTORS
for the year ended 30 June 2005**

AUDITORS

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'G. H. Gosling', written over a dotted line.

G H Gosling - Director

Date: 20 February 2006

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF TLPD LIMITED

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 in to 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 also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

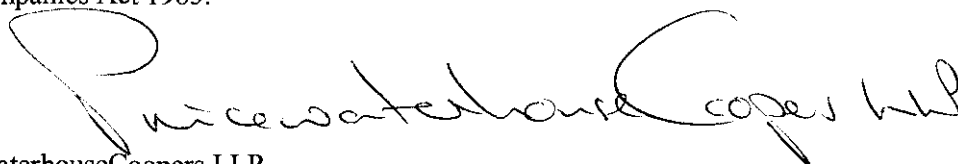
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs as at 30 June 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham

Date: 20 February 2006

TLPD LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 30 June 2005

	Notes	30.6.05 £	30.6.04 £
TURNOVER		445,003	-
Cost of sales		<u>(56,404)</u>	<u>367</u>
GROSS PROFIT		388,599	367
Administrative expenses		<u>(1,265)</u>	<u>(1,781)</u>
		387,334	(1,414)
Other operating income		<u>4,000</u>	<u>4,000</u>
OPERATING PROFIT	3	391,334	2,586
Income from fixed asset investments		59,651	54,228
Interest receivable and similar income	4	<u>318,994</u>	<u>67,809</u>
		769,979	124,623
Interest payable and similar charges	5	<u>(301)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		769,678	124,623
Tax on profit on ordinary activities	6	<u>(210,503)</u>	<u>(2,247)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>559,175</u>	<u>122,376</u>
RETAINED PROFIT FOR THE YEAR	12	<u>559,175</u>	<u>122,376</u>

CONTINUING OPERATIONS

The company's activities were discontinued during the current year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis.

TLPD LIMITED**BALANCE SHEET**
30 June 2005

	Notes	30.6.05 £	30.6.04 £
FIXED ASSETS			
Investments	7	408,325	408,325
CURRENT ASSETS			
Stocks	8	-	70,003
Debtors	9	<u>4,110,383</u>	<u>5,291,399</u>
		4,110,383	5,361,402
CREDITORS			
Amounts falling due within one year	10	<u>-</u>	<u>(1,810,194)</u>
NET CURRENT ASSETS		<u>4,110,383</u>	<u>3,551,208</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,518,708</u>	<u>3,959,533</u>
CAPITAL AND RESERVES			
Called up share capital	11	2,085,240	2,085,240
Profit and loss account	12	<u>2,433,468</u>	<u>1,874,293</u>
SHAREHOLDERS' FUNDS	14	<u>4,518,708</u>	<u>3,959,533</u>

ON BEHALF OF THE BOARD:
.....
G H Gosling - Director

Approved by the Board on 20 February 2006

TLPD LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Cash flow statement

The company is a wholly-owned subsidiary of Ashflame Properties Limited and is included in the consolidated accounts of its parent which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised).

Turnover

Turnover represents the invoiced value of work done resulting from property development activities. Turnover from land sales is recognised on completion.

Cost of sales

In addition to the costs originally stocked in work in progress attributable to each sales transaction, included within cost of sales are expenses relating to fees expended in promoting developments through the planning system which are written off to the profit and loss account until the viability of such a development is reasonably secure, after which such costs are capitalised in accordance with the stocks accounting policy.

Stocks

Work in progress, which includes land held for development, is valued at the lower of cost and net realisable value. Cost initially includes the purchase of land and acquisition expenses. Promotional costs associated with developments are expensed until the viability of that development is considered reasonably secure. Work in progress is reduced to net realisable value where changes in circumstances indicate that full recovery is unlikely.

Deferred tax

Full provision is made on a non-discounted basis for deferred tax assets and liabilities arising due to timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation at the current rate of tax. Deferred tax assets are only recognised when it is considered more likely than not that they will be realised.

2. STAFF COSTS

There were no staff costs for the year ended 30 June 2005 nor for the year ended 30 June 2004.

The average monthly number of employees during the year was as follows:

	30.6.05	30.6.04
Directors	<u>2</u>	<u>2</u>

TLPD LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 30 June 2005

3. OPERATING PROFIT

The operating profit is stated after charging:

	30.6.05	30.6.04
	£	£
Auditors' remuneration	<u>1,250</u>	<u>1,000</u>
Directors' emoluments	<u>-</u>	<u>-</u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	30.6.05	30.6.04
	£	£
Other interest receivable	50	-
Interest received from related undertakings (note 13)	<u>318,944</u>	<u>67,809</u>
	<u>318,994</u>	<u>67,809</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	30.6.05	30.6.04
	£	£
Interest payable	<u>301</u>	<u>-</u>

TLPD LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 30 June 2005

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	30.6.05 £	30.6.04 £
Current tax:		
UK corporation tax at 30%	210,503	-
Prior year corporation tax	-	2,247
Tax on profit on ordinary activities	<u>210,503</u>	<u>2,247</u>

The current corporation tax credit differs from the standard UK corporation tax rate of 30% applied to the profit for the year. The differences are:

	£	£
Profit for the year at 30%	230,903	37,387
Group relief claimed not paid	-	(21,573)
Prior year corporation tax adjustment	-	2,247
Other timing differences	(2,505)	-
Dividends received not subject to tax	(17,895)	(16,268)
Expenses not deductible for tax	-	454
	<u>210,503</u>	<u>2,247</u>

7. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 July 2004 and 30 June 2005	<u>408,325</u>
NET BOOK VALUE	
At 30 June 2005	<u>408,325</u>
At 30 June 2004	<u>408,325</u>

8. STOCKS

	30.6.05 £	30.6.04 £
Work in progress	<u>-</u>	<u>70,003</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.05 £	30.6.04 £
Amounts owed by group undertakings	<u>4,110,383</u>	<u>5,291,399</u>

TLPD LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the year ended 30 June 2005**

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.05	30.6.04
	£	£
Corporation tax	-	2,247
Other creditors	-	1,806,947
Accruals and deferred income	-	1,000
	<u>-</u>	<u>1,810,194</u>

11. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	30.6.05	30.6.04
			£	£
4,170,480	Ordinary stock	50p	2,085,240	2,085,240
829,520	Ordinary shares	50p	414,760	414,760
			<u>2,500,000</u>	<u>2,500,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.6.05	30.6.04
			£	£
4,170,480	Ordinary	50p	<u>2,085,240</u>	<u>2,085,240</u>

12. RESERVES

	Profit and loss account
	£
At 1 July 2004	1,874,293
Retained profit for the year	<u>559,175</u>
At 30 June 2005	<u>2,433,468</u>

13. RELATED PARTY DISCLOSURES

All of the subsidiary undertakings of Ashflame Properties Limited are wholly owned and transactions between group companies are not disclosed. Interest was receivable on the amount owed by J J Gallagher Limited, the company's parent, until 30 June 2005, at 1% over base rate.

TLPD LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 30 June 2005

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.6.05	30.6.04
	£	£
Profit for the financial year	<u>559,175</u>	<u>122,376</u>
Net addition to shareholders' funds	559,175	122,376
Opening shareholders' funds	<u>3,959,533</u>	<u>3,837,157</u>
Closing shareholders' funds	<u>4,518,708</u>	<u>3,959,533</u>
Equity interests	<u>4,518,708</u>	<u>3,959,533</u>

15. CONTROLLING PARTY

TLPD Limited is a wholly owned subsidiary of Ashflame Properties Limited (incorporated in England and Wales), its ultimate parent undertaking.

The ultimate controlling party of the company is Mr A C Gallagher by virtue of his ownership of the issued share capital of the ultimate parent undertaking.

Until 30 June 2005 the company was a wholly owned subsidiary of J J Gallagher Limited, which is also controlled by Mr A C Gallagher.