

CABOT PLACE HOLDINGS LIMITED
Registered Number: 3302749

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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CABOT PLACE HOLDINGS LIMITED

FINANCIAL STATEMENTS

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CABOT PLACE HOLDINGS LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report with the audited financial statements for the year ended 31 December 2008. This report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The company is a wholly owned subsidiary of Canary Wharf Group plc and its ultimate parent undertaking is Songbird Estates plc.

The principal activity of the company is property investment. The company holds properties directly and via Jersey Property Unit Trusts ('JPUT').

As shown in the company's profit and loss account, the company's profit after tax for the year was £7,269,010 (2007: £1,698,471).

The balance sheet shows the company's financial position at the year end and indicates that net assets were £105,615,931 (2007: £146,489,375). Details of amounts owed to group companies are shown in Notes 10 and 11.

There have been no significant events since the balance sheet date.

DIVIDENDS AND RESERVES

The profit and loss account for the year ended 31 December 2008 is set out on page 7. No dividends have been paid or proposed (2007: £2,200,000) and the retained profit of £7,269,010 (2007: loss of £501,529) has been transferred to reserves.

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, performance and position (including the principal risks and uncertainties), are set out in this Directors' Report. The finances of the company and its liquidity position and borrowings are, where appropriate, also described in this report.

The company is in a net asset position at the year end. The company has the benefit of leases which provide an income stream which the directors forecast will enable it to meet its obligations as they fall due for a period of not less than 12 months from the signing date of the financial statements. In addition, as a member of the Canary Wharf Group, the company has access to considerable resources.

Having made the requisite enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue its operations for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

CABOT PLACE HOLDINGS LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

DIRECTORS

The directors of the company throughout the year ended 31 December 2008 were:

A P Anderson II
G Iacobescu
R J J Lyons

The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Neither the indemnity or the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

PRINCIPAL RISKS AND UNCERTAINTIES

As a member of the Canary Wharf Group the key risks facing the company include the property market upheaval, financing risk and concentration risk.

Property Market Upheaval

The valuation of Canary Wharf Group's assets is subject to many external economic and market factors which are cyclical in nature. The unprecedented turmoil in the financial markets has been reflected in the property market by such factors as the oversupply of available space in the office market, a recent significant decline in tenant demand for space in London and a change in the market perception of property as an investment resulting in a negative impact on property valuations in general. Such issues are kept under constant review so that the company as part of the Canary Wharf Group can react appropriately. The impact of the ongoing upheaval in the property and financial markets continues to be closely monitored.

Financing Risk

The broader economic cycle inevitably leads to movements in inflation, interest rates and bond yields. The company finances its operations largely through surplus cash and intercompany finance. The terms of the company's borrowings are summarised in Notes 10 and 11.

The unprecedented turmoil in the financial markets has resulted in an unusually pronounced negative impact on the real estate market. In the current difficult economic environment there is an increased risk that further softening of yields could put pressure on the loan to value covenants in the facilities of Canary Wharf Group.

Concentration Risk

The majority of Canary Wharf Group's real estate assets, including the assets of the company, are currently located on or adjacent to the Canary Wharf Estate, with tenants that are mainly linked to the financial services industry. Wherever possible steps are taken to mitigate or avoid material consequences arising from this concentration.

The principal risks facing the Canary Wharf Group are discussed in the Annual Report of Canary Wharf Group plc, which does not form part of this report.

CABOT PLACE HOLDINGS LIMITED

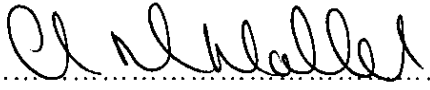
THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each director holding office at the date of this report has taken all the steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditors are aware of that information. As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985.

BY ORDER OF THE BOARD


..... Joint Secretary
A M Holland

26 June 2009

Registered office:
30th Floor
One Canada Square
Canary Wharf
London
E14 5AB

CABOT PLACE HOLDINGS LIMITED

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the results of the company for the year then ended. In preparing these 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 applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

CABOT PLACE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CABOT PLACE HOLDINGS LIMITED

We have audited the financial statements of Cabot Place Holdings Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related Notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

CABOT PLACE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CABOT PLACE HOLDINGS LIMITED

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte LLP
Chartered Accountants and Registered Auditors
London, UK

26 June 2009

CABOT PLACE HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Cost of sales		(161,196)	—
GROSS LOSS		(161,196)	—
Administrative expenses		(13,648)	(7,051)
OPERATING LOSS	2	(174,844)	(7,051)
Income from shares in group undertakings	8	600,000	1,200,000
Income from investments	8	7,320,750	2,547,881
Exceptional item:			
Profit on sale of fixed assets	7	575,000	—
Interest receivable and similar income	3	5,317,436	4,568,135
Interest payable and similar charges	4	(6,539,212)	(6,610,494)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7,099,130	1,698,471
Tax on profit on ordinary activities	5	169,880	—
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR	13	7,269,010	1,698,471

Movements in reserves are shown in Note 13 of these financial statements.

All amounts relate to continuing activities in the United Kingdom.

The Notes on pages 10 to 19 form an integral part of these financial statements.

CABOT PLACE HOLDINGS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2008

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Profit for the financial year	7,269,010	1,698,471
Unrealised deficit on JPUT investment attributable to the company (Note 8)	(48,142,454)	(3,081,479)
Total recognised losses relating to the year	<u>(40,873,444)</u>	<u>(1,383,008)</u>

The Notes on pages 10 to 19 form an integral part of these financial statements.


CABOT PLACE HOLDINGS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	31 December 2008 £	31 December 2007 £
FIXED ASSETS			
Tangible assets	7	10,000	10,000
Investments	8	132,682,574	180,825,027
		<u>132,692,574</u>	<u>180,835,027</u>
CURRENT ASSETS			
Debtors	9		
Amounts falling due after one year		796,347	—
Amounts falling due within one year		85,208,560	82,759,572
		<u>86,004,907</u>	<u>82,759,572</u>
CREDITORS: Amounts falling due within one year	10	<u>(3,597,927)</u>	<u>(7,732,249)</u>
NET CURRENT ASSETS		<u>82,406,980</u>	<u>75,027,323</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>215,099,554</u>	<u>255,862,350</u>
CREDITORS: Amounts falling due after more than one year	11	<u>(109,483,623)</u>	<u>(109,372,975)</u>
NET ASSETS		<u>105,615,931</u>	<u>146,489,375</u>
CAPITAL AND RESERVES			
Called-up share capital	12	2	2
Revaluation reserve	13	96,579,350	144,721,804
Profit and loss account	13	9,036,579	1,767,569
		<u>105,615,931</u>	<u>146,489,375</u>
SHAREHOLDERS' FUNDS	14	<u>105,615,931</u>	<u>146,489,375</u>

The Notes on pages 10 to 19 form an integral part of these financial statements.

APPROVED BY THE BOARD ON 26 JUNE 2009 AND SIGNED ON ITS BEHALF BY:


R J J LYONS
DIRECTOR

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. PRINCIPAL ACCOUNTING POLICIES

A summary of the principal accounting policies of the company, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties and in accordance with applicable United Kingdom accounting standards.

In accordance with the provisions of FRS 1 (Revised) the company is exempt from the requirements to prepare a cash flow statement, as it is a wholly-owned subsidiary of Canary Wharf Group plc, which has prepared a consolidated cash flow statement.

Interest receivable and interest payable

Interest receivable and payable are recognised on an accruals basis in the period in which they fall due.

Income from investments

Investment income comprises dividends paid by the company's subsidiary undertakings during the accounting period.

Investment properties

Investment properties are revalued annually and in accordance with SSAP 19 (Accounting for Investment Properties) no provision is made for depreciation. This departure from the requirements of the statutory accounting rules, which requires all properties to be depreciated is, in the opinion of the directors, necessary for the accounts to show a true and fair view. Depreciation is only one of the factors reflected in the annual valuation and the amount attributable to this factor is not capable of being separately identified or quantified. Surpluses or deficits are transferred to the revaluation reserve, unless a deficit is expected to be permanent and exceeds previous surpluses recognised on the same property, in which case the excess is charged to the profit and loss account.

Investments

The company's investments in subsidiaries are stated at cost less any provision for impairment.

Investments in Jersey Property Unit Trusts are carried at the company's share of net assets. The company's share of the realised profit is recorded in the profit and loss account and the company's share of the unrealised profit is taken to the revaluation reserve.

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

Debt

Debt instruments are stated initially at the amount of the net proceeds. The finance costs of such debt instruments are allocated to periods over the term of the debt at a constant rate on the carrying amount. The carrying amount is increased by the finance cost in respect of the reporting period and reduced by payments made in respect of the debt of that period. Finance costs are charged to the profit and loss account.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. The company is part of a UK group for group relief purposes and accordingly may take advantage of the group relief provisions whereby current taxable profits can be offset by current tax losses arising in other companies in that group. The group's policy is that no payment will be made for tax losses surrendered under the group relief provisions.

Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition in the corporation tax return.

Under FRS 19 deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements.

Deferred tax is measured on a discounted basis to reflect the time value of money over the period between the balance sheet date and the dates on which it is estimated that the timing differences will reverse, or where the timing differences are not expected to reverse, a period not exceeding 50 years. Discount rates of 2.1% to 2.2% have been adopted reflecting the post-tax yield to maturity that can be obtained on government bonds with similar maturity dates and currencies to those of the deferred tax assets or liabilities.

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

2. OPERATING LOSS

Operating loss is stated after charging:

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Remuneration of the auditors:		
Audit fees for the audit of the company	6,000	6,000

None of the directors received any emoluments in respect of their services to the company during the year or the prior year.

No staff were employed by the company during the year or the prior year.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Bank interest receivable	22	—
Interest receivable from group undertakings	5,317,414	4,568,135
	<u>5,317,436</u>	<u>4,568,135</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Interest payable to group undertakings	6,428,564	6,499,846
Financing costs	110,648	110,648
	<u>6,539,212</u>	<u>6,610,494</u>

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

5. TAXATION

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Current tax:		
UK Corporation tax (see below)	—	—
Deferred tax:		
Origination and reversal of timing differences	(169,880)	—
Tax reconciliation:		
Profit on ordinary activities before tax	7,099,130	1,698,471
Tax on profit on ordinary activities at UK corporation tax rate of 28.5% (2007: 30%)	2,023,252	509,541
Effects of:		
Items not chargeable to tax	—	(360,000)
Tax losses and other timing differences	(2,023,252)	(149,541)
Current tax charge for the year	—	—

The tax rate of 28.5% is calculated by reference to the current corporation tax rate of 28% which was in effect for the final three quarters of the year and the previous rate of 30% which was in effect for the first quarter of the year.

No provision for corporation tax has been made since the profit for the year will be covered by the group relief expected to be made available to the company by other companies in the group. No charge will be made by other group companies for the surrender of group relief. The company has an unrecognised deferred tax asset of £370,269 attributable to unclaimed EZAs. Other than this there is no unprovided deferred taxation.

6. DIVIDENDS

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Dividends paid during the prior year (£1,100,000 per share)	—	2,200,000

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

7. TANGIBLE FIXED ASSETS

	Freehold Property £
VALUATION	
At 1 January 2008 and 31 December 2008	<u>10,000</u>
NET BOOK VALUE	
At 31 December 2008	<u>10,000</u>
At 31 December 2007	<u>10,000</u>

During the year the company granted an underlease of certain parts of the promenade level retail at One Canada Square, Canary Wharf to the One Canada Square (Retail) Unit Trust for a consideration of £575,000. At 31 December 2007 this space was carried at nil value. A profit of £575,000 has been taken to the profit and loss account and treated as an exceptional item.

On a historic cost basis, investment properties would have been included as follows:

	31 December 2008 £	31 December 2007 £
Historic cost	<u>—</u>	<u>—</u>

As at 31 December 2008, the company's freehold property interests were valued by the group's external property advisers, Savills Commercial Limited, Chartered Surveyors and Cushman & Wakefield, Real Estate Consultants, on the basis of Market Value in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors. No allowance was made for any expenses of realisation nor for any taxation which might arise in the event of disposal.

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

8. INVESTMENTS

	31 December 2008 £	31 December 2007 £
Investment in Jersey Property Unit Trusts	132,632,568	180,775,022
Shares in group undertakings	50,006	50,005
	<u>132,682,574</u>	<u>180,825,027</u>

Investment in Jersey Property Unit Trusts

At 31 December 2008 the company held 99.8% of the units in Cabot Place (Retail) Unit Trust and 99.1% of the units in One Canada Square (Retail) Unit Trust.

	31 December 2008 £	31 December 2007 £
Historic cost of property contributed	36,063,218	36,063,218
Unrealised revaluation of property contributed	111,436,782	111,436,782
Cost of investment in Jersey Property Unit Trusts	147,500,000	147,500,000
Cumulative revaluation of units	(14,867,432)	33,275,022
	<u>132,632,568</u>	<u>180,775,022</u>

At 31 December 2008, the company's share of the net assets of the Jersey Property Unit Trusts had fallen by £48,142,454, which was transferred from the revaluation reserve.

During the year the company received distributions as follows:

	31 December 2008 £	31 December 2007 £
Accrued distributions brought forward	(91,218)	(782,815)
Distributions in advance brought forward	1,316,307	—
Distributions received	6,071,270	4,555,785
Accrued distributions carried forward	56,374	91,218
Distributions in advance carried forward	(31,983)	(1,316,307)
Distributions relating to the year	<u>7,320,750</u>	<u>2,547,881</u>

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

Shares in group undertakings

	£
At 1 January 2008	50,005
Additions	1
At 31 December 2008	<u>50,006</u>

During the year the company subscribed for the entire share capital of Canada Square (Pavilion) Limited for a consideration of £1.

At 31 December 2008 the company's subsidiary undertakings were as follows:

Name	Description of shares held	Principal activities
Cabot Place Limited	Ordinary £1 shares	Retail property management
Cabot Place (RT2) Limited	Ordinary £1 shares	Retail property management
Canary Wharf Retail (DS3) Limited	Ordinary £1 shares	Retail property management
Nash Court Retail Limited	Ordinary £1 shares	Retail property management
Canary Wharf Retail (RT4) Limited	Ordinary £1 shares	Retail property management
Canary Wharf Retail (DS4) Limited	Ordinary £1 shares	Retail property management
Canada Square (Pavilion) Limited	Ordinary £1 shares	Retail property management

The above are wholly owned subsidiaries registered in England and Wales.

Dividends totalling £600,000 (2007: £1,200,000) were paid by the company's subsidiaries during the year ended 31 December 2008.

In accordance with Section 228 of Companies Act 1985, financial information is only presented in these financial statements about the company as an individual undertaking and not about its group because the company and its subsidiary undertakings are included in the consolidated financial statements of a larger group (Note 16).

The directors are of the opinion that the value of the company's investments at 31 December 2008 was not less than the amount shown in the company's balance sheet.

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

9. DEBTORS

	31 December 2008 £	31 December 2007 £
Due within one year:		
Amount owed by parent undertaking	1	1
Loan to fellow subsidiary undertaking	75,175,961	80,585,873
Loans to JPUTs	9,806,344	2,082,480
Deferred tax	169,880	–
Prepayments and accrued income	56,374	91,218
	<u>85,208,560</u>	<u>82,759,572</u>
Due in more than one year:		
Loans to JPUTs	<u>796,347</u>	<u>–</u>

The loan to a fellow subsidiary undertaking carries interest at a rate linked to LIBOR and is repayable on demand.

The loans to the JPUTs carry interest at 10%. £9,806,344 is repayable on demand and £796,347 is repayable by 1 August 2010.

10. CREDITORS: Amounts falling due within one year

	31 December 2008 £	31 December 2007 £
Bank loans and overdrafts	–	22
Loan from parent undertaking	–	2,811,752
Loan from fellow subsidiary undertaking	1,214,547	1,204,109
Amounts owed to subsidiary undertakings	6	5
Amount owed to fellow subsidiary undertaking	2,344,491	2,393,004
Accruals	6,900	7,050
Deferred income	31,983	1,316,307
	<u>3,597,927</u>	<u>7,732,249</u>

The loan from the company's parent undertaking carried interest at a rate linked to LIBOR and was repaid during the year.

The loan from a fellow subsidiary undertaking represents the accrued interest on the loan due after more than one year.

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

11. CREDITORS: Amounts falling due after more than one year

	31 December 2008	31 December 2007
	£	£
Loan from fellow subsidiary undertaking	<u>109,483,623</u>	<u>109,372,975</u>

The loan bears interest at a rate linked to the bank loan of a fellow subsidiary undertaking, and is repayable on 8 March 2011.

At 31 December 2008, there were capitalised financing costs of £241,304 (2007: £351,952) offset against the loans.

12. CALLED-UP SHARE CAPITAL

Authorised share capital:

	31 December 2008	31 December 2007
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	31 December 2008	31 December 2007
	£	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

13. RESERVES

	Revaluation reserve	Profit and loss account	Total
	£	£	£
At 1 January 2008	144,721,804	1,767,569	146,489,373
Profit for the year	–	7,269,010	7,269,010
Revaluation of investments	(48,142,454)	–	(48,142,454)
At 31 December 2008	<u>96,579,350</u>	<u>9,036,579</u>	<u>105,615,929</u>

CABOT PLACE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2008 £	31 December 2007 £
Opening shareholders' funds	146,489,375	150,072,383
Profit for the year	7,269,010	1,698,471
Dividends paid	—	(2,200,000)
Revaluation of investments	(48,142,454)	(3,081,479)
Closing shareholders' funds	<u>105,615,931</u>	<u>146,489,375</u>

15. CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

As at 31 December 2008 the company had given fixed and floating charges over substantially all its assets to secure the commitments of certain other group undertakings.

16. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

The company's immediate parent undertaking is Canary Wharf Investments Limited.

As at 31 December 2008, the smallest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Canary Wharf Group plc. The largest group of which the company is a member for which group financial statements are drawn up is the consolidated financial statements of Songbird Estates plc, the ultimate parent undertaking and controlling party. Copies of the financial statements of both companies may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS 8 allowing the company not to disclose related party transactions with respect to other group companies.