

Almacantar Limited
Report and Financial Statements
For the period ending 31 December 2010
Company Registration No. 7038904

THURSDAY



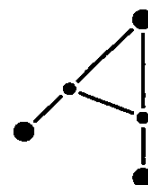
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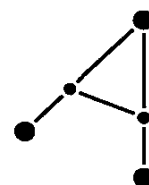
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Officers and professional advisors

Directors

Mike Hussey
Michael Halcrow

Secretary

Michael Halcrow

Registered Office

3 Quebec Mews
London
W1H 7NX

Bankers

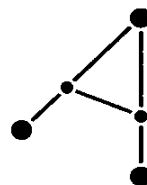
Barclays Bank PLC

Solicitors

Shoosmiths

Auditors

Deloitte LLP
Chartered Accountants
London



Directors' report

The directors submit their annual report together with the audited financial statements for the period ended 31 December 2010, which were approved by the board on 5 September 2011

Business Review, principal activities and future outlook

The company was incorporated on 13 October 2009. It is a subsidiary of Almacantar SA, which was established in Luxembourg during the period as the holding company of a new property investment group.

The principal activity of the company is the provision of advisory and administrative services to other group companies. This activity commenced on 1 February 2010. Income will arise in due course as other group companies make property investments.

The company has performed in line with expectations, and the directors are satisfied with the position at the end of the period.

The accounts have been prepared on a going concern basis, as the directors intend the company to continue its activities for the foreseeable future and are satisfied that the company has access to the resources required.

The results for the company show a pre-tax loss of £1,724,000. The company has net assets of £276,000.

Principal risks and uncertainties

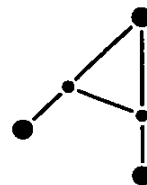
The principal risks faced by the company relate to the development of the property investment activities of other group companies. These are subject to general market conditions, and in particular to availability of finance and occupier demand.

Key Performance Indicators ("KPIs")

Given the nature of the business, the company's directors are of the opinion that the KPI for the performance and position of the business is profit or loss before tax. The result for the period is noted above.

Results and dividends

The results for the period ended 31 December 2010 are set out on page 10. The directors do not propose a dividend for the period ended 31 December 2010.



Directors' Report (continued)

Capital structure

The company's capital structure is comprised of ordinary share capital and retained earnings

Fixed assets

The company's fixed assets comprise of leasehold improvements to its premises and other equipment

Directors

The directors of the company who served during the period are noted below

Mike Hussey (Appointed 16 February 2010)

Michael Halcrow (Appointed 16 February 2010)

Neil Jones (Appointed 16 February 2010, Resigned 17 June 2011)

Samuel Lloyd (Appointed 13 October 2009, Resigned 16 February 2010)

Directors' indemnities

Directors of the company are entitled to be indemnified by the company against any liability, loss or expenditure incurred in connection with their duties, powers or office, to the extent permitted by statute

The contracts of employment of the directors of the company do not provide for compensation for the loss of office that occurs because of takeover

Charitable, political and other donations

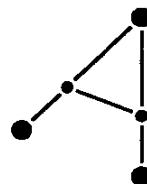
The company made charitable donations of £18,000 during the period

Payment policy

It is the company's payment policy, in respect of all suppliers, to settle agreed outstanding accounts in accordance with terms and conditions agreed with suppliers when placing orders. Trade creditors as a proportion of amounts invoiced by suppliers represent 12 days

Employment policy

The company follows all applicable UK employment laws and regulations



Directors' Report (continued)

Auditors and disclosure of information to auditors

Deloitte LLP were appointed as auditors and have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

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

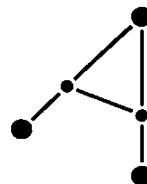
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

On behalf of the Board

M D Halcrow
Secretary

Almacantar Limited
3 Quebec Mews
London W1H 7NX

5 September 2011



Statement of directors' responsibility

The directors are responsible for preparing the financial statements in accordance with applicable laws and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- 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 entity'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.

We confirm to the best of our knowledge

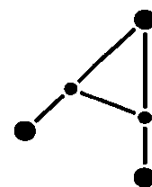
- the financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and
- the management report, which is incorporated into the directors' report, includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that it faces

On behalf of the Board

M D Halcrow
Secretary

5 September 2011

Independent auditor's report to the members of Almacantar Limited



We have audited the financial statements of Almacantar Limited for the period ended 31 December 2010 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes 1 to 12. 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 Auditors.

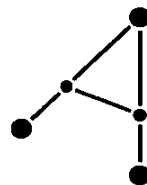
Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the period 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.



Independent auditor's report to the members of Almacantar Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

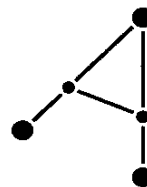
Mark Goodey (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

5 September 2011



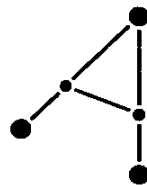
Income Statement

For the period ended 31 December 2010

	Note	2010 £'000
Revenue		-
Administrative expenses	2	(1,702)
Operating loss		(1,702)
Finance costs	3	(22)
Loss before tax		(1,724)
Tax	4	-
Loss for period		(1,724)

All activities during the current period are derived from continuing operations

There are no other items of comprehensive income in the current period and therefore no statement of comprehensive income is shown



Balance Sheet

As at 31 December 2010

	Note	2010 £'000
Assets		
Non-current assets		
Property, plant & equipment	5	360
Leasehold deposit		<u>128</u>
		488
Current assets		
Debtors	6	23
Cash		<u>296</u>
		319
Total Assets		<u>807</u>
Liabilities		
Current liabilities		
Trade and other creditors	7	<u>(149)</u>
		(149)
Non-current liabilities		
Borrowings	8	<u>(382)</u>
		(382)
Total Liabilities		<u>(531)</u>
Net Assets		<u>276</u>
Equity		
Share capital	10	2,000
Reserves		<u>(1,724)</u>
Total equity attributable to shareholders of the company		<u>276</u>

The financial statements of Almacantar Limited, registered number 7038904, were approved by the Board of Directors on 5 September 2011

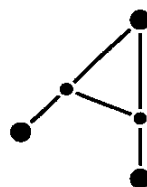
Signed on behalf of the Board of Directors

M R Hussey

Director

M D Halcrow

Director



Statement of Changes in Equity

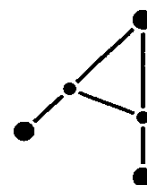
For the period ended 31 December 2010

	13 October 2009 £'000	New shares issued £'000	Loss for period £'000	31 December 2010 £'000
Share capital	-	2,000	-	2,000
Retained earnings	-	-	(1,724)	(1,724)
Total attributable to shareholders	-	2,000	(1,724)	276

Cash Flow Statement

For the period ended 31 December 2010

	Note	2010 £'000
Cash outflow generated from operations	11	(1,685)
Net cash used in operating activities		(1,685)
Cash flows from investing activities		
Purchase of plant property and equipment		(379)
Net cash used in investing activities		(379)
Cash flows from financing activities		
Proceeds from share issue		2,000
Net increase in loans from group companies		382
Interest paid		(22)
Net cash used in financing activities		2,360
Net movement in cash and cash equivalents		296
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents per the balance sheet		296



Notes to the financial statements

1. Accounting policies and basis of preparation

Almacantar Limited is a limited company registered in Great Britain. The company's parent company is Almacantar S A which is registered in Luxembourg.

These financial statements are presented in thousands and in sterling since that is the currency in which the majority of the company's transactions are denominated. The financial statements have been prepared in accordance with EU Endorsed International Financial Reporting Standards and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

Revenue

Turnover comprises charges to other Group companies for advisory and administration services provided.

Equipment

Equipment comprises computers and office furniture. These assets are stated at cost less accumulated depreciation and are depreciated on a straight-line basis over their estimated useful lives.

Trade and other receivables

Trade and other receivables are booked at fair value. An impairment provision is created where there is objective evidence that the company will not be able to collect in full.

Trade and other payables

Trade and other payables are stated at cost since cost is a reasonable approximation of fair value.

Cash and cash equivalents

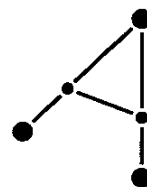
Cash and cash equivalents comprise bank balances.

Provisions

A provision is recognised where there is an obligation from past events requiring settlement by an outflow of economic benefits. Where material, expected outflows are discounted at rates reflecting prevailing interest rates and risks. A provision for an onerous contract is recognised where the unavoidable cost of meeting contractual obligations exceeds its benefits. Dilapidations are provided for if an obligation exists at the reporting date which can be reliably estimated.

Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards of ownership. All other leases are classified as operating leases. Operating lease payments are recognised as an expense on a straight line basis over the probable lease term. Deposits paid to the lessor are recognised as an asset on the balance sheet, classification as non-current or current is determined by when the deposit is repayable. Future minimum lease payments are disclosed in note 2.



Notes to the financial statements (continued)

Tax

Current tax

The current tax charge is based on results for the year, adjusted for items that are non-taxable or disallowable for tax purposes. It is calculated using rates that are enacted (or substantively enacted) by the balance sheet date.

Deferred tax

This is the tax expected to be paid or recovered on differences between the reported value of assets and liabilities and their tax base. The company uses the balance sheet liability method, under which tax liabilities are usually recognised for all taxable temporary differences, but tax assets are recognised only to the extent taxable profits are expected to be available against which to utilise temporary differences.

The carrying amount of tax assets is reviewed each reporting date and reduced if full recoverability is not expected. Tax is calculated at rates expected to apply in the period the liability settles or the asset is realised, and is booked to the income statement. Where it relates to items accounted for in equity, however, the tax is also dealt with in equity.

Impact of accounting standards and interpretations in issue but not yet effective

At the date of approval of these financial statements there were a number of standards, amendments and interpretations that have been published and are therefore mandatory for the Company's accounting periods beginning on or after 1 January 2011 and later periods. All of these have been endorsed by the EU with the exception of IFRS9. The Company has not early-adopted any standard, amendment or interpretation.

The standards, amendments and interpretations that are expected to impact upon the Company are:

IFRS9 'Financial Instruments' will apply to the Company from 1 January 2013. The new standard was issued in November 2009 as the first step in the International Accounting Standard Board's (IASB) project to replace IAS39 'Financial Instruments: Recognition and Measurement'. IFRS9 introduces new requirements for classifying and measuring financial assets. The IASB is in the process of expanding IFRS9 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment and hedge accounting. The Company is currently assessing the impact of the standard on the Company's results and financial position and will continue to assess the impact as the standard is revised by the IASB.

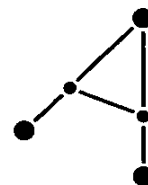
IAS24 (Revised) 'Related Party Transactions' will apply to the Company from 1 January 2011. The revised standard may impact upon the Company by requiring additional disclosures in the annual financial statements.

An improvement to IFRSs, issued in May 2010, is the 2010 tranche of the Improvements to IFRS project and includes a number of minor amendments to existing IAS and IFRS, which require implementation from 1 January 2011. The impact of these amendments is currently being assessed by the Company.

The adoption of the following standards, amendments and interpretations is not expected to have any material impact on the financial statements of the Company:

IFRS10 'Consolidated Financial Statements' will apply to the Company from 1 January 2013. The new standard was issued in May 2011 to establish principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.

IFRS11 'Joint Arrangements' will apply to the Company from 1 January 2013. The new standard was issued in May 2011 and requires that a party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement.



Notes to the financial statements (continued)

IFRS12 'Disclosure of Interest in Other Entities' will apply to the Company from 1 January 2013. The new standard was issued in May 2011 and requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

IFRS13 'Fair Value Measurement' will apply to the Company from 1 January 2013. The new standard was issued in May 2011 and defines fair value, sets out in a single IFRS a framework for measuring fair value and requires disclosures about fair value measurements.

Amendment to IAS12 'Deferred tax: Recovery of Underlying Assets' provides an exception to the general principles of IAS12 for investment property measured using the fair value model in IAS40 'Investment Property'.

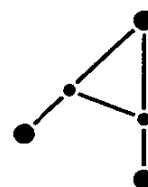
Amendment to IFRIC14 'Prepayments of a Minimum Funding Requirement' was issued to correct an unintended consequence of the interpretation which, in some circumstances, prevented the recognition as an asset some voluntary prepayments for minimum funding contributions.

Critical accounting judgements made and the key sources of estimation uncertainty within these financial statements

No critical accounting judgements have been made within these financial statements. There are no sources of estimation uncertainty within these financial statements.

2. Administration expenses

	2010 £'000
Salaries and other payroll costs	914
Legal and other professional fees	364
Office administration and other costs	267
Abortive investment costs	138
Depreciation	19
	1,702



Notes to the financial statements (continued)

The aggregate payroll costs of employees were

	2010 £'000
Wages and salaries	814
Social security costs	100
	914

The average number of employees of the company was 6

Directors' remuneration

Emoluments	369
Remuneration of the highest paid director	200

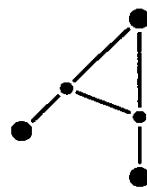
Audit fees

The audit fee payable to Deloitte LLP in respect of the audit of the financial statements is £5,500

Operating leases

Future minimum payments under operating leases are

	2010 £'000
Within 1 year	134
Between 2 - 5 Years	536
After 5 years	-
	670



Notes to the financial statements (continued)

3. Finance costs

	2010 £'000
Interest on borrowings	22
	<u>22</u>

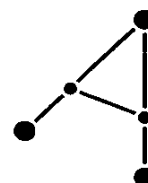
4. Taxation

	2010 £'000
Current tax	
Provision for UK corporation taxation based on loss for the year	
Corporation tax credit at 28%	-
Total current tax	-
Total tax credit on profit from ordinary activities	-

Factors affecting tax charge for the year

The tax for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below.

	2010 £'000
Loss on ordinary activities before tax	<u>(1,724)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28%	(483)
Effects of	
Origination and reversal of temporary differences	(25)
Permanent differences	19
Tax losses not recognised	<u>489</u>
Total tax on loss on ordinary activities	-



Notes to the financial statements (continued)

In his budgets of 22 June 2010 and 23 March 2011, the Chancellor of the Exchequer announced tax changes, which, if enacted in the proposed manner, will have an effect on the company's future tax position

The 22 June 2010 budget announced a decrease in the rate of UK corporation tax from 28% to 27% from 1 April 2011, with a further reduction by 1% in each of the following three years (to 24% from 1 April 2014), to be enacted annually. The first rate change to 27% was substantively enacted at the balance sheet date.

The 23 March 2011 budget announced an additional 1% decrease in the rate of UK corporation tax to 26% from 1 April 2011, with a further reduction by 1% in each of the following three years (to 23% from 1 April 2014), to be enacted annually. The additional rate change to 26% was not substantively enacted at the balance sheet date, but had been substantively enacted at the date of signing the financial statements.

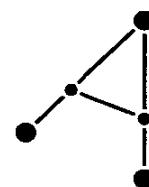
Deferred tax

At the balance sheet date, the Company has unused tax losses of £1,656,767 available for offset against future profits. No deferred tax asset has been recognised in respect of these losses due to the unpredictability of future profit streams.

5. Property, plant and equipment

	Leasehold Property £'000	Equipment £'000	2010 - Total £'000
Cost			
Balance at 13 October 2009	-	-	-
Additions	248	131	379
Balance at 31 December 2010	248	131	379
Depreciation			
Balance at 13 October 2009	-	-	-
Depreciation charge for the year	(12)	(7)	(19)
Balance at 31 December 2010	(12)	(7)	(19)
Net book value			
13 October 2009	-	-	-
31 December 2010	236	124	360

The basis of measurement for carrying value is cost. Leasehold Property is depreciated over the minimum lease term of five years. Equipment is depreciated over five years.



Notes to the financial statements (continued)

6. Debtors

	2010 £'000
VAT Recoverable	9
Other debtors	14
	23

7. Creditors

	2010 £'000
Trade creditors	23
Other taxation and social security	51
Accruals	75
	149

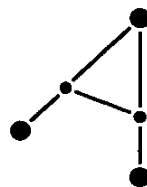
8. Borrowings

The amount of £382,000 is a loan from the company's parent – Almacantar SA. Under the terms of the facility, the company may borrow funds up to a limit of £10,000,000. The loan bears interest at a current annual rate of 4.5%. Repayment does not arise within the next 12 months.

9. Financial instruments and fair value

Financial assets and liabilities

Financial assets in the company comprise of trade and other receivables, categorised as loans and receivables, and cash and cash equivalents and tax balances, both of which are classified as other financial assets. Financial liabilities comprise trade and other payables, amounts due to its parent company and tax balances, all of which are categorised as other financial liabilities. The carrying values of these financial assets and liabilities approximate their fair values.



Notes to the financial statements (continued)

Capital risk

The company is not subject to externally imposed capital requirements

Financial risks

Foreign currency risk

The company is not exposed to foreign currency risk

Interest rate risk

The company is exposed to interest rate risk through cash deposited with financial institutions

Credit risk

The company has cash deposits of £296,000 with financial institutions. Deposits were placed with reputable financial institutions

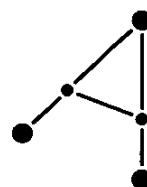
Liquidity risk table

The following table shows the company's maturity profile for its financial liabilities. The table is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay

	Carrying Value £'000	Under 1 year £'000	Over 1 Year £'000	Total £'000
Non interest bearing trade creditors	(149)	(149)	-	(149)
Interest bearing borrowings	(382)	-	(382)	(382)
	(531)	(149)	(382)	(531)

Derivative financial instruments

The company is not party to any derivative financial instruments



Notes to the financial statements (continued)

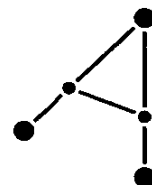
10. Share capital

	2010 £'000
Authorised, issued and fully paid 2,000,000 ordinary shares	
At 13 October 2009	-
Share issue	2,000
At 31 December 2010	2,000

Authorised, issued and fully paid share capital comprises 2,000,000 ordinary shares with a nominal value of £1

11. Reconciliation of cash generated from operations

	2010 £'000
Operating loss	(1,702)
Adjusted for	
Depreciation of plant, property and equipment	19
	(1,683)
Changes in working capital	
Increase in debtors	(151)
Increase in creditors	149
Net cash outflow generated from operations	(1,685)



Notes to the financial statements (continued)

12. Related party transactions

	2010 £'000
Interest bearing loan from Almacantar SA (parent company)	(382)

Key management personnel are considered to be the Directors of the company. Directors' remuneration is disclosed in note 2.

The parent company and ultimate controlling party is Almacantar SA. Copies of the consolidated accounts of Almacantar SA can be obtained from that company's office at 37 rue d'Anvers, L-1130 Luxembourg.