

Greenwich Peninsula Regeneration Limited

Directors' report and consolidated
financial statements

Registered number 6231628

Year ended 31 March 2012

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Directors' report

The directors present their directors' report and consolidated financial statements for the year ended 31 March 2012. These consolidated financial statements are the first prepared by the Group.

Principal activities

Greenwich Peninsula Regeneration Limited (the "Company") is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office is 20 Triton Street, Regent's Place, London, NW1 3BF.

The Company was incorporated on 30 April 2007 and changed its name on 3 May 2007 from Shelfco (no3402) Limited. The Company's controlling parties comprise of Lend Lease Europe Ltd and Quintain Estates and Development Plc.

Its principal activity is the investment in property development vehicles and joint ventures.

Business review

The Company's investment vehicles and joint ventures were involved in the following activities:

- During the year to 31 March 2012, Meridian Delta Limited (MDL) continued in its role as master developer of Greenwich Peninsula. Aside from design development and marketing for sale of certain development plots within the site, MDL's main role was the design and construction of site infrastructure.
- Under the principal agreements with HCA, MDL has been granted land management rights to 147 acres (excluding the dome and surrounding areas) of the Peninsula. MDL's principal role is as master-planner for the site. It is also obliged under the various agreements to design, programme and deliver the requisite infrastructure services for the effective and efficient delivery of the project. It is able to manage this infrastructure investment in the land, by drawing down plots for sale or direct development, to coincide with demand.
- On sale, or draw-down of land for direct development by the Meridian Delta Limited group, MDL receives the relevant plot's proportion of the total forecast infrastructure and other services costs. In relation to plot sales, as opposed to direct development performed within the group, it will also retain any excess proceeds received from the land sale after deduction of the land-owners minimum land value and the allocated costs previously recovered.
- Under a development management agreement executed in November 2007, GPRL Development Company Limited assumed responsibility for the development of a commercial office building on plot NO204 for Greenwich Peninsula NO204 Block A Limited Partnership and Greenwich Peninsula NO204 Block B Limited Partnership. The Company receives a development management fee in respect of the services. Both buildings achieved Practical Completion in the year ended 31 March 2010, although there were fees for post completion services in the year ended 31 March 2012.

Residential market conditions remain challenging, although there have been some signs of improvement in the year ended 31 March 2012. Investors and banks are conspicuously risk adverse and in the current macroeconomic environment, this is unlikely to change in the near future. However, the Group is confident that up to five residential plots will be submitted for revised planning in the coming year, with the intention of commencing development within the next twelve months.

Planning applications have been submitted for a further two plots for student accommodation use, and the current intention is for development of these to commence within the next eighteen months.

The Group's strategy remains to pre-sell a percentage of residential dwellings within the building to investors before construction and secure a lump sum construction price before committing significant costs beyond those incurred for planning and design, to mitigate risk in the development. This focus on pre-sales and a guaranteed delivery price will secure the prospects for the plot prior to construction.

The commercial market remains challenging. Further development will not commence unless significant pre lets have been secured.

During the year, the Group had a loss of £122,990 (2011: £368,097). Net liabilities of the Group at 31 March 2012 were £2,502,991 (2011: £2,380,001).

Basis of preparation

The directors believe that it remains appropriate to prepare the financial statements on a going concern basis for the reasons set out in note 1.2 in the accounting policies.

Directors' report (continued)

Financial instruments

The financial risk management objectives and policies of the Group, together with an analysis of the exposure to such risks, as required under the Companies Act are set out in Note 15 of the Notes to the financial statements

Creditor payment policy

The group's policy is to pay suppliers in accordance with terms and conditions agreed when orders are placed. Where payment terms have not been specifically agreed, then the invoices received each calendar month are paid close to the end of the following month. This policy is understood by the purchasing and financing departments. The group has procedures for dealing promptly with complaints and disputes.

The group had trade payables of £1,969,031 (2011 £1,641,395)

Proposed dividend

The directors do not recommend the payment of a dividend (2011 £nil)

Environment

The Company and its subsidiaries recognise the importance of their environmental responsibilities, monitors their impact on the environment, and designs and implements policies to reduce any damage that might be caused by their activities.

Directors

The directors, who held office during the period, and up to the date of signing of the financial statements, were as follows:

D Labbad	
R Worthington	
A Wyatt	
R Cable	
G Kondo	(resigned 26 August 2011)
M James	(appointed 13 September 2011)
S Grist	(appointed 26 August 2011)

Employees

Neither the company nor any of its subsidiaries employed any staff during either year (2011 nil)

Political and charitable donations

Neither the company nor any of its subsidiaries made any political or charitable donations during the year (2011 £nil)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board


T Janandran
Company Secretary

20 Triton Street
Regent's Place
London
NW1 3BF
14 May 2012

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Director's Report and the group and parent company financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law they have elected to prepare the group and the parent company financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the members of Greenwich Peninsula Regeneration Limited

We have audited the financial statements of Greenwich Peninsula Regeneration Limited for the year ended 31 March 2012 set out on pages 5 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2012 and of the group's loss for the year then ended,
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the EU,
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2006, and
- the financial statements 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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.



S McCallion (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
14 May 2012

Consolidated Income Statement

for year ended 31 March 2012

	<i>Note</i>	2012 £	2011 £
Revenue	<i>1</i>	7,752,338	13,358,164
Cost of sales		(7,855,957)	(13,608,756)
Gross loss		(103,619)	(250,592)
Administrative expenses		(286,755)	(282,095)
Operating loss	<i>2</i>	(390,374)	(532,687)
Financial income	<i>3</i>	32,153	24,358
Share of profit of associates and jointly controlled entities using the equity accounting method, net of tax	<i>5</i>	(3,483)	(2,018)
Loss before tax		(361,704)	(510,347)
Taxation	<i>4</i>	238,714	142,250
Loss for the year		(122,990)	(368,097)
Attributable to:			
Equity holders of the parent		(121,286)	(365,068)
Non-controlling interest		(1,704)	(3,029)
Loss for the year		(122,990)	(368,097)

The amounts recorded in the income statement relate to continuing operations

There were no gains and losses other than those recognised in the income statement


Notes on pages 9 to 24 form part of financial statements


Balance Sheets

at 31 March 2012

	Note	Group 2012 £	2011 £	Company 2012 £	2011 £
Non-current assets					
Investments	5	-	-	203	203
Investments in equity-accounted investees	5	1,400,336	1,403,819	414,860	414,860
Amounts due from related entities	6	968,007	968,007	126,094,867	118,777,670
Deferred tax assets	7	416,209	158,433	-	-
		<u>2,784,552</u>	<u>2,530,259</u>	<u>126,509,930</u>	<u>119,192,733</u>
Current assets					
Inventories	8	128,219,143	128,424,133	-	-
Trade and other receivables	9	2,204,185	3,003,166	154,076	127,209
Tax receivable		-	-	-	35,140
Cash and cash equivalents	10	1,964,733	1,702,368	199,102	1,178,166
		<u>132,388,061</u>	<u>133,129,667</u>	<u>353,178</u>	<u>1,340,515</u>
Total assets		<u>135,172,613</u>	<u>135,659,926</u>	<u>126,863,108</u>	<u>120,533,248</u>
Current liabilities					
Trade and other payables	12	(8,957,560)	(16,828,534)	(179,933)	(1,172,417)
Provisions	13	(1,947,154)	(1,757,700)	-	-
		<u>(10,904,714)</u>	<u>(18,586,234)</u>	<u>(179,933)</u>	<u>(1,172,417)</u>
Non-current liabilities					
Other interest-bearing loans and borrowings	11	(126,770,890)	(119,453,693)	(126,770,890)	(119,453,690)
Total liabilities		<u>(137,675,604)</u>	<u>(138,039,927)</u>	<u>(126,950,823)</u>	<u>(120,626,107)</u>
Net liabilities		<u>(2,502,991)</u>	<u>(2,380,001)</u>	<u>(87,715)</u>	<u>(92,859)</u>
Equity attributable to equity holders of the parent					
Share capital	14	2,000	2,000	2,000	2,000
Retained earnings		(2,455,830)	(2,334,544)	(89,715)	(94,859)
		<u>(2,453,830)</u>	<u>(2,332,544)</u>	<u>(87,715)</u>	<u>(92,859)</u>
Non-controlling interest		<u>(49,161)</u>	<u>(47,457)</u>	<u>-</u>	<u>-</u>
Total equity		<u>(2,502,991)</u>	<u>(2,380,001)</u>	<u>(87,715)</u>	<u>(92,859)</u>

These financial statements were approved by the board of directors on 14 May and were signed on its behalf by


S Grist
 Director


R Worthington
 Director

Company registered number 6231628

Statement of Changes in Equity

For the year ended 31 March 2012

Group

	Share capital £	Retained earnings £	Total equity £	Minority equity £	Total parent equity £
Balance at 1 April 2010	2,000	(2,013,904)	(2,011,904)	(44,428)	(1,967,476)
Total comprehensive income for the year					
Loss for the year	-	(368,097)	(368,097)	(3,029)	(365,068)
Balance at 31 March 2011	2,000	(2,382,001)	(2,380,001)	(47,457)	(2,332,544)
Balance at 1 April 2011	2,000	(2,382,001)	(2,380,001)	(47,457)	(2,332,544)
Total comprehensive income for the year					
Loss for the year	-	(122,990)	(122,990)	(1,704)	(121,286)
Balance at 31 March 2012	2,000	(2,504,991)	(2,502,991)	(49,161)	(2,453,830)

Company

	Share capital £	Retained earnings £	Total parent equity £
Balance at 1 April 2010	2,000	(108,181)	(106,181)
Total comprehensive income for the year			
Profit for the year	-	13,322	13,322
Balance at 31 March 2011	2,000	(94,859)	(92,859)
Balance at 1 April 2011	2,000	(94,859)	(92,859)
Total comprehensive income for the year			
Profit for the year	-	5,144	5,144
Balance at 31 March 2012	2,000	(89,715)	(87,715)

Cash Flow Statements
for year ended 31 March 2012

	<i>Note</i>	Group		Company	
		2012	2011	2012	2011
		£	£	£	£
Cash flows from operating activities					
(Loss)/profit for the year		(122,990)	(368,097)	5,144	13,322
Adjustments for					
Financial income		(32,153)	(24,358)	(3,725,631)	(3,216,066)
Financial expense		-	-	3,695,881	3,191,866
Share of profit of equity-accounted investees		3,483	2,018	-	-
Taxation		(238,714)	(142,250)	1,807	5,181
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Decrease/ (increase)/ in trade and other receivables		828,731	6,739,998	8,023	(33,326)
(Increase) in inventories		(3,104,945)	(11,332,744)	-	-
(Decrease)/increase in trade and other payables		(865,158)	(2,517,315)	(992,484)	1,170,935
Increase in provisions		189,454	1,757,700	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		(2,951,918)	(5,352,361)	(984,461)	1,137,609
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Tax paid		(19,062)	78,179	28,193	(5,181)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash from operating activities		(3,361,354)	(5,806,869)	(979,067)	1,126,731
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash flows from investing activities					
Interest received		2,403	158	-	-
Loans to subsidiaries		-	-	(3,621,316)	(6,301,777)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash from investing activities		2,403	158	(3,621,316)	(6,301,777)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash flows from financing activities					
Proceeds from new loan		3,621,316	6,342,686	3,621,319	6,342,684
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net cash from financing activities		3,621,316	6,342,686	3,621,319	6,342,684
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net increase/(decrease) in cash and cash equivalents		262,365	535,975	(979,064)	1,167,638
Cash and cash equivalents at 1 April		1,702,368	1,168,393	1,178,166	10,528
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash and cash equivalents at 31 March		1,964,733	1,702,368	199,102	1,178,166
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes

(forming part of the financial statements)

1 Accounting policies

Greenwich Peninsula Regeneration Limited (the "Company") is a company incorporated and domiciled in the UK

The group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") and jointly controlled entities. The parent company financial statements present information about the Company as a separate entity and not about its group.

Both the parent company financial statements and the group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"). On publishing the parent company financial statements here together with the group financial statements, the Company is taking advantage of the exemption in s408 of the Companies Act 2006 not to present its individual income statement and related notes that form a part of these approved financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis. This is the first year the group is presenting consolidated financial statements.

1.2 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The Group is dependent for its working capital on funds provided to it by the joint venture partners Lend Lease Europe Limited and Quintain Estates and Development Plc. Both entities are obliged to provide necessary funding for the continuing operations of the Group under the "Shareholders Agreement" dated 29 May 2002 and "Instrument Constituting Variable Rate Loan Stock" dated 28 May 2002. In particular the joint venture partners cannot seek repayment until funds become available to do so unless the "Shareholders Agreement" or "Instrument Constituting Variable Rate Loan Stock" are defaulted. This should enable the Group to continue in operational existence for the foreseeable future by meeting its liabilities when they fall due for payment. The joint venture partners will also continue to offer support for the Group to meet the working capital requirements for the foreseeable future, to the extent that they continue to participate in joint ownership. Under circumstances where one party's ownership may cease, the other party will step in to provide the necessary support for the Group to enable it to meet its obligations as they fall due and thus enable the Group to continue in operational existence. As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of the approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result in the basis of preparation being inappropriate.

1.3 Significant judgements, estimates and assumptions

The preparation of financial statements under IFRS requires the Board to make judgements, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities as at the date of the financial statements and the reported amount of revenue and expense during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements that are not readily apparent from other sources. However, the actual results may differ from these estimates.

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

The valuation of inventory constitutes the main area of judgement exercised by the Board in respect of the results. Inventory is stated at the lower of cost and net realisable value. In relation to the net realisable value, the Board has relied upon a model to appraise the project. The key assumptions relate to the timing of future income streams, anticipated development costs, residential values, price and cost inflation, the market absorption rate and the discount rate.

Notes (continued)

1 Accounting policies (continued)

1.4 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Jointly controlled entities

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring the venturers' unanimous consent for strategic financial and operating decisions. Jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The consolidated financial statements include the Group's share of the total comprehensive income and equity movements of equity accounted investees, from the date that joint control commences until the date that joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an investee.

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Notes (continued)

1 Accounting policies (continued)

1.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. Inventory includes capitalised interest costs in the year of £3,695,881 (2011 £3,191,866) at a rate of Libor + 2% relating to borrowings. These interest costs are directly attributable to the development assets which are considered qualifying assets under IAS23, 'Interest costs'.

The recoverable amount of the plot is assessed in each financial year and a provision for diminution in value is raised by the Board where cost (including costs to complete) exceeds net realisable value. In determining the recoverable amount, the Board has regard to independent market conditions affecting each plot and the underlying strategy for sale.

Inventories include costs incurred by the Group (including capitalised interest) associated with land sold to third parties. It is held as work in progress until all obligations have been substantively fulfilled by the Company. At which point they will be transferred to the income statement. Total costs allocated to each site will include those directly attributable to that site as well as costs associated with the entire Greenwich Peninsula (including estimates of future outlays), allocated on a square foot basis.

1.7 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.8 Revenue

Revenue is made of three significant parts, described below. Revenue is recognised as and when services and obligations are fulfilled, when it is probable that the future economic benefits will flow to the entity and these benefits can be measured reliably.

Revenue from the sale of land options

Revenue from the sale of land options is recognised in the income statement when the significant risks and rewards of ownership, the continual managerial involvement and control have been transferred to the buyer. Where cash has been received in advance of obligations being fulfilled by the Group, these amounts have been presented as deferred income in the statement of financial position. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due and associated costs.

Revenue from the provision of services

Revenue from the development of the N0204 sites A and B is recognised in the income statement when the relevant services are performed. The Group has considered the role it plays in the development of these sites and based on an evaluation of the risks and responsibilities taken by the entity, including inventory risk and responsibility for delivery of goods or services, this relationship is considered to be acting as principal. As a result, the revenue and costs of the development are stated gross in the income statement. Furthermore, under the Development Management Agreement with Greenwich Peninsula N0204 Block A Limited Partnership and Greenwich Peninsula N0204 Block B Limited Partnership the Company is entitled to a 1.5% development management fee as development costs are incurred. These management fees are included within revenue and recognised as the services are performed.

Revenue from the provision of management services

Revenue contains amounts, net of Value Added Tax, of management fees in respect of estate management services provided to customers. It is recognised as the services are performed.

Notes (continued)

1 Accounting policies (continued)

1.9 Expenses

Financing income and expenses

Financing expenses comprise interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Financing income comprises interest receivable on funds invested and dividend income.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.11 Adopted IFRS

The following new standards, amendments and interpretations, issued by the International Accounting Standards Board (IASB) or the IFRS Interpretations Committee, are effective for the year ended 31 March 2012 and have been applied in preparing these consolidated financial statements.

Amendment to IAS 24, Related Party Disclosures – the amendment revises the definition of a related party. The revised standard became effective for annual periods beginning on or after 1 January 2011. The adoption of this amendment did not have a material impact on the Group's consolidated financial statements.

Amendments to IFRS 7, Financial Instruments: Disclosures – the amendment clarifies the qualitative disclosure to be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments. The revised standard became effective for annual periods beginning on or after 1 January 2011. The adoption of this amendment did not have a material impact on the Group's consolidated financial statements.

Amendment to IFRS 3 (Revised), Business Combinations – clarifies the transition requirements for contingent consideration arising from a business combination that occurred before the effective date of the revised IFRS. The amendment limits the accounting policy choice to measure non-controlling interests upon initial recognition at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets to instruments that give rise to a present ownership interest and that currently entitles the holder to a share of net assets in the event of liquidation. The revised standard became effective for annual periods beginning on or after 1 January 2011. The adoption of this amendment did not have a material impact on the Group's consolidated financial statements.

Amendment to IAS 1, Presentation of Financial statements – the amendment clarifies that disaggregation of changes in each component of equity arising from transactions recognized in other comprehensive income is required to be presented either in the statement of changes in equity or in the notes. The revised standard became effective for annual periods beginning on or after 1 January 2011. The adoption of this amendment did not have a material impact on the Group's consolidated financial statements.

Notes (continued)

1 Accounting policies (continued)

1.12 Standards and Interpretations recently issued but not yet effective

The following new standards, amendments and interpretations, issued by the IASB or the IFRIC, are not yet effective for the year ended 31 March 2012 and have not been applied in preparing these financial statements

Amendment to IAS 1, Presentation of financial statements, on other comprehensive income (OCI) – This amendment changes the disclosure of items presented in other comprehensive income (OCI) in the statement of comprehensive income and requires entities to separate items presented in OCI into two groups, based on whether or not they may be recycled to profit or loss in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately. The Group will apply the amendment to IAS 1 prospectively from 1 July 2012, subject to the European Union endorsement.

Amendment to IAS 12, Income taxes on deferred tax – This amendment introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, 'Income taxes- recovery of revalued non-depreciable assets', would no longer apply to investment properties carried at fair value. The Group will apply the amendment to IAS 12 prospectively from 1 April 2012, subject to the European Union endorsement.

Amendment to IFRS 7, Financial instruments: Disclosures on derecognition – This amendment will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial asset. The Group will apply the amendment to IFRS 7 prospectively from 1 April 2012.

IFRS 10, Consolidated financial statements – This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The standard provides additional guidance to assist in determining control where this is difficult to assess. The Group will apply IFRS 10 prospectively from 1 January 2013, subject to the European Union endorsement.

IFRS 11, Joint arrangements – This standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. The Group will apply IFRS 11 prospectively from 1 January 2013, subject to the European Union endorsement.

IFRS 12, Disclosures of interests in other entities – This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group will apply IFRS 12 prospectively from 1 January 2013, subject to the European Union endorsement.

IFRS 13, Fair value measurement – This standard aims to replace existing guidance on fair value measurement in different IFRSs with a single definition of fair value, a framework for measuring fair values and disclosures about fair value measurements. The standard applies to assets, liabilities and an entity's own equity instruments that, under other IFRSs, are required or permitted to be measured at fair value or when disclosure of fair value is provided. The Group will apply IFRS 13 prospectively from 1 January 2013, subject to the European Union endorsement.

Notes (continued)

2 Operating loss includes the following:

2 a) Expenses and auditor's remuneration

	Group 2012 £	2011 £	Company 2012 £	2011 £
Amounts paid to the Auditor for audit services	64,375	43,297	29,288	4,000

2b) Staff numbers and costs

The Company and Group did not directly employ any staff during either year (2011 none)

2c) Directors' remuneration

The directors did not receive any remuneration from the Company and Group for their services during either year (2011 £nil)

3 Finance income and expense

Recognised in profit or loss

	2012 £	2011 £
Interest income from jointly controlled entities	32,153	24,358

4 Taxation

Recognised in the income statement

	2012 £	2011 £
Current tax expense /(credit)	19,062	(77,886)
Deferred tax adjustment	(246,135)	(64,446)
Origination and reversal of temporary differences	(33,829)	-
Reduction in tax rate	22,188	82
Deferred tax credit	(257,776)	(64,364)
Tax credit in income statement (excluding tax on discontinued operation and share of tax of equity accounted investees)	(238,714)	(142,250)
Share of tax of equity accounted investees	(905)	(565)
	(905)	(565)
Total tax credit	(239,619)	(142,815)

Notes *(continued)*

4 Taxation *(continued)*

Reconciliation of effective tax rate

	2012	2011
	£	£
(Loss)/profit for the year	(122,990)	(368,097)
Total tax expense/ (credit) (including tax on discontinued operations and equity accounted investees)	(238,714)	(142,250)
	<hr/>	<hr/>
(Loss)/profit excluding taxation	(361,704)	(510,347)
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 26 % (2011 28%)	(94,043)	(142,897)
Difference in effective tax rate of equity accounted investees	905	565
Reduction in tax rate on deferred tax balances	22,189	82
Current year losses for which no deferred tax asset was recognised	78,370	-
(Over) / under provided in prior years	(246,135)	-
	<hr/>	<hr/>
Total tax credit (including tax on discontinued operations and equity accounted investees)	(238,714)	(142,250)
	<hr/>	<hr/>

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and a further reduction to 24% (effective from 1 April 2012) was substantively enacted on 31 March 2012.

This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 March has been calculated based on the rate of 24% substantively enacted at the balance sheet date.

It has not yet been possible to quantify the full anticipated effect of the announced further 2% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly.

Notes (continued)

5 Investments in subsidiaries and jointly controlled entities

The Company has the following investments in subsidiaries and jointly controlled entities

	Country of Incorporation	Class of shares held	Amount £	Ownership 2012	Ownership 2011
GPRL Development Company Limited	United Kingdom	Ordinary	1	100%	100%
GPRL Infrastructure Limited	United Kingdom	Ordinary	1	100%	100%
GPRL Overriding Lease Company Limited	United Kingdom	Ordinary	1	100%	100%
GPRL Retail Limited	United Kingdom	Ordinary	100	100%	100%
Greenwich Peninsula MO114 Limited	United Kingdom	Ordinary	1	100%	100%
Meridian Delta Limited	United Kingdom	Ordinary A	49	96%	96%
Meridian Delta Limited	United Kingdom	Ordinary B	49	100%	100%
Peninsula Quays Limited	United Kingdom	Ordinary	1	100%	100%
Greenwich Peninsula NO206 Limited	United Kingdom	Ordinary	414,860	50%	50%

The Group has the following investments in jointly controlled entities

	Country of Incorporation	Class of shares held	Amount (£)	Ownership 2012	Ownership 2011
Mode Homes Limited Partnership	United Kingdom	Partnership	1,004,000	50%	50%
Greenwich Peninsula NO206 Limited	United Kingdom	Ordinary	414,860	50%	50%

Greenwich Peninsula NO206 Limited has a 31 October year end

The Group's share of total recognised profit or loss in the above jointly controlled entities for the year ended 31 March 2012 was a loss of £3,483 (2011 a loss of £2,018)

Summary aggregated financial information on jointly controlled entities – 100 per cent

	2012 £	2011 £
Current assets	4,984,470	4,934,304
Current liabilities	(2,183,799)	(2,126,666)
Income	41	39
Expenses	(7,007)	(4,076)

6 Amounts due from related entities

	Group 2012 £	2011 £	Company 2012 £	2011 £
Loan to subsidiaries	-	-	125,126,860	117,809,663
Loan to joint venture – Greenwich Peninsula NO206 Limited	968,007	968,007	968,007	968,007
	<u>968,007</u>	<u>968,007</u>	<u>126,094,867</u>	<u>118,777,670</u>

Notes (continued)

7 Deferred tax assets and liabilities – Group

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

	Assets 2012 £	2011 £	Liabilities 2012 £	2011 £
Property, plant and equipment	(2,906)	-	-	-
Tax value of loss carry-forwards	(413,303)	(158,433)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Tax (assets) / liabilities	(416,209)	(158,433)	-	-
Net of tax liabilities/(assets)	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net tax (assets) / liabilities	(416,209)	(158,433)	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Movement in deferred tax during the year

	1 April 2011 £	Recognised in income £	31 March 2012 £
Property, plant and equipment	-	2,906	2,906
Tax value of loss carry-forwards utilised	158,433	254,870	413,303
	<u> </u>	<u> </u>	<u> </u>
	158,433	257,776	416,209
	<u> </u>	<u> </u>	<u> </u>

Movement in deferred tax during the prior year

	1 April 2010 £	Recognised in income £	31 March 2011 £
Tax value of loss carry-forwards utilised	94,365	64,068	158,433
	<u> </u>	<u> </u>	<u> </u>
	94,365	64,068	158,433
	<u> </u>	<u> </u>	<u> </u>

The company has no deferred tax assets or liabilities in the current or prior years

Notes (continued)

8 Inventories

	Group 2012 £	2011 £	Company 2012 £	2011 £
Work in progress	128,219,143	128,424,133	-	-

9 Trade and other receivables

	Group 2012 £	2011 £	Company 2012 £	2011 £
Trade receivables	360,377	804,899	42,983	-
Other trade receivables	209,624	1,342,879	-	44,146
VAT receivable	364,474	436,756	-	1,720
Prepayments and accrued income	1,269,710	418,632	111,093	81,343
	<u>2,204,185</u>	<u>3,003,166</u>	<u>154,076</u>	<u>127,209</u>
Total trade and other receivables	<u>2,204,185</u>	<u>3,003,166</u>	<u>154,076</u>	<u>127,209</u>

Trade receivables are non-interest-bearing and are generally on 30 day terms. All trade receivables are current and considered recoverable.

10 Cash and cash equivalents

	Group 2012 £	2011 £	Company 2012 £	2011 £
Cash and cash equivalents per balance sheet	1,964,733	1,702,368	199,102	1,178,166
Cash and cash equivalents per cash flow statements	1,964,733	1,702,368	199,102	1,178,166

11 Other interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group and Company's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group and Company's exposure to interest rate, see note 15.

	Group 2012 £	2011 £	Company 2012 £	2011 £
Non-current liabilities				
Loan from shareholders	126,770,890	119,453,693	126,770,890	119,453,690
	<u>126,770,890</u>	<u>119,453,693</u>	<u>126,770,890</u>	<u>119,453,690</u>

Notes (continued)

12 Trade and other payables

	Group 2012 £	2011 £	Company 2012 £	2011 £
Current				
Trade payables	1,966,908	1,531	-	-
Trade payables due to related parties	2,123	1,639,864	-	1,168,417
Other trade payables	286,810	734,322	172,433	-
Loans from related parties	500,098	-	-	-
Non-trade payables and accrued expenses	476,607	2,596,973	7,500	4,000
Deferred income	5,725,014	11,855,844	-	-
	<u>8,957,560</u>	<u>16,828,534</u>	<u>179,933</u>	<u>1,172,417</u>

Included within deferred income is an amount of £5,500,000 (2011 £11,855,844) relating to the sale of land. The proceeds, and related costs held within work in progress, are deferred until the Group substantially completes infrastructure obligations pertaining to the site.

13 Provisions

Group	s106 £	GLA £	Total £
Balance at 1 April 2011	1,757,700	-	1,757,700
Provisions made during the year	-	189,454	189,454
Balance at 31 March 2012	<u>1,757,700</u>	<u>189,454</u>	<u>1,947,154</u>

The s106 provision relates to development obligations assumed by Meridian Delta Limited, a group company, the provision is expected to be settled within 5 years. The provisions have not been discounted as the effects are not material.

14 Share Capital - Company

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
1,000,000 A Ordinary shares of £0.001 each	1,000	1,000
1,000,000 B Ordinary Shares of £0.001 each	1,000	1,000
	<u>2,000</u>	<u>2,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes (continued)

15 Financial instruments

15 (a) Fair values of financial instruments

All instruments recognised on the balance sheet, including those instruments carried at amortised cost, are recognised at amounts that represent a reasonable approximation of fair value

Trade and other receivables

The fair value of trade and other receivables, excluding construction contract debtors, is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date

Interest-bearing borrowings

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date

15 (b) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities

Group

Credit risk represents the risk that a counterparty will not complete its obligations under a financial instrument resulting in a financial loss to the Company. The Company has exposure to credit risk from all recognised financial assets.

Trade receivables are monitored on a daily and weekly basis to minimise the Group's exposure to credit risk. The ageing of trade receivables at the balance sheet date was

Group	Gross 2012 £	Gross 2011 £
Not past due	292,472	302,963
Past due 0-30 days	37,701	335,779
Past due 31-90 days	18,165	29,856
More than 90 days	12,039	136,301

There was no impairment at balance date (2011: £nil). Management have reviewed the debtors and consider all the debtors recoverable.

Credit risk is also managed by limiting the aggregate exposure to any individual counterparty, taking into account its credit rating. Such counterparty exposures are regularly reviewed and adjusted as necessary. Accordingly, the possibility of material loss arising in the event of non-performance by counterparties is considered unlikely.

The maximum exposure to credit risk at the balance sheet date on financial assets recognised in the balance sheet equals the carrying amount, net of any impairment.

Company

The Company did not have any sales in the year (2011: £nil) but intends to manage its credit risk by minimising exposure to credit risk and securing guarantees against significant credit risks.

Notes (continued)

15 (c) Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments

Effective interest and re-pricing analysis

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the period in which they re-price

Group

31 March 2012	Effective interest rate %	Total	One year or less	5 + years
		£	£	£
Cash	0.5% - 2.0%	1,964,733	1,964,733	-
Interest-bearing loans and borrowings	2% - 10%	(126,770,890)	-	(126,770,890)
		<u>(124,806,157)</u>	<u>1,964,733</u>	<u>(126,770,890)</u>

31 March 2011	Effective interest rate %	Total	One year or less	5 + years
		£	£	£
Cash	0.5% - 2.0%	1,702,368	1,702,368	-
Interest-bearing loans and borrowings	2% - 10%	(119,453,693)	-	(119,453,693)
		<u>(117,751,325)</u>	<u>1,702,368</u>	<u>(119,453,693)</u>

Company

31 March 2012	Effective interest rate %	Total	One year or less	5 + years
		£	£	£
Cash	0.5% - 2.0%	199,102	199,102	-
Interest-bearing loans and borrowings	2% - 10%	(126,770,890)	-	(126,770,890)
		<u>(126,571,788)</u>	<u>199,102</u>	<u>(126,770,890)</u>

31 March 2011	Effective interest rate %	Total	One year or less	5 + years
		£	£	£
Cash	0.5% - 2.0%	1,178,166	1,178,166	-
Interest-bearing loans and borrowings	2% - 10%	(119,453,690)	-	(119,453,690)
		<u>(118,275,524)</u>	<u>1,178,166</u>	<u>(119,453,690)</u>

Sensitivity analysis

At 31 March 2012, it was estimated that a general increase of one percentage point in interest rates would increase the Group's interest payable before tax by approximately £1,238,892 (2011 £1,146,864) based on the average outstanding balance of interest-bearing liabilities during the period

At 31 March 2012, it was estimated that a general increase of one percentage point in interest rates would increase the Company's interest payable before tax by approximately £1,238,892 (2011 £1,146,864) based on the average outstanding balance of interest-bearing liabilities during the period

Notes (continued)

15 (d) Liquidity risk

Financial risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due

Group & Company

The Group's objective is to maintain the efficient use of cash and debt facilities in order to minimise the cost of borrowing to the Group and ensure sufficient availability of credit facilities

Liquidity risk is reduced through prudent cash management which ensures sufficient levels of cash are maintained to meet working capital requirements. It also allows flexibility of liquidity by matching maturity profiles of short term investments with cash flow requirements, and timely review and renewal of credit facilities

The following are the contractual cash flow maturities of financial liabilities as at 31 March 2012, including estimated interest payments and excluding the impact of netting agreements

Group

As at 31 March 2012	Carrying Amount £	Contractual Cash Flows £	Six Month or Less £	Six to Twelve Months £	One to Two Years £	Two to Five Years £	More than Five Years £
Non Derivative Financial Liabilities							
Trade payables & accrued expenses	8,957,560	8,957,560	8,957,560	-	-	-	-
Provision	1,947,154	1,947,154	1,947,154	-	-	-	-
Interest bearing loans	126,770,890	126,770,890	-	-	-	-	126,770,890
Total	137,675,604	137,675,604	10,904,714	-	-	-	126,770,890

As at 31 March 2011	Carrying Amount £	Contractual Cash Flows £	Six Month or Less £	Six to Twelve Months £	One to Two Years £	Two to Five Years £	More than Five Years £
Non Derivative Financial Liabilities							
Trade payables & accrued expenses	16,828,534	16,828,534	16,828,534	-	-	-	-
Provision	1,757,700	1,757,700	1,757,700	-	-	-	-
Interest bearing loans	119,453,693	119,453,693	-	-	-	-	119,453,693
Total	138,039,927	138,039,927	18,586,234	-	-	-	119,453,693

Notes (continued)

Company

As at 31 March 2012	Carrying Amount £	Contractual Cash Flows £	Six Month or Less £	Six to Twelve Months £	One to Two Years £	Two to Five Years £	More than Five Years £
Non Derivative Financial Liabilities							
Trade payables & accrued expenses	179,933	179,933	179,933	-	-	-	-
Interest bearing loans	126,770,890	126,770,890	-	-	-	-	126,770,890
Total	126,950,823	126,950,823	179,933	-	-	-	126,770,890

As at 31 March 2011	Carrying Amount £	Contractual Cash Flows £	Six Month or Less £	Six to Twelve Months £	One to Two Years £	Two to Five Years £	More than Five Years £
Non Derivative Financial Liabilities							
Trade payables & accrued expenses	1,172,417	1,172,417	1,172,417	-	-	-	-
Interest bearing loans	119,453,690	119,453,690	-	-	-	-	119,453,690
Total	120,626,107	120,626,107	1,172,417	-	-	-	119,453,690

The directors of the Group and the Company consider the long term loans notes payable in a period greater than 5 years as they relate to loans with the parent entities, who cannot seek repayment until funds become available. Given the profile of the development, they believe this to represent the most likely period of repayment. They have indicated via the statement of support for the Group and Company that they would support the Company for the foreseeable future. See note 12, Going Concern.

16 Contingencies and commitments

	Group 2012 £	2011 £	Company 2012 £	2011 £
Transport, construction and other works	1,036,091	3,845,035	-	-

Commitments are disclosed where the obligation for transport, construction and other works relating to the regeneration of Greenwich Peninsula has been triggered by events identified in legal documents.

The company is included in a group registration for VAT purposes and is therefore jointly and severally liable for all other group companies' unpaid debts in this connection. The UK group registration was in a net VAT receivable position at 31 March 2012 of £364,474 (2011: £436,756).

Notes (continued)

17 Related parties

Group

Management fees charged by the controlling parties

During the year, management fees of £373,425 and £524,255 (2011 £405,464 and £1,413,790) were charged to Meridian Delta Limited by Quintain Estates and Development Plc and Lend Lease Europe Limited respectively. Management fees of £100,982 (2011 £311,573) were also charged to GPRL Development Company Limited by Lend Lease Europe Limited. Management fees were fully paid in the year.

Group and Company

During the period the Company issued £3,658,600 (2011 £4,767,275) of loan stock, £1,847,941 (2011 £1,595,933) of which was to satisfy loan stock interest) to Lend Lease Europe Limited, and £3,658,600 (2011 £4,767,275) of loan stock, £1,847,941 (2011 £1,595,933) of which was to satisfy loan stock interest to Quintain Estates and Development plc in exchange for shareholder funding. Interest is charged quarterly at 2 month Libor + 2% on all stock balances. At year end loan stock of £63,385,445 (2011 £59,726,845) was owed to Lend Lease Europe Limited and £63,385,445 (2011 £59,726,845) was owed to Quintain Estates and Development Plc. The loan terms state that any surplus cash beyond that necessary to fund its operations will be used in repaying outstanding loan stock. Lend Lease Europe Limited and Quintain Estates and Development Plc are the ultimate controlling parties of the group and company.

At the year end, the Company and Group were owed an interest bearing loan of £968,007 (2011 £968,007) by Greenwich Peninsula N0206 Limited, a 50% Joint Venture. Interest is being charged at Libor + 2%.

During the year, the Company charged interest of £29,750 (2011 £24,200) to Greenwich Peninsula N0206 Limited, a 50% Joint Venture.

Within accrued income is an amount of £111,093 (2011 £81,343) due from Greenwich Peninsula N0206 Limited, a 50% Joint Venture.

Related party balances with the Company

At the year end the Company was owed the following from subsidiaries

	Company 2012	2011
	£	£
Meridian Delta Limited	120,560,940	112,877,059
Peninsula Quays Limited	3,561,920	3,561,920
Greenwich Peninsula M0114 Limited	1,004,000	1,004,000
GPRL Development Company Limited	-	366,684
	<hr/>	<hr/>
	125,126,860	117,809,663
	<hr/>	<hr/>

18 Subsequent events

There have been no significant post balance sheet events (2011 none)

19 Ultimate parent company and parent company of larger group

The ultimate owners are Lend Lease Corporation Limited (LLC) and Quintain Estates and Development plc (Quintain). LLC is incorporated in Australia and its financial statements are publicly available from Lend Lease Corporation Limited, Level 4, 30 The Bond, 30 Hickson Road, Millers Point, NSW 2000, Australia. Quintain is incorporated in the United Kingdom and its financial statements are available from 16 Grosvenor Street, London W1K 4QF.