

GREYCOAT LONDON INVESTMENTS LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2005



Company No. 2924211 (England & Wales)

GREYCOAT LONDON INVESTMENTS LIMITED

COMPANY INFORMATION

Directors

M H D McAlpine
D M McAlpine
A R Bolt
P A Thornton
C N Strickland
M A Poole

Secretary

NC Brown

Company Number

2924211

Registered Office

9 Savoy Street
London
WC2E 7EG

GREYCOAT LONDON INVESTMENTS LIMITED

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GREYCOAT LONDON INVESTMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2005

The directors present their report together with the accounts for the year ended 30 June 2005.

Principal Activities and Review of Business

The principal activity of the group is property investment and development.

These activities are expected to continue for the foreseeable future.

Results and Dividends

The loss on ordinary activities before and after taxation was £90 (2004: loss £51,960 before and after taxation).

The directors do not recommend the payment of a final dividend (2004: £nil).

Directors

The directors who served during the year ended 30 June 2005 and subsequent to that date were:

MHD McAlpine
DM McAlpine
AR Bolt
PA Thornton
CN Strickland
MA Poole

None of the directors held any interest in the share capital of the company at any time during the year.

GREYCOAT LONDON INVESTMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2005

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year, which give a true and fair view of the state of the group's affairs and of the profit or loss for that year. In preparing these accounts the directors:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the group and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



NC Brown, Secretary
28 April 2006

GREYCOAT LONDON INVESTMENTS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2005

	Notes	30 June 2005 £	30 June 2004 £
Administrative expenses	2	(90)	(2,350)
Provision against amounts due from companies holding shares and their subsidiary undertakings	7	-	(49,610)
Operating Loss	3	<u>(90)</u>	<u>(51,960)</u>
Tax on Loss on Ordinary Activities	4	-	-
Loss on Ordinary Activities After Taxation	10	<u>(90)</u>	<u>(51,960)</u>
Retained profit brought forward	10	13,844	65,804
Retained profit carried forward	10	<u>13,754</u>	<u>13,844</u>

Statement of Total Recognised Gains and Losses

There were no recognised gains or losses for 2005 or 2004 other than those included in the profit and loss account.

The notes on pages 6 to 10 form part of these accounts.

GREYCOAT LONDON INVESTMENTS LIMITED

GROUP BALANCE SHEET

AS AT 30 JUNE 2005

	Notes	30 June 2005 £	30 June 2004 £
Current Assets			
Cash at bank and in hand	7	23,690	23,780
		<u>23,690</u>	<u>23,780</u>
Creditors: Amounts Falling Due Within One Year	8	(8,736)	(8,736)
		<u></u>	<u></u>
Net Current Assets		<u>14,954</u>	<u>15,044</u>
Capital and Reserves			
Called up share capital	9	1,200	1,200
Profit and loss account	10	13,754	13,844
		<u></u>	<u></u>
Total Shareholders' Funds	11	<u>14,954</u>	<u>15,044</u>

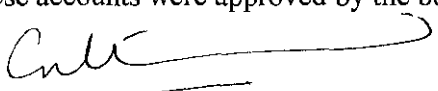
For the year ended 30 June 2005 the company was entitled to exemption under Section 249AA(1) of the Companies Act 1985.

No notice has been deposited with the company under Section 249B(2) of that Act requiring an audit to be carried out.

The directors acknowledge their responsibility for:

- Ensuring the company keeps accounting records in accordance with Section 221, Companies Act 1985; and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its result for the year then ended in accordance with the requirements of Section 226, Companies Act 1985, and which otherwise comply with the requirements of the Act so far as they are applicable to the company.

These accounts were approved by the board on 28 April 2006 and signed on its behalf.


Director

The notes on pages 6 to 10 form part of these accounts.

GREYCOAT LONDON INVESTMENTS LIMITED**COMPANY BALANCE SHEET**

AS AT 30 JUNE 2005

	Notes	30 June 2005 £	30 June 2004 £
Fixed Assets			
Tangible assets:			
Investments	6	-	-
Current Assets			
Cash at bank and in hand	7	20,676	20,676
Creditors: Amounts Falling Due Within One Year	8	20,676 (51,179)	20,676 (51,179)
Total Assets Less Current Liabilities		(30,503)	(30,503)
Capital and Reserves			
Called up share capital	9	1,200	1,200
Profit and loss account	10	(31,703)	(31,703)
Total Shareholders' Funds	11	(30,503)	(30,503)

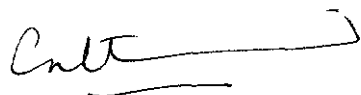
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The directors acknowledge their responsibility for:

- a) Ensuring the company keeps accounting records in accordance with Section 221, Companies Act 1985; and
- b) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its result for the year then ended in accordance with the requirements of Section 226, Companies Act 1985, and which otherwise comply with the requirements of the Act so far as they are applicable to the company.

These accounts were approved by the board on 28 April 2006 and signed on its behalf.



Director

GREYCOAT LONDON INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

1 Accounting Policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and comply with the Companies Act 1985.

The company qualifies as a small company and is therefore exempt from the requirements to prepare a cash flow statement.

The company's accounts have been prepared under the going concern basis because the company's subsidiary undertaking has agreed not to demand repayment of amounts owed to it for a period until at least one year from the date of approval by the directors of these accounts.

Basis of consolidation

The group accounts incorporate the accounts of the company and its subsidiary undertaking up to 30 June 2005.

As permitted by section 230 Companies Act 1985 no profit and loss account is given for the parent undertaking.

Deferred Taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of tangible fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Administrative Expenses

- (a) Administrative expenses consists of auditors' remuneration of £nil (2004 - £2,350).
- (b) The group has no employees. The directors of the company are employees of, and also receive remuneration from, the undertakings, which own the ordinary share capital of the company (see note 12). The directors received no emoluments for their services to the company during the year (2004 - £nil).

GREYCOAT LONDON INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

3 Operating Loss

	30 June 2005 £	30 June 2004 £
Operating loss is arrived at after charging:		
Auditors' remuneration	-	2,350

4 Tax on Profit on Ordinary Activities

There is no tax charge on the loss for the year (2004: £nil). Group relief is used to eliminate any charge or loss in subsidiary undertakings. There is no provision or additional potential liability for deferred taxation in respect of the group.

5 Loss Attributable to Shareholders of the Company

The loss attributable to shareholders of the company is £nil (2004 – loss of £51,960).

6 Investments

	£
Company	
Cost at 1 July 2004 and 30 June 2005	5,744,581
Provision against investment	(5,744,581)
Net book value at 1 July 2004 and 30 June 2005	-

The company has one subsidiary undertaking, Greycoat London Southbank Limited, which is wholly owned and registered in England, and which is engaged in property investment and development.

GREYCOAT LONDON INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

7 Debtors

	Group		Company	
	30 June 2005	30 June 2004	30 June 2005	30 June 2004
	£	£	£	£
Amounts due from companies holding shares and their subsidiary undertakings	-	-	-	-

The recoverability of amounts due from companies holding shares and their subsidiary undertakings is dependent on the successful outcome of current discussions between shareholders. Full provision of £49,610 has been made in the previous year against these amounts.

8 Creditors: Amounts Falling Due Within One Year

	Group		Company	
	30 June 2005	30 June 2004	30 June 2005	30 June 2004
	£	£	£	£
Amounts due to subsidiary undertaking	-	-	42,443	42,443
Amounts owed to companies holding shares and their fellow subsidiary undertakings	2,861	2,861	2,861	2,861
Accruals	5,875	5,875	5,875	5,875
	<u>8,736</u>	<u>8,736</u>	<u>51,179</u>	<u>51,179</u>

9 Share Capital

	30 June 2005	30 June 2004
	£	£
Authorised, allotted, called up and fully paid:		
600 'A' ordinary shares of £1 each	600	600
600 'B' ordinary shares of £1 each	600	600
	<u>1,200</u>	<u>1,200</u>

All the 'A' shares and one 'B' share are owned by Sir Robert McAlpine Enterprises Limited. 599 'B' shares are owned by Greycoat Estates Investments Limited, which is in liquidation.

GREYCOAT LONDON INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

10 Reserves

Group

Profit and Loss Account £

At 1 July 2003	65,804
Loss for the year	(51,960)
At 30 June 2004	13,844
Loss for the year	(90)
At 30 June 2005	13,754

Company

Profit and Loss Account £

At 1 July 2003	20,257
Loss for the year	(51,960)
At 30 June 2004	(31,703)
Loss for the year	-
At 30 June 2005	(31,703)

11 Reconciliation of Shareholders' Funds

Group

	30 June 2005 £	30 June 2004 £
Loss for the year	(90)	(51,960)
Decrease in shareholders' funds	(90)	(51,960)
Opening shareholders' funds	15,044	67,004
Closing shareholders' funds	14,954	15,044

GREYCOAT LONDON INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2005

11 Reconciliation of Shareholders' Funds (cont'd)

Company

	30 June 2005 £	30 June 2004 £
Profit (Loss) for the year	-	(51,960)
Decrease in shareholders' funds	-	(51,960)
Opening shareholders' funds	(30,503)	21,457
Closing shareholders' funds	(30,503)	(30,503)

12 Related Parties

The company is jointly owned and controlled by Sir Robert McAlpine Enterprises Limited and Greycoat Estates Investments Limited.

Greycoat Estates Investments Limited and Herbrand Limited (a fellow subsidiary undertaking with Sir Robert McAlpine Enterprises Limited) each owes the company £24,085 the recoverability of which has been fully provided against in these accounts.