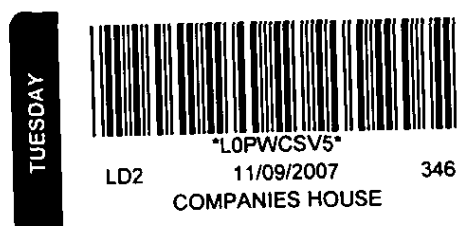


Registered number
5738608

Arora Investments Limited

Report and Accounts

31 March 2007



Arora Investments Limited
Report and accounts
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Directors

Surinder Arora

Registered office

Arora Investments Limited
The Grove
Bath Road
Harmondsworth
UB7 0DG

Company number

5738608

Auditors

BDO Stoy Hayward LLP
8 Baker Street
London
W1U 3LL

Arora Investments Limited
Director's Report

The director presents his report and accounts for the period ended 31 March 2007

Principal activities and review of the business

The company commenced trading on March 10, 2006. The company's principal activity is that of investing in group companies.

Results and dividends

The profit for the period, after taxation, amounted to £7,890. The director does not recommend payment of a dividend for the period.

Director

The director who served during the period had no interest in the share capital of the company.

Surinder Arora

The interest of Surinder Arora in the parent company is disclosed in the directors' report of the parent company. The financial statements are publicly available from the address given in note 13.

Political and charitable donations

During the period, the company did not make any political or charitable contributions.

Disclosure of information to auditors

The current director has taken all the steps that he ought to have taken to make himself 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 director is not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP, who were appointed during the period, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

This report was approved by the board on 4/9/07


Surinder Arora
Director

Arora Investments Limited
Statement of Director's Responsibilities

The director is responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the director to prepare accounts for each financial year. Under that law the director has elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts 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 period. In preparing these accounts, 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 UK 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 company will continue in business

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

Arora Investments Limited
Independent auditors' report
to the shareholders of Arora Investments Limited

We have audited the financial statements of Arora Investments Limited for the period ended 31 March 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These accounts 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 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the accounts 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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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 with the company 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 accounts, 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 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 financial statements.

Arora Investments Limited
Independent auditors' report
to the shareholders of Arora Investments Limited

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 March 2007 and of its profit 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 accounts


BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors, London



Arora Investments Limited
Profit and Loss Account
for the period from 10 March 2006 to 31 March 2007

	Notes	2007 £
Turnover	2	9,590
Administrative expenses		(15)
Operating profit	3	<u>9,575</u>
Profit on ordinary activities before taxation		<u>9,575</u>
Tax on profit on ordinary activities	4	(1,685)
Profit for the period		<u><u>7,890</u></u>

Continuing operations


The results stated above are all derived from continuing operations for the above period

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above period

Arora Investments Limited
Balance Sheet
as at 31 March 2007

	Notes	2007 £
Fixed assets		
Investments	5	150,000
Current assets		
Debtors	6	9,590
Creditors amounts falling due within one year	7	(151,699)
Net current liabilities		(142,109)
Net assets		<u>7,891</u>
Capital and reserves		
Called up share capital	8	1
Profit and loss account	9	7,890
Shareholders' funds	10	<u>7,891</u>


 Surinder Arora

Director

Approved by the board on 4/4/07

Arora Investments Limited
Notes to the Accounts
for the period from 10 March 2006 to 31 March 2007

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Cashflow statement

The company has chosen to take the exemption from producing a cashflow statement in accordance with Financial Reporting Standard 1. This is because the company is a wholly owned subsidiary of Arora Holdings Limited and the company is included in the consolidated financial statements

Going Concern

The financial statements have been prepared on a going concern basis

2 Turnover

Turnover is attributable to rental of property and arises solely in the United Kingdom

3 Operating profit

Auditors' remuneration in respect of audit fees have been borne by other group companies

Arora Investments Limited
Notes to the Accounts
for the period from 10 March 2006 to 31 March 2007

4 Taxation	2007
	£
Analysis of charge in period	
Current tax	
UK corporation tax on profits of the period	1,685
Group Relief	-
	<u>1,685</u>
 Origination and reversal of timing differences	 -
 Tax on profit on ordinary activities	 <u>1,685</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2007
	£
Profit on ordinary activities before tax	<u>9,575</u>
Standard rate of corporation tax in the UK	19%
	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	1,819
Effects of Small company relief	(134)
Current tax charge for period	<u>1,685</u>

Arora Investments Limited
Notes to the Accounts
for the period from 10 March 2006 to 31 March 2007

5 Investments

	Other investments £
Cost	
At 10 March 2006	150,000
At 31 March 2007	<u>150,000</u>
Other investments	2007 £
Unlisted investments	<u>150,000</u>

The investment (at cost), relates to 150,000 units held in various Jersey Unit Trusts. During the period income of £9,590 was earned on this investment.

6 Debtors	2007 £
Other debtors	<u>9,590</u>

7 Creditors amounts falling due within one year	2007 £
Bank loans and overdrafts	15
Amounts owed to group undertakings and undertakings in which the company has a participating interest	149,999
Corporation tax	<u>1,685</u>
	<u>151,699</u>

8 Share capital		2007 £
Authorised		
Ordinary shares of £1 each		<u>100</u>
	2007 No	2007 £
Allotted, called up and fully paid		
Ordinary shares of £1 each	1	<u>1</u>

Arora Investments Limited
Notes to the Accounts
for the period from 10 March 2006 to 31 March 2007

9 Profit and loss account	2007
	£
Profit for the period	7,890
At 31 March	<u>7,890</u>

10 Reconciliation of movement in shareholders' funds	2007
	£
At 10 March	1
Profit for the financial period	7,890
At 31 March	<u>7,891</u>

11 Contingent liabilities

A bank loan facility is provided by a consortium of banks to Arora Hotels Limited. It is secured by fixed and floating charges over the assets of the company and is also secured by charges over the assets of its Parent company and fellow subsidiaries and by intra-group guarantees provided by some group companies. As at 31 March 2007 the bank loan, amounted to £23,359,375.

A bank loan facility is provided by a consortium of banks to Arora Heathrow T5 Limited. It is secured by fixed and floating charges over the assets of its Parent company and fellow subsidiaries and by intra-group guarantees provided by some group companies. As at 31 March 2007 the bank loan, amounted to £58,734,397.

12 Related party transactions

At the year end, an amount of £149,999 was owed to Arora Holdings Limited and its subsidiaries.

13 Ultimate parent company and parent undertaking of the larger group of which the company is a member

The immediate and ultimate parent company is Arora Holdings Limited, a company registered in England and Wales.

The ultimate controlling parties of Arora Holdings Limited are Surinder and Sunita Arora, due to their majority shareholding in the company, both of whom are directors of the parent company.

The consolidated accounts of this company are available to the public and can be obtained from The Grove, Bath Road, Harmondsworth, Middlesex, UB7 0DG.