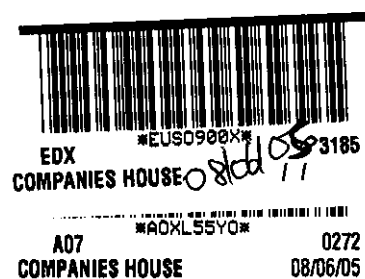


Precis (2127) Limited

**Director's report and financial
statements**

Registered number 04309226

31 March 2005



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Company information

Director JS Rumsey

Secretary RA Veerman

Registered office The Potteries
Pottery Lane East
Whittington Moor
Chesterfield
Derbyshire
S41 9BH

Registered number 04309226

Director's report

The director presents his annual report and financial statements for the year ended 31 March 2005.

Principal activities

The activity of the company is that of an investment company.

Dividends

No dividend is proposed.

Director

The director of the company who has held office during the year is as follows:

JS Rumsey

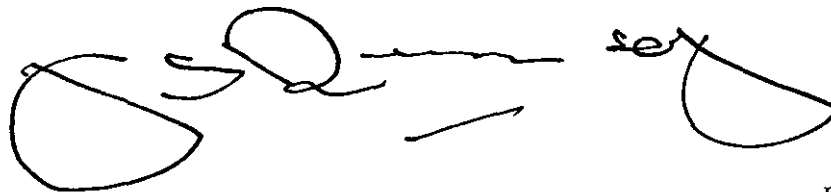
Director's interests

The director had the following interests in the share capital of the company:

	Ordinary £1 shares	
	2005	2004
	Number	Number
JS Rumsey	2	2
	<hr/>	<hr/>

By order of the board

JS Rumsey
Director

A handwritten signature in black ink, appearing to read 'JS Rumsey', with a large, stylized initial 'J' and 'R'.

Dated: 19 May 2005

Statement of director's responsibilities

Company law requires the director 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. In preparing those financial statements, the director is 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Profit and loss account

The company has not traded during either the current or preceding year, has received no income and incurred no expenditure and consequently has made neither a profit nor a loss.

Balance sheet

as at 31 March 2005

	Note	£	2005 £	£	2004 £
Investments	2		-		-
Current assets					
Debtors	3	2		2	
Creditors: amounts falling due after more than one year	4	(9,973)		(9,973)	
Current liabilities			(9,971)		(9,971)
Net liabilities			(9,971)		(9,971)
Capital and reserves					
Called up share capital	5		2		2
Profit and loss account			(9,973)		(9,973)
Equity shareholders' deficit			(9,971)		(9,971)

For the year ended 31 March 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

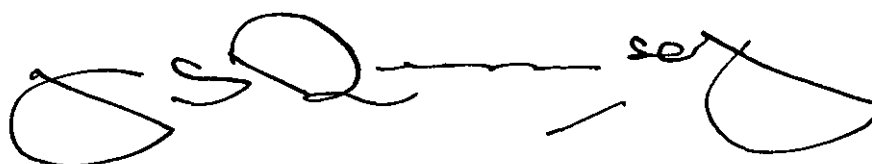
No members have required the company to obtain an audit of its financial statements for the period in question in accordance with section 249B(2).

The director acknowledges his responsibility for:

- a) ensuring the company keeps accounting records which comply with Section 221;
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial period, and of its profit and loss for the financial period in accordance with Section 226, and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the company.

The financial statements were approved by the director on 19 May 2005

JS Rumsey
 Director



Notes

(forming part of the financial statements)

1 Principal accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards which were in operation during the period.

Investments

Investments are stated at cost less provision for impairment.

Cash flow statement

Under Financial Reporting Standard Number 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

2 Investments

	£
<i>Cost:</i>	
At 1 April 2004 and 31 March 2005	9,973
	<hr/>
<i>Impairment:</i>	
At 1 April 2004 and 31 March 2005	(9,973)
	<hr/>
<i>Net book value:</i>	
At 31 March 2005	-
	<hr/>
At 31 March 2004	-
	<hr/>

3 Debtors

	2005 £	2004 £
<i>Debtors due within one year comprise:</i>		
Amount due in respect of unpaid share capital	2	2
	<hr/>	<hr/>

4 Creditors: amounts falling due after more than one year

	2005 £	2004 £
Other creditors	9,973	9,973
	<hr/>	<hr/>

Notes (continued)

5 Share capital

	2005	2004
	£	£
<i>Authorised:</i>		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted and unpaid:</i>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

THESE ACCOUNTS
FORM PART OF THE
GROUP ACCOUNTS
OF COMPANY
No. 4309226

Carisbrooke Suon Developments Limited
Partnership

General Partner's report and financial
statements

Registered number LP 007940

31 March 2005

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Partnership information

General Partner	Carisbrooke Suon Developments General Partner Limited
Limited Partners	Precis (2126) Limited Precis (2127) Limited Precis (2128) Limited Precis (2129) Limited
Registered office	The Potteries Pottery Lane East Whittington Moor Chesterfield Derbyshire S41 9BH
Registered number	LP 007940
Auditors	KPMG LLP St Nicholas House Park Row Nottingham NG1 6FQ

General partner's report

The general partner presents its report and the audited financial statements of the partnership for the year ended 31 March 2005.

Principal activities

The principal activity of the partnership is that of property development. The partnership also holds a small parcel of investment land.

Business review and future developments

During the year the partnership completed the sale of two freehold plots of land, comprising approximately 8.5 acres in all. Additional infrastructure and groundworks were necessary to effect these sales.

It had been apparent for some time that the market for the property at Haverhill Business Park, the partnership's only site, was slow and that those parties who had shown an interest in the Park, for whatever purpose, had been unwilling to consider holding property on a leasehold basis. In consequence, the thrust of the marketing of the site had changed. Recognising this, the directors of the general partner determined that the partnership's business was, in the main, of a development nature and its accounting policies should be changed accordingly. The partnership's activities since the year end have confirmed this view.

Limited partners

The limited partners and their interests in the partnership are set out in note 8 of the financial statements.

Supplier payment policy

The partnership is committed to maintaining a sound commercial relationship with its suppliers. Consequently, it is the partnership's policy to negotiate and agree terms and conditions with its suppliers, which includes the giving of an undertaking by the partnership to pay suppliers, following the receipt of a correctly prepared invoice, in accordance with the terms of the contract.

On behalf of Carisbrooke Suon Developments General Partner Limited



CJ Phoenix
Director

28 March 2006

Statement of general partner's responsibilities

The limited partnership agreement requires the general partner to prepare limited financial statements for each financial period which give a true and fair view of the state of affairs of the limited partnership and of the profit or loss for that period. In preparing those financial statements, generally accepted accounting practice requires that the general partner:

- selects suitable accounting policies and then applies them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepares the financial statements on a going concern basis unless it is inappropriate to presume that the limited partnership will continue in business.

The general partner has general responsibility for keeping proper accounting records, for taking such steps as are reasonably open to it to safeguard the assets of the limited partnership and to prevent and detect fraud and other irregularities.



KPMG LLP

St Nicholas House
Park Row
Nottingham
NG1 6FQ

Independent auditors' report to the partners of Carisbrooke Suon Developments Limited Partnership

We have audited the financial statements on pages 5 to 13.

This report is made solely to the partners, as a body, in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the partners those matters we are required to state to them in this 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 partners, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of General Partner and auditors

The General Partner is responsible for preparing the General Partner's report and, as described on page 3, the financial statements in accordance with the Limited Partnership Deed dated 17 December 2001. Our responsibilities, as independent auditors, are established in the United Kingdom by our engagement letter dated 28 May 2003, the Auditing Practices Board and by our profession's ethical guidance.

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 Limited Partnership Deed dated 17 December 2001. We also report to you if, in our opinion, the General Partner's report is not consistent with the financial statements, if the partnership has not kept proper accounting records and if we have not received all the information and explanations we require for our audit.

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 general partner in the preparation of the financial statements, and of whether the accounting policies are appropriate to the partnership'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 partnership's affairs as at 31 March 2005 and of its profit for the year then ended and have been properly prepared on the basis of the accounting policies set out in note 1 and in accordance with the Limited Partnership Deed dated 17 December 2001.

KPMG LLP

Chartered Accountants
Registered Auditor

28 March 2006

Profit and loss account
for the year ended 31 March 2005

	Note	2005 £	2004 £
Turnover		1,773,500	-
Cost of sales		(954,550)	-
Gross profit		818,950	-
Administrative expenses		(121,502)	(124,151)
Profit/(loss) on ordinary activities before interest	2	697,448	(124,151)
Interest receivable and similar income		4,797	14,386
Interest payable and similar charges	3	(82,304)	(132,483)
Profit/(loss) on ordinary activities attributable to the partners	9	619,941	(242,248)

The result for the year is entirely from continuing activities.

There was no material difference between the loss reported in the profit and loss account and the loss on an unmodified historical cost basis.

Balance sheet
as at 31 March 2005

	Note	£	2005 £	£	2004 £
Fixed assets					
Investment properties	4		2,300,000		8,229,500
Current assets					
Stocks	5	3,058,557		-	
Debtors	6	76,056		559,768	
Cash at bank and in hand		4,066		-	
			<u>3,138,679</u>	<u>559,768</u>	
Creditors: amounts falling due within one year	7	<u>(2,776,275)</u>		<u>(3,675,844)</u>	
Net current assets/(liabilities)			<u>362,404</u>		<u>(3,116,076)</u>
Net assets			<u>2,662,404</u>		<u>5,113,424</u>
Capital and reserves					
Partners' capital	8		1,000		1,000
Partners' advances			787,121		1,298,498
Undistributed profit/(loss)	9		108,797		(511,144)
Revaluation reserve	10		1,765,486		4,325,070
			<u>2,662,404</u>		<u>5,113,424</u>

The financial statements were approved by the general partner on 28 March 2006 and signed on its behalf by:



CJ Phoenix
Director – Carisbrooke Suon Developments General Partner Limited

Statement of total recognised gains and losses
for the year ended 31 March 2005

	2005 £	2004 £
Profit/(loss) on ordinary activities	619,941	(242,248)
Elimination of revaluation reserve on appropriation of investment property to stock	(2,559,584)	3,694,775
Total recognised (losses)/gains for the year	<u>(1,939,643)</u>	<u>3,452,527</u>

Reconciliation of movement in partners' capital
for the year ended 31 March 2005

	£	£
Total recognised (losses)/gains for the year	(1,939,643)	3,452,527
Advances made	8,623	328,000
Drawings	(520,000)	-
Net (decrease)/increase in partners' capital	<u>(2,451,020)</u>	<u>3,780,527</u>
Opening partners' funds	5,113,424	1,332,897
Closing partners' funds	<u>2,662,404</u>	<u>5,113,424</u>

Cash flow statement
for the year ended 31 March 2005

	<i>Note</i>	2005 £	2004 £
Cash inflow/(outflow) from operating activities	<i>11</i>	4,035,986	(406,829)
Returns on investment and servicing of finance			
Interest paid		(92,402)	(127,840)
Interest received		4,797	14,386
		<u>(87,605)</u>	<u>(113,454)</u>
Capital expenditure and financial investment			
Purchase of investment property		(65,145)	(1,534,725)
		<u>(65,145)</u>	<u>(1,534,725)</u>
Cash inflow/(outflow) before financing		3,883,236	(2,055,008)
Financing			
Repayment of loans		-	(1,603,014)
Advances from partners		8,623	328,000
Drawings by partners		(520,000)	-
		<u>(511,377)</u>	<u>(1,275,014)</u>
Increase/(decrease) in cash in the year		<u>3,371,859</u>	<u>(3,330,022)</u>

Reconciliation of net cash flow to movement in net funds/(debt)

	<i>Note</i>	2005 £	2004 £
Increase/(decrease) in cash in the year		3,371,859	(3,330,022)
Movement in net funds in the year		-	1,603,014
Change in net debt resulting from cash flows		<u>3,371,859</u>	<u>(1,727,008)</u>
Opening net debt		(3,367,793)	(1,640,785)
Closing net funds/(debt)	<i>12</i>	<u>4,066</u>	<u>(3,367,793)</u>

Notes

(forming part of the financial statements)

1 Principal accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, and in accordance with applicable accounting standards which were in operation during the year.

Turnover

All turnover is generated in the UK from rental income on investment properties.

Investment properties

Investment properties are revalued to open market value annually and the aggregate surplus or deficit is transferred to a revaluation reserve. Any permanent diminution in the value of investment properties is charged to the profit and loss account to the extent that a deficit exceeds revaluation surpluses.

No depreciation is provided in respect of freehold investment properties. The directors consider that this accounting policy results in the financial statements giving a true and fair view. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

No deferred tax provision is made on the revaluation surplus.

Stocks

Land for redevelopment is stated at the lower of cost and net realisable value. Net realisable value represents estimated selling price less all further costs to completion and all costs to be incurred in selling, marketing and completion.

Financial instruments

The partnership uses interest rate swaps and caps to manage its exposure to fluctuations in interest rates. Interest rate instruments are treated as hedges and the net interest payable or receivable is reflected in the profit and loss account in the periods in which they become due.

Taxation

Taxation on all partnership profits is solely the liability of the partners. Consequently, neither taxation nor related deferred taxation arising in respect of Carisbrooke Suon Developments Limited Partnership are accounted for in the financial statements.

2 Profit/(loss) on ordinary activities before interest

	2005 £	2004 £
<i>Profit/(loss) on ordinary activities is stated after charging the following:</i>		
Auditors' remuneration	13,000	15,000
	<hr/>	<hr/>

Notes (continued)

3 Interest payable and similar charges

	2005 £	2004 £
Bank interest	82,304	132,483

4 Investment properties

	£
Opening valuation	8,229,500
Additions at cost	65,145
Appropriation of investment property to stock at cost	(3,435,061)
Elimination of revaluation reserve on appropriation of investment property to stock	(2,559,584)
Closing valuation	2,300,000

The historical cost of the investment property at 31 March 2005 was £534,514 (2004: £3,904,430).

The last full valuation was performed on 21 June 2005 by DTZ Debenham Tie Leung property advisers. The open market value of land and buildings is determined after the deduction of expected selling costs and the estimated costs to prepare the sites for sale.

The partners are not aware of any material change in value and therefore the valuations set out above have not been updated.

5 Stocks

	2005 £	2004 £
Land held for redevelopment	3,058,557	-

6 Debtors

	2005 £	2004 £
<i>Debtors due within one year comprise:</i>		
Amounts due from related parties	2,254	1,275
VAT receivable	16,021	-
Unpaid capital contribution	1,000	1,000
Other debtors	1,784	15,574
Performance bond deposits	54,997	541,919
	76,056	559,768

Notes (continued)

7 Creditors: amounts falling due within one year

	2005 £	2004 £
Bank overdraft	-	3,367,793
Short term loans	2,520,837	30,369
Trade creditors	152,474	111,043
Unsecured loans	-	8,624
VAT payable	-	3,778
Accruals and deferred income	102,964	154,237
	<u>2,776,275</u>	<u>3,675,844</u>

8 Partners' capital

	2005 £	2004 £
Opening capital contributions	1,000	1,000
Capital contributions made during the year	-	-
	<u>1,000</u>	<u>1,000</u>
Closing capital contributions	<u>1,000</u>	<u>1,000</u>

Carisbrooke Suon Development General Partner Limited is the general partner and is owned equally by Precis (2126) Limited, Precis (2127) Limited, Precis (2128) Limited and Precis (2129) Limited. It contributed £20 in capital to the partnership and is neither entitled to nor did it receive any remuneration or share of profits from the partnership, other than a reimbursement of any expenses, for as long as the capital proceeds of the partnership are, in aggregate, less than £250,000,000.

Precis (2126) Limited, Precis (2127) Limited, Precis (2128) Limited and Precis (2129) Limited, the limited partners have each contributed capital of £245 to the partnership. They are each entitled to an equal share of the profits of the partnership.

9 Undistributed profit/(loss)

	2005 £	2004 £
Opening balance	(511,144)	(268,896)
Profit/(loss) on ordinary activities attributable to the partners	619,941	(242,248)
	<u>108,797</u>	<u>(511,144)</u>
Closing balance	<u>108,797</u>	<u>(511,144)</u>

Notes (continued)

10 Revaluation reserve

	£
<i>Surplus on revaluation of investment property:</i>	
At 31 March 2004	4,325,070
Elimination of revaluation reserve on appropriation of investment property to stock	(2,559,584)
	<hr/>
At 31 March 2005	1,765,486
	<hr/>

11 Reconciliation of operating loss to net cash flow from operating activities

	2005 £	2004 £
Operating profit/(loss)	697,448	(124,151)
Decrease in stocks	376,504	-
Decrease/(increase) in debtors	483,712	(492,250)
Increase in creditors	2,478,322	209,572
	<hr/>	<hr/>
Net cash flow from operating activities	4,035,986	(406,829)
	<hr/>	<hr/>

12 Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Bank overdraft	(3,367,793)	3,367,793	-
Cash at bank and in hand	-	4,066	4,066
	<hr/>	<hr/>	<hr/>
	(3,367,793)	3,371,859	4,066
	<hr/>	<hr/>	<hr/>

13 Related party transactions

The general partner has responsibility for management operation and administration of the partnership and as such consolidates its economic interest in the partnership into its own financial statements.

There is an agreement between the partnership and the general partner that expenses incurred by the general partner on behalf of the partnership will be reimbursed. During the year no such reimbursements were made and no amounts were outstanding at the year end.

The limited partners are also related parties as defined by Financial Reporting Standard 8 and the transactions and balances outstanding to the limited partners are set out in note 5.

Financial statements for the general partner are obtainable from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Notes (continued)

13 Related party transactions (continued)

During the year the partnership paid costs on behalf of Carisbrooke Suon Limited Partnership ('CSLP'), a related party of £nil (2004: £26,957 costs paid on behalf of the partnership). The partnership was advanced £2,490,467 by CSLP during the year (2004: £nil). The balance outstanding at the year end was £2,510,886 (2004: £26,957).

During the year Carisbrooke Suon Developments General Partner Limited, a related party, paid costs of £nil (2004: £9,950) on behalf of the partnership. The balance outstanding at the year end was £9,950 (2004: £9,950).

On 22 October 2004, the partnership entered into an agreement between CSLP, Carisbrooke Swavesey Limited Partnership, Carisbrooke Suon Properties Limited and Carisbrooke Suon Developments General Partner Limited; and Anglo Irish Banking Corporation Plc whereby the Partnership guarantees the liabilities of these entities by granting of security over certain of the Partnership's assets.