

Registered Number 03936125

**SNOWHILL REAL ESTATE LIMITED (FORMALLY THORNFIELD  
PROPERTIES (LONDON) LIMITED)**

**DIRECTORS' REPORT AND ACCOUNTS**

Year ended 30 November 2010

FRIDAY



A53 \*ADAMFUA2\* 159  
20/05/2011  
COMPANIES HOUSE

---

## **SNOWHILL REAL ESTATE LIMITED**

<b>Contents</b>	<b>Page</b>
Directors	2
Directors' report	3 – 5
Statement of directors' responsibilities in respect of the directors' report and financial statements	6
Report of the Independent Auditors to the members of SNOWHILL REAL ESTATE LIMITED	7 - 8
Profit and loss account	9
Balance sheet	10
Reconciliation of movements in shareholders' funds	11
Notes to the Accounts	12 - 18

## **SNOWHILL REAL ESTATE LIMITED**

Year ended 30 November 2010

### **Directors**

M DalBello  
C M Castle  
D Terpstra

### **Secretary**

Gravitas Company Secretarial Services Ltd

### **Registered Office**

110 Cannon Street  
London  
EC4N 6AR

### **Bankers**

Bank of Scotland Plc (bank account closed on 27 09 2010)  
Gordon Street  
Glasgow  
G3 RS1

HSBC Bank  
8 Canada Square  
London  
E14 5HQ

### **Auditors**

KPMG LLP  
15 Canada Square  
London, E14 5GL

### **Solicitors**

K&L Gates LLP  
110 Cannon Street  
London, EC4N 6AR

## **SNOWHILL REAL ESTATE LIMITED**

### **REPORT OF THE DIRECTORS**

Year ended 30 November 2010

The directors present their report and accounts for the year ended 30 November 2010

#### **Principal activities**

On the 23 March 2011 the company changed its name to Snowhill Real Estate Limited (SREL) (formally Thornfield Properties (London) Limited ("TPLL")), a company incorporated in the United Kingdom, holds land interests in Smithfield, London EC1 comprising the General Market building and the Annex building which are collectively known as "Snowhill"

The Annex block is the southern most property within the site and comprises an island site bounded by Snow Hill to the south, Smithfield Street to the east and West Smithfield to the north

The General Market is bounded by West Poultry Avenue, Charterhouse Street and Farringdon Road and comprises a number of former market buildings occupying a separate island site. The buildings are now largely vacant. There are four separate tenancies of retail units in the General Market and Network Rail is occupying the central area of the ground floor under a tenancy at will.

The company holds a separate long leasehold interest in a former NCP basement car park which extends underneath both the General Market and Annex sites. This was occupied in part by Thameslink and Crossrail under temporary leases until the end of 2009. Crossrail is now in occupation under the terms of an Agreement dated 2 August 2007 which grants them rights of occupation and use for the duration of the Crossrail project

#### **Results and dividends**

The Company made a loss of £422,000 for the year (2009: loss of £9,480,000). The directors do not recommend the payment of a dividend (2009: £nil)

An impairment reversal of £345,000 (2009: impairment loss of £27,087,000) was recognised on the property held for development in the year

#### **Review of the business and future developments**

The company had incurred professional and other related costs in the current and prior periods in the working up of a development scheme and planning proposal. Under the terms of a separate Development agreement with City of London Corporation (freeholder), SREL has the right to redevelop the building by Development Notice no later than 7 May 2020 which is sufficient to allow the Crossrail works to be completed

## **SNOWHILL REAL ESTATE LIMITED**

### **REPORT OF THE DIRECTORS (continued)**

**Year ended 30 November 2010**

A planning application for complete redevelopment of the site was submitted in 2007 to provide a 330,010 sq ft mixed use scheme. The split of uses provided for 250,882 sq ft office and 79,128 sq ft retail accommodation. The application was rejected following a public enquiry.

John McAslan and Partners were subsequently appointed as architects to work up proposals for an alternative scheme which was submitted to English Heritage in February 2010 and reviewed by the London Advisory Committee. Alternative options have been reviewed and, following constructive and encouraging feedback from English Heritage, John McAslan and Partners are working with the company to identify a suitable response in liaison with the City Corporation. In the meantime, the company is seeking to protect the building by facilitating the occupation of the ground floor on a temporary basis by Network Rail.

SNOWHILL REAL ESTATE LIMITED (SREL) was acquired by AIMCo RE Holdings (Luxembourg) 1 S à r l on 20 May 2010. The company's outstanding debt with the Bank of Scotland was assigned to Charterhouse Snowhill (Luxembourg) S.à r l, a 100% subsidiary of AIMCo RE Holdings (Luxembourg) 1 S à r l. The ultimate controlling party from this date is FREP Holdings Canada I Limited Partnership.

Prior to the acquisition of the company, the amounts of £5,392,240 owed to Thornfield Ventures Ltd, £105,579 owed to Thornfield Developments Limited and £4,594,671 owed to Thornfield Properties PLC all previous group companies, were converted in to Ordinary Shares in return for the release of the liabilities of the Company of all payments due in respect of the inter company balances.

Following the acquisition, a contribution of £21,374,538 in the form of a cash gift was received by BPP (Farringdon Road) Limited ("BPP"), a fellow group company, from London Charterhouse RE (Luxembourg) S à r l a 100% subsidiary of AIMCo RE Holdings (Luxembourg) 1 S à r l. BPP used these gifted funds to settle its liability to SREL on 29 October 2010. SREL has subsequently used this cash to settle part of its debt to Charterhouse Snowhill (Luxembourg) S à r l. Snowhill RE (Luxembourg) S.à r l. gifted funds to SREL of £27,725,462. SREL used these gifted funds to pay off the majority of its remaining debt to Charterhouse Snowhill (Luxembourg) S.à r l on 2 November 2010.

### **Directors**

The directors of the Company are set out on page 2, which includes those who held office throughout the year and any appointments, resignations and cessations since the year end.

### **Registered office**

The Company's registered office address is 110 Cannon Street, London, EC4N 6AR.

### **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 he ought to have taken as a director to

## **SNOWHILL REAL ESTATE LIMITED**

### **REPORT OF THE DIRECTORS (continued)**

Year ended 30 November 2010

make himself 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

On behalf of the Board



Clive Castle

Director

[date] 26/4/2011

## **SNOWHILL REAL ESTATE LIMITED**

### **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to;

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK 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 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 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 company and to prevent and detect fraud and other irregularities.

## **SNOWHILL REAL ESTATE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SNOWHILL REAL ESTATE LIMITED**

We have audited the financial statements of SNOWHILL REAL ESTATE LIMITED for the year ended 30 November 2010 set out on pages 9 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 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**

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 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 web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **Qualified opinion on financial statements arising from limitation in audit evidence about comparatives**

With respect to properties held for development having a carrying amount of £29,040,000 as at 30 November 2008, the evidence available to us was limited because the directors were not able to provide support for the recoverable amount at that date. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding any potential impairment of the properties by using other audit procedures. Any adjustments would have a consequential effect on the company's loss for the year ended 30 November 2009.

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2010.

Except for the financial effect of such adjustments, if any, to the comparative information for the year ended 30 November 2009 as might have been determined to be necessary had we been able to satisfy ourselves as to the recoverable amount of properties held for development as at 30 November 2008, in our opinion the financial statements.



## **SNOWHILL REAL ESTATE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SNOWHILL REAL ESTATE LIMITED ( continued)**

- give a true and fair view of the company's loss for the year ended 30 November 2010, and
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006

The previous auditor qualified their audit report on the financial statements for the year ended 30 November 2008 with regard to this same limitation. We qualified our audit report on the financial statements for the year ended 30 November 2009 with regard to this same limitation.

#### **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.

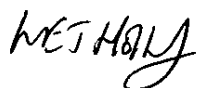
#### **Matters on which we are required to report by exception**

In respect solely of the limitation on our work relating to the comparative information for the year ended 30 November 2009

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit, and
- we were unable to determine whether adequate accounting records had been kept for that year.

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

- 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



**WEJ Holland (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London E14 5GL  
United Kingdom

*26 April 2011*

# SNOWHILL REAL ESTATE LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 30 November 2010

	Note	2010 £'000	2009 £'000
Turnover	2	189	180
Cost of sales		(633)	(202)
		-----	-----
Gross loss		(444)	(22)
Administration expenses <sup>1</sup>		664	(7,853)
		-----	-----
Operating profit / (loss)	3	220	(7,875)
Net Interest payable	5	(642)	(1,605)
		-----	-----
Loss on ordinary activities before taxation		(422)	(9,480)
Taxation	6	-	-
		-----	-----
Loss for the financial year	11	(422)	(9,480)
		=====	=====

1 Includes impairment reversal of £345,000 on properties under development as a result of the increase in the property market value (2009 impairment loss £27,087,000 and reversal of intercompany debt impairment of £19,521,000)

All activities derive from continuing operations

There are no recognised gains or losses other than the loss of £422,000 attributable to the shareholders for the year ended 30 November 2010 (30 November 2009: loss of £9,480,000)

The notes on pages 12 to 18 form part of these financial statements.

# SNOWHILL REAL ESTATE LIMITED

## BALANCE SHEET 30 November 2010

	Note	2010	2009
		£'000	£'000
<b>Fixed assets</b>			
Tangible assets	7	3,000	2,600
<b>Current assets</b>			
Debtors	8	138	20,784
Cash and short term deposits		164	140
		-----	-----
		302	20,924
<b>Creditors: amounts falling due within one year</b>	9	(2,772)	(60,389)
		-----	-----
<b>Net current liabilities</b>		(2,470)	(39,465)
		-----	-----
Total assets less current liabilities		530	(36,865)
		-----	-----
<b>Net assets / (liabilities)</b>		530	(36,865)
		=====	=====
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Share premium account	11	10,092	-
Capital contribution reserve	11	27,725	-
Profit and loss account	11	(37,287)	(36,865)
		-----	-----
Equity shareholders' funds / (deficit)	11	530	(36,865)
		=====	=====

The notes on pages 12 to 17 form part of these financial statements

The financial statements were approved by the Board of Directors on 26/4/2011

Signed on behalf of the Board of Directors by

....  .

**Clive Castle**  
**Director**  
**Registered Number: 03936125**

## **SNOWHILL REAL ESTATE LIMITED**

### **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Year ended 30 November 2010**

	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Shareholders' deficit at beginning of year	(36,865)	(27,385)
Loss for the financial year	(422)	(9,480)
Share capital issued	10,092	-
Capital contribution reserve	27,725	-
	-----	-----
Shareholders' funds / (deficit) at end of year	<u>530</u>	<u>(36,865)</u>

# SNOWHILL REAL ESTATE LIMITED

## NOTES TO THE ACCOUNTS

Year ended 30 November 2010

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

##### **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 company is dependent for its working capital on funds provided to it by AIMCo RE Holdings (Luxembourg) 1 S à r l, the current parent company, who has indicated that it will continue to make available such funds as are needed by the company. In light of this and the company's forecast cash requirements for the period to May 2012 this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other Group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason that it will not do so.

#### (b) Cash flow statement

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that the company qualifies as a small company under the Companies Act 2006.

#### (c) Related parties transactions

The Company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' to dispense with the requirement to disclose transactions with group companies which are wholly owned within the group.

#### (d) Fixed assets

All fixed assets are initially recorded at cost. Finance costs are not included in the cost of fixed assets. No depreciation is charged on assets in the course of construction. The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For fixed assets where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current period in the profit and loss account.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## SNOWHILL REAL ESTATE LIMITED

### NOTES TO THE ACCOUNTS (continued)

Year ended 30 November 2010

(e) Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. However deferred tax assets are recognised only to the extent that the directors consider that it is 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 measured on an undiscounted basis at the tax rate that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws or substantively enacted at the balance sheet date.

(f) Lease commitments

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

## 2 **TURNOVER**

Turnover, which is stated net of value added tax, represents amounts derived from rental income. Rental income is recognised in the profit and loss account on an accruals basis. Benefits to lessees in the form of rent-free periods and capital contributions are treated as a reduction in the overall return on the leases and, in accordance with UITF 28, *Operating lease incentives*, are recognised on a straight line basis over the shorter of the lease term or the period up to the initial rental review date. The resulting asset is reflected as a debtor in the balance sheet.

## 3 **OPERATING LOSS**

This is stated after charging

	2010 £'000	2009 £'000
Auditors' remuneration	10	12
	=====	=====

## 4 **STAFF COSTS**

No salaries or wages have been paid to the directors who are the only employees of the Company in either the current or prior year.

# SNOWHILL REAL ESTATE LIMITED

## NOTES TO THE ACCOUNTS (continued) Year ended 30 November 2010

### 5 NET INTEREST PAYABLE

	2010	2009
	£	£
Interest received from group companies	485	958
Bank loan interest payable	(1,127)	(2,563)
Net interest payable	<u>(642)</u>	<u>(1,605)</u>

### 6. TAX ON LOSS ON ORDINARY ACTIVITIES

#### (a) Tax on loss on ordinary activities

There is no current or deferred tax for the current year (30 November 2009- £nil)

There is no deferred tax asset or liability in the balance sheet (30 November 2009- £nil).

#### (b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the 12 months to 30 November 2010 is different to the standard rate of corporation tax in the UK of 28% (period ended 30 November 2009 28%) The differences are reconciled below

	2010	2009
	£000	£000
Loss on ordinary activities before taxation	(422)	(9,480)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 – 28%)	(118)	(2,654)
Unrecognised losses	309	536
Impairment loss (reversed) / made	(97)	7,584
Provision reversed on intercompany debt	-	5,466
Other disallowable expenses	(94)	-
Total current tax	<u>-</u>	<u>-</u>

## SNOWHILL REAL ESTATE LIMITED

### NOTES TO THE ACCOUNTS (continued)

Year ended 30 November 2010

(c) Factors that may affect future tax charges

There are tax losses of £6,671,015 (30 November 2009 - £5,568,780) available to carry forward against suitable future taxable profits. A deferred tax asset has not been recognised due to uncertainty as to when the losses will be utilised.

The Emergency Budget on 22 June 2010 announced that the UK corporation tax rate will reduce from 28% to 24% over a period of 4 years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% was substantively enacted on 20 July 2010 and will be effective from 1 April 2011. This will reduce the company's potential future current tax charge accordingly. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge.

#### 7. TANGIBLE FIXED ASSETS

	<i>Properties held for development £'000</i>
Cost at 30 November 2009	29,687
Additions	55
At 30 November 2010	<u>29,742</u>
Depreciation	
At 1 December 2009	(27,087)
Impairment reversed in the year	345
At 30 November 2010	<u>(26,742)</u>
Net book value at 30 November 2010	<u>3,000</u>
Net book value at 30 November 2009	<u>2,600</u>

An impairment gain of £345,000 (2009 impairment loss of £27,087,000) was recognised in the year to reverse previous impairment losses based on a formal external valuation of the property at the balance sheet date.



# SNOWHILL REAL ESTATE LIMITED

## NOTES TO THE ACCOUNTS (continued)

Year ended 30 November 2010

### 8 DEBTORS

	2010 £'000	2009 £'000
Trade debtors	138	1
Amounts owed by BPP (Farringdon Road) Limited *	-	20,761
Other debtors and prepayments	-	22
	-----	-----
	138	20,784
	=====	=====

\* Following the company acquisition a contribution of £21,374,538 in the form of a cash gift was received by BPP (Farringdon Road) Limited ("BPP"), a fellow group company, from London Charterhouse RE (Luxembourg) S à r l a 100% subsidiary of AIMCo RE Holdings (Luxembourg) 1 S.à.r.l BPP has used these gifted funds to settle its liability to SREL in full on 29 October 2010

### 9 CREDITORS

	2010 £'000	2009 £'000
<b>Amounts due within one year:</b>		
Trade creditors	32	-
Accruals and deferred income	128	347
Amounts owed to Thornfield Ventures Ltd *	-	5,345
Amounts owed to Thornfield Properties PLC*	-	4,592
Amounts owed to Thornfield Developments Limited *	-	105
Amounts owed to Charterhouse Snowhill (Luxembourg) S à r l	2,612	-
Bank loan **	-	50,000
	-----	-----
	2,772	60,389
	=====	=====

\*Prior to the acquisition of the company, the amounts of £5,404,284 owed to Thornfield Ventures Ltd, £105,579 owed to Thornfield Developments Limited and £4,594,671 owed to Thornfield Properties PLC all previous group companies, were converted in to Ordinary Shares in return for the release of the liabilities of the Company of all payments due in respect of the inter company balances.

\*\*The company's outstanding debt with the Bank of Scotland was assigned to Charterhouse Snowhill (Luxembourg) S à r l , a 100% subsidiary of AIMCo RE Holdings (Luxembourg) 1 S à r l Following the acquisition, a contribution of £21,374,538 in the form of a cash gift was received by BPP (Farringdon Road) Limited ("BPP"), a fellow

# SNOWHILL REAL ESTATE LIMITED

## NOTES TO THE ACCOUNTS (continued)

Year ended 30 November 2010

group company, from London Charterhouse RE (Luxembourg) S à r l a 100% subsidiary of AIMCo RE Holdings (Luxembourg) 1 S à r l BPP used these gifted funds to settle its liability to SREL on 29 October 2010 SREL has subsequently used this cash to settle part of its debt to Charterhouse Snowhill (Luxembourg) S à r l. Snowhill RE (Luxembourg) S à r l gifted funds to SREL of £27,725,462 SREL used these gifted funds to pay off the majority of its remaining debt to Charterhouse Snowhill (Luxembourg) S à r l on 2 November 2010.

### 10 SHARE CAPITAL

	<i>Allotted, called up and fully paid</i>		<i>2009</i>	
	<i>2010</i>			
	No	£	No	£
Ordinary shares of £1 each	100	1	1	1
	=====	=====	=====	=====

### 11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS/DEFECIT

	Share capital*	Share premium	Capital contribution	Profit and loss	Total shareholders' funds
	£'000	£'000	£'000	£'000	£'000
At 30 November 2009	-	-	-	(36,865)	(36,865)
Loss for the year	-	-	-	(422)	(422)
Premium on issue of shares	-	10,092	-	-	10,092
Capital contribution**	-	-	27,725	-	27,725
Total shareholders' funds at 30 November 2010	-	10,092	27,725	(37,287)	530
	=====	=====	=====	=====	=====

\* Called up share capital at the 30 November 2010 was 100 ordinary shares of £1 each (30 November 2009. 1 ordinary share of £1)

\*\*The Bank of Scotland debt was assigned in the year to Charterhouse Snowhill (Luxembourg) S à r l., a 100% subsidiary of AIMCo RE Holdings (Luxembourg) 1 S à r l

## **SNOWHILL REAL ESTATE LIMITED**

### **NOTES TO THE ACCOUNTS (continued)**

**Year ended 30 November 2010**

Also a contribution of £21,374,538 in the form of a cash gift was received by BPP (Farringdon Road) Limited ("BPP"), a fellow group company, from London Charterhouse RE (Luxembourg) S à r l, a 100% subsidiary of AIMCo RE Holdings (Luxembourg) 1 S à r l. BPP has used these gifted funds to settle its liability to SREL in full on 29 October 2010. SREL has subsequently used this cash to settle part of its debt to Charterhouse Snowhill (Luxembourg) S à r l. Snowhill RE (Luxembourg) S à r l gifted funds to SREL of £27,725,462. SREL used these gifted funds to pay off the majority of its remaining debt to Charterhouse Snowhill (Luxembourg) S à r l on 2 November 2010.

#### **12. ULTIMATE CONTROLLING PARTY**

At 30 November 2010 the ultimate controlling party is FREP Holdings Canada I Limited Partnership, a Canadian limited Partnership which holds investments on behalf of a number of limited partner pension clients. This is the highest and lowest level at which consolidated accounts are prepared. These accounts are not available to the public. The immediate parent undertaking is London Charterhouse RE (Luxembourg) S à r l, a company registered in Luxembourg.