Wyncote Hampton Limited

Report and Financial Statements

Year ended 31 December 2006

BDO

BDO Stoy Hayward
Chartered Accountants

Wyncote Hampton Limited

Annual report and financial statements for the year ended 31 December 2006

Contents

Page

Directors

J Whittingham

Secretary and registered office

JO Hambro Capital Management Limited
Ground Floor
Ryder Court
14 Ryder Street
London
SW1Y 6QB

Company number

3897285

Auditors

BDO Stoy Hayward LLP
Commercial Buildings
11-15 Cross Street
Manchester
M2 1WE

Wyncote Hampton Limited

Report of the directors for the year ended 31 December 2006

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

Principal activities and business review

The company is a non-trading entity and has no intention to trade in the future

During the year the company released excess provision made against certain debtor balances totalling £250 534 receivable from group undertakings an addition investments in subsidiary undertakings totalling £489 775 were fully provided against This has resulted in a loss for the year of £239 241

Results and dividends

The trading result for the year and the company s financial position at the end of the year are shown in the attached financial statements

The directors have not recommended a dividend (31 December 2005 - £nil)

Directors

The directors who served the company during the year and changes since the year end were

P Sellars (resigned 30 June 2006)
J Whittingham
M J Field (resigned 1 June 2006)
D S Mitchell (appointed 30 June 2006 resigned 28 February 2007)

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 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
- 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 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

Wyncote Hampton Limited

Report of the directors for the year ended 31 December 2006 ***(Continued)***

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board

J Whittingham
Director

Date 6 August 2008.

Wyncote Hampton Limited

Report of the independent auditors

To the shareholders of Wyncote Hampton Limited

We have audited the financial statements of Wyncote Hampton Limited for the year ended 31 December 2006 which comprise the profit and loss account the balance sheet and the related notes These financial statements have been prepared under the accounting policies set out therein

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 have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those 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 directors report and consider the implications for our report if we become aware of any apparent misstatements within it

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent Save as above we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability

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 are 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 the company's affairs as at 31 December 2006 and of its loss 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

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors
Manchester

11 August 2008

Wyncote Hampton Limited

Profit and loss account for the year ended 31 December 2006

	Note	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Turnover		-	400 000
Administrative expenses	2	(239 241)	(1 676 243)
Operating loss		(239 241)	(1 276 243)
Profit on disposal of investment	2	-	668 553
Loss on ordinary activities before taxation	2	(239 241)	(607 690)
Tax on loss on ordinary activities	4	-	-
Retained loss for the financial year/period	9	(239,241)	(607 690)

All amounts relate to continuing activities

There are no movements in shareholders funds other than the loss for the year

The notes on pages 7 to 11 form part of these financial statements

Wyncote Hampton Limited

Balance sheet as at 31 December 2006

	Note	31 December 2006		31 December 2005	
		£	£	£	£
Fixed assets					
Investments	5		-		489,775
Current assets					
Debtors	6	-		470 000	
Creditors amounts falling due within one year	7	(4 378,957)		(5 099 491)	
Net current liabilities			(4 378 957)		(4 629 491)
Net liabilities			(4 378 957)		(4 139 716)
Capital and reserves					
Called-up equity share capital	8		2		2
Profit and loss account	9		(4 378 959)		(4 139 718)
Equity shareholders' deficit			(4,378 957)		(4 139 716)

The financial statements were approved by the Board and authorised for issue on 6 August 2008.

J Whittingham
Director

The notes on pages 7 to 11 form part of these financial statements

1 Accounting policies

The financial statements have been prepared under the historical cost convention The following principal accounting policies have been applied

Consolidation

The company was at the end of the year a wholly-owned subsidiary of another company incorporated in the United Kingdom As a result the company in accordance with section 228 of the Companies Act 1985 is not required to produce and has not published consolidated accounts

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cashflow statement

Taxation

Current tax including UK corporation tax and foreign tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

Deferred tax is recognised on timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when on the basis of all available evidence it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over being charged to tax only if and when the replacement assets are sold

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

Valuation of investments

Investments held as fixed assets are stated at cost less any provision for impairment

1 Accounting policies *(continued)*

Going concern

The financial statements have been prepared on the assumption that the Company remains a going concern The following paragraphs summarise the relevant issues and the basis on which the Directors have reached their conclusion

At the balance sheet date, the company owes £4 378 957 to other group undertakings The company is not in a position to repay these debts should it be required to do so The Directors have received written assurances from the other group undertakings it is indebted to confirming that these debts will not require settlement during a period of at least 12 months from the date of approval of these financial statements In preparing the accounts on a going concern basis the Directors have relied on these assurances and have assumed that no repayments will need to be made in this period

Having taken the foregoing into account the directors have formed a judgement that at the time of the approval of the financial statements the Company has sufficient resources to continue to operate for the foreseeable future For these reasons the Directors continue to prepare the financial statements on a going concern basis

2 Loss on ordinary activities before taxation

Loss on ordinary activities is stated after charging / (crediting) the following

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Provision against inter company debts	-	1 676 243
Profit on disposal of investment	-	(668 553)
Provision against investments	489 775	-
Release of excess provision against debts due from group companies	(250 534)	-

Auditors remuneration was borne completely by the ultimate parent company Hampton Trust PLC

3 Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	Year ended 31 December 2006 No	9 months to 31 December 2005 No
Number of directors	2	2

No salaries or wages have been paid to employees including the directors during the year

4 Taxation on loss on ordinary activities

The difference between the total current tax charge and the amount calculated by applying the standard rate of corporation tax to the loss before tax is as follows

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Loss on ordinary activities before tax	(239 241)	(607 690)
Tax on loss on ordinary activities at standard UK corporation tax rate of 30% (31 December 2005 – 30%)	(71 772)	(182 307)
Effects of		
Permanent differences	71 772	182 307
Current tax charge for the year/period	-	-

5 Investments

Subsidiary undertakings

	£
Cost	
At 31 December 2005	489 775
Impairment	(489 775)
At 31 December 2006	-
Net book value	
At 31 December 2006	-
At 31 December 2005	489 775

The company owns 100% of the issued share capital of the companies listed below

Wyncote Group PLC
Wyncote Development PLC*
Wyncote Services Limited*
Wyncote Property Investments Limited*

All the above companies are registered in England and Wales

*Indirect holding

6 Debtors

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Other debtor	-	470 000
	-	470 000

7 Creditors amounts falling due within one year

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Amounts owed to group undertakings	4 378 957	4 360 938
Amounts owed to former group undertakings	-	668 553
VAT liability	-	70 000
	4 378 957	5 099 491

8 Share capital

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Authorised share capital		
1 000 ordinary shares of £1 each	1 000	1 000
Allotted, called-up and fully paid		
2 ordinary shares of £1 each	2	2

9 Profit and loss account

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Balance brought forward	(4,139 718)	(3 532 028)
Retained loss for the financial year/period	(239 241)	(607 690)
Balance carried forward	(4 378 959)	(4 139 718)

10 Related party transactions

As permitted by Financial Reporting Standard Number 8 the company has not disclosed transactions with other Group undertakings as it is a wholly owned subsidiary undertaking of Hampton Trust PLC incorporated in England and Wales which has produced consolidated accounts for the Group

11 Ultimate parent company

The company's ultimate parent company and ultimate controlling party is Hampton Trust PLC a company incorporated in the United Kingdom and registered in England and Wales The largest and smallest group in which the accounts of the company are consolidated is that headed by Hampton Trust PLC and these accounts can be obtained from Companies House

Wyncote Hampton Limited

Detailed profit and loss account for the year ended 31 December 2006

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Turnover	-	400 000
Overheads		
Administrative expenses	(239 241)	(1 676 243)
Operating loss	(239 241)	(1 276 243)
Profit on disposal of investments	-	668,553
Loss on ordinary activities before taxation	(239 241)	(607 690)

Wyncote Hampton Limited

Detailed profit and loss account for the year ended 31 December 2006 ***(continued)***

	Year ended 31 December 2006 £	9 months to 31 December 2005 £
Consultancy income	-	400 000
Administrative expenses		
Provision against inter-company receivable		(1 676 243)
Provision against investments	(489 775)	-
Release of excess provision against debts due from group companies	250 534	-
	(239 241)	(1 276 243)
Profit on sale of investment in Broadhall Hampton Limited	-	668 553
Loss on ordinary activities before taxation	(239 241)	(607 690)