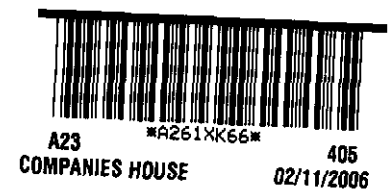


ST MARTINS PROPERTY INVESTMENTS LIMITED

(Company Registration Number: 1124205)

Directors' Report and Accounts

31st March 2006



ST MARTINS PROPERTY INVESTMENTS LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their annual report, together with the audited accounts for the year ended 31st March 2006.

1. **BUSINESS REVIEW**

The Company has not traded since its incorporation on 23rd July 1973. There is no intention to trade in the foreseeable future.

2. **DIVIDEND**

The directors do not recommend payment of a dividend (2005: £ nil).

3. **DIRECTORS**

The directors of the Company during the financial year were:

Mr W Abu-Suud
Mr I J Dennis

No director had an interest in the issued share capital of the Company or in shares or debenture stock of the ultimate parent company or fellow subsidiary undertakings at the end of the year which is required to be disclosed under Schedule 7 of the Companies Act 1985.

4. **AUDITORS**

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

ST MARTINS PROPERTY INVESTMENTS LIMITED**REPORT OF THE DIRECTORS**

(continued)

5. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards.

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 year.

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 UK 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information 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 to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



A J White

Company Secretary

Shackleton House
4 Battlebridge Lane
London Bridge City
LONDON SE1 2HX

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ST MARTINS PROPERTY INVESTMENTS LIMITED

We have audited the financial statements of St Martins Property Investments for the year ended 31st March 2006 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Equity Shareholders' Funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 auditor's 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

As described in the Statement of Directors' Responsibilities on page 2, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK 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).

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 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 INDEPENDENT AUDITORS TO THE MEMBERS OF
ST MARTINS PROPERTY INVESTMENTS LIMITED

(continued)

OPINION

In our opinion the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31st March 2006 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

LONDON

22 June 2006

ST MARTINS PROPERTY INVESTMENTS LIMITED**BALANCE SHEET**
AT 31ST MARCH 200631st March
2005 and 2006
£**CURRENT ASSETS****DEBTORS:** amounts recoverable in more than one year

Amount owed by parent undertaking 99,500

Cash at bank 560

NET CURRENT ASSETS

100,060

CAPITAL AND RESERVESAuthorised,
250,000 ordinary shares of £1 each

Allotted and called up:

100 ordinary shares, fully paid 100

249,900 ordinary shares, 40 pence paid 99,960

EQUITY SHAREHOLDERS' FUNDS

100,060

The company has not traded and has made neither a profit nor a loss in the current or preceding year. Consequently no profit and loss account is presented. There are no recognised gains or losses for the current or the preceding year. There have been no movements in shareholders' funds in either the current or the preceding year.

These financial statements were approved by the Board of Directors on 22 JUN 2006
and were signed on its behalf by: I. J. Dennis



Director

The notes on page 6 form part of these accounts.

ST MARTINS PROPERTY INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

1. **ACCOUNTING POLICIES**

a) Preparation of accounts

These accounts have been prepared under the historical cost convention in accordance with accounting standards applicable in the United Kingdom and the requirements of the Companies Act 1985. The principal accounting policies, which have been applied consistently, are set out below.

As the Company is a wholly owned subsidiary of a Company incorporated in the United Kingdom, no cash flow statement has been prepared in accordance with FRS 1 (revised 1996).

b) Related party transactions

The directors have relied upon the exemption given in Financial Reporting Standard 8 since more than 90% of the company's shares are controlled by the group of which the company is a member (see note 4).

2. **NET ASSETS**

This balance sheet does not include any assets held by the Company as a trustee, nor does it include any expenses incurred in acquiring these assets.

3. **PROFIT AND LOSS ACCOUNT**

The company has not traded and has made neither profit nor loss in the current or preceding year. Consequently no profit and loss account is presented. There are no recognised gains or losses for the current or preceding year, nor movements on shareholders' funds.

4. **ULTIMATE PARENT COMPANY**

The largest and smallest group in which the results of the company are consolidated is that headed by St Martins Le Grand Limited, the ultimate parent company. St Martins Le Grand Limited is registered in England and Wales and the Company's accounts are available from Companies House, Crown Way, Cardiff CF14 3UZ.