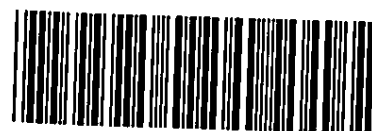


Company Registration No. 5110227 (England and Wales)

MANSFORD CAPITAL PARTNERS LIMITED
DIRECTORS' REPORT AND GROUP ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2007

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MANSFORD CAPITAL PARTNERS LIMITED

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MANSFORD CAPITAL PARTNERS LIMITED

COMPANY INFORMATION

Directors	O Smith C H Knight
Secretary	J M H Anderson
Company number	5110227
Registered office	15 Bury Walk London SW3 6QD
Business address	15 Bury Walk London SW3 6QD
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB

MANSFORD CAPITAL PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007

The directors present their report and group accounts for the year ended 31 March 2007

Principal activities

Through Mansford Holdings Plc, the group operates as a European multi-strategy real estate private investment firm which is owned and controlled by its management

Established in 1995, Mansford invests, manages funds and acts in an advisory capacity in various real estate and related sectors

Mansford Capital Limited, a wholly owned subsidiary, is authorized and regulated by the Financial Services Authority

Results and dividends

The Group had a satisfactory year, and the results for the group are shown on pages 4 to 6

Review of business

The business objective of Mansford is to generate a high return on capital for its financial partners and shareholders through selective investment, development, repositioning and onward sale of commercial real estate

Since its formation in 1995, Mansford and its investment partners have invested directly in properties with a gross purchase price of **£630 million** (excluding real estate development projects and indirect investments/managing structured transactions which would bring the total to over **£1.4 billion**)

Mansford currently invests via two funds, Mansford France Fund I and Mansford Europe Fund I, both based in Luxembourg

Mansford France Fund I is focussed on light industrial and logistics real estate in France. Completed investments and forward commitments as at 30th October 2007 totalled €79 million

Mansford Europe Fund I has a pan-European real estate investment focus with significantly greater investment capacity. Its principal activities have been initially focussed on Germany and Switzerland, where completed investments and forward commitments as at 30th October 2007 totalled €589 million

The Group is currently invested in Germany, France, the United Kingdom and Switzerland

Future developments

The group's principal focus is currently investing its two European funds with a view to substantially increasing assets under management in 2008. The group has a pipeline of further significant investments currently undergoing due diligence

We believe the company's current outlook is very favourable. We actively seek to control risk through asset and financing diversification combined with interest rate hedging policies and thorough due diligence on new acquisitions

MANSFORD CAPITAL PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007

Directors and their interests

The directors who served throughout the year and their beneficial interests in the ordinary £1 shares of the company at 31 March 2007 were

	Ordinary shares of £1 each	
	2007	2006
O Smith	500	500
G M MacEchern	250	250
C H Knight	250	250

G M MacEchern resigned as a director on 30 September 2007

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that year

In preparing those accounts, 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 accounts,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

So far as each of the directors is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information

Auditors

A resolution proposing the reappointment of Saffery Champness as auditors will be put to the members at the next Annual General Meeting

On behalf of the board



O Smith
Director

28 January 2008

MANSFORD CAPITAL PARTNERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the accounts of Mansford Capital Partners Limited for the year ended 31 March 2007 set out on pages 4 to 19. These accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and 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).

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.

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 and whether, in our opinion, the information given in the directors' report is consistent with the 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.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's and the group'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 accounts 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 accounts.

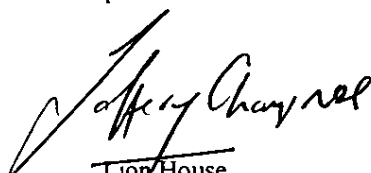
Opinion

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 affairs of the company and the group as at 31 March 2007 and of the profit of the group for the year then ended, and
- 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.

Saffery Champness

Chartered Accountants
Registered Auditors



Lion House
Red Lion Street
London
WC1R 4GB

28 January 2008

MANSFORD CAPITAL PARTNERS LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007	2006
		£	£
Turnover group and share of joint ventures		8,887,697	5,742,223
Less share of joint ventures		(309,627)	(3,570,868)
Group turnover		8,578,070	2,171,355
Administrative expenses		(3,987,105)	(926,141)
Group operating profit	3	4,590,965	1,245,214
Share of profit on disposal of fixed assets			
Group		181,860	931,548
Joint ventures		4,899,934	538,420
		5,081,794	1,469,968
Share of operating profit in joint ventures		(509,396)	75,399
		9,163,363	2,790,581
Other income			
Group	5	441,733	249,944
Joint ventures		247,298	31,811
		689,031	281,755
Interest payable and similar charges	6		
Group		(2,417,094)	(1,172,734)
Joint ventures		(144,348)	(162,254)
		(2,561,442)	(1,334,988)
Profit on ordinary activities before taxation		7,290,952	1,737,348
Tax on profit on ordinary activities	7	(1,181,408)	(683,771)
Profit on ordinary activities after taxation		6,109,544	1,053,577
Amount payable to outside investors		(4,424,602)	(2,173,961)
		1,684,942	(1,120,384)
Retained loss brought forward		541,755	(25,352)
Transfers from revaluation reserve	16	2,378,751	1,687,491
Retained profit carried forward	17	4,605,448	541,755

The profit and loss account has been prepared on the basis that all operations are continuing operations

MANSFORD CAPITAL PARTNERS LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2007**

	2007		2006	
	£	£	£	£
Profit for the financial year		6,109,544		1,053,577
Unrealised surplus on revaluation of properties				
Group	1,212,550		200,803	
Joint ventures	692,627		1,960,262	
		<u>1,905,177</u>		<u>2,161,065</u>
Total recognised gains and losses relating to the year		<u>8,014,721</u>		<u>3,214,642</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2007	2006
	£	£
Reported profit on ordinary activities before taxation	7,290,952	1,737,348
Realisation of property revaluation gains of previous years	<u>2,378,751</u>	<u>1,687,491</u>
Historical cost profit on ordinary activities before taxation	<u>9,669,703</u>	<u>3,424,839</u>
Historical cost profit for the year retained after taxation and amounts payable to outside investors	<u>4,063,693</u>	<u>567,107</u>

MANSFORD CAPITAL PARTNERS LIMITED

BALANCE SHEETS FOR THE YEAR ENDED 31 MARCH 2007

	Notes	Group 2007 £	Group 2006 £	Company 2007 £	Company 2006 £
Fixed assets					
Tangible assets	9	116,560,684	16,400,542	-	-
Investments in joint ventures					
Loans to joint venture companies		4,841,192	2,724,557		
Share of gross assets of joint venture companies		4,184,234	31,518,569		
Share of gross liabilities of joint venture companies		(4,190,354)	(20,671,859)		
Investments	10	4,835,072	13,571,267	4,945,000	4,945,000
		<u>121,395,756</u>	<u>29,971,809</u>	<u>4,945,000</u>	<u>4,945,000</u>
Current assets					
Debtors	11	5,843,944	20,255,045	250	44,044
Cash at bank and in hand		10,715,311	4,649,647	65,016	15,045
		<u>16,559,255</u>	<u>24,904,692</u>	<u>65,266</u>	<u>59,089</u>
Creditors: Amounts falling due within one year	12	(7,977,867)	(16,165,653)	(133,733)	(172,281)
Net current assets/(liabilities)		<u>8,581,388</u>	<u>8,739,039</u>	<u>(68,467)</u>	<u>(113,192)</u>
Total assets less current liabilities		129,977,144	38,710,848	4,876,533	4,831,808
Creditors: Amounts falling due after more than one year	13	(123,917,256)	(26,169,202)	(1,956,250)	(4,946,250)
Provisions for liabilities and charges	14	35,307	(10,036,570)	-	-
		<u>6,095,195</u>	<u>2,505,076</u>	<u>2,920,283</u>	<u>(114,442)</u>
Capital and reserves					
Called up share capital	15	1,000	1,000	1,000	1,000
Revaluation reserve	16	-	473,574	-	-
Other reserves	17	1,488,747	1,488,747	-	-
Profit and loss account	17	4,605,448	541,755	2,919,283	(115,442)
	18	<u>6,095,195</u>	<u>2,505,076</u>	<u>2,920,283</u>	<u>(114,442)</u>

The accounts were approved by the board on 28/1/2008


O Smith
Director

MANSFORD CAPITAL PARTNERS LIMITED

GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007	2006
		£	£
Net cash inflow from operating activities	19	24,160,981	701,521
Returns on investments and servicing of finance			
Interest received	689,031	281,755	
Interest paid	(2,561,442)	(1,334,988)	
Received from joint ventures	768,623	2,576,390	
Paid to outside investors	(4,424,602)	(2,173,961)	
Net cash (outflow) from returns on investments and servicing of finance		(5,528,390)	(650,804)
Corporation tax		1,380,721	455,681
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets	(102,239,321)	(13,479,223)	
Receipts from sale of tangible fixed assets	504,013		
Receipts from sales of investments	4,886,959	9,061,801	
Additions to investments	(4,219,880)	(1,388,930)	
Net cash (outflow) from capital and financial investment		(101,068,229)	(5,806,352)
Net cash (outflow) before financing		(81,054,917)	(5,299,954)
Financing			
Loans repaid	(17,619,794)	(6,635,434)	
New loans	115,367,848	2,445,823	
Net cash inflow/ (outflow) from financing		97,748,054	(4,189,611)
Increase/ (decrease) in cash	21	16,693,137	(9,489,565)

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention as modified to include the revaluation of certain land and buildings. The accounts are prepared in accordance with applicable accounting standards.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the accounts of the company and its subsidiary undertakings made up to 31 March. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

Associated undertakings and joint ventures

The group's share of the results of associated undertakings and joint ventures are included in the consolidated reserves, and the group's share of their net assets is included in the consolidated balance sheet. These amounts are taken from the latest audited accounts of the undertakings concerned.

Turnover

Turnover represents the invoiced value of goods sold and services provided net of VAT.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable standard, SSAP 19, Accounting for Investment Properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors, compliance with this standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this, which might otherwise have been charged, cannot be separately identified or quantified.

Investments

Fixed asset investments are stated at cost less any provision for permanent diminution in value.

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies (continued)

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the assets. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom and Europe. Of the total turnover of £8,578,070, £1,529,940 (2006: £389,000) was generated in Europe.

3 Operating profit

	2007 £	2006 £
Operating profit is stated after charging		
Depreciation of tangible assets	2,421,107	35,048
Auditors' remuneration		
Audit of the company's consolidated accounts	12,000	11,500
Services relating to taxation	16,550	22,665
All other services	22,225	26,548

4 Employees

Number of employees

The average monthly number of employees during the year was

	2007 Number 9	2006 Number 8
Employees		
Employment costs	£	£
Wages and salaries	806,273	567,041
Social security costs	94,119	67,211
	900,392	634,252

5 Other income

	2007 £	2006 £
Interest receivable and similar income	441,733	249,944
Share of joint venture interest receivable	247,298	31,811
	689,031	281,755

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

6	Interest payable and similar charges			2007	2006
				£	£
	Interest payable on				
	Bank loans and overdrafts			2,417,094	1,172,734
	Share of joint venture loan interest			144,348	162,254
				<u>2,561,442</u>	<u>1,334,988</u>
7	Tax on profit on ordinary activities	2007	2007	2006	2006
		£	£	£	£
	Current tax				
	UK Corporation Tax				
	Current tax for the period	1,102,665		675,331	
	Adjustments for prior periods	(12,389)		(27,663)	
	Joint ventures	<u>11,198</u>		<u>33,061</u>	
			1,101,474		680,729
	Deferred tax				
	Origination and reversal of timing differences	<u>79,934</u>		<u>3,042</u>	
			79,934		3,042
			<u>1,181,408</u>		<u>683,771</u>
	Factors affecting the tax charge for the year				
	Profit on ordinary activities before taxation		<u>7,290,952</u>		<u>1,737,348</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2006 30.00%)		<u>2,187,285</u>		<u>521,204</u>
	Effects of				
	Expenses not deductible for tax purposes		20,206		53,532
	Capital allowances for period in excess of depreciation		9,083		6,310
	Movement in tax losses		(89,107)		(1,730)
	Group relief		-		-
	Adjustments to tax charge in respect of previous periods		(12,389)		(27,663)
	Difference between taxable gain and accounts profit on asset disposal		(134,494)		91,859
	Other tax adjustments		<u>(799,176)</u>		<u>37,217</u>
	Current tax charge		<u>1,181,408</u>		<u>680,729</u>

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

8 Loss for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these accounts. The loss for the financial year is as follows

	2007 £	2006 £
Holding company's loss for the financial year	176,563	90,090

9 Tangible fixed assets Group

	Land and Buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2006	16,327,807	90,964	44,478	16,463,249
Additions	102,164,047	16,215	59,059	102,239,321
Disposals	(850,000)	(35,699)	(29,253)	(914,952)
Revaluation	1,227,141	-	-	1,227,141
At 31 March 2007	118,868,995	71,480	74,284	119,014,759
Depreciation				
At 1 April 2006	1,646	44,011	17,050	62,707
Charge for the year	2,391,132	13,004	16,971	2,421,107
On disposals	(2,057)	(16,016)	(11,666)	(29,739)
At 31 March 2007	2,390,721	40,999	22,355	2,454,075
Net book value				
At 31 March 2007	116,478,274	30,481	51,929	116,560,684
At 31 March 2006	16,326,161	46,953	27,428	16,400,542

The valuations of investment properties were made as at 31 March 2007 by C Knight, a Chartered Surveyor and O Smith who are both directors of the company. These valuations were made on an open market basis, based upon yields. No depreciation is provided in respect of these properties.

Only investment properties have been revalued. All other tangible fixed assets are stated at historical cost.

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

9 Tangible fixed assets (continued)

Comparable historical cost for the land and building included at valuation

	£
Cost	
Historical cost at 1 April 2006	15,381,467
Additions	102,164,047
Disposals	-
At 31 March 2007	117,545,514
Depreciation based on cost	
At 1 April 2006	1,646
Charge for the year	2,391,132
On disposal	(2,057)
At 31 March 2007	2,390,721
Net book values	
At 31 March 2007	115,154,793
At 31 March 2006	15,379,821

10 Fixed asset investments

Group	Unlisted investments £	Investment in joint ventures £	Total £
Cost or valuation			
At 1 April 2006	2,724,557	10,846,710	13,571,267
Additions	4,219,880	-	4,219,880
Revaluation	53,917	692,625	746,542
Disposals	(2,157,162)	(9,109,116)	(11,266,278)
Dividends received	-	(1,591,299)	(1,591,299)
Share of loss for the year	-	(845,040)	(845,040)
At 31 March 2007	4,841,192	(6,120)	4,835,072
At 31 March 2006	2,724,557	10,846,710	13,571,267
Historical cost at 31 March 2007	4,777,417	-	4,777,417

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

10 Fixed asset investments (continued)

	Share of Fixed assets £	Share of Current Assets £	Creditors		Total £
			Due within one year £	Due after one year £	
Berkeley Mansford	-	16,964	(2,575)	-	14,389
Brain Mansford Estates	-	-	-	-	-
Old Brewery Quarter					
Developments	-	2,435	-	-	2,435
Renaissance Life Care	2,028,646	525,658	(21,524)	(3,191,409)	(658,629)
MH Cardiff LP	-	-	(89,782)	-	(89,782)
Mansford Biotrace	-	28,876	(57,762)	-	(28,886)
Chelsea Harbour Estates	-	-	-	-	-
JO Hambro Mansford	-	18,690	(23,405)	-	(4,715)
Mansford Pontrilas	-	47,111	(2,843)	-	44,268
J-Wharf	1,382,386	78,670	(32,217)	(745,948)	682,891
MH Portfolio LP	-	44,135	(1,950)	-	42,185
Mansford Core					
Investments	964	9,675	(6,044)	(12,984)	(8,389)
MH (Botanic Garden)	-	24	(1,911)	-	(1,887)
	<u>3,411,996</u>	<u>772,238</u>	<u>(240,013)</u>	<u>(3,950,341)</u>	<u>(6,120)</u>

Company

The company owns the whole of the issued share capital of Mansford Holdings plc at a cost of £4,945,000

Holdings of more than 20%

Through Mansford Holdings plc, the company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Mansford Capital Limited	England	Ordinary	100
Mansford LPI Limited	England	Ordinary	100
MH Portfolio 1 Limited	England	Ordinary	100
MH (Bury Walk) Limited	England	Ordinary	100
MH (Draycott) Limited	England	Ordinary	100
MH (Ipswich Road) Limited	England	Ordinary	100
MH (Kings Road) Limited	England	Ordinary	100
MH (Longton) Limited	England	Ordinary	100
MH (Northampton) Limited	England	Ordinary	100
MH (Oxford Street) Limited	England	Ordinary	100
MH (Orchard Place) Limited	England	Ordinary	100
MH (Westminster House) Limited	England	Ordinary	100
MH (Holtender) Limited	England	Ordinary	100
Mansford France Fund 1 sarl	Luxembourg	Ordinary	100
Mansford Germany Fund 1 sarl	Luxembourg	Ordinary	100
Bluestone (GP) Limited	England	Ordinary	100

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

10 Fixed asset investments (continued)

Participating interests			
Brain Mansford Estates Limited	England	Interest	50
Chelsea Harbour Estates Limited	England	Interest	20
J O Hambro Mansford Limited	England	Interest	50
J-Wharf Limited	England	Interest	50
MH Cardiff LP	England	Interest	50
MH Portfolio LP1	England	Interest	50
Mansford Biotrace Limited	England	Interest	50
Mansford Pontrilas Limited	England	Interest	50
Old Brewery Quarter Developments Limited	England	Interest	50
Renaissance Life Care Plc	England	Interest	50
Mansford Core Investments Limited	England	Interest	50
MH (Botanic Garden) Limited	England	Interest	50

The principal activity of these undertakings for the last relevant financial year was Property Investment except for Mansford Capital Limited which was Investment Management and J-Wharf Limited which was Property Investment and Development

The company also has the following dormant UK subsidiaries Mansford Investments Limited, Mansford Retirement Villages Limited and MH (Old Fire Station) Limited

11 Debtors

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Trade debtors	269,239	394,629	-	-
Amounts owed by group undertakings	-	-	-	43,794
Amounts owed by participating interests	-	22,481	-	-
Corporation tax	-	-	-	-
Other debtors	5,416,188	18,920,452	250	250
Prepayments and accrued income	158,517	840,114	-	-
Deferred tax assets (see note 14)	-	77,369	-	-
	<u>5,843,944</u>	<u>20,255,045</u>	<u>250</u>	<u>44,044</u>

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

12 Creditors

Amounts falling due within one year

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Bank overdrafts	-	10,627,473	-	-
Trade creditors	3,321,138	293,929	-	-
Amounts owed to group undertakings	-	-	-	-
Amounts owed to participating interests	-	-	-	-
Corporation tax	1,754,564	1,941,856	2,478	2,478
Taxes and social security costs	335,881	260,344	-	-
Other creditors	266,378	845,444	16,586	12,943
Accruals and deferred income	2,239,408	2,196,607	114,669	156,860
Directors current account	60,498	-	-	-
	<u>7,977,867</u>	<u>16,165,653</u>	<u>133,733</u>	<u>172,281</u>

13 Creditors: Amounts falling due after more than one year

	Group		Company	
	2007	2006	2007	2006
	£	£	£	£
Other loans	35,396,124	13,838,136	1,956,250	4,946,250
Bank loans	88,521,132	12,331,066	-	-
	<u>123,917,256</u>	<u>26,169,202</u>	<u>1,956,250</u>	<u>4,946,250</u>
Analysis of loans				
Not wholly repayable within five years other than by instalments				
Bank loans	85,233,437	11,331,066	-	-
Other loans	35,396,124	8,891,886	-	-
Wholly repayable within five years	3,287,695	5,946,250	1,956,250	4,946,250
	<u>123,917,256</u>	<u>26,169,202</u>	<u>1,956,250</u>	<u>4,946,250</u>
Loan maturity analysis				
Between two and five years	4,976,661	8,225,436	1,956,250	4,946,250
In five years or more	118,940,595	17,943,766	-	-
	<u>123,917,256</u>	<u>26,169,202</u>	<u>1,956,250</u>	<u>4,946,250</u>

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2007

13 Creditors: Amounts falling due after more than one year (continued)

The bank loans are secured by fixed and floating charges over the assets of the respective companies. Interest on these loans is payable at LIBOR plus 1.25%.

Loans of the company wholly repayable within 5 years represent loan stock due for repayment on 31 March 2009 on which interest is payable of 5.25% per annum.

The other loans are unsecured, non-recourse loans related to individual investment projects with no scheduled repayment structure. The interest rate is 6%, subject to certain variations, payable from free cash flow in individual projects.

14 Provisions for liabilities and charges

Group

Provision has been made for third parties' shares of profits as follows	£
Balance at 1 April 2006	10,036,570
Share of unrealised and realised gains	(10,071,877)
Balance at 31 March 2007	(35,307)

Company

Balance at 1 April 2006	-
Profit and loss account	-
Balance at 31 March 2007	-

Deferred tax

Group	2007 £	2006 £
Accelerated capital allowances	2,565	8,504
Tax losses available	-	(85,873)
	2,565	(77,369)
Unrecognised deferred tax asset	-	-
	2,565	(77,369)
Balance at 1 April 2006	(77,369)	(80,411)
Profit and loss account	79,934	3,042
Balance at 31 March 2007	2,565	(77,369)

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

14 Provisions for liabilities and charges (continued)

Company	2007 £	2006 £
Accelerated capital allowances	-	-
Tax losses available	-	-
	<u>-</u>	<u>-</u>

15 Share capital

	2007 £	2006 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

16 Revaluation reserve

	Group £	Company £
Balance at 1 April 2006	473,574	-
Revaluations during the year	1,905,177	-
Revaluation surplus on properties disposed of, taken to profit and loss account as a realised gain	<u>(2,378,751)</u>	<u>-</u>
Balance at 31 March 2007	<u>-</u>	<u>-</u>

17 Statement of movements on reserves

	Profit and loss account £	Other reserves £	Total £
Balance at 1 April 2006	541,755	1,488,747	2,030,502
Profit for the year	1,684,942	-	1,684,942
Transfer from revaluation reserve	2,378,751	-	2,378,751
Balance at 31 March 2007	<u>4,605,448</u>	<u>1,488,747</u>	<u>6,094,195</u>

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

18	Reconciliation of movements in shareholders' funds		2007	2005
	Group		£	£
	Profit for the financial year		6,109,544	1,053,577
	Amounts payable to outside investors		(4,424,602)	(2,173,961)
			1,684,942	(1,120,384)
	Other recognised gains and losses		1,905,177	2,161,065
	Net addition/(depletion) to shareholders' funds		3,590,119	1,040,681
	Opening shareholders' funds		2,505,076	1,464,395
	Closing shareholders' funds		6,095,195	2,505,076
19	Net cash inflow from operating activities		2007	2006
			£	£
	Reconciliation to operating loss			
	Operating profit		4,590,965	1,245,214
	Depreciation of tangible fixed assets		2,421,107	35,048
	Decrease/(increase) in debtors		14,333,732	(2,167,269)
	Increase in creditors		2,626,979	1,588,528
	Loss on sale of tangible fixed assets		188,198	-
			24,160,981	701,521
20	Reconciliation of net cash flow to movement in net debt		2007	2006
			£	£
	Increase/ (decrease) in cash		16,693,137	(9,489,565)
	New loans		(115,367,848)	(2,445,823)
	Loans repaid		17,619,794	6,635,434
	Change in net debt resulting from cashflow		(81,054,917)	(5,299,954)
	Loans acquired with subsidiaries		(32,147,028)	(26,847,074)
	Net debt at 31 March 2007		(113,201,945)	(32,147,028)
21	Analysis of net debt			
		At 1 April		At 31 March
		2006	Cash flow	2007
			£	£
	Cash at bank and in hand	4,649,647	6,065,664	10,715,311
	Bank overdrafts	(10,627,473)	10,627,473	-
		(5,977,826)	16,693,137	10,715,311
	Debt due after one year	(26,169,202)	(97,748,054)	(123,917,256)
		(32,147,028)	(81,054,917)	(113,201,945)

MANSFORD CAPITAL PARTNERS LIMITED

NOTES TO THE GROUP ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

22 Transactions with directors

Mansford Capital Partners Limited owns the whole of the issued share capital of Mansford Holdings Plc which owns shares in the subsidiaries and associates as described in note 7

G MacEchern and O Smith are partners in MS & Partners which provides management services to the Mansford Holdings plc in respect of the provision of staff and other related services. During the year to 31 March 2007, MS & Partners charges were £nil (2006 £418,169)