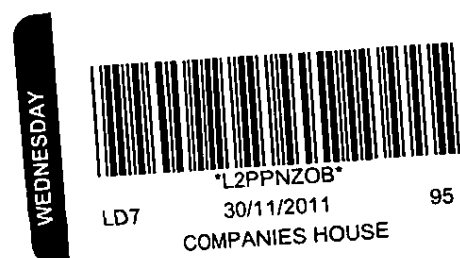


NORTHACRE LAND LIMITED



Directors' Report And Financial Statements

For the year ended 28 February 2011

Company Registration No 03672498 (England And Wales)

NORTHACRE LAND LIMITED

COMPANY INFORMATION

Directors	K B Nilsson K MacRae (Appointed 19 July 2011)
Secretary	K B Nilsson
Company number	03672498
Registered office	8 Albion Riverside 8 Hester Road London SW11 4AX
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	The Royal Bank of Scotland 29 Old Brompton Road London SW7 3JE

NORTHACRE LAND LIMITED

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NORTHACRE LAND LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2011

The directors present their report and financial statements for the year ended 28 February 2011. The company is dormant and has not traded during the year.

Principal activities

The principal activity of the company throughout the year was that of property development.

Directors

The following directors have held office since 1 March 2010:

K B Nilsson

K MacRae

(Appointed 19 July 2011)

M K Santilale

(Resigned 19 July 2011)

Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 or loss 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 accounting 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 financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



K B Nilsson

Director

28 November 2011

NORTHACRE LAND LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2011

The company has not traded during the year or the preceding financial year. During these years, the company received no income and incurred no expenditure and therefore made neither profit nor loss.

NORTHACRE LAND LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTHACRE LAND LIMITED

We have audited the financial statements of Northacre Land Limited for the year ended 28 February 2011 set out on pages 5 to 8. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 28 February 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

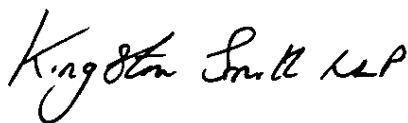
NORTHACRE LAND LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF NORTHACRE LAND LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



John Staniforth (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

28 November 2011

Chartered Accountants
Statutory Auditor

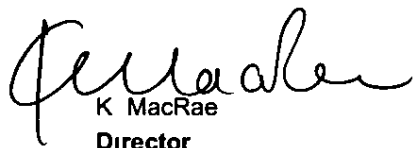
Devonshire House
60 Goswell Road
London
EC1M 7AD

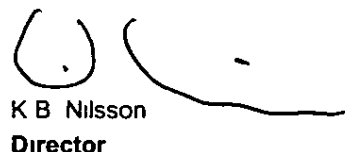
NORTHACRE LAND LIMITED

BALANCE SHEET AS AT 28 FEBRUARY 2011

	Notes	2011 £	£	2010 £	£
Current assets					
Debtors	2	2,034,317		2,034,197	
Cash at bank and in hand		25		45	
		<u>2,034,342</u>		<u>2,034,242</u>	
Creditors, amounts falling due within one year	3	<u>(2,457,811)</u>		<u>(2,457,711)</u>	
Total assets less current liabilities		<u>(423,469)</u>		<u>(423,469)</u>	
Capital and reserves					
Called up share capital	4		2		2
Profit and loss account	5	<u>(423,471)</u>		<u>(423,471)</u>	
Shareholders' funds	6	<u>(423,469)</u>		<u>(423,469)</u>	

Approved by the Board and authorised for issue on 28 November 2011


K MacRae
Director


K B Nilsson
Director

Company Registration No 03672498

NORTHACRE LAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The Company and Group meet their day-to-day working capital requirements partly through monies loaned from the Northacre PLC Directors Retirement and Death Benefit Scheme and partly from a third party loan. The Directors expect the facilities currently agreed to remain in place for the foreseeable future and to be renewed on equally favourable terms in due course. In particular:

(i) The loan due to the Northacre PLC Directors Retirement and Death Benefit Scheme of £750,000 is not due for repayment until 31 July 2013

(ii) The Group's bank facility was agreed until and cancelled on 1 November 2011

(iii) A Eurobond loan facility of £10,500,000 was agreed with Abu Dhabi Capital Management LLC ("ADCM") on 20 October 2011 and drawn down in full on 31 October 2011. This loan allowed the Group to repay its bankers facility and all Directors and related party loans. A fixed premium of £800,000 was due on signature of the agreement. The Eurobond has a call date of 4 April 2013 subject to the right to extend for a further 6 months to 4 October 2013.

(iv) A Director loan of £300,000 was made available by MTAF Group (Mohamed AlRafi) on 16 October 2009. The loan was repaid on 31 October 2011 after the loan from ADCM was received. A premium of £390,000, triggered by the signing of the ADCM Eurobond agreement and early redemption of the loan, was paid on 31 October 2011. Due to the early redemption of the loan the premium paid is substantially lower than the estimated amount which would have been payable if the loan premium was paid at a future date out of The Lancasters profit share.

(v) An additional Director loan of £300,000 was made available by MTAF Group (Mohamed AlRafi) on 4 August 2010. A fixed premium of £50,000 was due on 3 February 2011 as per the loan agreement. The increased loan of £350,000 was repaid on 31 October 2011 after the loan from ADCM was received. A premium of £260,000, triggered by the signing of the ADCM Eurobond agreement and early redemption of the loan, was paid on 31 October 2011. Due to the early redemption of the loan the premium paid is substantially lower than the estimated amount which would have been payable if the loan premium was paid at a future date out of The Lancasters profit share.

(vi) A loan facility of £114,000 was made available by the Director Klas Nilsson in September 2009. An additional amount of £80,000 was made available by the Director Klas Nilsson in July 2010. The Group repaid £84,890 of the total balance in the period September 2010 to March 2011. The remaining loan balance was repaid on 31 October 2011 after the loan from ADCM was received.

(vii) A loan facility of £2,000,000 was made available by Abdulsalam AlRafi (father of Director Mohamed AlRafi) on 28 January 2011 with a further £2,000,000 made available on 24 June 2011. The loan was available on a drawdown basis and as at 31 August 2011 the Group had used £3,600,000 of the total funds available. The last drawdown was made on 13 September 2011. The full £4,000,000 loan was repaid on 31 October 2011 after the loan from ADCM was received.

(viii) A Director loan of £500,000 was made available by MTAF Group (Mohamed AlRafi) on 26 May 2011. It was a temporary loan and the loan was repaid on 15 August 2011.

NORTHACRE LAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2011

1 Accounting policies

(continued)

1.1 Accounting convention continued

The Directors have prepared detailed cash flow projections up to 28 February 2013 making reasonable assumptions about the levels and timing of income and expenditure, and in particular the timing of receipt of certain fees due from major developments. These projections show that the Group and Company can operate within the available facilities. On this basis the Directors consider it appropriate to prepare these financial statements on a going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

2 Debtors	2011 £	2010 £
Amounts owed by parent and fellow subsidiary undertakings	2,034,317	2,034,197

3 Creditors amounts falling due within one year	2011 £	2010 £
Amounts owed to parent and fellow subsidiary undertakings	2,457,811	2,457,711

4 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

5 Statement of movements on profit and loss account

Profit and
loss
account
£

Balance at 1 March 2010 and at 28 February 2011	(423,471)
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NORTHACRE LAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2011

6 Reconciliation of movements in shareholders' funds	2011	2010
	£	£
Profit for the financial year	-	-
Opening shareholders' funds	(423,469)	(423,469)
	<hr/>	<hr/>
Closing shareholders' funds	(423,469)	(423,469)
	<hr/>	<hr/>

7 Contingent liabilities

The company and its parent company and fellow trading subsidiaries have given an unlimited guarantee and debenture secured on the assets of the group to its bankers in respect of a facility arrangement. At the balance sheet date the net amount owed to the bank was £218,685 (2010: £nil).

8 Employees

There were no employees during the year apart from the directors who received no remuneration from the company.

9 Control

The company is a wholly owned subsidiary of Northacre PLC, a company registered in England and Wales. Copies of the group financial statements are available from 8 Albion Riverside, 8 Hester Road, London SW11 4AX.

10 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.