

Report and Financial Statements
Stanhope (Croydon) Limited
Registered Number 04612166

31 March 2011



Stanhope (Croydon) Limited

Registered No 04612166

Directors

D J Camp
C J W Walford

Secretary

C N Pagan

Auditors

Grant Thornton UK LLP
Grant Thornton House
Melton Street
London
NW1 2EP

Bankers

The Royal Bank of Scotland plc
24 Grosvenor Place
London
SW1X 7HP

Solicitors

Shearman & Sterling LLP
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Stanhope (Croydon) Limited

Registered No 04612166

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Directors' report

The directors present their report and financial statements for the year ended 31 March 2011

Results and dividends

The loss for the year amounted to £55,241 (2010 loss of £366,769) The directors do not recommend the payment of any dividends

Principal activities and review of the business

The principal activity of the company during the year was to hold an investment in Croydon Gateway LLP, a unit trust with a freehold with planning permission for 2m sq ft of mixed use development, primarily office and residential

Financial risk management

The value of the company's investment in the unit trust is subject to the development and market risks of the Croydon Gateway project, and is dependent upon both the residential and commercial markets in Croydon

Directors

The directors who served the company during the year were as follows

D J Camp
C J W Walford

None of the directors had any interests in the shares of the company

Directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which 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 those 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 applicable 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 that the financial statements comply with the Companies Act 2006 The directors 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

Directors' report

Directors' responsibilities (continued)

In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware,
- and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Companies Act 2006

On behalf of the board



D J Camp
Director

12 July 2011

Independent auditor's report

to the members of Stanhope (Croydon) Limited

We have audited the financial statements of Stanhope (Croydon) Limited for the year ended 31 March 2011 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting 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 so that we might state to the company's members those matters we are required to state to them in an auditor's 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

As explained more fully in the Directors' Responsibilities Statement, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/private.cfm.

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 31 March 2011 and of its results 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 matters 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.

Independent auditor's report to the members of Stanhope (Croydon) 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



Mark Cardiff
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP,
Statutory Auditor, Chartered Accountants
London

Date: 13 July 2011

Profit and loss account

for the year ended 31 March 2011

	Notes	2011 £	2010 £
Turnover	2	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Operating result	3	-	-
Administrative expenses		-	-
Income from investments		9,546	37,712
Provision for investments		(64,787)	(404,481)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(55,241)	(366,769)
Tax on loss on ordinary activities	6	-	-
		<hr/>	<hr/>
Loss for the year		(55,241)	(366,769)
		<hr/>	<hr/>

There are no recognised gains or losses attributable to the shareholders for the year ended 31 March 2011, other than as stated above

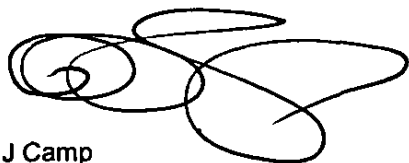
All the company's results are derived from continuing activities

Balance sheet

at 31 March 2011

	Notes	2011 £	2010 £
Fixed assets			
Investments	7	1,145,154	1,209,941
Current assets			
Debtors	8	269,297	259,751
Creditors: amounts falling due within one year	9	-	-
Net current assets		269,297	259,751
Total assets less current liabilities		1,414,451	1,469,692
Creditors: amounts falling due after more than one year	10	(1,818,325)	(1,818,325)
Net (liabilities)/assets		(403,874)	(348,633)
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	(403,875)	(348,634)
Equity shareholders' (deficit)/funds	12	(403,874)	(348,633)

These financial statements were approved by the board of directors on 23 June 2011 and were signed on its behalf by



D J Camp
Director

1 July 2011

Notes to the financial statements

at 31 March 2011

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The particular accounting policies are set out below.

Going concern

The financial statements are prepared on a going concern basis, notwithstanding the company's net liabilities, which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by the company's immediate parent undertaking. Stanhope plc has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements they will continue to make available such funds as are needed by the company, and in particular will not seek repayment of amounts currently made available.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the directors believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Deferred taxation

Deferred tax assets are recognised to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

Statement of cash flows

The directors have taken advantage of the exemption available within FRS 1 (revised) and have not produced a statement of cash flows, on the basis that the consolidated financial statements of its ultimate parent company, in which its cash flows are incorporated, are publicly available.

2. Turnover

There was no turnover during the year.

3. Operating result

Auditors' remuneration was borne by the parent undertaking.

4. Staff costs

No staff are employed by the company. Staff who perform administration work for the company are employed and remunerated by Stanhope plc.

Notes to the financial statements

at 31 March 2011

5. Directors' emoluments

The directors of the company did not receive any emoluments in respect of their services to the company

6 Taxation on loss on ordinary activities

(a) Tax on loss on ordinary activities

	2011 £	2010 £
<i>Current tax</i>		
UK corporation tax at 28% (2010 - 28%) on losses of the year	-	-

(b) Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 28% (2010 – 28%) The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before taxation	(55,241)	(366,769)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 – 28%)	(15,467)	(102,695)
Transfer pricing adjustment	(4,613)	(4,700)
Expenses not deductible for tax	18,140	113,255
Group relief surrendered/(claimed)	4,613	(2,269)
Utilisation of losses	(2,673)	(3,591)
Total current tax (note 6(a))	-	-

Notes to the financial statements

at 31 March 2011

7. Investments

	£
Cost	
At 1 April 2010	1,818,325
Additions during the year	-
At 31 March 2011	<u>1,818,325</u>
Provision against investments	
At 1 April 2010	(608,384)
Provided during the year	(64,787)
At 31 March 2011	<u>(673,171)</u>
Net book value	
At 31 March 2011	<u>1,145,154</u>
At 31 March 2010	<u>1,209,941</u>

The investment represents a 2.61% interest in Croydon Gateway LLP (2010 2.8%) The units had a market value at 31 March 2011 of £1,145,154 (2010 - £1,209,941)

8. Debtors

	2011 £	2010 £
Amounts owed by parent undertaking	<u>269,297</u>	<u>259,751</u>

9. Creditors

	2011 £	2010 £
Corporation tax	<u>-</u>	<u>-</u>

Notes to the financial statements

at 31 March 2011

10. Creditors: amounts falling due after more than one year

	2011 £	2010 £
Amount owed to parent undertaking	1,818,325	1,818,325

11. Share capital

	2011 £	2010 £
<i>Authorised</i>		
Ordinary shares of £1 each	1	1
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1

12. Reconciliation of shareholder's (deficit)/funds and movement on reserves

	Profit and loss account £	Share capital £	Total share- holders' funds/ (deficit) £
At 1 April 2009	18,135	1	18,136
Loss for the year	(366,769)	-	(366,769)
At 1 April 2010	(348,634)	1	(348,633)
Loss for the year	(55,241)	-	(55,241)
At 31 March 2011	(403,875)	1	(403,874)

13. Contingent liabilities

The company has no contingent liabilities as at 31 March 2010 or 31 March 2011

Notes to the financial statements

at 31 March 2011

14. Capital commitments

The company has no capital commitments as at 31 March 2010 or 31 March 2011

15. Related party transactions

The company has taken advantage of the exemption available under FRS 8 not to disclose related party transactions with its parent and fellow subsidiary companies

16. Ultimate parent company

The company's immediate and ultimate parent undertaking and controlling party is Stanhope Group Holdings Limited, a company incorporated in the United Kingdom. Copies of group financial statements, which include the company, can be obtained from Norfolk House, 31 St James's Square, London SW1Y 4JJ