

LG/SL PROPERTIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

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COMPANIES HOUSE

Company Registration Number 3465458

LG/SL PROPERTIES LIMITED

BOARD OF DIRECTORS

Costas P Michaelides	Director
Paul E Hare	Director
Susie L Aiker	Director

COMPANY SECRETARY

Paul E Hare	Secretary
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LG/SL PROPERTIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and the financial statements for the year ended 31 December 2010

Activities

LG/SL Properties Limited (the "Company") is domiciled in the United Kingdom whose parent is LG/SL Property Holdings Ltd. The Company is a holding company whose subsidiaries were engaged in property investment. As of 10 October 2001, the Company's subsidiaries had sold all of their properties.

Results

Loss for the financial year was US\$ 175,291 (2009 profit US\$ 14,069). There were no dividends paid during the year (2009 US\$ Nil).

Share capital

During the year no additional share capital was issued (2009 US\$ Nil).

Directors

The names of the directors as at the date of this report are set out on page 2. Changes in the directorate since 31 December 2009, and up to the date of this report are as follows:

Appointment	Susie L. Alier	18 June 2010
	Paul E. Hare	26 January 2010
Resignation	Kevin L. Studd	18 June 2010
	Andrew W. Reid	18 June 2010

None of the directors who held office at the end of the financial year were beneficially interested, at any time during the year, in the shares of the Company or had any disclosable interest in shares of Credit Suisse Group companies.

All directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Donations

No charitable or political donations were made during the year (2009 US\$ Nil).

Auditors

The Company satisfies the provisions of Section 480(1) of the Company Act 2006 and accordingly the Company is exempt from obligation to appoint an auditor.

Prompt payment code

It is the policy of the Company to pay all invoices in accordance with contract and payment terms.

LG/SL PROPERTIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

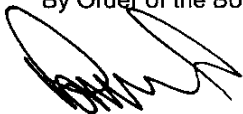
International Financial Reporting Standards

The Company's 2010 annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union (EU)

Subsequent events

On 15th June 2011, the Board of the subsidiaries approved the dissolution of LG/SL (H) Limited and LG/SL (H Investment) Limited. In the same meeting, it was also resolved that an application be made to the Registrar of Companies to strike off these subsidiaries name from the register of Companies House.

By Order of the Board



Paul E Hare
Company Secretary
One Cabot Square
London E14 4QJ

15 September 2011

LG/SL PROPERTIES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 IFRS as adopted by the EU and applicable law.

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit of the Company for that period. 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 they have been prepared in accordance with IFRS as adopted by the EU, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have a 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.

LG/SL PROPERTIES LIMITED
STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010 US\$	2009 US\$
Interest income	3	3	212
Interest expense		-	-
Net interest income		<u>3</u>	<u>212</u>
Administrative expense	4	(87)	(30)
Other (expense) / income	5	(175,207)	20,422
(Loss) / Profit before tax		<u>(175,291)</u>	<u>20,604</u>
Income tax benefit / (expense)	6	-	(6,535)
(Loss) / Profit for the year		<u>(175,291)</u>	<u>14,069</u>

Loss for 2010 and Profit 2009 are from continuing operations

The notes on pages 10 to 19 form an integral part of these financial statements

LG/SL PROPERTIES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

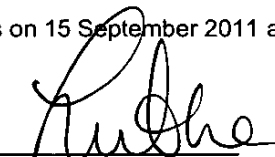
	Note	2010 US\$	2009 US\$
Assets			
Non-current asset			
Investment in subsidiaries	7	<u>200,003</u>	<u>200,003</u>
Current assets			
Cash and cash equivalents	8	3,844	4,082
Amounts due from related companies	9	<u>218,933</u>	<u>240,257</u>
Total current assets		<u>222,777</u>	<u>244,339</u>
Current liabilities			
Amounts due to related companies	10	<u>200,003</u>	<u>46,274</u>
Total current liabilities		<u>200,003</u>	<u>46,274</u>
Net current assets		<u>22,774</u>	<u>198,065</u>
Net assets		<u>222,777</u>	<u>398,068</u>
Shareholders' equity			
Share capital	11	32,054,284	32,054,284
Contribution reserves	12	200,000	200,000
Retained earnings		<u>(32,031,507)</u>	<u>(31,856,216)</u>
Total shareholders' equity		<u>222,777</u>	<u>398,068</u>

The notes on pages 10 to 19 form an integral part of these financial statements

For the year ended 31 December 2010

- 1 The Company is entitled to the exemption conferred by section 480(1) of the Companies Act 2006 from the provisions of the Act relating to the audit of the accounts
- 2 The members have not required the Company to obtain an audit of its accounts in accordance with section 475(1)(a) of the Companies Act 2006
- 3 The directors acknowledge their responsibilities for
 - i) ensuring the Company keeps accounting records which comply with section 386 of the Companies Act 2006
 - ii) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit for the financial year in accordance with the requirements of the Act relating to accounts, so far as applicable to the Company
- 4 These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

Approved by the Board of Directors on 15 September 2011 and signed on its behalf by


 Susie L. Aiker
 Director

LG/SL PROPERTIES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2010

	Share capital - ordinary shares US\$	Share capital - preference shares US\$	Contribution reserves US\$	Retained earnings US\$	Total US\$
Balance at 1 January 2010	3	32,054,281	200,000	(31,856,216)	398,068
Loss for the year	-	-	-	(175,291)	(175,291)
Total recognised income and expense for the year	-	-	-	(175,291)	(175,291)
Balance at 31 December 2010	3	32,054,281	200,000	(32,031,507)	222,777
	Share capital - ordinary shares US\$	Share capital - preference shares US\$	Contribution reserves US\$	Retained earnings US\$	Total US\$
Balance at 1 January 2009	3	32,054,281	200,000	(31,870,285)	383,999
Profit for the year	-	-	-	14,069	14,069
Total recognised income and expense for the year	-	-	-	14,069	14,069
Balance at 31 December 2009	3	32,054,281	200,000	(31,856,216)	398,068

The notes on pages 10 to 19 form an integral part of these financial statements

LG/SL PROPERTIES LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
Note	US\$	US\$
Operating activities of operations		
(Loss) / profit before taxation	(175,291)	20,604
Adjustments to reconcile net income to net cash generated from operating activities		
Other adjustments		
Net interest income	(3)	(212)
Operating (loss) / profit before working capital changes	(175,294)	20,392
Decrease / (increase) in amount due from related companies	21,324	111,837
(Decrease) / increase in amount due to related companies	153,729	(168,992)
Cash used in operations	(241)	(36,763)
Interest received	3	212
Net cash flow used in operating activities	(238)	(36,551)
Net cash flow used in investing activities	-	-
Net cash flow generated from financing activities	-	-
Net decrease in cash and cash equivalents	(238)	(36,551)
Cash and cash equivalents at beginning of year	4,082	40,633
Cash and cash equivalents at end of year	8 3,844	4,082

The notes on pages 10 to 19 form an integral part of these financial statements

LG/SL PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. General

LG/SL Properties Limited is a company domiciled in the United Kingdom

2 Significant accounting policies

a) Statement of compliance

The financial statements have been prepared on a going concern basis and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRS") and the International Financial Reporting Interpretations Committee ("IFRIC")

b) Basis of preparation

The financial statements are presented in US dollars (\$) They are prepared on the historical cost basis

The preparation of financial statements in conformity with adopted IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources Actual results may differ from these estimates

The estimates and underlying assumptions are reviewed on an ongoing basis Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision has a significant effect on both current and future periods

The directors of the Company have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future Accordingly, the Directors have prepared these accounts on a going concern basis

Standards and Interpretations effective in the current period

The Company is not required to adopt the following standards and interpretations which are issued but not yet effective

- Revised IAS 24 Related Party Disclosures - The objective of the revised IAS 24 is to simplify and ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties
- Improvements to IFRSs (Issued by IASB in May 2010) - These amendments which resulted from IASB's annual improvements project comprise amendments that result in accounting changes for presentation, recognition or measurement purposes as well as terminology or editorial amendments related to a variety of individual IFRS standards
- IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments - IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or in part, a financial liability It does not address the accounting by the creditor (lender)

The expected impact of the standards and interpretations issued but not yet effective is still being assessed, however, the Company does not anticipate that the above interpretations will have a

LG/SL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2010

2. Significant accounting policies (continued)

b) Basis of preparation (continued)

material impact on the reported numbers in the Financial Statements in the period of initial application. The accounting policies have been applied consistently by the Company.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. The financial statements have also been prepared in accordance with the Companies Act 2006.

c) Foreign currency

Transactions denominated in currencies other than the functional currency of the reporting entity are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at balance sheet date are translated to US\$ at the foreign exchange rate ruling at that date. Foreign exchange differences arising from translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies at balance sheet date are not revalued for movements in foreign exchange rates.

d) Income taxes

Income tax on the profit or loss for the year comprises current tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity. For items initially recognised in equity and subsequently recognised in the income statement, the related income tax initially recognised in equity is also subsequently recognised in the income statement.

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years. Current tax is calculated using tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax-base. The amount of deferred tax provided is based on the amount at which it is expected to recover or settle the carrying amount of assets and liabilities in the balance sheet, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Information as to the calculation of income tax on the profit or loss for the periods presented is included in Note 6.

e) Critical accounting estimates and judgements in applying accounting policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

LG/SL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2010

2. Significant accounting policies (continued)

e) Critical accounting estimates and judgements in applying accounting policies (continued)

Income taxes

Deferred tax valuation

Deferred tax assets and liabilities are recognised to reflect the estimated amounts of income tax recoverable/payable in future periods in respect of temporary differences and unused carry forward of tax losses. For temporary differences, a deferred tax asset is recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised. Similarly, a deferred tax asset is recognised on unused carry forward tax losses to the extent that it is probable that future taxable profits will be available against which the unused carry forward tax losses and credits can be utilised.

Periodically, management evaluates the probability that taxable profits will be available against which the deductible temporary differences and unused carry forward tax losses can be utilised. Within this evaluation process, management also considers tax-planning strategies. The evaluation process requires significant management judgement, primarily with respect to projecting future taxable profits.

Tax contingencies

Significant judgement is required in determining the effective tax rate and in evaluating certain tax positions. The Company may accrue for tax contingencies despite the belief that positions taken in tax returns are always fully supportable. Tax contingency accruals are adjusted due to changing facts and circumstances, such as case law, progress of audits or when an event occurs requiring a change to the tax contingency accruals. Management regularly assesses the appropriateness of provisions for income taxes. Management believes that it has appropriately accrued for any contingent tax liabilities.

3. Interest income

	2010	2009
	US\$	US\$
Interest from interest-bearing bank accounts	3	212

4. Administrative expenses include bank charges on the bank accounts

5. Other income / (expense)

	2010	2009
	US\$	US\$
Other (expense) / income	(177,592)	-
Foreign exchange gain / (loss)	2,385	20,422
Total other (expense) / income	(175,207)	20,422

The other expense of US\$177,592 represents the release of the amounts due from related companies.

6. Income tax benefit

a) Components of tax benefit

Current tax charge for the year is US\$ Nil (2009: US\$6,535). No deferred tax charge arises for

LG/SL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2010

6 Income tax benefit (continued)

a) Components of tax benefit (continued)

the year (2009 US\$Nil)

b) An explanation of the relationship between tax credit and the accounting profit

The income tax charge/(benefit) for the year can be reconciled to the profit/(loss) per the Statement of Income as follows

	2010 US\$	2009 US\$
(Loss) / profit before tax	(175,291)	20,604
(Loss) / profit before tax multiplied by the UK statutory rate of corporation tax of 28% (2008 28%)	(49,081)	5,770
Other permanent differences	49,726	765
Tax effect of utilising tax losses on which no deferred tax previously recognised	(669)	-
Deferred Tax not recognised	24	-
Income tax (benefit) / charge	-	6,535

c) Deferred taxes not recognised

Deferred tax assets are recognised on deductible temporary differences and tax loss carry forwards only to the extent that realisation of the related tax benefit is probable. Tax losses carried forward on which no deferred tax assets have been recognised is US\$163,089 (2009 US\$185,994). The deferred tax asset not recognised on these losses carried forward is US\$44,034 (2009 US\$52,078). The benefit of the tax losses carried forward has not been recognised in these financial statements due to the uncertainty of their recoverability. The tax losses carried forward have no expiry date.

7. Investment in subsidiaries

The Company has the following incorporated subsidiaries at 31 December 2010

Investment 100% owned and with company incorporated in England & Wales is

Subsidiary	Country of incorporation	Portion of ordinary shares held %	Total issued capital
LG/SL (H) Limited	England & Wales	100	US\$3

Investment indirectly owned and with company incorporated in England & Wales is

LG/SL (H Investment) Limited

Investment 100% owned and with company incorporated outside the United Kingdom is

Subsidiary	Country of incorporation	Portion of ordinary shares held %	Total issued capital
LG/SL Land Limited	Gibraltar	100	US\$1,623

LG/SL Land Limited is incorporated in Gibraltar and registered in the United Kingdom as a foreign company

LG/SL PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2010

7. Investment in subsidiaries (continued)

	2010 US\$	2009 US\$
As at 1 January	200,003	200,003
As at 31 December	<u>200,003</u>	<u>200,003</u>

8. Cash and cash equivalents

	2010 US\$	2009 US\$
Cash at bank with related company	3,844	4,082
Total cash and cash equivalents	<u>3,844</u>	<u>4,082</u>

The fair value of cash and cash equivalents equals book value. The cash at bank is held with Credit Suisse AG Zurich.

9. Amounts due from related companies

	2010 US\$	2009 US\$
Intercompany receivables	200,000	227,859
Group relief receivable	18,933	12,398
Total amounts due from related companies	<u>218,933</u>	<u>240,257</u>

The book value of the receivables approximates fair value due to the short term nature of the receivables balances.

10 Amounts due to related companies

	2010 US\$	2009 US\$
Intercompany payables	200,003	46,274
Total amounts due to related companies	<u>200,003</u>	<u>46,274</u>

Amounts due to related companies are non-trade, unsecured, repayable on demand and non-interest bearing. Due to their short-term nature, the fair value of payables approximates book value.

11 Share capital

	2010 US\$	2009 US\$
Authorised		
Equity		
100 Ordinary shares of £1 each	161	161
20,407,937 Preference shares of £1 each	<u>32,866,983</u>	<u>32,866,983</u>
Allotted, called up and fully paid		
Equity		
2 Ordinary shares of £1 each	3	3
19,826,981 Preference shares of £1 each	<u>32,054,281</u>	<u>32,054,281</u>
	<u>32,054,284</u>	<u>32,054,284</u>

LG/SL PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

11. Share capital (continued)

During the year no additional share capital was issued (2009 US\$ Nil)

Capital management

The Board's policy is to maintain an adequate capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated profits

The Company funds its operations and growth through equity. This includes assessing the need to raise additional equity where required

The Company is not subject to externally imposed capital requirements

There were no changes in the Company's approach to capital management during the year

12. Contribution reserves

	2010 US\$	2009 US\$
Capital contribution from LG/SL Property Holdings Limited	200,000	200,000
As at 31 December	200,000	200,000

13. Related party transactions

The Company is a wholly owned subsidiary of LG/SL Property Holdings Limited, which is registered in England and Wales. The ultimate holding company is Credit Suisse Group AG, which is incorporated in Switzerland.

Copies of group financial statements of the ultimate holding company, in which the results of the Company are consolidated, are available to the public and may be obtained from Credit Suisse Group AG, Paradeplatz, P O Box 1, 8070 Zurich.

LG/SL PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

13 Related party transactions (continued)

a) Related party assets and liabilities

	2010				2009			
	Parent	Subsidiaries	Fellow group companies	Total	Parent	Subsidiaries	Fellow group companies	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Assets								
Non-current asset								
Investment in subsidiaries	-	200,003	-	200,003	-	200,003	-	200,003
Current assets								
Cash and cash equivalents	-	-	3,844	3,844	-	-	4,082	4,082
Amounts due from related companies	200,000	-	18,933	218,933	226,717	73	13,467	240,257
Total related party assets	200,000	200,003	22,777	422,780	226,717	200,076	17,549	444,342
Liability								
Current liability								
Amounts due to related companies	-	200,003	-	200,003	-	46,274	-	46,274
Total related party liability	-	200,003	-	200,003	-	46,274	-	46,274

LG/SL PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

13. Related party transactions (continued)

b) Related party revenues and expenses

	2010			2009		
	Subsidiaries	Fellow group companies	Total	Subsidiaries	Fellow group companies	Total
	US\$	US\$	US\$	US\$	US\$	US\$
Interest income	-	3	3	-	212	212
Total related party income	-	3	3	-	212	212
Other expense	151,265	26,327	177,592	-	-	-
Total related party expenses	151,265	26,327	177,592	-	-	-

c) Remuneration of directors and key management personnel

The directors and key management personnel did not receive any remuneration in respect of their services for the Company (2009 US\$Nil). The directors and key management personnel are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these directors and key management personnel. All directors benefitted from qualifying third party indemnity provisions.

There were no loans or advances made to directors or key management personnel during the period (2009 US\$ Nil).

d) Liabilities due to pension funds

The Company has no employees and therefore does not have any liabilities with regard to pension funds.

LG/SL PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2010

14 Employees

The Company had no employees during the year. The Company receives a range of administrative services from related companies within the Credit Suisse Group AG. Credit Suisse group companies have borne the cost of these services.

15. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by a central treasury department (Credit Suisse Group Treasury) under policies approved by its Board of Directors. Group Treasury identifies, evaluates and hedges financial risks. The Credit Suisse Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest-rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity.

a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

The remaining contractual maturity for amounts due to related companies are short term in nature and approximate their carrying values as at 31 December 2010 in an 'on demand' categorisation.

b) Foreign exchange risk

The Company's reporting currency is US Dollars.

The Company is exposed to foreign exchange risk arising from GBP exposures on cash and cash equivalent balances.

Group Treasury is responsible for managing the net position in each foreign currency, where appropriate using external forward currency contracts or other suitable transactions.

c) Credit risk

The Company is exposed to credit risk from other Credit Suisse group companies. Cash transactions are limited to fellow group companies and high-credit-quality financial institutions. The carrying value of loans and other receivables represents the maximum credit exposure of the Company to counterparties. The Company has policies that limit the amount of credit exposure to any financial institution.

There were no significant concentrations of credit risk by country or by industry other than the disclosures produced in Note 13 related party transactions.

There are no loans and other receivables due from group companies which are past due but not impaired.

LG/SL PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

15 Financial risk management (continued)

d) Cash flow and interest rate risk

The Company has interest-bearing asset including cash and cash equivalents

The interest rates associated with cash and cash equivalents are variable and therefore the Company is exposed to some interest rate risk. Interest rates on cash and cash equivalents typically reset within 3 months which minimizes the risk to changes in interest rates. The Company is not exposed to any third party counter-party interest rate risks.

The Company holds no other significant interest-bearing assets and liabilities and the remaining Company expenses and operating cash flows are substantially independent of changes in interest rates.

16 Subsequent events

On 15th June 2011, the Board of the subsidiaries approved the dissolution of LG/SL (H) Limited and LG/SL (H Investment) Limited. In the same meeting, it was also resolved that an application be made to the Registrar of Companies to strike off these subsidiaries name from the register of Companies House.