

Eagle Croydon Centre A Ltd

**7 Albemarle Street, London W1S 4HQ
Company Registration Number: 05389804
Share Capital GBP 1**

Financial Statements

for the year from 1 January 2012 to 31 December 2012

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Eagle Croydon Centre A Ltd
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Financial Statements
for the year ended 31 December 2012

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Officers and Professional Advisers
for the year ended 31 December 2012

Directors	T Pohle J Schneider
Company Secretary	Jouke Schneider Stettinstraat 8, NL - 8017 KT Zwolle The Netherlands
Registered Office	7 Albemarle Street London W1S 4HQ
Auditor	Deloitte LLP London
Banker	The Royal Bank of Scotland Plc London Headquarters 250 Bishopsgate 2 1/2 Devonshire Square London EC2M 4AA
Corporate Service Provider	Citco London Limited 7 Albemarle Street London W1S 4HQ

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Directors' Report

The directors have pleasure in presenting their report and the financial statement of Eagle Croydon Centre A Ltd (the "Company") for the year ended 31 December 2012. The comparative is for the year ended 31 December 2011.

Business review

The directors are satisfied with the development of the Company's activities during the year. The Company will be guided by its ultimate parent company (Bouwfonds Real Estate Parking Fund) in seeking further opportunities for growth. The directors do not recommend any dividend for the current year (2011: GBP nil) despite the Company making a profit of GBP 400,388 (2011: GBP 505,736).

The Company was a member of The Royal Bank of Scotland Group Plc until 28 December 2007. On this date ownership of the Company changed hands and Bouwfonds European Real Estate Parking Fund ("Bouwfonds"), a Luxembourg Real Estate Parking Fund, took the controlling power in the business of the Company through creation of a separate holding company (Eagle Croydon Centre A Holding Ltd). Bouwfonds provided the Company with direction and access to all central resources it needed and determined the policies in all key areas such as finance, risk, human resources and environment.

The Company's primary activity is the holding of a car park as investment property which is rented out to a car park operator.

Going concern

The operations of the Company are funded by borrowings from the parent company (both short and long term). At present the Company has net cash inflows which are principally in account of the funding gap between amount of rental income earned from the operating lease of the property and the consideration paid to the Croydon Council for the long lease interest. The lease payment to the council ended during 2011 whereas the operating lease income is to continue up to 2035. The directors, after making such enquiries as necessary from the holding company, are satisfied that the Company would continue to get group funding support in the long run. The directors assess the ultimate holding company to have sufficient financial resources to provide support for the foreseeable future. This would generate positive cash flows and profits for the group. The business has been profitable in the past and in the current year.

Based on the above facts and considering that the financial statements of Bouwfonds Real Estate Parking Fund, the ultimate holding company, are prepared on a going concern basis, we conclude that the going concern assumption is appropriate for the financial statements of the Company.

Directors and their interests

There were no changes to the directorship of the Company in the year ended 31 December 2012.

Investment restrictions

Unless otherwise stated in the relevant appendix of the private placement memorandum, the following investment restrictions apply to Bouwfond European Real Estate Parking Fund:

- The Subsidiary may not invest more than 20 per cent of its NAV in a single property, such restriction being effective at the date of acquisition of the relevant property. Property whose economic viability is linked to another property is not considered a separate item of property for this purpose.
- This 20 per cent rule does not apply during the investment period.
- The aggregate of all borrowings of the Company may not exceed on average 60 per cent of the open market value ("OMV") over a fiscal year as determined by the independent appraiser in accordance with the independent valuation methodology.

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Directors' Report (continued)

Key Performance Indicators

The directors review performance by reference to a number of key performance indicators which include the following

- *Underlying revenues*

Monitoring of revenues provides a measure of business growth

- *Cash flow*

In the current market situation, the directors monitor cash flow to ensure that profitability is converted into cash generation, both for future investment, soundness of the Company and as a reward for shareholders. The directors measure cash flow as the movement in net funds/debt during the year.

The Company's cash inflow was at an acceptable level during the period with GBP 1,168,495 as the closing balance at the Balance Sheet date in comparison with GBP 350,632 at the beginning of the year.

- *Total expenses ratio*

The expenses of the Company are reviewed by the directors at every Board meeting. It is the aim of the directors to minimise the total expenses ratio, which provides a guide to the effect on performance of the costs of the Company.

Credit policy

The Company's policy is to settle terms of payments with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of terms of payments and abide by the terms of payments. In the year ended 31 December 2012, the Company adhered to the following payment policy in respect of all suppliers:

The Company is committed to maintain a sound commercial relationship with its suppliers. Consequently, the Company's policy is to negotiate and agree terms and conditions with its suppliers, which includes the giving of an undertaking to pay suppliers within 30 days of receipt of a correctly prepared invoice submitted in accordance with the terms of the contract or such other payment period as may be agreed. The average terms of payments are 30 days.

Financial risks, management policies and objectives

The Company's activities expose it to a variety of financial risks: market risk, interest rate risk, liquidity risk and credit risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The exposure to the Company's liquidity risk is explained in note 4 of the notes to the financial statements.

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Directors' Report (continued)

Financial instruments (continued)

Interest Rate Risk

The Company is exposed to interest rate risk from its borrowings as the interest rate is linked to LIBOR. But the majority of its borrowing is from its parent company or other companies in the group, the group as a whole is not at any interest rate risk due to any adverse change in LIBOR rate in near future. Note 4 to the financial statements discusses interest rate risk in detail.

Liquidity Risk

On December 31, 2013, the loan facilities of Bouwfonds REIM (Croydon properties, £ 22.6 million) will reach its end dates. This event will require repayment of this loan. A refinancing has to be put in place before the end date. This situation leads to a material uncertainty regarding the possibility of the Company to act as a going concern. The management of the Company is fully aware of this situation and since the start of 2012 the management is working on a solution. The management is engaged in talks with several financial parties with the aim to put new loan facilities in place to refinance the involved parking garage. In determining the appropriate basis of preparation of the financial statements, the management is required to consider whether the Company can continue in operational existence for the foreseeable future. Over the course of 2012 the valuation of the investment property further decreased, the economic situation more or less stabilised and above all the availability of financing facilities stays in a strongly tightened state, the Company's management has made progress in its refinancing plans and is working on getting a long term refinancing in place.

The Company remains profitable over 2012 and the NAV at the end of 2012 amounts to £ 4.3 million.

The management has upon the refinancing activities that currently are being undertaken and considering the risks and uncertainties described above, concluded that there is a reasonable expectation that the Company can continue its operations in the foreseeable future and, accordingly, has formed a judgment that it is appropriate to prepare the financial statements as at December 31, 2012 on a going concern basis.

Liquidity management within the Company focuses on both overall Balance Sheet structure and control, within prudent limits, of risk arising from the mismatch of maturities across the Balance Sheet and from undrawn commitments and other contingent obligations. The exposure to Company's liquidity risk is explained in note 4 to the financial statements.

Credit Risk

Credit risk is the risk that companies, financial institutions, individuals and other counterparties will be unable to meet their obligations to the Company. Credit risk arises principally from the prepayments and advance payments from the holding entity not recovered in cash or in kind. The exposure to Company's credit risk is explained in note 4 to the financial statements.

Subsequent events

There were no events since the year end which require either adjustment of or disclosure in the financial statements.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor.

Approved by the Board of Directors and signed on behalf of the Board

Luxembourg, February 28, 2013


Thomas Pohle and Joke Schneider

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Directors' responsibilities statement

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 are required to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation and have also chosen to prepare the parent company financial statements under IFRSs as adopted by the European Union. Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit and loss account of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance, and
- make an assessment of the company's ability to continue as a going concern

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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board

Luxembourg, February 28, 2013


Thomas Pohle and Juke Schneider

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAGLE CROYDON CENTRE A LTD

We have audited the financial statements of Eagle Croydon Centre A Ltd for the year ended 31 December 2012 which comprise the Profit and Loss account, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditor

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 Ethical Standards for Auditor.

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 annual 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 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAGLE CROYDON CENTRE A LTD
(CONTINUED)**

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 by the company, 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

Michael Lloyd

Michael Lloyd (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
Date *22 March 2017*

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Profit and loss account for the year ended 31 December 2012

	Notes	<u>01/01/2012 -</u> <u>31/12/2012</u> GBP	<u>01/01/2011 -</u> <u>31/12/2011</u> GBP
Continuing operations			
Rental income	5	1,045,643	1,136,428
Other income	6	422,293	-
Property management fees	7	(39,925)	(43,106)
Administrative expenses	8	(48,708)	(27,154)
Operating profit		<u>1,379,303</u>	<u>1,066,168</u>
Net valuation loss on investment property	12	(759,000)	(79,000)
Net loss on financial instrument	14	(2,855)	(61,102)
Net profit of the lease payment present value		18,579	21,568
Profit before net financing costs and tax		<u>636,027</u>	<u>947,634</u>
Finance income	9	564	720
Finance expense	10	(365,839)	(405,657)
Profit before tax		<u>270,752</u>	<u>542,697</u>
Tax credit / (charge) for the year	11	129,636	(36,961)
Profit for the year		<u>400,388</u>	<u>505,736</u>
Total Other Comprehensive Income for the year, net of income tax		-	-
Total Comprehensive Income for the year		<u><u>400,388</u></u>	<u><u>505,736</u></u>

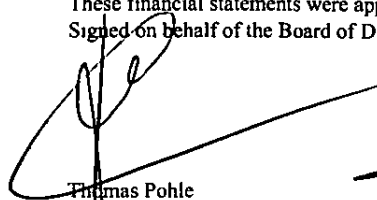
The results above are wholly from continuing activities


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Balance Sheet as at 31 December 2012

	Notes	<u>12/31/2012</u> GBP	<u>12/31/2011</u> GBP
ASSETS			
Non-current assets			
Investment property	12	15,392,000	16,151,000
Deferred tax asset	13	665,245	535,609
Interest rate cap	14	-	2,855
Total non-current assets		<u>16,057,245</u>	<u>16,689,464</u>
Current assets			
Due from related parties	20	203,460	105,442
Other current assets	15	838	360,843
Cash and cash equivalents		1,168,495	350,632
Total current assets		<u>1,372,793</u>	<u>816,917</u>
TOTAL ASSETS		<u>17,430,038</u>	<u>17,506,381</u>
REPRESENTED BY:			
Share capital	16	1	1
Capital reserve		3,017,463	3,017,463
Retained earnings		1,295,758	895,370
TOTAL EQUITY		<u>4,313,222</u>	<u>3,912,834</u>
LIABILITIES			
Non-current liabilities			
Due to related parties	17	6,551,591	11,397,492
Total non-current liabilities		<u>6,551,591</u>	<u>11,397,492</u>
Current liabilities			
Due to related parties	17	6,379,139	352,640
Interest bearing unsecured loans	18	-	1,460,829
Accounts payable	19	58,619	7,865
Income and other tax payable		40,232	58,600
Accrued expense and other current liabilities		22,257	28,743
Deferred Income		64,978	287,378
Total current liabilities		<u>6,565,225</u>	<u>2,196,055</u>
TOTAL LIABILITIES		<u>13,116,816</u>	<u>13,593,547</u>
TOTAL EQUITY AND LIABILITIES		<u>17,430,038</u>	<u>17,506,381</u>

These financial statements were approved by the Board of Directors and authorised for issue on February 28, 2013
Signed on behalf of the Board of Directors


Thomas Pohle
(Director)


Jouke Schneider
(Director)



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Statement of Changes in Equity for the year ended 31 December 2012

	Share Capital GBP	Capital Reserve GBP	Retained Earnings GBP	Total GBP
Balance as at 31 December 2010	1	3,017,463	389,634	3,407,098
Profit for the year ended 31 December 2011	-	-	505,736	505,736
Balance as at 31 December 2011	1	3,017,463	895,370	3,912,834
Profit for the year ended 31 December 2012	-	-	400,388	400,388
Balance as at 31 December 2012	1	3,017,463	1,295,758	4,313,222

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Statement of Cash Flows for the year ended 31 December 2012

	Notes	<u>01/01/2012 -</u> <u>31/12/2012</u> GBP	<u>01/01/2011 -</u> <u>31/12/2011</u> GBP
Profit before tax		270,752	542,697
<i>Adjustments for non cash items</i>			
Net Unrealised loss on the investment in real estate	12	759,000	79,000
Net Unrealised loss on interest rate cap	14	2,855	61,102
Interest expense	10	365,839	405,021
Reversal of leasing present value movement		18,579	22,287
<i>(Increase)/decrease in operating assets</i>			
Increase in amounts due from related parties (excluding interest)	20	(98,018)	(87,013)
Decrease /(increase) in other assets	15	360,005	(34,836)
Decrease in amounts due to related parties (excluding interest)	17	(318,001)	(129)
Increase in accounts payable	19	50,754	1,463
(Decrease) / increase in accrued expenses and other current liabilities		(6,486)	18,146
(Decrease) / increase in deferred income		(222,400)	13,085
Payment of interest		(365,839)	(358,930)
Payment / (recovery) of VAT		<u>(18,368)</u>	<u>10,599</u>
Adjustment for non-cash items and changes in operating assets		527,919	129,795
Net Cash provided by Operating Activities		798,671	672,492
Cash flow from financing activities			
Proceeds from related party loans	17	(245,901)	-
Drawdown related party loans	17	1,744,500	105,000
Repayments of obligations under finance leases	18	<u>(1,479,408)</u>	<u>(1,780,488)</u>
Net Cash provided / (used) by financing activities		19,191	(1,675,488)
Net increase / (decrease) in cash and cash equivalents		817,863	(1,002,996)
Cash and cash equivalents at the beginning of the year		<u>350,632</u>	<u>1,353,628</u>
Cash and cash equivalents at the end of the year		<u>1,168,495</u>	<u>350,632</u>

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Notes to the financial statements for the year ended 31 December 2012

1. GENERAL

Eagle Croydon Centre A Ltd ("the Company") is a company incorporated in Great Britain under the Companies Act 2006. The address of the registered office is on page 2. The nature of the Company's operations and its principal activities are set out in the Directors' Report.

The financial statements have been prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). The Company's objective is to seek income and long term capital appreciation through investments in Real Estate in accordance with the Investment and Operating criteria of Bouwfonds European Real Estate Parking Fund.

The Company has agreed financial support from its Ultimate Parent Company (Bouwfonds European Real Estate Parking Fund). The directors assess the Ultimate Holding Company to have sufficient financial resources to provide support to the maximum extent that the directors foresee that it may be needed.

The financial statements contain information about Eagle Croydon Centre A Ltd as an individual company. On 28 December 2007, the Company was acquired by its intermediate holding company, Eagle Croydon Centre A Holding Ltd. This entity was created by the ultimate holding company, Bouwfonds European Real Estate Parking Fund Holding II S à r l.

Bouwfonds European Real Estate Parking Fund with the registered address at 20, rue de la Poste, L-2346 Luxembourg and registered at the Luxembourg Commercial Register under the number R.C.S. Luxembourg B 109680 draws up the consolidated accounts of the smallest body of undertakings of which the Company forms a subsidiary undertaking. Copies of the consolidated accounts may be obtained at the registered address.

The accounting year begins on 1 January and ends on 31 December of each year.

2 BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) and were authorised by the Board of Directors on February 28, 2013.

Basis of measurement

The financial statements have been prepared on an historical cost basis, except for:

- Investment properties and derivative financial instruments which are measured at fair value
- Leased assets transferred to the lessee which are valued at the present value of the lease payment

Fair value

Effective 1 January 2009, the Company adopted the amendment to IFRS 7 for financial instruments that are measured in the Balance Sheet at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The carrying value less impairment provision of trade receivables and payables are approximate to their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

Currency

The functional and reporting currency of the Company is Pound (GBP).

Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's policies. Changes in assumptions may have a significant impact on the financial statement in the period the assumption changed. The Board of Directors believes that the underlying assumptions are appropriate. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statement are disclosed in note 2.1.

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Notes to the financial statements for the year ended 31 December 2012

2.1. Significant accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the 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 or future periods if the revision affects both current and future periods.

The following key sources of estimated uncertainty are the key assumptions concerning the future, and other key sources of estimated uncertainty at the Balance Sheet date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Investment in property

The property fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction without deduction for any associated transfer taxes, sales taxes, or other costs normally borne by the purchaser. Transaction costs normally borne by the seller are not deducted in arriving at the gross property value, in accordance with IAS 40. The fair value is not intended to represent the liquidation value of the property, which could be dependent upon the price negotiated at the time of sale less any associated selling costs. The fair value is largely based on estimates using property appraisal techniques and other valuation methods as outlined below. Such estimates are inherently subjective and actual values can only be determined in a sale transaction.

The appraiser derives the fair value by applying the procedural rules and valuation guidelines as set out by the Royal Institution of Chartered Surveyors in the United Kingdom in accordance with IAS 40. Property assets are being revalued once a year by the independent appraiser. At each Balance Sheet date, the Management Company (Bouwfonds International Real Estate Services Luxembourg S à r l) reviews the latest independent valuation to ensure consistency in approach with the market. Current volatility in the global financial system has created a significant degree of turbulence in commercial real estate markets across the world. Furthermore, the lack of liquidity in the capital markets means that it may be more difficult to achieve a sale of a property asset in the short term. This inevitably results in greater uncertainty of the property value as at 31 December 2012.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation. Valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation and the market's general perception of their creditworthiness, the allocation of maintenance and insurance responsibilities between the Company and the lessee and the remaining economic life of the property. When rent reviews or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices, and when appropriate counter-notices, have been served validly and within the appropriate time.

Income and deferred taxes

Significant judgement is required in determining the total provision for income and deferred taxes. These are calculations for which the ultimate tax determination and timing of payment is uncertain during the ordinary course of the business. The Company recognises liabilities for anticipated tax issues based on estimates of where additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income and the deferred taxes provisions in the period in which the determination is made.

Derivative financial instruments

An interest rate cap can be viewed as a series of cash flows occurring at known future dates. The value of the cap is the present value of these cash flows. To calculate the present value of each cash flow, both the future cash flows and an appropriate discount factor for each period on which a cash flow occurs are estimated. Future cash flows are calculated from a forward interest rate curve constructed using market prices for similar interest rate instruments independently sourced from mid-market broker quotes for the relevant market. The discount factor is the factor by which the future cash flow must be adjusted to obtain the present value. Discount factors are derived from an assessment of interest rates in the future and are calculated using forward rates such as LIBOR. Interest rates used for calculating discount factors are independently sourced from mid-market broker quotes for the relevant market at the valuation date.

Fair value financial liabilities

The fair value of due to related parties approximates the carrying value disclosed in the Balance Sheet due to the variable interest terms attached to these borrowings, except for unsecured loans which bear a fixed interest rate.

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Notes to the financial statements for the year ended 31 December 2012

2.2 Application of new and revised International Financial Reporting Standards (IFRSs)

The following new and revised IFRSs have been applied in the current year and have had no material effect on the financial statements

Amendments to IFRS 7 Disclosures – Transfers of Financial Assets

The amendments to IFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period. These amendments to IFRS 7 did not have a significant effect on the Company's disclosures regarding transfers of trade receivables previously affected. However, if the Company enters into other types of transfers of financial assets in the future, disclosures regarding those transfers may be affected.

The application of the amendments has had no effect on the amounts reported in the current and prior years.

Amendments to IAS 12 Deferred Tax – Recovery of Underlying Assets

The amendments to IAS 12 provide an exception to the general principles in IAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with IAS 40 Investment Property are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The amendments to IAS 12 are effective for annual periods beginning on or after 1 January 2012. The application of the amendments to IAS 12 did not result in adjustments to the amounts of deferred tax liabilities recognised in prior years regarding the Company's investment properties of which the carrying amounts are presumed to be recovered through sale.

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2.3 New and revised International Financial Reporting Standards not yet applied (IFRSs)

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective

IFRS 1	Exemption from the requirement to restate comparative information for IFRS 9 - Government loans ¹
Amendments to IFRS 1	Severe Hyperinflation ¹
Amendments to IFRS 7	Disclosures – offsetting Financial Assets and Financial Liabilities ¹
Amendments to IFRS 7 and 9	Mandatory effective date of IFRS 9 and Transition Disclosures ³
Amendments to IFRS 10, 11 and 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of interest in other Entities transition guidance ¹
IFRS 10	Consolidated Financial Statements ¹
IFRS 11	Joint Arrangements ¹
IFRS 12	Disclosure of Interests in Other Entities ¹
IFRS 13	Fair Value Measurement ²
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income ³
IAS 19 (as revised in 2011)	Employee Benefits ¹
IAS 27 (as revised in 2011)	Separate Financial Statements ¹
IAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ¹
IAS 32	Offsetting Financial Assets and Financial Liabilities ⁴

The Company has not applied the following improvements to IFRSs 2009-2011 cycle (May 2012) that have been issued but are not yet effective

IFRS 1	Repeated application of IFRS 1 and borrowing costs ¹
IAS 1	Clarification of the requirements for comparative information ¹
IAS 16	Classification of servicing equipment ¹
IAS 32	Tax effect of distribution to holders of equity instruments ¹
IAS 32	Interim financial reporting and segment information for total assets and liabilities ¹

The Company has not applied the following new interpretation that has been issued but are not yet effective

IFRIC 20	Stripping Costs in the Production Phase of Surface Mine ¹
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¹ Effective for annual periods beginning on or after 1 January 2013

² Effective for annual periods beginning on or after 1 July 2012

³ Effective for annual periods beginning on or after 1 January 2015

⁴ Effective for annual periods beginning on or after 1 January 2014

3 ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all the periods presented in these financial statements

Related parties

Related parties are defined as key management personnel and parties either directly or indirectly controlled, managed or owned by Bouwfonds European Real Estate Investment Management B.V. (Bouwfonds REIM), a member of Rabo Real Estate Group and registered in the Netherlands, which indirectly, through one or more wholly-owned subsidiaries, owns the Management Company (Bouwfonds International Real Estate Fund Services Luxembourg S à r l)

Investment Property

Investment property mainly comprises investment in land and car parking which are not occupied substantially for use by the Company or his related parties but held primarily to earn rental income and capital appreciation by leasing to third parties under long-term operating leases

In case of asset transaction, investment property is initially recorded at cost including acquisition costs such as transfer taxes, initial lease commission and legal fees. Expenditure on renovation and development of investment property is also initially capitalised at cost

Investment property is measured at fair value as determined by an independent third party appraiser as defined in RICS Appraisal and Valuation Standards, including consideration of capital expenditure and trading performance. The gain or loss arising from a change in fair value of the investment property is included in the Profit and Loss account in the period in which it arises. CB Richard Ellis ("CBRE") has been appointed as the appraiser for the Company

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3. ACCOUNTING POLICIES (Continued)

Realised gains and losses on the disposal of investment properties are determined as the difference between the disposal proceeds and the carrying value and are included in the Profit and Loss account in the period in which they arise

Leased assets

In accordance with IAS 17 *Leases*, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all risks and rewards related to the ownership of the leased asset. The related asset is then recognised at the inception of the lease at fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable up-front at the date of inception of the lease. Lease of land and building are classified separately and are split into a land and a building element, in accordance with the relative fair values of leasehold interests at the date of the asset is recognised initially.

Such leased assets are measured at fair value according IAS 40 (refer to investment property policy). The corresponding finance leasing liability is reduced by lease payments less finance interest charges, which are expensed as part of finance costs.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss account over the period of the lease.

All other leases are treated as operating leases. Payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

Impairment of financial assets

The Company assesses at each Balance Sheet date whether there is any objective evidence that a financial asset is impaired. A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that loss event has an impact on the estimated cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or financial reorganisation and where observable data indicate that there is measurable decrease in the estimated cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through the Profit and Loss account, loans and receivables, held-to-maturity investments or available-for-sale financial assets as appropriate. The Company determines the classification of its financial assets at initial recognition.

The Company's financial assets include cash and short-term deposits, trade and other receivables and derivative financial instruments.

Derivative financial instruments

The Company uses derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. Derivatives are initially recognised at fair value with related transactions costs recognised in the Profit and Loss account when incurred. Subsequent to initial recognition, derivatives financial instruments are measured and stated at fair value on the date on which the derivative contract is entered into and are subsequently revised to reflect their fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains and losses arising from changes in fair value derivatives are taken directly to the Profit and Loss account.

Financial liabilities

Financial liabilities are initially recognised at fair value and if not designated at fair value through the Profit and Loss account then as at fair value minus any transaction costs. Subsequent measurement is either at amortised cost or if designated at fair value then through the Profit and Loss account at fair value.

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Notes to the financial statements for the year ended 31 December 2012

3. ACCOUNTING POLICIES (Continued)

Financial liabilities (continued)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability, with the difference of the respective carrying amount is recognised in the Profit and Loss account.

Due from related parties

Amounts from related parties are stated at amortised cost.

Other current assets and liabilities

The fair value of other current assets and liabilities due within one year approximate the carrying value disclosed in the Balance Sheet, due to the short timeframe in which these transactions are settled.

Cash and cash equivalents

Cash includes cash in hand and cash with banks. Cash equivalents are short-term, highly liquid investments that are convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

Due to related parties

The Company measures all its due to related parties at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised under the Profit and Loss account when the liabilities are derecognised as well as through the amortisation process.

Provision and expense accruals

A provision is recognised when, and only when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle this obligation.

Deferred income

Deferred income represents rental income which has been billed to customers at the Balance Sheet date, but which relates to future periods and will be fully recognised in rental income over the next 12 months.

Revenue recognition - rental income

The Company leases its car park to customers under lease agreements that are classified as operating leases.

Rental income represents rent charged to customers and is recognised on a straight-line basis taking account of any free periods and other lease incentives, net of any sales taxes, over the period to the first lease break option ("rent levelling").

Expense recognition

Expenses are accounted for on an accrual basis. Expenses are charged to the profit or loss, except for those which are incurred in the acquisition of an investment or a property which are capitalised as part of the cost of an asset. Expenses arising on the disposal of investments are deducted from the disposal proceeds.

Finance income

This includes interest income received during the year on an effective interest rate basis.

Finance expenses

Finance expenses includes:

- Interest expenses related to related parties loans which are recognised on an effective interest rate basis,
- Interest expenses related to unsecured loans recognised on an effective interest rate basis.

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3. ACCOUNTING POLICIES (Continued)

Taxation

Tax represents the sum of current and deferred taxation. Current and deferred taxation is recognised in the Profit and Loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in

Current tax is computed by applying the tax rates enacted during the year to the taxable income for the year, determined in accordance with applicable tax laws.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements using the Balance Sheet liability method except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised on deductible temporary differences only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses, can be utilised. Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or the liability is settled based on tax rates and laws enacted or substantively enacted at the date of the Balance Sheet.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relate to the same taxation authority.

Foreign currency translation

The financial statements are presented in Sterling which is the functional currency of the Company.

Transactions in currencies other than the functional currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in such currencies are translated at the rate of exchange ruling at the Balance Sheet date. All differences are recognised in the Profit and Loss account under "Finance".

The cumulative effect of exchange differences on cash transactions are classified as realised gains and losses in the Profit and Loss account in the period of which they are settled. Exchange differences on transactions not yet settled in cash are classified as unrealised gains and losses under "Finance expense".

Non-monetary items denominated in foreign currencies that are stated at fair value are translated into Sterling at foreign exchange rates ruling at the dates the values were determined and exchange differences on such items are recognised in the Profit and Loss account.

Subsequent events

Post-period-end events that provide additional information at the Balance Sheet date are reflected in the financial statements. Post-period-end events that are not adjusting events are disclosed in the notes to the financial statements when significant.

Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A provision is recognised for the part of the obligation for which an outflow of resources embodying economic benefits is probable.

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Notes to the financial statements for the year ended 31 December 2012

4 FINANCIAL RISK MANAGEMENT

Capital management

The Company has financial risk exposures. This section summarises these risks and the way the Company manages these. The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders, and
- To provide adequate return to shareholders by monitoring the risk level of its activities

The adjusted net equity that is managed as at 31 December 2012 and as at 31 December 2011 were as follows:

	GBP 12/31/2012	GBP 12/31/2011
Total assets	17,430,038	17,506,381
Less:		
total liabilities	(13,116,816)	(13,593,547)
fair value adjustments from which distributions are not permitted	(227,581)	(986,581)
interest rate cap	-	(2,855)
Adjusted net equity	<u>4,085,641</u>	<u>2,923,398</u>

Risk relating to investment in property

Investment in property is subject to varying degrees of risk. The main factors which affect the value of an investment in property include but are not limited to:

- Changes in general economic climate,
- Local conditions, such as an oversupply of distribution space or a reduction in demand for distribution space in an area,
- The relative attractiveness of Bouwfonds REIM to potential customers,
- UK Government regulations, including zoning, usage, environmental and tax laws, and,
- Real estate investments are not as liquid as other types of assets, which may affect the Company's ability to react promptly to certain changes, and
- Greater uncertainty of market values given recent market stagnation and volatility of property price

Risk relating to the business

- The Company faces competition in each of its markets due to significant resources available to competitors which can cause a reduction in rental income and negatively impact the Company's results of operations and the net asset value of ordinary units,
- Company investment is concentrated in the car park sector and therefore its business would be adversely affected by an economic downturn in that sector, and
- Company operating results are dependent on the continued generation of lease revenues from customers and may adversely affect the Company in the event of an economic downturn in these customers' businesses, or by these customers failing to make rental payments, or by inability to renew leases or re-lease space on favourable terms as leases expire, or by a significant increase of maintenance and redevelopment costs

The management of the Company monitors these external factors, but due to the long term rental agreements and the intention to hold the investment property long-term to maximise cash flows, risk due to the short-term factors above is limited.

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Notes to the financial statements for the year ended 31 December 2012

4 FINANCIAL RISK MANAGEMENT (Continued)

Credit risk

Credit risk is the risk that companies, financial institutions, individuals and other counterparties will be unable to meet their obligations to the Company. Credit risks are managed by the application of credit approvals, limits and monitoring procedures.

The extent of credit exposure is represented by the aggregate balance of amounts receivables. Accounts receivable are stated net of any provisions and without any set-off of deposits or guarantees. Credit risk arises principally from prepayments and advance payments not recovered in cash or in kind.

The following table analyses the credit exposure of the Company by type of asset

	Not rated 2012	Not rated 2011
Related party transactions (Note 20)	203,460	105,442
Other current assets	838	360,843
Interest rate cap	-	2,855
	<u>204,298</u>	<u>469,140</u>

There are no financial assets which are past due or impaired at the date of the Balance Sheet. The carrying amount of the financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

Interest rate risk

The Company's exposure to interest risk is linked to the short-term and long-term debt due to related parties at floating interest. Borrowings at variable rates expose the Company to cash flow interest rate risk. The Company manages the interest charge by using a combination of floating rates plus a variable margin and interest rate caps. Financial assets / liabilities exposed to interest rate risk are as follows:

Exposed to cash flow interest rate risk	Increase/ Decrease in basis point	Effect on profit before tax
		GBP
2012	+25	(28,494)
	-25	28,494
2011	+25	(28,494)
	-25	28,494

The sensitivity analysis above has been determined based on the Company's assets and liabilities presented in the Balance Sheet as at the Balance Sheet date and by reference to a movement in market interest rates reasonably possible in the Company's next financial reporting period.

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4. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

Liquidity risk is the potential that obligations cannot be met as they fall due as a consequence of having a timing mismatch. Liquidity risk is mitigated by the routine monitoring of key management information.

The table below details the expected maturity of the Company's material liabilities as at the date of the Balance Sheet. The table has been drawn up based on undiscounted net cash outflows.

	Less than 3 months GBP	3 months - 1 year GBP	1 - 5 years GBP	Over 5 years GBP	Total GBP
Year ended 31 December 2012					
Due to related parties outstanding (Note 17)	1,594,785	11,128,854	-	6,551,591	19,275,230
Interest bearing unsecured loans	-	-	-	-	-
Year ended 31 December 2011					
Due to related parties outstanding (Note 17)	88,160	264,480	4,600,000	6,797,492	11,750,132
Interest bearing unsecured loans	365,208	1,095,621	-	-	1,460,829

5 REVENUE

	12/31/2012 GBP	12/31/2011 GBP
Rental income (All in United Kingdom)	1,045,643	1,136,428

The property rental income is earned by the Company from its investment property, all of which is leased out to NCP.

6 OTHER INCOME

	12/31/2012 GBP	12/31/2011 GBP
Indemnity received from tenant NCP	422,293	-

7 PROPERTY MANAGEMENT FEES

	12/31/2012 GBP	12/31/2011 GBP
Bouwfonds European Real Estate Parking Fund S à r l	39,925	43,106

The management company of Eagle Croydon Centre A Ltd is Bouwfonds International Real Estate Fund Services Luxembourg S à r l for which it receives management fees.

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8. ADMINISTRATIVE EXPENSES

	12/31/2012	12/31/2011
	GBP	GBP
Professional fees	34,286	19,496
Auditor remuneration	12,421	5,121
Tax late payment expense	-	1,500
Exchange rate loss	2,001	1,025
Bank charges	-	12
	<u>48,708</u>	<u>27,154</u>

9. FINANCE INCOME

	12/31/2012	12/31/2011
	GBP	GBP
Other interest	564	720
	<u>564</u>	<u>720</u>

10 FINANCE EXPENSE

	12/31/2012	12/31/2011
	GBP	GBP
Interest payable on unsecured loan (Finance lease charge)	30,545	126,856
Interest payable on due to related parties loan	140,532	136,857
Interest payable on due to related parties bridge loan	194,762	141,308
Other interest	-	636
	<u>365,839</u>	<u>405,657</u>

11 INCOME TAX EXPENSE / (INCOME)

	12/31/2012	12/31/2011
	GBP	GBP
Current taxation		
- Current year	-	-
	<u>-</u>	<u>-</u>
Deferred taxation		
- Current year	129,636	(36,961)
	<u>129,636</u>	<u>(36,961)</u>
	<u>129,636</u>	<u>(36,961)</u>

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Notes to the financial statements for the year ended 31 December 2012

11. INCOME TAX EXPENSE / (INCOME) (Continued)

Tax reconciliation

The actual tax credit differs from the expected tax charge computed by applying the standard UK corporation tax rate of 24.5% (2011 26.5%) as follows

	12/31/2012 GBP	12/31/2011 GBP
Profit before taxation	270,752	542,697
Expected tax charge @ 24.5% (2011 26.5%)	70,396	141,101
Permanent differences and losses brought forward on which tax has not been recognised	(70,396)	(141,101)
Temporary difference on which tax has been recognised	129,636	(36,961)
	<u>129,636</u>	<u>(36,961)</u>

12 INVESTMENT PROPERTY

	12/31/2012 GBP	12/31/2011 GBP
Historic cost		
Cost at the beginning of the year	15,164,419	15,164,419
Cost at the end of the year	<u>15,164,419</u>	<u>15,164,419</u>
Net unrealised gain at the beginning of the year	986,581	1,065,581
Net valuation loss on investment in real estate during the year	(759,000)	(79,000)
Net unrealised gain at the end of the year	<u>227,581</u>	<u>986,581</u>
Fair value at the end of the year	<u>15,392,000</u>	<u>16,151,000</u>

13 DEFERRED TAX

Deferred taxation has been raised as follows

	Derivative financial instruments	Fair value of investment property	Unused tax losses	Total
As at 31 December 2011	742	534,867	-	535,609
Credit for the year	(742)	130,378	-	129,636
As at 31 December 2012	<u>-</u>	<u>665,245</u>	<u>-</u>	<u>665,245</u>

The following is the analysis of the deferred tax balances for financial reporting purposes

	12/31/2012 GBP	12/31/2011 GBP
Deferred tax assets	665,245	535,609
Net deferred tax assets	<u>665,245</u>	<u>535,609</u>

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14. FINANCIAL INSTRUMENT

Interest rate cap

On 30 June 2009, the Company entered into an interest rate cap agreement with RBS at a premium of GBP 224,900. The financial derivative with a maturity date of 31 December 2013 has a strike rate of 3.25% and a floating rate linked to 3-month LIBOR and was valued at GBP 0.40 at 31 December 2012 (2011: GBP 2,855).

The Company has not received any interest during the financial year 2012.

	Notional amount GBP	Strike	Termination date	Fair value 2012 GBP	Fair value 2011 GBP
Interest rate cap	8,650,000	3.25%	31/12/2013	-	2,855

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
Interest rate cap	-	-	-	-

15. OTHER CURRENT ASSETS

	12/31/2012 GBP	12/31/2011 GBP
Rent receivable	837	350,247
Service charge receivable	-	6,900
VAT receivable	-	3,245
Prepaid expenses	-	450
Unpaid share capital debtor	1	1
	838	360,843

The fair value of all receivables approximate to their carrying amount in the Balance Sheet.

16. SHARE CAPITAL

	12/31/2012	12/31/2011
Authorised	1,000	1,000
1,000 ordinary shares of GBP 1 each	1,000	1,000
Issued and unpaid		
1 ordinary share of GBP 1		
At the beginning of the year	1	1
Issued in the year	-	-
At the end of the year	1	1

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17 DUE TO RELATED PARTIES

	12/31/2012	12/31/2011
	GBP	GBP
Short-term interest on loan - Eagle Croydon Centre A Holding Ltd	29,592	351,582
Short-term loan - Bouwfonds Real Estate Investment Management B V	6,344,500	-
Short-term payable - Eagle Croydon Centre A Holding Ltd	5,047	1,058
	<u>6,379,139</u>	<u>352,640</u>
Long-term loan - Eagle Croydon Centre A Holding Ltd	6,551,591	6,797,492
Short-term loan - Bouwfonds Real Estate Investment Management B V	-	4,600,000
	<u>6,551,591</u>	<u>11,397,492</u>

The Company has a long-term loan from its parent company, Eagle Croydon Centre A Holding Ltd, with a maturity date of 24 January 2020 at an interest rate of 3 months LIBOR plus 120 basis points

On 4 January 2009 the Company entered into a facility loan agreement with Bouwfonds Real Estate Investment Management B V for a maximum draw-down of GBP 23m at an interest rate of 3-month LIBOR + 220 basis points with a maturity date of 31 December 2013

18. UNSECURED LOANS (Obligations under finance lease)

	Minimum lease payments		Present value of minimum lease payments	
	12/31/2012	12/31/2011	12/31/2012	12/31/2011
	GBP	GBP	GBP	GBP
Amount payable under finance lease				
- Within one year	-	1,472,794	-	1,460,829
- In the second to fifth years inclusive	-	-	-	-
	<u>-</u>	<u>1,472,794</u>	<u>-</u>	<u>1,460,829</u>
Less future finance charges	-	(30,545)	-	-
Present values of lease obligations	<u>-</u>	<u>1,442,249</u>	<u>-</u>	<u>1,460,829</u>
Less amounts due for settlement within 12 months (shown under current liabilities)			-	(1,460,829)
			<u>-</u>	<u>-</u>

The lease was fully paid up as at 31 December 2012 with no remaining interest liabilities

The fair value of the lease obligation approximate their carrying amount

19 ACCOUNTS PAYABLE

	12/31/2012	12/31/2011
	GBP	GBP
Pricewaterhouse Coopers LLP	4,380	4,088
Bouwfonds real Estate Investment Management B V	10,300	2,900
National Car Parks Limited	43,939	877
	<u>58,619</u>	<u>7,865</u>

The fair value of all payables included in current liabilities approximates their carrying amount in the Balance Sheet

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Notes to the financial statements for the year ended 31 December 2012

20 RELATED PARTY TRANSACTIONS

The directors received no emoluments from the Company during the current year or the prior year

Related parties comprise group companies and companies with common directorships and directors. For the year ended 31 December 2012 and the year ended 31 December 2011, related parties were Eagle Croydon Centre A Holding Ltd, Bouwfonds European Real Estate Parking Fund Holding II S à r l, Bouwfonds European Real Estate Parking Fund S a r l, Bouwfonds European Real Estate Parking Fund, Bouwfonds International Real Estate Fund and Bouwfonds Real Estate Investment Management B V. Details of transactions with related parties during the year are as follows

For the year ended 31/12/2012

	Opening balance GBP	Receipts / (payments) GBP	Closing balance GBP
Accounts with			
Unpaid share capital	1	-	1
Short-term receivable	105,442	98,018	203,460
Interest payable	(351,582)	321,990	(29,592)
Loan from parent company	(6,797,492)	245,901	(6,551,591)
Loan from related party	(4,600,000)	(1,744,500)	(6,344,500)
Short term payable	(1,058)	(3,989)	(5,047)
	<u>(11,644,690)</u>	<u>(1,082,580)</u>	<u>(12,727,269)</u>

For the year ended 31/12/2011

	Opening balance GBP	Receipts / (payments) GBP	Closing balance GBP
Accounts with			
Unpaid share capital	1	-	1
Short-term receivable	18,429	87,013	105,442
Interest payable	(305,491)	(46,092)	(351,582)
Loan from parent company	(6,692,492)	(105,000)	(6,797,492)
Loan from related party	(4,600,000)	-	(4,600,000)
Short term payable	(1,187)	129	(1,058)
	<u>(11,580,741)</u>	<u>(63,948)</u>	<u>(11,644,690)</u>

Income / (Expenses)

	12/31/2012 GBP	12/31/2011 GBP
Income statement transactions during the year		
Management fee	(39,925)	(43,106)
Interest	(335,294)	(278,165)
	<u>(375,219)</u>	<u>(321,271)</u>

Eagle Croydon Centre A Ltd
7 Albemarle Street, London W1S 4HQ
Company Registration Number 05389804
Share Capital GBP 1

Notes to the financial statements for the year ended 31 December 2012

21 CONTINGENCIES AND COMMITMENTS

There are no contingent liabilities or commitments at the end of 2012

22 SUBSEQUENT EVENTS

There were no events since the year end which require adjustment or disclosure in the financial statements

23 ULTIMATE PARENT COMPANY

The ultimate parent company is Bouwfonds European Real Estate Parking Fund, which is incorporated in Luxembourg and registered at 20, rue de la Poste, L-2346, Luxembourg

Copies of the consolidated financial statements of Bouwfonds European Real Estate Parking Fund can be obtained at the registered address

23 GOING CONCERN

The operations of the Company are funded by borrowings from the parent company (both short and long term) At present the Company has net cash inflows which are principally in account of the funding gap between amount of rental income earned from the operating lease of the property and the consideration paid to the Croydon Council for the long lease interest The lease payment to the council ended in 2010 whereas the operating lease income is to continue up to 2035 The directors, after making such enquiries as necessary from the holding company, are satisfied that the Company would continue to get group funding support in the long run The directors assess the ultimate holding company to have sufficient financial resources to provide support for the foreseeable future This would generate positive cash flows and profits for the group The business has been profitable in the past and in the current year

On December 31, 2013, the loan facilities of Bouwfonds REIM (Croydon properties, £ 22.6 million) will reach its end dates This event will require repayment of this loan A refinancing has to be put in place before the end date This situation leads to a material uncertainty regarding the possibility of the Company to act as a going concern The management of the Company is fully aware of this situation and since the start of 2012 the management is working on a solution The management is engaged in talks with several financial parties with the aim to put new loan facilities in place to refinance the involved parking garage In determining the appropriate basis of preparation of the financial statements, the management is required to consider whether the Company can continue in operational existence for the foreseeable future Over the course of 2012 the valuation of the investment property further decreased, the economic situation more or less stabilised and above all the availability of financing facilities stays in a strongly tightened state, the Company's management has made progress in its refinancing plans and is working on getting a long term refinancing in place

The Company remains profitable over 2012 and the NAV at the end of 2012 amounts to £ 4.3 million

The management has upon the refinancing activities that currently are being undertaken and considering the risks and uncertainties described above, concluded that there is a reasonable expectation that the Company can continue its operations in the foreseeable future and, accordingly, has formed a judgment that it is appropriate to prepare the financial statements as at December 31, 2012 on a going concern basis

Based on the above facts and considering that the financial statements of Bouwfonds Real Estate Parking Fund, the ultimate holding company are prepared on a going concern basis, we conclude that the going concern assumption is appropriate for the financial statements of the Company