Registered No 5161627

REPORT AND FINANCIAL STATEMENTS

BRIXTON (TRAFFORD POINT, TRAFFORD PARK) LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2009

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COMPANIES HOUSE

Registered No 5161627

DIRECTORS

T C Wheeler	(resigned 2 March 2009)
S J Owen	(resigned 25 August 2009)
P A Dawson	(resigned 25 August 2009)
M J Andrews	(resigned 2 October 2009)
S D Lee	(resigned 25 August 2009)
S Davies	(appointed 22 May 2009, resigned 15 April 2010)
G J Osborn	(appointed 25 August 2009)
R Howell	(resigned 5 October 2009)
S H Armitage	(resigned 22 May 2009)
P A Redding	(appointed 25 August 2009)
T P R Bridson	(resigned 2 October 2009)
D C Bridges	(appointed 15 April 2010)
V K Simms	(appointed 15 April 2010)

SECRETARY

E A Blease	(appointed 25 August 2009)
R Howell	(resigned 25 August 2009)

AUDITORS

Deloitte LLP
Chartered Accountants
London

REGISTERED OFFICE

234 Bath Road
Slough
SL1 4EE

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2009

RESULTS AND DIVIDENDS

In the year ended 31 December 2009 the profit/(loss) after tax of the company was £(173,871) (year ended 31 December 2008 profit/(loss) after tax of £(25,492)) The directors do not recommend a dividend for the year ended 31 December 2009 (year ended 31 December 2008 £nil)

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The principal activities of the Company are property investment and development It is a wholly-owned subsidiary of SEGRO plc, a company registered in England and Wales

On 2 July 2004, Trafford Park Limited Partnership, a wholly owned subsidiary of Brixton plc, transferred its interest in the property at Trafford Point, Altai and land, Twining Road, Trafford Park to the Company The Company is expected to own the property for the foreseeable future

The accounts have been prepared on a going concern basis, as the Directors intend the Company to maintain during the forthcoming year the same level of activity as during 2009 The Company is in a net liabilities position, however, the Company is funded via an inter-company current account provided by the Company's ultimate parent, SEGRO plc, which has confirmed its continuing financial support and therefore the directors consider the Company is in a position to meeting current obligations

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements

See disclosure of principal risks and uncertainties relevant to the Company below

The external environment is expected to remain competitive in 2010

PRINCIPAL RISKS AND UNCERTAINTIES

The Company, as a subsidiary of SEGRO plc, is managed on a unified basis as part of the SEGRO plc group The principal risks faced by the Company reflect those of the SEGRO plc group and the table below outlines the principal risks and uncertainties faced by the SEGRO plc group in delivering its strategic priorities in 2010

Strategic risks

- Changes in the macro-economic environment,
- Accurately evaluate and drive value from opportunities in new and existing territories,
- Recycling assets in a constantly changing economic environment, and
- Ability to innovate and adapt to changing customer demands

Financial risks

- Breaching of covenants leading to cancellation of credit facilities,
- Cost and availability of borrowing, and
- Tax risks and REIT compliance

Real estate and development risks

- Impact of customer default, reduced demand or oversupply,
- Property obsolescence,
- Inability to acquire or dispose of assets at attractive prices,
- Market conditions impacting valuation movements,
- Reduced returns from development projects, and
- Holding excess or insufficient development land to meet demand

DIRECTORS' REPORT (CONTINUED)

Operational risks

- Health and safety incidents,
- Environmental damage or failure to meet sustainability targets,
- Business or IT system disruption,
- Failure to attract, retain and motivate key employees,
- Change or breach of regulatory requirements, and
- Supplier or business partner being unable or unwilling to support the Company

These risks and uncertainties are described in greater detail together with mitigating factors on pages 34 to 37 of the SEGRO plc Annual Report and Accounts

DIRECTORS

The directors holding office during the year ended 31 December 2009 and the present membership of the board is shown on page 1

The Company's Articles of Association do not require the directors to retire by rotation

Liability insurance cover for directors and officers of the Company was maintained during the year

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each director is aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware Each director has taken all the steps that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

AUDITORS

Deloitte LLP have been newly appointed as auditors of the Company following the resignation of Ernst & Young LLP

By order of the board

P A Redding
Director

11 June 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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,
- 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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRIXTON (TRAFFORD POINT, TRAFFORD PARK) LIMITED

We have audited the company's financial statements for the year ended 31 December 2009, which comprise the profit and loss account, statement of total recognised gains and losses, note of historical cost profits and losses, the balance sheet and the related notes 1 to 17 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 sections 495 and 496 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 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

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 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 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

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 December 2009 and of its result 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

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 Beddy

Mark Beddy (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

11 June 2010

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2009

	Notes	2009 £	2008 £
NET RENTAL INCOME/(EXPENSE)	2	**(18,856)**	364,506
Administrative expenses		**(21,700)**	(36,000)
NET OPERATING PROFIT/(LOSS)		**(40,556)**	328,506
EXCEPTIONAL ITEMS			
Profit/(loss) on sale of properties		-	-
PROFIT/(LOSS) BEFORE INTEREST		**(40,556)**	328,506
Net interest payable and similar charges	3	**(133,315)**	(353,998)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**(173,871)**	(25,492)
Taxation	4	-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		**(173,871)**	(25,492)

The results in the profit and loss account relate to continuing operations

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2009

	2009	2008
	£	£
Profit/(loss) for the year	**(173,871)**	(25,492)
Unrealised surplus/(deficit) on valuation of properties	**(1,454,245)**	(2,443,649)
Total recognised gains and losses for the year	**(1,628,116)**	(2,469,141)

NOTE OF HISTORICAL COST PROFITS AND LOSSES

Year ended 31 December 2009

	2009	2008
	£	£
Profit/(loss) on ordinary activities before taxation	**(173,871)**	(25,492)
Realisation of property revaluation surplus/(deficit) of previous years	**-**	-
Historical cost profit/(loss) on ordinary activities before taxation	**(173,871)**	(25,492)
Historical cost profit/(loss) for the year retained after taxation and dividends	**(173,871)**	(25,492)

BALANCE SHEET
at 31 December 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Investment properties	5	**3,218,649**	4,611,012
Investment in subsidiary undertakings	6	-	-
		3,218,649	4,611,012
CURRENT ASSETS			
DEBTORS	7	**75,034**	105,127
CREDITORS amounts falling due within one year	8	**(56,038)**	(82,049)
NET CURRENT ASSETS/(LIABILITIES)		**18,996**	23,078
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,237,645**	4,634,090
CREDITORS: amounts falling due after more than one year			
Amount due to parent undertaking		**(1,656,588)**	(1,424,917)
Amounts due to associated group undertaking		**(682,883)**	(682,883)
Preference share liability	9	**(6,145,950)**	(6,145,950)
Provision for liabilities	10	-	-
NET ASSETS/(LIABILITIES)		**(5,247,776)**	(3,619,660)
CAPITAL AND RESERVES			
Called up equity share capital	11	**1**	1
Revaluation reserve	12	**(4,106,795)**	(2,652,550)
Realised capital reserve		-	-
Retained earnings	13	**(1,140,982)**	(967,111)
EQUITY SHAREHOLDER'S FUNDS/(DEFICIT)		**(5,247,776)**	(3,619,660)

The financial statements of Brixton (Trafford Point, Trafford Park) Limited, registered number 5161627, were approved by the Board of Directors and authorised for issue on 11 June 2010

Signed on behalf of the Board of Directors

P A Redding
Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention modified by the revaluation of properties and in accordance with United Kingdom applicable accounting standards

Going concern

These financial statements have been prepared under the going concern basis as SEGRO Plc, the Company's parent undertaking has agreed to provide continuing support to the Company, at least twelve months after the date of approval by the Directors of the financial statements for the year ended 31 December 2009 subject to the Company remaining 100% owned by SEGRO Plc, to enable the Company to meet its liabilities as they fall due

Investment properties

All investment properties are valued annually The valuations are adopted in the financial statements and the surpluses and deficits are taken to revaluation reserve, except for those deficits expected to be permanent which are included in the profit and loss account All long leasehold properties with terms over 150 years are treated as freehold properties

Finance costs associated with direct expenditure on investment properties under development or undergoing major refurbishment are capitalised from the commencement of the development work until the date when the property is physically complete and becomes available for occupation The capitalisation of finance cost is suspended if there are prolonged periods when development activity is interrupted

Depreciation

In accordance with SSAP19, no depreciation is provided in respect of investment properties This is a departure from the requirements of the Companies Act 2006 which require all fixed assets to be depreciated The Directors consider that this departure is necessary in order for the financial statements to give a true and fair view as the properties are held for investment and not for consumption

Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified

Auditors' remuneration

Auditors' remuneration has been borne by SEGRO Plc The fee attributable to the Company for the year ended 31 December 2009 was £1,000 (2008 £2,000)

Directors' remuneration

Directors' remuneration has been borne by SEGRO Plc

Statement of cash flows

The Company has taken advantage of the exemption given in FRS1 (revised 1996) 'Cash Flow Statements', from preparing a cash flow statement on the basis that it is a wholly owned subsidiary of SEGRO Plc The consolidated financial statements of SEGRO Plc are publicly available

Employees

There were no employees directly employed by the Company

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

1. ACCOUNTING POLICIES continued

Net rental income

Income, which is stated net of value added tax, represents amounts invoiced to third parties for rental income receivable in relation to the leasing of investment properties, net of associated property costs

Rental income is recognised on a straight-line basis over the lease term Lease incentives are recognised over the shorter of the lease term and the date of the next rent review

Related party transactions

The Company has taken advantage of the exemption given in FRS 8, 'Related Party Disclosures', with respect to inter-group disclosures as the group wholly owns the Company and any associated group undertakings

Taxation

Deferred tax

In accordance with FRS 19, deferred tax is provided in respect of all timing differences that have originated, but not reversed at the balance sheet date that may give rise to an obligation to pay more or less tax in the future As all of the Group's investment properties fall under the REIT regime, deferred tax is not provided on timing differences arising from the revaluation of those assets Following the sale of a property any deferred tax provision not required will be released to the profit and loss account Deferred tax is measured on a non-discounted basis

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Current tax

Current tax, including UK Corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

Investments

Investments are stated at cost less provision for impairment

2 NET RENTAL INCOME/(EXPENSE)

	2009	2008
	£	£
Net rental income/(expense)	**(18,856)**	364,506

The source and destination of income is the United Kingdom The Company has one class of business

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

3. NET INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Third party interest receivable	-	-
Third party interest payable	-	-
Interest charged by/(to) parent undertaking	**25,146**	21,797
Interest charged by/(to) associated undertaking	**36,876**	38,924
Preference share dividend payable	**71,293**	293,277
	133,315	353,998

Net interest payable is stated after deducting capitalised interest of £nil (2008 £nil)

4. TAXATION

	2009 £	2008 £
Deferred tax		
Release of deferred tax in respect of conversion to REIT	-	-
Total deferred tax	-	-
UK corporation tax – prior year	-	-
	-	-
Factors affecting the corporation tax charge for the year		
Tax charge/(credit) on profit/(loss) on ordinary activities at UK corporation tax rate of 28% (2008 28%/30%)	**(48,684)**	(7,265)
Effect of		
Impact of REIT tax exemption	**48,684**	7,265
Impact of corporation tax – prior year	-	-
	-	-

The rate of corporation tax changed from 30% to 28% at 1 April 2008

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

4. TAXATION (continued)

The SEGRO plc Group converted to a REIT (Real Estate Investment Trust) on 1 January 2007 Consequently, the Company is not expected to pay corporation tax on rental income and capital gains arising on the disposal of qualifying investment properties in the future As the Company's expected effective future tax is 0% no provision for deferred tax has been made as at 31 December 2009

5. INVESTMENT PROPERTIES

	2009 £	2008 £
Freehold properties		
Opening book value	**4,611,012**	6,979,349
Additions	**61,882**	75,312
Disposals	**-**	-
Revaluation surplus/(deficit)	**(1,454,245)**	(2,443,649)
Book value at 31 December	**3,218,649**	4,611,012

The Company's property was externally valued as at 31 December 2009 by DTZ Debenham Tie Leung in accordance with the Appraisal and Valuation Standards of RICS which became effective on 1 January 2008, on the basis of market value Market value represents the figure that would appear in a hypothetical contract of sale between a willing buyer and a willing seller Market value is estimated without regard to costs of sale

Investment properties have been included at market value after having (added)/deducted an amount of £7,351 (2008 £13,988) in respect of lease incentives included in tenant debtors

The historical cost of investment properties as at 31 December 2009 was £7,325,444 (2008 £7,263,562)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

6. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	2009 £	2008 £
Book value at 1 January	-	-
Disposals	-	-
Book value at 31 December	-	-

7. DEBTORS

	2009 £	2008 £
Amounts falling due within one year		
– tenant debtors	7,370	68,972
– prepayments and accrued income	62,504	36,155
– other debtors	5,160	-
	75,034	105,127
Amounts falling due in more than one year		
– amounts due from parent undertaking	-	-
– amounts due from associated group undertaking	-	-
	75,034	105,127

8 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Trade creditors	-	-
Accruals and deferred income	39,793	79,387
Corporation tax creditor	-	-
Other creditors	16,245	2,662
	56,038	82,049

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

9. PREFERENCE SHARE LIABILITY

Preference shares of £1 each

	2009 £	2008 £
Authorised	**6,999,900**	6,999,900
Allotted, called up and fully paid	**6,145,950**	6,145,950

On 1 January 2007 the company issued 6,145,950 £1 preference shares paying a cumulative preferential dividend calculated at the average 12 month LIBOR rate for the period minus 100 basis points

10. PROVISION FOR LIABILITIES AND CHARGES

	2009 £	2008 £
Deferred tax		
Opening balance	-	-
Charge for the year	-	-
Balance at 31 December	-	-

11. EQUITY SHARE CAPITAL

Ordinary shares of £1 each

	2009 £	2008 £
Allotted, called up and fully paid		
Opening balance	**1**	1
Issued in year	-	-
	1	1

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2009

12. REVALUATION RESERVE

	2009 £	2008 £
Opening balance	**(2,652,550)**	(208,901)
Revaluation surplus/(deficit) in year	**(1,454,245)**	(2,443,649)
Transfer to realised capital reserve	-	-
Balance at 31 December	**(4,106,795)**	(2,652,550)

13. RETAINED EARNINGS

	2009 £	2008 £
Opening balance	**(967,111)**	(941,619)
Retained profit/(loss) for the year	**(173,871)**	(25,492)
Realisation of revaluation reserve	-	-
Equity dividends payable	-	-
At 31 December	**(1,140,982)**	(967,111)

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS/(DEFICIT)

	2009 £	2008 £
Profit/(loss) for the year	**(173,871)**	(25,492)
Dividends paid	-	-
	(173,871)	(25,492)
Other recognised gains and losses for the year	**(1,454,245)**	(2,443,649)
Share capital issued	-	-
Net addition/(reduction) to shareholder's funds	**(1,628,116)**	(2,469,141)
Opening shareholder's funds	**(3,619,660)**	(1,150,519)
Closing shareholder's funds/(deficit)	**(5,247,776)**	(3,619,660)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2009

15. CAPITAL COMMITMENTS

The directors have authorised future capital expenditure which amounts to

	2009	2008
	£	£
Contracted for	-	-
Not contracted for	-	-
	-	-

16. ULTIMATE HOLDING COMPANY

The ultimate holding company is SEGRO plc, a company registered in England and Wales

17. GROUP FINANCIAL STATEMENTS

The parent undertaking of the company for which group financial statements are drawn up and of which the Company is a member is SEGRO Plc Copies of SEGRO Plc's financial statements can be obtained from 234 Bath Road, Slough SL1 4EE