

CSC MANAGEMENT SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

Company number 4251697

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CSC MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

The directors submit their report and financial statements of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of management services

BUSINESS REVIEW

The company's results and financial position for the year ended 31 December 2010 are set out in full in the profit and loss account, the balance sheet and the notes relating thereto

Profit on ordinary activities before taxation was £5,000 (2009 £5,000) Shareholder's funds at 31 December 2010 were £18,000 (2009 £13,000)

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

As the company's ultimate parent company is Capital Shopping Centres Group PLC, there are no principal risks and uncertainties facing the company which are not faced by the group These risks and uncertainties, including financial risks and the management thereof, are disclosed in the group financial statements

The company's ultimate parent Liberty International PLC announced on 9 March 2010 its intention to reorganise by way of demerger into two distinct companies, Capital Shopping Centres Group PLC and Capital & Counties Properties PLC As a result on 7 May 2010, the company's ultimate parent changed its name from Liberty International PLC to Capital Shopping Centres Group PLC

DIVIDENDS

The directors do not recommend a dividend for the year (2009 £nil)

DIRECTORS

J M Ainsley	resigned 13 August 2010
M R Breeden	resigned 13 August 2010
K E Chaldecott	
M D Ellis	appointed 13 August 2010
D A Fischel	
K A Grant	resigned 13 August 2010
C Kirby	
T Pereira	appointed 13 August 2010
M Roberts	appointed 13 August 2010
J E Skilton	resigned 13 August 2010
L Woodhouse	resigned 18 June 2010

DIRECTORS' INDEMNITY PROVISION

A qualifying indemnity provision (as defined in S234 of the Companies Act 2006) is in force for the benefit of the directors of the company The company's ultimate parent, Capital Shopping Centres Group PLC, maintains directors' and officers' insurance which is reviewed annually

CSC MANAGEMENT SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and to 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.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and each director has taken all reasonable steps to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. Under the provisions of the Companies Act 2006, the company is not required to hold an annual general meeting. Elective Resolutions are in force to dispense with the appointment of auditors annually. The auditors, PricewaterhouseCoopers LLP, will therefore be deemed to be reappointed for each succeeding financial year.

By order of the Board



D A Fischel

Director

2 September 2011

CSC MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of CSC Management Services Limited (registered company no 4251697) for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Reconciliation of Movements in Shareholder's Funds, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2 in the Directors' Report 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

CSC MANAGEMENT SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT

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

Parwinder Purewal (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
2 SEPTEMBER 2011

CSC MANAGEMENT SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £000	2009 £000
Continuing operations			
Turnover	2	15,448	9,017
Cost of sales	3	<u>(15,443)</u>	<u>(9,012)</u>
Profit on ordinary activities before taxation	4	5	5
Taxation	5	<u>-</u>	<u>-</u>
Profit for the financial year		<u>5</u>	<u>5</u>

The company has no recognised gains or losses other than those included in the profit and loss above and therefore a separate statement of total recognised gains and losses has not been included

There are no material differences between the profit/(loss) on ordinary activities before taxation and the retained profit/(loss) for the year and their historical cost equivalents

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS FOR THE YEAR ENDED 31 DECEMBER 2010

	2010 £000	2009 £000
Opening shareholder's funds	13	8
Profit for the financial year	<u>5</u>	<u>5</u>
Closing shareholder's funds	<u>18</u>	<u>13</u>

CSC MANAGEMENT SERVICES LIMITED

BALANCE SHEET AT 31 DECEMBER 2010

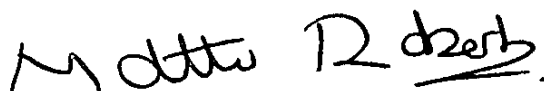
	Notes	2010 £000	2009 £000
Current assets			
Debtors	6	<u>22</u>	<u>13</u>
		22	13
Creditors: amounts falling due within one year	7	<u>(4)</u>	<u>-</u>
		(4)	-
Net current assets		<u>18</u>	<u>13</u>
		18	13
Net assets		<u>18</u>	<u>13</u>
		18	13
Capital and reserves			
Called up share capital	8	-	-
Profit and loss reserve	9	<u>18</u>	<u>13</u>
		18	13
Total shareholder's funds		<u>18</u>	<u>13</u>
		18	13

The notes on pages 7 to 10 form part of these financial statements

The financial statements on pages 5 to 10 have been approved by the Board of Directors on 2 September 2011 and signed on its behalf by



D A Fischer
Director



M Roberts
Director

CSC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

1. Accounting policies

The financial statements are prepared in accordance with applicable accounting standards in the United Kingdom on the going concern basis and under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies which have been adopted in the preparation of the financial statements are set out below.

Turnover

Turnover consists of fees receivable for the management of properties including the reimbursement of expenses payable under a management agreement between group undertakings.

Taxation

The charge for current taxation is based on the results for the year as adjusted for items that are non-assessable or disallowed, and any adjustment in respect of prior years. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Pensions

The costs of defined contribution schemes and company personal plans are charged against profits in the year in which they are incurred.

Cash flow statement

The company is not required to produce a statement of cash flows under Financial Reporting Standard 1 (Revised 1996) Cash Flow Statement as it is a wholly owned subsidiary of Capital Shopping Centres Group PLC and the cash flows of the company are included in the consolidated financial statements of the ultimate parent company, which are publicly available.

Related party transactions

The company is ultimately wholly owned by Capital Shopping Centres Group PLC, whose consolidated financial statements are publicly available, and therefore the company is exempt under the terms of Financial Reporting Standard 8 Related Party Disclosures from disclosing details of transactions with related parties who are members or investees of Capital Shopping Centres Group PLC.

CSC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

2. Turnover

Turnover comprises the reimbursement of expenses payable under a management agreement with Capital Shopping Centres PLC, a group undertaking, and the receipt of a management fee from Capital Shopping Centres PLC

	2010 £000	2009 £000
Reimbursement of expenses	15,443	9,012
Management fee	<u>5</u>	<u>5</u>
Turnover	<u>15,448</u>	<u>9,017</u>

3. Cost of sales

Cost of sales relates to employment costs borne in the company under a management agreement with Capital Shopping Centres PLC, a group undertaking

The average number of employees during the year was 194 (2009 148) All employees are employed in the provision of shopping centre management and related services

	2010 £000	2009 £000
Staff costs		
Wages and salaries	13,162	7,650
Social security costs	1,462	856
Pension costs	<u>819</u>	<u>506</u>
	<u>15,443</u>	<u>9,012</u>

The company participates in group pension arrangements as disclosed in the notes to the report and accounts of Capital Shopping Centres Group PLC, the ultimate parent company Pension costs, representing contributions payable by the company to the group pension arrangements, total £819,000 (2009 £506,000)

CSC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation of £5,000 (2009 £5,000) did not include any fees in respect of auditors' remuneration or directors' remuneration (2009 £nil). No deduction is made for auditors' remuneration of £1,000 (2009 £3,400) which was settled on behalf of the company by the ultimate parent company, Capital Shopping Centres Group PLC, and has not been recharged.

The average number of employees during the year was 194 (2009 148).

5. Taxation

The differences between the taxation charged for the year and the current standard rate of United Kingdom corporation tax of 28% (2009 28%) are shown below

	2010 £000	2009 £000
Profit on ordinary activities before taxation	<u>5</u>	<u>5</u>
Current United Kingdom corporation tax at 28% (2009 28%)	1	1
Group relief	<u>(1)</u>	<u>(1)</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>-</u>

6. Debtors

	2010 £000	2009 £000
Amounts due from group undertakings	<u>22</u>	<u>13</u>

Amounts due from group undertakings are unsecured, non-interest bearing and repayable on demand.

7. Creditors

	2010 £000	2009 £000
Amounts due to immediate parent company	<u>4</u>	<u>-</u>

Amounts due to the immediate parent company are unsecured, non-interest bearing and payable on demand.

CSC MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

8. Share capital

	2010 £	2009 £
Issued, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

The concept of authorised share capital was abolished by the Companies Act 2006 with effect from 1 October 2009. Under saving provisions, the current maximum number of shares which may be issued by the company is 1,000 ordinary shares of £1 each.

9. Profit and loss reserve

	2010 £000	2009 £000
At 1 January	13	8
Profit for the year	<u>5</u>	<u>5</u>
At 31 December	<u>18</u>	<u>13</u>

10. Ultimate parent company

The immediate and ultimate parent company is Capital Shopping Centres Group PLC, a company incorporated and registered in England and Wales, copies of whose financial statements may be obtained from the Company Secretary, 40 Broadway, London, SW1H 0BT.