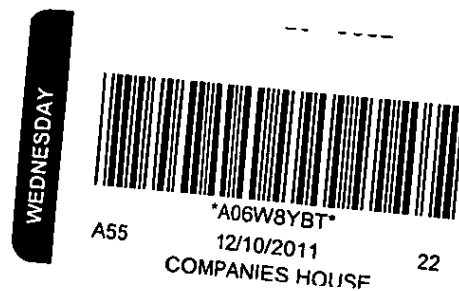


DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011



DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

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DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	P J Goswell T Haden Scott J W J Ritblat C B Wagman
Company secretary	Delancey Limited
Registered office	6 th Floor Lansdowne House Berkeley Square London W1J 6ER
Auditors	Ernst & Young LLP 1 More London Place London SE1 2AF
Bankers	Royal Bank of Scotland 2 ½ Devonshire Square London EC2H 4XJ
Solicitors	Olswang LLP 90 High Holborn London WC1V 6XX

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2011

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of the provision of advisory services to real estate companies

The results for the year and the financial position of the company at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £4,358,000 (2010 profit of £2,576,000) Particulars of dividends paid are detailed in note 11 to the financial statements

PRINCIPAL RISKS AND UNCERTAINTIES AND KEY PERFORMANCE INDICATORS

The company's operations are affected by fluctuations in UK interest rates, the UK property market and the UK financial climate in general. The directors believe that the quality and breadth of its clients' portfolios largely protects the company from such movements

The company's key performance indicators are

Turnover - increased by £586,000 (3%) during the year, primarily due to additional management agreements entered into by the company

Net assets - increased by £1,361,000 (37%) principally as a result of profits being retained in the company

FUTURE DEVELOPMENTS

The directors are pursuing a broad range of opportunities

DIRECTORS

The directors who served the company during the year were as follows

P J Goswell

T Haden Scott

J W J Ritblat

C B Wagman

GOING CONCERN

The Directors believe that the Company has significant net assets, together with a number of long term contracts with its clients which will allow the Company to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2011

POLITICAL AND CHARITABLE DONATIONS

During the year the company made a political donation of £50,000 to the Conservative Party

As part of the company's commitment to the community the following contributions were made during the year

	2011 £'000	2011 £'000
Charitable donations		
Child welfare	25	24
Social welfare	-	10
Arts	1	3
Charities aiding other disabilities or illnesses	-	1
Education	10	-
Other	2	2
	<u>38</u>	<u>40</u>

DISCLOSURE OF INFORMATION TO AUDITORS

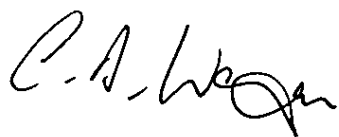
In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITORS

A resolution to re-appoint Ernst & Young LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006

Signed by order of the board



C B WAGMAN
Director

Approved by the directors on 3rd October 2011

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2011

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). 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 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 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.

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of Delancey Real Estate Asset Management Limited for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses the Balance Sheet and the related notes 1 to 22. 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).

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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 (APB'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. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2011 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.

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

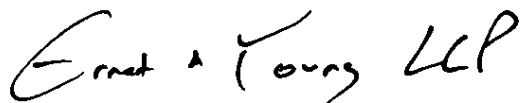
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

YEAR ENDED 31 MARCH 2011

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



Matthew Williams (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date 7 October 2011

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011

	Note	2011 £'000	2010 £'000
Turnover	2	18,329	17,743
Administrative expenses		<u>(13,446)</u>	<u>(15,676)</u>
Operating profit	3	4,883	2,067
Loss on disposal of fixed assets	6	<u>(2)</u>	<u>-</u>
		4,881	2,067
Income from fixed asset investments	7	940	1,065
Interest receivable	8	10	101
Interest payable and similar charges	9	<u>6</u>	<u>(2)</u>
Profit on ordinary activities before taxation		5,837	3,231
Tax on profit on ordinary activities	10	<u>(1,479)</u>	<u>(655)</u>
Profit for the financial year		<u>4,358</u>	<u>2,576</u>

All of the activities of the company are continuing

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the results for the year as set out above

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

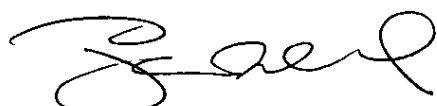
BALANCE SHEET

AT 31 MARCH 2011

	Note	2011 £'000	2010 £'000
Fixed assets			
Tangible assets	12	850	1,117
Investments	13	<u>300</u>	<u>368</u>
		1,150	1,485
Current assets			
Debtors	14	3,903	832
Cash at bank and in hand		<u>8,931</u>	<u>8,286</u>
		12,834	9,118
Creditors: amounts falling due within one year	15	<u>(8,968)</u>	<u>(6,938)</u>
Net current assets		<u>3,866</u>	<u>2,180</u>
Total assets less current liabilities		5,016	3,665
Provisions for liabilities	16	-	(10)
		<u>5,016</u>	<u>3,655</u>
Capital and reserves			
Called-up equity share capital	19	-	-
Profit and loss account	20	<u>5,016</u>	<u>3,655</u>
Shareholders' funds	21	<u>5,016</u>	<u>3,655</u>

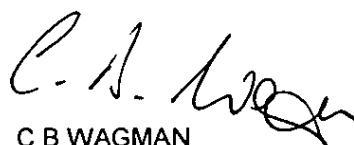
These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by

3rd October 2011



J W J RITBLAT

Director



C B WAGMAN

Director

Company Registration Number 04517621

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Going concern

The Directors believe that the Company has significant net assets, together with a number of long term contracts with its clients which will allow the Company to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is a wholly owned subsidiary of Delancey Real Estate Partners Limited, and is included in the publicly available consolidated financial statements of that company

Turnover

Turnover represents fees receivable for services provided under advisory agreements which were in existence during the accounting period and is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Turnover is shown net of VAT

Tangible fixed assets

All tangible fixed assets are stated at cost less accumulated depreciation

Depreciation

Depreciation is calculated on a straight-line basis so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures, Fittings & Equipment (excl various artwork)	-	over 3 years
Artwork (included in F,F&E)	-	no depreciation
Motor Vehicles	-	over 5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Investments

Fixed asset investments are stated at cost less provision for diminution in value

The carrying values of investments are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged in the profit and loss account on a straight-line basis over the period of the lease

Pension costs

The pension costs charged in the financial statements represent the contributions payable by the company during the year in respect of employees' defined contribution pension schemes

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES (continued)

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

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 receive more tax, with the following exceptions

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- provision is made for deferred tax that would arise on remittance of the retained earnings of joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,
- 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 profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates enacted or substantively enacted at the balance sheet date

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. All differences are taken to the profit and loss account

Group financial statements

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by Section 401 of the Companies Act 2006 as it is a subsidiary undertaking of Delancey Real Estate Partners Limited, a company registered in the British Virgin Islands, and is included in the consolidated financial statements of that company

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company, which was wholly undertaken in the United Kingdom. An analysis of turnover is given below

	2011 £'000	2010 £'000
Fees under advisory agreements	<u>18,329</u>	<u>17,743</u>

3. OPERATING PROFIT

Operating profit is stated after charging

	2011 £'000	2010 £'000
Depreciation of tangible fixed assets	529	329
Provision for diminution in value of investments	68	20
Auditor's remuneration		
- audit	24	24
- taxation fees, compliance	8	2
Operating lease costs		
- Other	572	428
Net loss on foreign currency translation	<u>-</u>	<u>1</u>

4. PARTICULARS OF EMPLOYEES

The average monthly number of staff employed by the company during the financial year amounted to

	2011 No.	2010 No.
Number of administrative staff	<u>42</u>	<u>39</u>

The aggregate payroll costs of the above were

	2011 £'000	2010 £'000
Wages and salaries	8,181	11,261
Social security costs	1,181	1,415
Other pension costs	478	473
	<u>9,840</u>	<u>13,149</u>

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2011	2010
	£'000	£'000
Aggregate emoluments	4,730	8,551
Value of company pension contributions to money purchase schemes	295	295
	<u>5,025</u>	<u>8,846</u>

The numbers of directors for whom retirement benefits are accruing under money purchase pension schemes are amounted to 3 (2010: 3)

Emoluments of highest paid director:

	2011	2010
	£'000	£'000
Total emoluments (excluding pension contributions)	1,626	3,690
Value of company pension contributions to money purchase schemes	120	120
	<u>1,746</u>	<u>3,810</u>

6. LOSS ON DISPOSAL OF FIXED ASSETS

	2011	2010
	£'000	£'000
Loss on disposal of fixed assets	<u>(2)</u>	<u>-</u>

7. INCOME FROM FIXED ASSET INVESTMENTS

	2011	2010
	£'000	£'000
Income from shares in joint ventures	<u>940</u>	<u>1,065</u>

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

8. INTEREST RECEIVABLE

	2011 £'000	2010 £'000
Bank interest receivable	9	25
Other interest receivable	<u>1</u>	<u>76</u>
	<u>10</u>	<u>101</u>

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £'000	2010 £'000
Bank charges and interest payable	<u>(6)</u>	<u>2</u>

10. TAXATION

(a) Analysis of charge in the year

	2011 £'000	2010 £'000
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2010 28%)	1,557	692
Adjustments in respect of prior periods	<u>(1)</u>	<u>(9)</u>
Total current tax	1,556	683
Deferred tax		
Deferred tax credit (note 16)	<u>(77)</u>	<u>(28)</u>
Tax charge on profit on ordinary activities	<u>1,479</u>	<u>655</u>

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

10 TAXATION (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 28% (2010 28%) The differences are reconciled below

	2011 £'000	2010 £'000
Profit on ordinary activities before taxation	<u>5,837</u>	<u>3,231</u>
Profit on ordinary activities multiplied by the standard rate of UK corporation tax of 28% (2010 28%)	1,634	904
Non deductible expenses	89	43
Depreciation in excess of capital allowances	97	43
Adjustments to previous periods	(1)	(9)
Non taxable income	<u>(263)</u>	<u>(298)</u>
Total current tax (note 10(a))	<u>1,556</u>	<u>683</u>

11. DIVIDENDS

Equity dividends

	2011 £'000	2010 £'000
Equity dividends paid on ordinary shares	<u>2,997</u>	<u>5,297</u>

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

12. TANGIBLE FIXED ASSETS

	Fixtures, Fittings & Equipment £'000	Motor Vehicles £'000	Total £'000
Cost			
At 1 April 2010	2,133	194	2,327
Additions	51	256	307
Disposals	-	(100)	(100)
At 31 March 2011	2,184	350	2,534
Depreciation			
At 1 April 2010	1,101	109	1,210
Charge for the year	472	57	529
Disposals	-	(55)	(55)
At 31 March 2011	1,573	111	1,684
Net Book Value			
At 31 March 2011	611	239	850
At 31 March 2010	1,032	85	1,117

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

13. FIXED ASSET INVESTMENTS

	Listed/Unlisted investments £'000
Cost	
At 1 April 2010	410
At 31 March 2011	<u>410</u>
Provision for diminution in value	
At 1 April 2010	(42)
Provided during the year	<u>(68)</u>
At 31 March 2011	<u>(110)</u>
Net book value	
At 31 March 2011	<u>300</u>
At 31 March 2010	<u>368</u>

Listed and Unlisted investments comprise investments in companies engaged in management services and property investment

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

13. FIXED ASSETS INVESTMENTS (continued)

The principal subsidiaries of which the company holds 100% of the issued ordinary share capital are as follows

- Cortx Limited
- Crescent Builders and Estates Limited
- Delancey Associates Limited
- Delancey Developments Limited
- Delancey Estate Agents Limited
- Delancey Estates Limited
- Delancey Limited
- Delancey Properties Limited
- Delancey Real Estate Asset Management Group Limited
- Delancey Retail Limited
- DV3 Limited
- DV4 Limited
- DV5 Limited
- DV6 Limited
- DV7 Limited
- Equation Limited
- Five Oaks City Limited
- Five Oaks Developments Limited
- Five Oaks Investments Limited
- Five Oaks Properties Limited
- Freehold Portfolios Estates Limited
- Freehold Portfolios Management Limited
- Metro Shopping Estates Limited
- Metro Shopping Limited
- Metro Shopping Management Limited
- Metro Shopping Plaza Limited
- Mount Provincial Developments Limited
- Portsmouth Advisory Services Limited
- Speciality Shops Developments Limited
- Speciality Shops Limited
- Speciality Shops Management Limited
- Tribeca UK Limited

All companies are incorporated in England and Wales and were dormant throughout the year

The company holds a 50% interest in the following companies

- Metro Shopping Fund GP Limited (incorporated in Jersey)
- Metro Shopping Fund Management Limited (incorporated in England and Wales)

Both of these companies provide services to property companies

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

14. DEBTORS

	2011	2010
	£'000	£'000
	3,268	253
Other debtors	167	78
Corporation tax recoverable	-	113
Prepayments and accrued income	468	388
	<u>3,903</u>	<u>832</u>

15. CREDITORS: amounts falling due within one year

	2011	2010
	£'000	£'000
	1,285	233
Corporation tax payable	46	-
Other taxes and social security costs	2,966	598
Other creditors	161	163
Accruals and deferred income	4,510	5,944
	<u>8,968</u>	<u>6,938</u>

16. DEFERRED TAXATION

The movement in the deferred taxation (asset)/provision during the year was

	2011	2010
	£'000	£'000
Provision brought forward	10	38
Profit and loss account movement in the year	(77)	(28)
(Asset)/provision carried forward	<u>(67)</u>	<u>10</u>

The deferred tax asset of £67,000 has been included within Other debtors (note 14)

Deferred taxation consists of the tax effect of timing differences in respect of

	2011	2010
	£'000	£'000
Excess of depreciation over tax allowances on fixed assets	(67)	10
	<u>(67)</u>	<u>10</u>

The deferred tax asset has been calculated using the rate of 26%, in line with the budget of 23 March 2011, during which the Government confirmed the new rate of UK corporation tax to be 26% for the year ended 31 March 2012

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

16. DEFERRED TAXATION (continued)

In the Budget of 23 March 2011, the Chancellor of the Exchequer announced further tax changes, which, if enacted in the proposed manner could have a significant effect on the Company's future tax position. The budget proposed a decrease in the rate of UK corporation tax from 27% to 23% over a period of four years from April 2011 to April 2014, which will be enacted annually. The Government has confirmed the new rate of UK corporation tax at 26% for the year ended 31 March 2012.

The effect of the further reduction in the tax rate on the Company's deferred tax asset would be to reduce the asset by £8,000. The effect on the Company of these proposed changes to the UK tax system will be reflected in the Company's financial statements in future years, as appropriate, as proposals are substantively enacted.

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2011 the company had annual commitments under non-cancellable operating leases as set out below

	2011 £'000	2010 £'000
Operating leases which expire		
Within 2 to 5 years	577	571
	<u>577</u>	<u>571</u>

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard 8 from the requirement to disclose transactions with group undertakings on the grounds that it is a wholly owned subsidiary of Delancey Real Estate Partners Limited, whose consolidated financial statements are publicly available.

19. SHARE CAPITAL

Allotted, called up and fully paid:

	No	2011 £'000	No	2010 £'000
Ordinary shares of £1 each	6	0	6	0
'A' share of £1	1	0	1	0
	<u>7</u>	<u>0</u>	<u>7</u>	<u>0</u>

DELANCEY REAL ESTATE ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

20. PROFIT AND LOSS ACCOUNT

	2011	2010
	£'000	£'000
At 1 April	3,655	6,376
Profit for the financial year	4,358	2,576
Equity dividends	(2,997)	(5,297)
At 31 March	<u>5,016</u>	<u>3,655</u>

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011	2010
	£'000	£'000
Profit for the financial year	4,358	2,576
Equity dividends paid	(2,997)	(5,297)
Net addition/(reduction) in shareholders' funds	<u>1,361</u>	<u>(2,721)</u>
Opening shareholders' funds	<u>3,655</u>	<u>6,376</u>
Closing shareholders' funds	<u>5,016</u>	<u>3,655</u>

22. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate and ultimate parent undertaking is Delancey Real Estate Partners Limited ("DREP"), a company registered in the British Virgin Islands. DREP is the parent company of both the largest and smallest group of which the company is a member. The group financial statements of DREP are publicly available from Craigmuir Chambers, P O Box 71, Road Town, Tortola, British Virgin Islands.

The ultimate controlling party is J W J Ritblat.