αlpha Tiger Property Trust Limited

Annual report and financial statements

For the year ended 31 March 2012

2012

Alpha Tiger Property Trust Limited

Contents

Alpha Tiger remains committed to its disciplined strategy and investment principles which focus on opportunities that can deliver high total returns, while seeking to manage risk through a combination of operational controls, diversification and defensive return structures.

Highlights

- NAV per share of 106.8p (+1.4% on the previous year)
- Adjusted earnings per share of 2.6p (+225% on the previous year); reflects the Company's revised investing policy focused on income driven returns in defensive capital structures
- 87% of the Company's investment portfolio is in income producing investments in the UK and Europe
- Reduced vacancy in the portfolio which underlies the AUMP investment, 26 new lease signings during the most recent quarter
- Active management initiatives identified and being actively pursued in over 55% of the AURE investment portfolio assets
- Cambourne delivered an annualised income return of 9.2% on the investment
- FIT delivered a 5.8% income return on investment
- Option to consolidate the H2O shopping centre exercised; income return of 12.2% on H2O investment over the past year
- Opening of the Mercadona supermarket at H2O; creating an approximate 10% increase in visitor numbers
- Continued active management programme at H2O; weighted average minimum lease term doubled; new mall refurbishment and upgrade programme completed
- An active share buyback programme was executed to optimise capital management and deliver shareholder value

106.8p

NAV per share of 106.8p (+1.4% on the previous year)

87%

87% of the Company's investment portfolio is in income producing investments in the UK and Europe

5.8%

FIT delivered a 5.8% income return on investment

Trust summary and objective

Strategy

Alpha Tiger Property Trust Limited ("the Company", "the Trust" or "Alpha Tiger") targets investment opportunities across the real estate spectrum, including real estate operating companies, securities, services and other related businesses that offer high risk adjusted total returns.

Listing

The Company's shares were traded on the Alternative Investment Market ("AIM"), a market operated by the London Stock Exchange ("LSE"), until 23 March 2012 and from that date the Company's shares are traded on the Specialist Fund Market ("SFM") of the LSE.

Management

The Company's Investment Manager is Alpha Real Capital LLP ("the Investment Manager"). Control of the Company rests with the non-executive Guernsey-based Board of Directors.

Financial highlights

	Year ended 31 March 2012	6 months ended 30 September 2011	Year ended 31 March 2011
Net asset value (£'000)	53,385	54,855	58,427
Net asset value per ordinary share	106.8p	109.0p	105.3p
Earnings per share (basic and diluted) (adjusted)*	2.6p	0.6p	0.8p
Earnings per share (basic and diluted)	0.7p	1.1p	(0.3)p

* The adjusted earnings per share include adjustments for the effect of the fair value revaluation of investment properties and indirect property investments, the fair value movements on financial assets and deferred tax provisions: full analysis is provided in note 9 to the accounts.

The Company's current focus is on investments with strong cashflows and/or defensive risk profiles.

Chairman's statement

David Jeffreys
Chairman

I am pleased to present the Company's annual results for the year ended 31 March 2012.

It has been an active year for Alpha Tiger, with new investments in Phase 1000, Cambourne Business Park, Cambridge, UK a fully let high quality office park, and in Alpha UK Real Estate Fund Plc ("AURE", formerly Aberdeen UK Active Property Fund Plc) a fund that invests in a diversified portfolio of UK commercial property. These transactions reflect the Company's strong ability to source new investment opportunities both in direct real estate assets and portfolio level transactions via defensive capital structures with the potential to deliver enhanced earnings. The Cambourne transaction also reflects the Company's and the Investment Manager's ability to partner with leading international business partners.

Active asset management strategies are being pursued for the assets underlying the Company's investments. Alpha UK Multi Property Trust Plc ("AUMP") has reported a reduction in vacancy rates, with 26 new leases reported as being signed during the quarter ended 31 March 2012. Active management strategies are also being pursued within the AURE investment, with added value opportunities identified in over 55% of the properties in the underlying portfolio.

In March 2012 the Company listed on the SFM and simultaneously delisted from AIM. The SFM is the LSE's regulated market for specialist investment funds. As previously identified, the Board believes that, given the size, nature and current ownership structure of the Company, admission to the SFM enables the Company to fulfill its investment policy in a more efficient manner and in particular, allows the Company to make investments in furtherance of its investment objective without the cost and delay associated with certain corporate transactions rules of AIM.

In March 2012, the Company exercised its option to consolidate the H2O shopping centre investment. Asset management initiatives continue to be implemented at the shopping centre to enhance the internal and external environment with a view to increasing footfall and spend per head. Since the fourth quarter of 2011, month-on-month footfall increases of approximately 10% have been recorded, reflecting the positive impact of anchoring the centre with leading Spanish supermarket group, Mercadona, as well as other asset management initiatives. A continuation of creative upgrade projects and strategic leasing initiatives demonstrate the Investment Manager's ability to add value from its active management approach to its underlying property investments.

Cambourne Business Park

Shorter term investments such as the Company's investment in Freehold Income Trust ("FIT") demonstrate a commitment to improve shareholder returns including the component derived from income. FIT provided an income return of 5.8% to the Company for the year ended 31 March 2012.

Alpha Tiger has substantially outperformed its peer group since February 2009. This reflects the Company's decision to adopt a revised investing policy involving the repositioning of capital from development projects in India to income focused investments located predominantly in western Europe with strong cashflows and/or defensive risk profiles and the ongoing implementation of active management initiatives in the Company's real estate in both its direct and indirect investments.

Alpha Tiger is committed to its disciplined strategy and investment principles which focus on opportunities that can deliver high total returns, while seeking to manage risk through a combination of operational controls, diversification and defensive return structures. Alpha Tiger remains in a strong position to capitalise on further opportunistic investments.

The Company's current focus is on investments with strong cashflows or defensive risk profiles: approximately 50% of the Company's investments are in convertible notes which enjoy a preferred position or highly defensive equity in freehold ground rents.

A detailed summary of the Company's investments are contained within the investment review section.

Results, financing and dividends

Adjusted earnings for the year show a profit after interest and tax of £1.4 million and adjusted earnings per share of 2.6 pence (see note 9 of the financial statements). This compares with adjusted earnings per share of 0.8 pence for the same period in 2011 and represents the full year of income accrued from the FIT and AUMP investments and additional income accruing from the Company's investments in AURE and Cambourne.

The net asset value per share is 106.8 pence at 31 March 2012 based upon 49.98 million shares in issue (see note 10 of the financial statements). The net asset value has increased from 105.3 pence per share at 31 March 2011. This reflects the positive earnings for the year and the impact of the share buyback programme (see overleaf).

> It is pleasing to see that the Company's strategy is having a beneficial influence on earnings, with adjusted earnings having more than trebled during the year.

Alpha Tiger's Total Shareholder Return performance

Source: Datastream

H2O
Madrid




Financing

The bank borrowings within the H2O Spanish SPV now stand at €73.4 million (£61.2 million). This is a reduction of €1.6 million from the initial €75 million borrowed, following the voluntary early prepayment of the scheduled bank facility amortization in 2010, 2011 and again in 2012. This has reduced interest charges and enabled the SPV to pay the accrued interest on the mezzanine and VAT loans advanced by the Company to fund the acquisition. As anticipated the VAT loan was repaid during the financial year to the SPV. The bank borrowings do not have any loan to value covenants and there continues to be a substantial surplus of rental income in excess of finance charges.

Further details of individual asset financing can be found under the individual investment review sections later in this report.

Foreign currency

All foreign currency balances have been translated at the year end rate £1:€1.199, £1:INR 82.898.

> Alpha Tiger has substantially outperformed its peer group since February 2009.

Share buyback authority

At the Extraordinary General Meeting on 17 March 2011, consistent with the Company's commitment to shareholder value, the Company's shareholders approved a general authority allowing the Company to buyback up to 24.99% of shares during the period expiring September 2012. A waiver conditionally granted by the Takeover Panel of any obligation on ARC and/or its concert parties to make a general offer to all shareholders, was also approved.

Reflecting the Company's commitment to shareholder value, during the year to 31 March 2012, in a series of transactions, the Company purchased 5,532,762 Ordinary Shares at an average price (before expenses) of 71.4 pence per share, reflecting an average discount to NAV per share of 33%.

As at 31 March 2012, the ordinary share capital of the Company following the purchase and cancellation of those Ordinary Shares was 55,532,813 (including shares held in treasury). The Company holds a total of 5,553,281 shares in treasury. The total voting rights in Alpha Tiger following the purchase and cancellation of the Ordinary Shares was 49,979,532 at 31 March 2012. The purchased Ordinary Shares have been cancelled together with 614,751 shares previously held in treasury.

Dividends

In accordance with the dividend policy set out in the Company's Admission Document, the Board does not propose to pay a dividend for the year to 31 March 2012.

A continuation of creative upgrade projects and strategic leasing initiatives demonstrate the Company's ability to add value from its active management approach to its underlying property investments.

Summary

The Company had an active year, completing investments in Phase 1000 of the Cambourne Business Park in Cambridge and in AURE. Active management of its H2O investment in Spain continues to consolidate the investment's performance, with similar underlying asset level success witnessed within the AUMP portfolio. In a move anticipated to improve the flexibility of the Company's ability to pursue new transactions, a move to the SFM was also completed. Following the successful repositioning of the Company's investment portfolio through recycling capital from development projects in India, 87% of the Company's investment portfolio is now in income-producing investments with strong earnings potential located in the UK and Europe. It is pleasing to see that the Company's strategy is having a beneficial influence on earnings, with adjusted earnings having more than trebled during the year. The Company continues to pursue further investment opportunities that can continue to contribute to earnings and is well positioned to take advantage of these as they are identified.

David Jeffreys
Chairman
21 June 2012

Brad Bauman
Joint fund manager

Gordon Smith
Joint fund manager

Investment review

UK

Economic outlook

First quarter business surveys indicate a degree of improvement in economic sentiment in the UK, despite a downwards revision of GDP growth for the final quarter of 2011 and a subsequent contraction in the first quarter of 2012.

The Bank of England ("BoE") has paused its asset purchase quantitative easing program. However, the lack of robust GDP growth and a marginally higher March Consumer Price Index figure provides the BoE with a difficult balancing act between supporting economic growth and not wishing to increase inflationary pressures through additional quantitative easing. Whilst inflation may fall more slowly than anticipated, rates have fallen from recent peaks of above 5% in September 2011.

Purchasing Managers Index ("PMI") surveys indicate modest growth throughout the first four months of the year with activity, new business and employment measures all recording growth. Business confidence remains positive despite the continued challenges of a difficult operating environment with rising costs placing increasing pressure on profit margins. However, official data from the Office of National Statistics continues to temper the positive sentiment seen in the PMI surveys, with preliminary releases indicating a downturn in both manufacturing and construction output during the first quarter of the year.

Headline indicators for the labour market suggest some improvement, albeit moderate, in market conditions with falling unemployment and rising employment figures during the first quarter of 2012.

Property market

Over the year to 31 March 2012 the UK commercial property market witnessed a slight decline in capital values, reflecting the impact of sluggish regional economic growth. The spread between prime and secondary yields remains wide and could widen further as more secondary property cash flows come under pressure from lower demand as occupiers become more cautious. Unlike their prime counterparts, secondary yields continue to display significant volatility. This continues to create opportunities for experienced real estate investors to gain access to good quality assets at attractive prices.

Overall, transaction volumes remain muted as investors continue to hold core assets and wait for greater pricing clarity to emerge from the market. Investment transactions totalling £5.4 billion were completed, reflecting 189 transactions, in the first quarter of 2012, down from £7.1 billion on 296 transactions during the first quarter of 2011 which benefited from carried momentum from late 2010.

Opportunities exist in the market, predominantly in multi-let assets, where a combination of high yields and attractive prices for good quality secondary assets present both stock picking opportunities and high returns on capital from underlying cashflows. The scarcity of stock at the prime end of the market continues to drive investors, pursuing yield and value, towards the secondary market where the potential still exists to further enhance value through active asset management.

> The Company's earnings are continuing to increase as a consequence of allocation of capital to yield driven investments.

Alpha UK Real Estate Fund plc
AURE

Sector	Irish Stock Exchange listed
Underlying assets	UK offices, industrial and retail property
Description	AURE is an Irish Stock Exchange listed UK property fund with gross property assets of £60.9 million (as at 31 March 2012). AURE has a regionally diversified portfolio of 27 properties.

Alpha UK Multi Property Trust Plc
AUMP

Sector	LSE listed
Underlying assets	UK offices and industrial property
Description	AUMP is a London Stock Exchange listed UK property fund with gross property assets of £89.6 million (as at 31 March 2012). AUMP has a regionally diversified portfolio of UK light industrial and office property.

Investment review

Alpha UK Real Estate Fund Plc ("AURE")

Company Investment	Property Type	Defensive Capital Structure	Income Return *
£7.5m	High-yield diversified portfolio	Convertible loan. LTV 61-74%	10.7% p.a.

* Based on coupon plus redemption premium annualised.

The Company has invested £7.5 million in AURE by way of a three-year convertible loan, which matures in November 2014, earns a coupon of 6% per annum and a 14% redemption premium if not converted, providing a minimum return of 10.7% per annum.

AURE is an Irish resident open ended investment company listed on the Irish Stock Exchange, which has invested in a diversified portfolio of UK commercial property (27 UK properties comprising industrial, office and retail properties valued at £60.9 million as at 31 March 2012).

Alpha Real Capital LLP ("ARC") is the investment manager of AURE.

Alpha Tiger's investment enjoys an attractive position in the capital structure with a preferred minimum return and the potential to benefit from value created through the active asset management of an income focused property portfolio.

The following details were included in the AURE factsheets for the quarters ending December 2011 and March 2012:

- Bank Loan to Value ("LTV") ratio of 61.4% compared with a bank covenant limit of 65%
- The bank loan facility continued to be amortised by £400,000 per quarter and the intention remains to continue amortising the loan until the gearing is closer to a 50% LTV
- AURE cashflow provided an interest cover of 2.4 times compared with a bank covenant limit of 1.2 times. The gross initial yield on the portfolio remains high at 7.05% per annum compared with the IPD benchmark of 5.9% per annum.

ARC is pursuing value enhancement opportunities on over 55% of the AURE portfolio assets to increase net income and improve the profile of this income through lease extensions, renewals and reducing unrecoverable void costs.

Alpha UK Multi Property Trust Plc ("AUMP")

Company Investment	Property Type	Defensive Capital Structure	Income Return *
£5.6m	High-yield multi-let industrial	Convertible Loan. LTV 68-74%	10.8% p.a.

* Based on coupon plus redemption premium annualised.

The Company holds £5.6 million by way of convertible unsecured loan stock ("CULS"), maturing in June 2013 in AUMP, a LSE listed UK property fund with a regionally diversified portfolio of UK multi-let light industrial and office property.

Alpha Tiger's investment enjoys an attractive position in the capital structure with a preferred minimum return and the potential to benefit from value created through the active asset management of an income focused property portfolio.

ARC is the investment manager of AUMP.

The Company's CULS earn a coupon of 4.75% per annum. The CULS are convertible into ordinary share capital at any time until June 2013. Should Alpha Tiger not elect to convert, the CULS are redeemable at a premium of 18% to their face value, providing a minimum total return of 10.8% per annum.

The following highlights were included in the AUMP interim management statement for the period ending 31 March 2012:

- Further reduction in debt of £0.3 million during the quarter
- LTV on secured debt was 67.8% as at 31 March 2012
- Strong progress in letting of vacant units with 26 new lettings and 10 lease extensions completed
- Occupancy levels continue to improve with 81.5% of the property portfolio let, based on estimated rental value
- On-going active asset management initiatives continue to identify value enhancement opportunities within the portfolio.

Cambourne Business Park

Cambridge

Sector	Business parks
Underlying assets	Office
Tenants	Regus, Citrix Systems, Convergys
Area	9,654 square metres
Description	The asset consists of three Grade A specification modern office buildings located in the town of Cambourne. Phase 1000 is situated at the front of the business park. It is an institutional quality asset with Open B1 Business user planning.

The Freehold Income Trust

FIT

Sector	Freehold ground rents (UK)
Underlying assets	Freehold residential ground rents
Description	FIT is an open-ended unauthorised unit trust scheme that provides secure and stable investment returns from acquiring freehold residential ground rental which offer an attractive income stream, capital growth prospects and attractive risk-adjusted returns. FIT owns over 65,500 freeholds in the UK with a gross annual rent income of £7.8 million.

Cambourne Business Park, Phase 1000, Cambridge

Company Investment	Property Type	Defensive Capital Structure	Income Return *
£1.2m	High-yield business park	4-year bank facility at 50% LTV (current interest cover of 3 times covenant level)	9.2% p.a.

* Estimated annualised return for the year to 31 March 2012.

The Company has invested £1.2 million in a joint venture that acquired Phase 1000 of Cambourne Business Park, which consists of three quality Grade A specification modern office buildings constructed in 1999 located in the town of Cambourne, approximately 8 miles west of Cambridge city centre. The 9,654 square metre property is self-contained and has 475 car spaces. Phase 1000 is situated at the front of the business park with good access and visibility.

Phase 1000 is a high quality asset, fully let to Convergys, Citrix Systems and Regus. The property has open B1 Business user planning permission and has potential value-add opportunities.

Phase 1000 was purchased in a joint venture partnership with a major overseas investor for £23.0 million including acquisition costs. Alpha Tiger's equity contribution of £1.2 million, which represents 10% of the total equity commitment, was invested into a newly formed joint venture entity, a subsidiary of which holds the property. Bank finance of £10.8 million was obtained. The property was acquired for an 8.5% net initial yield and is currently delivering an annualised income return of 9.2% for the year to 31 March 2012.

ARC is the investment manager to the joint venture owning the Cambourne property and has identified opportunities to add value to the investment.

Freehold Income Trust

Company Investment	Property Type	Defensive Capital Structure	Income Return *
£6.2m	Highly defensive income freehold ground rents	Very low gearing (5% net LTV); monthly liquidity	5.8% p.a.

* For the year to 31 March 2012.

The Company has invested a total of £6.2 million in FIT, an open-ended unit trust that invests in UK residential freehold ground rents which offers an attractive income stream, capital growth prospects, resilient capital values with relatively low volatility and conservative gearing levels. FIT owns a highly diversified portfolio of approximately 65,000 freeholds (as at 31 March 2012) in the UK with a gross annual ground rent income of £7.8 million.

FIT has delivered an annual compound total return of 6.2% over the past five years to 31 March 2012 (based on a bid to bid basis) and has an unbroken track record of almost two decades of positive, inflation beating returns. FIT was recently voted as having the best risk adjusted return of any fund in the IMA unit trust and OEIC universe over a 10 year period (FE Trustnet News and Research).

FIT's total gross assets at 31 March 2012 were £154.5 million.

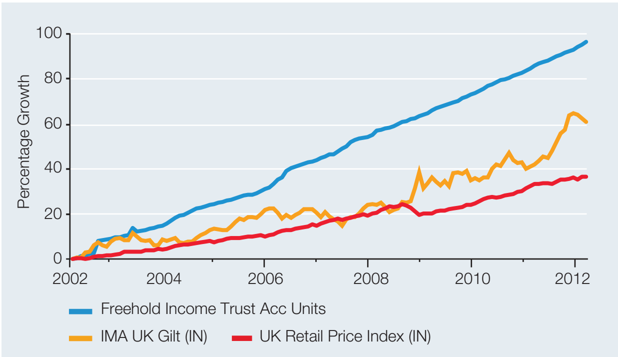
The investment is expected to continue to provide a better return than currently earned on the Company's cash balances. FIT operates a monthly dealing facility to provide liquidity.

Alpha Real Property Investment Advisers LLP ("ARPIA"), a subsidiary of ARC, is the investment manager of FIT.

The following highlights were reported in the FIT factsheet as at 31 March 2012:

- FIT continues its unbroken 19 year track record of positive, inflation beating returns
- Total return for the year to 31 March 2012 was 6.02% (based on the bid price of accumulation units) up by 9.5% on the prior year
- FIT exceeded its target annual income this year with an income return of 5.26%
- 75% of FIT's freeholds have a form of inflation protection through periodic uplifts linked to Retail Price Index, property values or fixed uplifts.

Track record: FIT v IMA Gilts:
10 years from 31 March 2002 to 31 March 2012

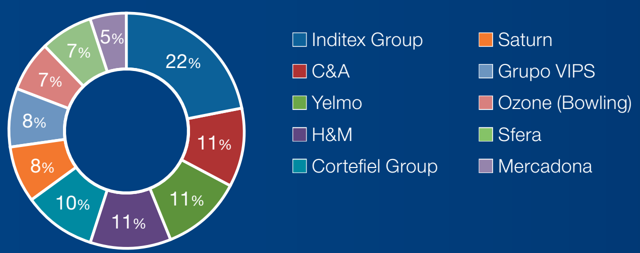


Source: www.freeholdincometrust.com

H2O
Madrid - Spain

Sector	Retail
Asset	Shopping centre
Tenants include	Zara, Mango, Cortefiel, H&M, C&A and Massimo Dutti
Area	51,825 square metres
Description	The property is located in the Rivas-Vaciamadrid district of Madrid. H2O has a primary catchment area of 166,000 people but the location, due to the concentration of complementary retail, has a total catchment of 2.2 million people. Passing net rental income in excess of €6 million per annum. The weighted average lease length as at 31 March 2012 is 11.9 years to expiry and 2.6 years to next break. Centre occupancy 90% as at 31 March 2012.

Top ten tenants (31 March 2012)



Spain

Economic outlook

Spain's government is pursuing a path of fiscal austerity and growth orientated structural reforms to aid economic recovery. The outlook for the economy remains subdued for the latter half of 2012 as the impact of austerity measures and rising sovereign bond yields continue to weigh on economic growth. A contraction of GDP growth of 0.3% in the first quarter of 2012 brought the total contraction to 0.4% for Spain on an annual basis.

Relative to other eurozone countries the Spanish debt to GDP ratio remains modest at 68.5% at the close of 2011 although concerns about non-performing loans within the national banking sector remain elevated. The central government remains focused on implementing austerity measures aimed at reducing the government deficit from 8.5% in 2011 to 3% by 2013. Fiscal consolidation plans have been introduced, most recently a €27 billion budget tightening package was followed by a further €10 billion of spending cuts. Private consumption is expected to be muted during 2012.

A slight improvement was seen in the outlook for business confidence in the second quarter of 2012, according to a recent survey from the Instituto Nacional de Estadistica. However, overall business confidence remains subdued.

Property market

The investment community is monitoring macroeconomic events in Spain closely in order to capitalise on the opportunity to acquire assets at attractive prices.

The retail sector continues to hold appeal for investors with Jones Lang LaSalle reporting that investment in retail real estate in Spain totalled €550 million in 2011, a 4.7% increase on 2010. Fourteen shopping centre transactions completed during 2011, representing an increase compared to both 2009 and 2010.

Spain is now a mature market in terms of retail developments. Therefore, both functional and economic obsolescence in many schemes will make refurbishment one of the key market drivers over coming years. The Company has recognised this and has already implemented a capital upgrade programme as part of its investment in the H2O centre.

Investment review

H2O Rivas-Vaciamadrid, Madrid

Company Investment	Property Type	Defensive Capital Structure	Income Return *
£12.2m (€14.5m)	High-yield dominant shopping centre	7-year debt with no LTV covenants and 1.1x ICR	12.2% p.a.

* For the year to 31 March 2012.

The H2O shopping centre was acquired for €83.3 million (£69.8 million) including acquisition costs and funding has been provided for a further €5.0 million (£4.4 million) of capital improvements. The acquisition was financed with a €75.0 million (£62.9 million) seven year syndicated bank facility. Alpha Tiger initially provided €14.5 million (£12.2 million) of mezzanine and equity finance to the transaction.

In March 2012, the Company exercised its option to consolidate ownership of the H2O investment.

The H2O shopping centre opened in June 2007 and was built to a high standard providing shopping, restaurants and leisure around a central theme of landscaped gardens and an artificial lake. H2O was designed as a new concept centre, combining different uses, with the objective of attracting and sustaining a wide range of consumers.

H2O has a gross lettable area of 51,825 square metres, comprising 118 units, including shops, a multiplex cinema and restaurants. It has a large fashion retailer base, including some of the strongest European fashion brands, including Zara, Mango, Cortefiel, H&M, C&A and Massimo Dutti, in addition to leading Spanish supermarket operator Mercadona which opened during September 2011.

As at 31 March 2012, the centre was 90% occupied by rental value with a passing net rental income in excess of €6.0 million (£5.0 million) per annum. The weighted average lease length as at 31 March 2012 is 11.9 years to expiry and 2.6 years to next break.

Asset management review

- Following the opening of Mercadona, one of Spain's leading supermarket operators, during September 2011, monthly footfall increases of up to 10% have been achieved. The 3,100 square metre supermarket unit was vacant at the time of the Company's investment in H2O
- An active leasing programme to attract new tenants continues with branded national restaurant chain Gambrinus being the latest lease signed
- Active negotiations are underway to extend key tenants' contracted lease periods; notable lease regears and extensions include: H&M, Mango, Vodafone, Etam, TGI Fridays, Game, Swarovski, Pimkie
- As a result of the active lease re-gear strategy, the weighted average lease period until next break has been extended from 1.9 years in October 2011 to 2.7 years as at March 2012
- Additional external retail and food and beverage kiosks and indoor retail kiosks have been created to generate further rental income and animate the mall areas together with the adjacent lake and landscaped area
- An upgrade of the mall furniture, planting, colour scheme and lighting has been completed to improve the ambient environment and customer experience
- Improved promotional signage and improved pedestrian links to the large retail park located opposite the shopping centre have been completed, with a view to creating a more integrated "retail village" and to increase footfall. Additional phases of this project are under review to broaden the customer appeal of the location
- Licence applications have been submitted seeking approval to create new vehicular access and parking areas with a view to enhancing circulation and accessibility
- Innovative marketing events are underway. During March 2012, H2O hosted the finals of a national video game championship, one of the first such events to be held in Spain, which resulted in increased visitor numbers and improved brand awareness
- An active cost management exercise continues to be implemented to reduce the centre's operating costs and improve the quality and efficiency of services.

> Following the opening of Mercadona, monthly footfall increases of up to 10% have been achieved.

India

Economic outlook

India's GDP growth rate was 7.1% for the fiscal year ended in March 2012 and is forecast to remain broadly stable at 7% for the year ahead. This is a moderation from previous years and reflects the effects of global economic uncertainty and a weakening of output in some domestic sectors.

India's strong growth fundamentals - high saving and investment rates, its expanding workforce and middle class - are likely to sustain its economic performance in the medium term.

The headline annual inflation rate moderated from 8.3% in December 2011 to 6.6% and 6.9% in January and February 2012 respectively. In light of this moderation, the Reserve Bank of India ("RBI", the central bank) has softened its monetary policy for the first time in eighteen months by reducing the main policy interest rate from 9.5% to 9% in April 2012 and by reducing the Cash Reserve Ratio, the proportion of total bank deposits to be held as cash with the RBI, by 1.25% to 4.75% since January 2012.

Property market

The heightened transaction volumes witnessed in the latter half of 2011 moderated in the first quarter of 2012. Notwithstanding, a number of leases in the NOIDA area of the National Capital Region were signed with international tenants including Barclays, Halcrow, Hewlett Packard and Oracle, for office space totalling approximately 350,000 square feet.

Land sales and investment transaction volumes in the NOIDA area remain muted. Several projects in NOIDA are at the advanced stages of construction and nearing completion, but developers are slowing the pace of construction as they await leasing commitments from tenants.

Investment review

Galaxia, National Capital Region, NOIDA

Alpha Tiger invested INR 450 million (£5.4 million) in the Galaxia project, a development site extending to 11.2 acres which enjoys Special Economic Zone status with the potential to develop 1.2 million square feet. Galaxia is located in NOIDA, an established, well planned suburb of Delhi that continues to benefit from new infrastructure projects and is one of the principal office micro-markets in India. The Company has a 50% shareholding in the SPV which controls the Galaxia site. There are no bank borrowings on the asset.

On 2 February 2011, Alpha Tiger recommenced arbitration proceedings against its development partner Logix Group in order to protect its Galaxia investment.

The terms of reference for the arbitration have been finalised by the arbitration committee and a timetable provided for submissions to be made prior to hearings commencing in the first quarter of 2013.

Notwithstanding the above, the Company is continuing to explore avenues for a sale of the development.

Summary

The Company's investments have benefited from an active management approach with successes evident in the H2O asset in Spain and the assets underlying the Company's indirect investments. The Company's earnings are continuing to increase as a consequence of allocation of capital to yield driven investments. Approximately 50% of the Company's investments are in convertible notes invested in AURE and AUMP which enjoy a preferred position and equity in FIT's highly defensive freehold ground rents. With cash reserves equating to approximately 25% of shareholder funds, the Company remains in a strong position to make further income enhancing acquisitions.

Brad Bauman and Gordon Smith
For and on behalf of the Investment Manager
21 June 2012

Directors

David Jeffreys Chairman (aged 52)

David Jeffreys qualified as a Chartered Accountant with Deloitte Haskins and Sells in 1985. He works as an independent non-executive director to a number of Guernsey based investment fund companies and managers and is a Guernsey resident.

From 2007 until 2009 David was the Managing Director of EQT Funds Management Limited, the Guernsey management office of the EQT group of private equity funds. He was previously the Managing Director of Abacus Fund Managers (Guernsey) Limited between 1993 and 2004, a third party administration service provider to primarily corporate and fund clients.

In addition to the Company, David is a director of the following listed companies: Alpha Pyrenees Trust Limited, Ingenious Media Active Capital Limited, PFB Data Centre Fund Limited and Tetragon Financial Group Limited.

Phillip Rose Director (aged 52)

Phillip Rose is a Fellow of the Securities Institute and holds a Master of Law degree. He has over 30 years' experience in the real estate, funds management and banking industries in Europe, the USA and Australasia. He has been the Head of Real Estate for ABN AMRO Bank, Chief Operating Officer of European shopping centre investor and developer TrizecHahn Europe, Managing Director of retail and commercial property developer and investor Lend Lease Global Investment and Executive Manager of listed fund General Property Trust.

Phillip is currently CEO of Alpha Real Capital LLP, a non-executive director of London office and retail property investor Great Portland Estates Plc and a member of its Audit Committee. He is also a member of the Management Committee of the Hermes Property Unit Trust and its Audit Committee.

Serena Tremlett Director (aged 47)

Serena has over 25 years' experience in financial services, specialising in closed-ended property and private equity funds and fund administration over the last 15 years.

She is a non-executive director on the listed company boards of Alpha Pyrenees Trust, Alpha Tiger Property Trust, Ingenious Media Active Capital and those of Stenham Property, in addition to various unlisted property and private funds and general partners. Serena was previously company secretary (and a director) of Assura Group, at that time a FTSE 250 company listed on the London Stock Exchange, investing in primary healthcare property and ran Assura's Guernsey head office.

Prior to working for Assura, Serena was head of Guernsey property funds at Mourant International Finance Administration (now State Street) for two years and worked for Guernsey International Fund Managers (now Northern Trust) for seven years where she sat on a number of listed and unlisted fund boards. Since 2008, Serena has been co-founder and managing director of Morgan Sharpe Administration, a specialist closed-ended fund administrator.

Jeff Chowdhry Director (aged 52)

Jeff Chowdhry is currently Head of Emerging Market Equities at F&C Asset Management plc, with overall responsibility for investments in global emerging markets. Previously, he was a director of Sun F&C Asset Management (India) Limited and also managed the Indian Investment Company SICAV, an open ended investment fund registered in Luxembourg. Prior to this, Jeff managed the India Fund Inc, a closed ended investment fund listed in New York that seeks long-term capital appreciation through investing primarily in Indian equities.

Roddy Sage Director (aged 59)

Roddy Sage is currently Chief Executive Officer of the AFP group of companies, providing corporate and taxation advisory services in Asia. Prior to that he spent 20 years with KPMG Hong Kong, 10 years of which were as Senior Tax Partner for Hong Kong and China. He has held Chairmanships within KPMG and outside as Chairman of the Hong Kong General Chamber of Commerce's Taxation Committee and is a non-executive director of Tai Ping Carpets International and Guoco Group Limited.

Directors' report

The Directors present their report and financial statements of the Group for the year ended 31 March 2012.

Status

The Company's shares were traded on the AIM market, a market operated by the London Stock Exchange, until the 23 March 2012 and from that date the Company's shares are traded on the Specialist Fund Market of the London Stock Exchange.

The Company is an authorised closed-ended Guernsey registered investment company.

Principal activities

During the year the Company carried on business as a property investment and development company, investing in commercial property.

Business review

A review of the business during the year is contained in the Chairman's Statement on page 3 to 6.

Results and dividend

The results for the year to 31 March 2012 are set out in the financial statements.

In accordance with the dividend policy set out in the Company's Admission document, the Board does not propose to pay a dividend for the year.

Directors

The Directors, all of whom are non-executive and have served to the date of this report, are detailed below:

	Appointed	Re-elected
David Jeffreys (Chairman)	15 May 2006	8 May 2009
Phillip Rose	15 May 2006	6 August 2010
Serena Tremlett	15 May 2006	8 May 2009
Jeff Chowdhry	15 May 2006	5 August 2011
Roddy Sage	15 May 2006	5 August 2011

At each annual general meeting of the Company, one third (by number) of the Directors shall retire from office in accordance with the Articles of Incorporation. The Annual General Meeting is scheduled for 3 August 2012.

A retiring director shall be eligible for reappointment.

No director shall be required to vacate his office at any time by reason of the fact that he has attained any specific age.

The biographies of the Directors are on page 16.

The Board considers that there is a balance of skills and experience within the Board and that each of the Directors contributes effectively.

Directors' interests

The Directors had interests in the shares of the Company as set out below:

	Number of ordinary shares 31 March 2012	Number of ordinary shares 31 March 2011
David Jeffreys	10,000	10,000
Phillip Rose	139,695	139,695
Serena Tremlett	15,000	15,000
Jeff Chowdhry	40,000	40,000
Roddy Sage	-	-

There have been no changes in the Directors' interests since the year end.

Directors' remuneration

During the year the Directors received the following emoluments in the form of fees from Group companies:

	Year ended 31 March 2012 £	Year ended 31 March 2011 £
David Jeffreys	32,000	37,839
Phillip Rose	20,000	20,000
Serena Tremlett	32,204	28,000
Jeff Chowdhry	20,000	20,000
Roddy Sage	20,000	20,000
Total	**124,204**	**125,839**

The Company's Articles of Incorporation limit the aggregate fees payable to the Directors at £200,000 per annum.

Directors' and Officers' liability insurance cover is in place in respect of the Directors.

There are no service contracts in existence between the Company and Directors, however, each of the Directors was appointed by a letter of appointment which sets out the main terms of their appointment.

Substantial shareholding

Shareholders with holdings of more than 3% of the issued ordinary shares of the Company as at 22 May 2012 were as follows:

Name of investor	Number of ordinary shares	% held
Alpha Real Capital LLP	22,175,000	44.4
Billien Limited	14,154,593	28.3
IPGL	3,010,100	6.0
Europe Nominees Limited	2,599,544	5.2
Rathbones	1,817,808	3.6
UBS AG Jersey	1,695,000	3.4

Management

The Investment Manager provides investment advisory services to the Company and property advisory, property management and monitoring services to those members of the Group which acquire properties, in each case in accordance with the investment objective and investment policy and restrictions of the Group.

Directors' responsibility statement

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Group at the end of the period and of the profit or loss of the Group for that period in accordance with applicable laws.

In preparing those 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
- prepare the financial statements on the going concern basis unless it is appropriate to assume that the Group and Company will not continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

So far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware; having taken all steps the Directors ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Corporate Governance

A statement of Corporate Governance is on pages 19 to 22.

Going Concern

After making enquiries, and bearing in mind the nature of the Group's business and assets, the Directors consider that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Annual General Meeting

The AGM of the Company will be held in Guernsey on 3 August 2012.

Auditor

BDO Limited has expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board,

David Jeffreys
Director

Serena Tremlett
Director

21 June 2012

Corporate governance

As a Guernsey registered company and under SFM rules, the Company is not required to comply with the UK Corporate Governance Code, issued by the Financial Reporting Council ('UK Code'). However it is the Company's policy to comply with best practice on good corporate governance including taking measures to ensure the Company complies with the UK Code to the extent appropriate.

As a company licensed by the Guernsey Financial Services Commission ('GFSC'), the Company is required to follow the principles and guidance set out in the Finance Sector Code of Corporate Governance which was issued by the GFSC on 30 September 2011 and came into effect on 1 January 2012 ('Guernsey Code'). The Company adopted an Adherence document to the Guernsey Code on 15 November 2011.

The Board's arrangements in respect of corporate governance are explained in the paragraphs that follow.

Role of the Board

The Board has determined that its role is to consider and determine the following principal matters which it considers are of strategic importance to the Company:

1) Review the overall objectives for the Company and set the Company's strategy for fulfilling those objectives within an appropriate risk framework

2) Consider any shifts in strategy that it considers may be appropriate in light of market conditions

3) Review the capital structure of the Company including consideration of any appropriate use of gearing both for the Company and in any joint ventures in which the Company may invest from time to time

4) Appoint the Investment Manager, Administrator and other appropriately skilled service providers and monitor their effectiveness through regular reports and meetings

5) Review key elements of the Company's performance including Net Asset Value and payment of dividends.

Board Decisions

At board meetings, the Board ensures that all the strategic matters are considered and resolved by the Board. Certain issues associated with implementing the Company's strategy are delegated either to the Investment Manager or the Administrator. Such delegation is over minor incidental matters and the Board continually monitors the services provided by these independent agents. The Board considers there are implementation matters that are significant enough to be of strategic importance and should be reserved solely for the Board (e.g. all acquisitions, all disposals, significant capital expenditure, leasing and decisions affecting the Company's financial gearing).

Board Meetings

The Board meets at least quarterly and as required from time to time to consider specific issues reserved for decision by the Board including all potential acquisitions and investments.

At the Board's quarterly meetings it considers papers circulated in advance including reports provided by the Investment Manager and the Administrator. The Investment Manager's report comments on:

- The property markets of India, UK and Europe including recommendations for any changes in strategy that the Investment Manager considers may be appropriate
- Performance of the Group's portfolio and key asset management initiatives
- Transactional activity undertaken over the previous quarter and being contemplated for the future
- The Group's financial position including relationships with bankers and lenders.

These reports enable the Board to assess the success with which the Group's property strategy and other associated matters are being implemented and also consider any relevant risks and to consider how they should be properly managed.

The Board also considers reports provided from time to time by its various service providers reviewing their internal controls.

In between its regular quarterly meetings, the Board has also met on a number of occasions during the year to approve all transactions and for other matters.

Board Evaluation

An evaluation of the overall performance of the Board and its standing committees was conducted during the year. The evaluation reviewed matters such as the performance and composition of the Board (and whether it has an appropriate mix of knowledge, skills and experience), relationships between the Board and the Investment Manager and Administrator, the processes in place and the information provided to the Board and communication between Board members.

Committees of the Board

The Board has operated an Audit Committee, Remuneration Committee and a Nomination Committee throughout the year under review.

Board and Committee Meeting Attendance

The table below shows the attendance at Board and other Committee meetings during the year to 31 March 2012:

Director	Board	Audit committee	Remuneration committee	Nomination committee
David Jeffreys	19	4	1	-
Phillip Rose	6	-	-	1
Serena Tremlett	18	4	1	1
Jeff Chowdhry	10	-	1	-
Roddy Sage	8	4	-	-
No. of meetings during the year	**19**	**4**	**1**	**1**

The Audit Committee

The Audit Committee is chaired by David Jeffreys and includes Roddy Sage and Serena Tremlett. The Audit Committee meets not less than twice a year and, if required, meetings can also be attended by the Investment Manager, the Administrator and the Independent Auditor.

Role of the Committee

The role of the Audit Committee, which meets at least twice a year, includes:

- The engagement, review of the work carried out by and the performance of the Company's external auditors
- To monitor and review the independence, objectivity and effectiveness of the external auditors
- To develop and apply a policy for the engagement of the external audit firm to provide non-audit services
- To assist the Board in discharging its duty to ensure that financial statements comply with all legal requirements
- To review the Company's financial reporting and internal control policies and to ensure that the procedures for the identification, assessment and reporting of risks are adequate
- To review regularly the need for an internal audit function
- To monitor the integrity of the Company's financial statements, including its annual and half-yearly reports and announcements relating to its financial performance, reviewing the significant financial reporting issues and judgements which they contain
- To review the consistency of accounting policies and practices
- To review and challenge where necessary the financial results of the Company before submission to the Board.

The Audit Committee makes recommendations to the Board which are within its terms of reference and considers any other matters as the Board may from time to time refer to it.

Members of the Audit Committee may also, from time to time, meet with the Company's valuer to discuss the scope and conclusions of their work.

Policy for Non Audit Services

The Committee has adopted a policy for the provision of non-audit services by its external auditors, BDO Limited and reviews and approves all material non-audit related services in accordance with the need to ensure the independence and objectivity of the external auditors.

The Remuneration Committee

The Remuneration Committee, chaired by Serena Tremlett includes Jeff Chowdhry and David Jeffreys and is required to consider the terms and remuneration of the Company's directors and senior employees.

The Board has approved formal terms of reference for the Committee and a copy of these is available on request from the Company Secretary.

As the Company has no executive directors, the Committee's main role is to determine the remuneration of the non-executive Directors within the cap set out in the Company's Articles of Association; it meets at least annually.

The Nomination Committee

The Nomination Committee, chaired by Roddy Sage includes Phillip Rose and Serena Tremlett and is convened for the purpose of considering the appointment of additional Directors as and when considered appropriate.

The Committee's principal task is to review the structure, size and composition of the Board in relation to its size and position in the market and to make recommendations to fill Board vacancies as they arise and it meets at least annually.

Investment Management Agreement

The Company has an Investment Management Agreement with the Investment Manager. This sets out the Investment Manager's key responsibilities which include proposing a property investment strategy to the Board, identifying property investments to recommend for acquisition and arranging appropriate lending facilities to facilitate the transaction. The Investment Manager is also responsible to the Board for all issues relating to property asset management.

Internal Control and Risk Management

The Board understands its responsibility for ensuring that there are sufficient, appropriate and effective systems, procedures, policies and processes for internal control of financial, operational, compliance and risk management matters in place in order to manage the risks which are an inherent part of business. Such risks are managed rather than eliminated in order to permit the Company to meet its financial and other objectives.

The Board reviews the internal procedures of both its Investment Manager and its Administrator upon which it is reliant. The Investment Manager has a schedule of matters which have been delegated to it by the Board and upon which it reports to the Board on a quarterly basis. These matters include quarterly management accounts and reporting both against key financial performance indicators and its peer group. Further, a compliance report is produced by the Administrator for the Board on a quarterly basis.

The Company maintains a risk management framework which considers the non-financial as well as financial risks and this is reviewed by the Audit Committee prior to submission to the Board.

Shareholder relations

Shareholder communications are a high priority of the Board. Members of the Investment Manager's Investment Committee make themselves available at all reasonable times to meet with key shareholders and sector analysts. Feedback from these sessions is provided by the Investment Manager at the quarterly Board meetings.

In addition, the Board is also kept fully appraised of all market commentary on the Company by the Investment Manager and other professional advisors including its brokers.

Through this process the Board seeks to monitor investor relations and to ensure that the Company's communication programme is effective.

The Chairman and the Investment Manager will be available at the Annual General Meeting to answer any questions that shareholders attending may wish to raise.

Directors' statement pursuant to the Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed in the Directors Report confirm that, to the best of each person's knowledge and belief:

- The financial statements, prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Group, and
- The Chairman's Statement and the Property Review includes a fair review of the development and performance of the business and the position of the Group and note 24 to the financial statements provides a description of the principal risks and uncertainties that the Group faces.

By order of the Board,

David Jeffreys
Director

Serena Tremlett
Director

Independent auditor's report

To the Members of Alpha Tiger Property Trust Limited

We have audited the consolidated financial statements of Alpha Tiger Property Trust Limited for the year ended 31 March 2012 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the related notes 1 to 25. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work is undertaken so that we might state to the Group'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 Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditor

As explained more fully in the Directors' Responsibilities Statement within the Directors' Report, the Directors are responsible for the preparation of the consolidated 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 consolidated 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 Group'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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2012 and of Group's profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the accounting records; or
- we have failed to obtain all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Justin Marc Hallett ACA
For and on behalf of BDO Limited
Chartered Accountants and Recognised Auditor
Place du Pré, Rue du Pré, St Peter Port, Guernsey
21 June 2012

Consolidated statement of comprehensive income

	Notes	For the year ended 31 March 2012 Revenue £'000	Capital £'000	Total £'000	For the year ended 31 March 2011 Revenue £'000	Capital £'000	Total £'000
Income							
Revenue	3	2,848	-	2,848	2,686	-	2,686
Net change in the revaluation of investment properties	13	-	(510)	(510)	-	136	136
Total income		**2,848**	**(510)**	**2,338**	**2,686**	**136**	**2,822**
Expenses							
Property operating expenses		(1,105)	-	(1,105)	(1,100)	-	(1,100)
Investment Manager's fee		(927)	-	(927)	(1,054)	-	(1,054)
Other administration costs	4	(1,441)	-	(1,441)	(1,364)	-	(1,364)
Total operating expenses		**(3,473)**	**-**	**(3,473)**	**(3,518)**	**-**	**(3,518)**
Operating (loss)/profit		**(625)**	**(510)**	**(1,135)**	**(832)**	**136**	**(696)**
Finance income	5	2,849	65	2,914	1,967	82	2,049
Finance costs	6	(785)	(564)	(1,349)	(678)	(812)	(1,490)
Profit/(loss) before taxation		**1,439**	**(1,009)**	**430**	**457**	**(594)**	**(137)**
Taxation	7	(82)	-	(82)	(31)	-	(31)
Profit/(loss) for the year		**1,357**	**(1,009)**	**348**	**426**	**(594)**	**(168)**
Other comprehensive expenses for the year							
Exchange differences arising on translation of foreign operations		-	(1,428)	(1,428)	-	(780)	(780)
Other comprehensive expenses for the year		**-**	**(1,428)**	**(1,428)**	**-**	**(780)**	**(780)**
Total comprehensive (loss)/income for the year		**1,357**	**(2,437)**	**(1,080)**	**426**	**(1,374)**	**(948)**
Earnings per share (basic & diluted)	9			**0.7p**			**(0.3)p**
Adjusted earnings per share (basic & diluted)	9			**2.6p**			**0.8p**

The total column of this statement represents the Group's income statement, prepared in accordance with IFRS. The revenue and capital columns are supplied as supplementary information permitted under IFRS. All items in the above statement derive from continuing operations.

The accompanying notes on pages 28 to 51 form an integral part of this statement.

Consolidated balance sheet

	Notes	31 March 2012 £'000	31 March 2011 £'000
Non-current assets			
Investment property	13	73,771	18,642
Indirect property investment held at fair value	14	5,428	6,182
Derivatives held at fair value through profit or loss	24	932	956
Trade and other receivables	16	13,099	14,056
		93,230	**39,836**
Current assets			
Investment held at fair value	15	6,390	6,317
Trade and other receivables	16	954	13,060
Cash and cash equivalents		18,224	17,947
		25,568	**37,324**
Total assets		**118,798**	**77,160**
Current liabilities			
Trade and other payables	17	(3,832)	(1,733)
Bank borrowings	18	(636)	(52)
Derivatives held at fair value through profit or loss	24	-	(323)
		(4,468)	**(2,108)**
Total assets less current liabilities		**114,330**	**75,052**
Non-current liabilities			
Bank borrowings	18	(60,929)	(16,625)
Derivatives held at fair value through profit or loss	24	(16)	-
		(60,945)	**(16,625)**
Total liabilities		**(65,413)**	**(18,733)**
Net assets		**53,385**	**58,427**
Equity			
Share capital	19	-	-
Special reserve	20	56,859	60,781
Warrant reserve	20	-	40
Translation reserve	20	(1,008)	420
Capital reserve	20	(5,539)	(4,530)
Revenue reserve	20	3,073	1,716
Total equity		**53,385**	**58,427**
Net asset value per share	10	**106.8p**	**105.3p**

David Jeffreys
Director

Serena Tremlett
Director

The financial statements were approved by the Board of Directors and authorised for issue on 21 June 2012.
They were signed on its behalf by David Jeffreys and Serena Tremlett.

The accompanying notes on pages 28 to 51 form an integral part of this statement.

Consolidated cash flow statement

	For the year ended 31 March 2012 £'000	For the year ended 31 March 2011 £'000
Operating activities		
Profit/(loss) for the year after taxation	348	(168)
Adjustments for:		
Net change in revaluation of investment property	510	(136)
Taxation	82	31
Finance income	(2,914)	(2,049)
Finance cost	1,349	1,490
Operating cash flows before movements in working capital	**(625)**	**(832)**
Movements in working capital:		
Decrease in trade and other receivables	3,096	677
Decrease in trade and other payables	(584)	(266)
Cash used in operations	**1,887**	**(421)**
Interest received	157	88
Interest paid	(810)	(626)
Taxation paid	(56)	-
Cash flows used in/(from) operating activities	**1,178**	**(959)**
Investing activities		
Convertible unsecured loan stock acquired	(7,500)	(4,750)
Acquisition of investments	-	(6,200)
Disposal proceeds from indirect property investment sale	-	3,501
Acquisition of investment property	(2,279)	-
Cash recognised on exercise of option	3,282	-
Capital expenditure on investment property	(604)	(66)
VAT loan repayment	8,108	-
Loan interest received	930	-
Dividend income	373	-
Cash flows used in/(from) investing activities	**2,310**	**(7,515)**
Financing activities		
Interest rate cap premium paid	-	(486)
Bank loan repayments	(122)	(240)
Currency option premium paid	-	(520)
Tender offer/share buyback	(3,952)	(357)
Share buyback costs	(10)	(26)
Bank loan advanced	1,060	-
Cash flows used in financing activities	**(3,024)**	**(1,629)**
Net increase/(decrease) in cash and cash equivalents	**464**	**(10,103)**
Cash and cash equivalents at beginning of year	**17,947**	**28,416**
Exchange translation movement	(187)	(366)
Cash and cash equivalents at end of year	**18,224**	**17,947**

The accompanying notes on pages 28 to 51 form an integral part of this statement.

Consolidated statement of changes in equity

For the year ended 31 March 2011	Special reserve £'000	Warrant reserve £'000	Translation reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total equity £'000
At 1 April 2010	**61,688**	**40**	**1,200**	**(3,936)**	**1,291**	**60,283**
Total comprehensive loss for the year	-	-	(780)	(594)	426	(948)
Share buyback costs	(27)	-	-	-	-	(27)
Share buyback	(880)	-	-	-	-	(880)
At 31 March 2011	**60,781**	**40**	**420**	**(4,530)**	**1,716**	**58,427**
Notes 19, 20						

For the year ended 31 March 2012	Special reserve £'000	Warrant reserve £'000	Translation reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total equity £'000
At 1 April 2011	**60,781**	**40**	**420**	**(4,530)**	**1,716**	**58,427**
Total comprehensive loss for the year	-	-	(1,428)	(1,009)	1,357	(1,080)
Expiry of warrants	40	(40)	-	-	-	-
Share buyback costs	(10)	-	-	-	-	(10)
Share buyback	(3,952)	-	-	-	-	(3,952)
At 31 March 2012	**56,859**	**-**	**(1,008)**	**(5,539)**	**3,073**	**53,385**
Notes 19, 20						

The accompanying notes on pages 28 to 51 form an integral part of this statement.

1. General information

The Company is a limited liability, closed-ended investment company incorporated in Guernsey. The address of the registered office is given on page 52. The nature of the Group's operations and its principal activities are set out in the Chairman's Statement on pages 3 to 6. The financial statements were approved and authorised for issue on 21 June 2012 and signed by David Jeffreys and Serena Tremlett on behalf of the Board.

2.(a) Significant accounting policies

A summary of the principal accounting policies is set out below. The policies have been consistently applied for all periods presented unless otherwise stated.

The preparation of financial statements in conformity with IFRS, as adopted by the EU, requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a high degree of judgement or complexity, or areas where the assumptions and estimates are significant to the financial statements are disclosed in this note.

Basis of preparation

These financial statements have been prepared in accordance with IFRS, which comprise standards and interpretations approved by the International Accounting Standards Board ("IASB"), and International Accounting Standards and Standards Interpretations Committee's interpretations approved by the International Accounting Standards Committee ("IASC") that remain in effect, and to the extent that they have been adopted by the European Union.

a) Adoption of new and revised Standards

A number of standards and interpretations issued by the IASB and the International Financial Reporting Interpretations Committee are effective for the current year. These were:

Revised and amended Standards

IFRS 1: First-time Adoption of International Financial Reporting Standards – Replacement of 'fixed dates' for certain exceptions with 'the date of transition' to IFRS - for accounting periods commencing on or after 1 July 2011

IFRS 1: First-time Adoption of International Financial Reporting Standards – Additional exemptions for entities ceasing to suffer from severe hyperinflation - for accounting periods commencing on or after 1 July 2011*

IFRS 1: First-time Adoption of International Financial Reporting Standards – Amendments resulting from May 2010 annual improvements to IFRSs - for accounting periods commencing on or after 1 July 2011*

IFRS 7: Financial Instruments: Disclosures – Amendments enhancing disclosures about transfers of financial assets - for accounting periods commencing on or after 1 July 2011

IAS 12: Income taxes – Limited scope amendment (recovery of underlying assets) - for accounting periods commencing on or after 1 January 2012*

Interpretations

No new interpretations issued by the IASB and the International Financial Reporting Interpretations Committee are effective for the current year.

The adoption of these standards and interpretations has not led to any changes in the Group's accounting policies.

b) Standards and Interpretations in issue and not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective:

IFRS 9: Financial Instruments – for accounting periods commencing on or after 1 January 2015* (mandatory application date amended in December 2011)

IFRS 10: Consolidated Financial Statements – for accounting periods commencing on or after 1 January 2013*

IFRS 11: Joint Arrangements – for accounting periods commencing on or after 1 January 2013*

IFRS 12: Disclosure of Interests in Other Entities – for accounting periods commencing on or after 1 January 2013*

IFRS 13: Fair Value Measurement – for accounting periods commencing on or after 1 January 2013*

2.(a) Significant accounting policies (continued)

Revised and amended Standards

IFRS 1: First-time Adoption of International Financial Reporting Standards – Amendments for government loan with a below-market rate of interest when transitioning to IFRSs - for accounting periods commencing on or after 1 January 2013*

IFRS 1: First-time Adoption of International Financial Reporting Standards – Amendments resulting from annual improvements 2009-2011 cycle (repeat application, borrowing costs) - for accounting periods commencing on or after 1 January 2013*

IFRS 7: Financial Instruments: Disclosures – Amendments enhancing disclosures about offsetting of financial assets and financial liabilities - for accounting periods commencing on or after 1 January 2013* and interim periods within those periods

IFRS 7: Financial Instruments: Disclosures – Amendments requiring disclosures about the initial application of IFRS 9 - for accounting periods commencing on or after 1 January 2015* (or otherwise when IFRS 9 is first applied)

IAS 1: Presentation of Financial Statements – Amendments to revise the way other comprehensive income is presented - for accounting periods commencing on or after 1 July 2012*

IAS 1: Presentation of Financial Statements – Amendments resulting from annual improvements 2009-2011 cycle (comparative information) - for accounting periods commencing on or after 1 January 2013*

IAS 16: Property, Plant and Equipment – Amendments resulting from annual improvements 2009-2011 cycle (servicing equipment) - for accounting periods commencing on or after 1 January 2013*

IAS 19: Employee Benefits – Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects - for accounting periods commencing on or after 1 January 2013*

IAS 27: Consolidated and Separate Financial Statements – Reissued as IAS 27 Separate Financial Statements (as amended in 2011) - for accounting periods commencing on or after 1 January 2013*

IAS 28: Investments in Associates – Reissued as IAS 28 Investments in Associates and Joint Ventures (as amended in 2011) - for accounting periods commencing on or after 1 January 2013*

IAS 32: Financial Instruments: Presentation – Amendments to application guidance on the offsetting of financial assets and financial liabilities - for accounting periods commencing on or after 1 January 2014*

IAS 32: Financial Instruments: Presentation – Amendments resulting from annual improvements 2009-2011 cycle (tax effect of equity distribution) - for accounting periods commencing on or after 1 January 2013*

IAS 34: Interim Financial Reporting – Amendments resulting from annual improvements 2009-2011 cycle (interim reporting of segment assets) - for accounting periods commencing on or after 1 January 2013*

Interpretations

IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine – for accounting periods commencing on or after 1 July 2013*

*Still to be endorsed by the EU

The Directors anticipate that, with the exception of IFRS 9 and IFRS 11, the adoption of these standards and interpretations in future years will not have a material impact on the financial statements of the Group.

In November 2009, the IASB issued the first part of IFRS 9 relating to the classification and measurement of financial assets. IFRS 9 will ultimately replace IAS 39. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset and subsequently measures the financial assets either at amortised cost or fair value.

In October 2010, the IASB issued the second part of IFRS 9 incorporating new requirements on accounting for financial liabilities and carrying over from IAS 39 the requirements for de-recognition of financial assets and financial liabilities. The standard addressed the issue of volatility in the income statement whereby an entity would choose to measure its own debt at fair value. The standard requires an entity choosing to measure a liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income section of the income statement, rather than within the profit and loss. The standard maintained the requirement to measure other liabilities at amortised cost.

The new standard is mandatory for annual periods beginning on or after 1 January 2015 (mandatory application date, originally 1 January 2013, amended in December 2011).

In May 2011 the IASB issued IFRS 11 Joint Arrangements which provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities. The new standard is effective for accounting periods beginning on or after 1 January 2013.

The principal accounting policies adopted are set out below.

2.(a) Significant accounting policies (continued)

Basis of consolidation

a) Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and the subsidiary undertakings controlled by the Company, made up to 31 March each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefit from its activities.

The results of subsidiary undertakings acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisitions or up to the effective date of disposal as appropriate.

When necessary, adjustments are made to the financial statements of subsidiary undertakings to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

b) Joint ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control (i.e. when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control).

When a Group entity undertakes its activities under joint venture arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accruals basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to or from the Group and their amount can be measured reliably.

Joint venture arrangements that involve the establishments of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Group reports its interests in jointly controlled entities using proportionate consolidation. The Group's share of the assets, liabilities, income and expenses of jointly controlled entities is combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

When a Group entity transacts with a jointly controlled entity of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the joint venture.

Presentation of statement of comprehensive income

In order to better reflect the activities of an investment company and in accordance with guidance issued by the Association of Investment Companies ("AIC"), supplementary information, which analyses the statement of comprehensive income between items of a revenue and capital nature, has been presented alongside the statement of comprehensive income.

Revenue recognition

Rental income from investment property leased out under an operating lease is recognised in the statement of comprehensive income on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the net consideration for the use of the property and are therefore also recognised on the same straight line basis. Rental revenues are accounted for on an accruals basis. Therefore, deferred revenue generally represents advance payments from tenants. Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue can be measured reliably. Upon early termination of a lease by the lessee, the receipt of a surrender premium, net of dilapidations and non-recoverable outgoings relating to the lease concerned, is immediately recognised as revenue.

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Foreign currencies

a) Functional and presentational currency

Items included in the financial statements of each of the Group entities are measured in the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Sterling, which is the Company's functional and presentational currency.

2.(a) Significant accounting policies (continued)

b) Transactions and balances

Transactions in currencies other than Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities that are carried at fair value and denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the year, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

c) Group companies

The results and financial position of all the Group entities that have a functional currency which differs from the presentational currency are translated into the presentational currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet

(ii) income and expenses for each statement of comprehensive income are translated at the average exchange rate prevailing in the period, and

(iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, the exchange differences arising from the translation of the net investment in foreign entities are taken to equity. When a foreign operation is sold, such exchange differences are recognised in the statement of comprehensive income as part of the gain or loss on sale.

For Euro based balances the year end exchange rate used is £1:€1.199 (2011: £1:€1.137) and the average rate for the year used is £1: €1.159 (2011: £1: €1.176). The year-end exchange rate used for Indian rupee (INR) balances is £1:INR 82.898 (2011: £1:INR 72.790) and the average rate for the period used is £1:INR 76.748 (2011: £1:INR 71.410).

Operating loss

The Group's operating loss includes net gains or losses on revaluation of investment properties, as reduced by administrative expenses and property operating costs and excludes finance costs and income.

Expenses

All expenses are accounted for on an accruals basis and include fees and other expenses paid to the Administrators, the Investment Manager and the Directors. In respect of the analysis between revenue and capital items, presented within the statement of comprehensive income, all expenses have been presented as revenue items except expenses which are incidental to the acquisition of an investment property which are included within the cost of that investment property.

Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of property are added to the costs of those assets until such time as the assets are substantially ready for their intended use. The capitalisation rate is arrived at by reference to the actual rate payable on borrowing acquired for a targeted property, or with regard to an acquisition financed out of general borrowings to the average rate. All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

Taxation

The Company is exempt from Guernsey taxation on income derived outside of Guernsey and bank interest earned in Guernsey. A fixed annual fee of £600 is payable to the State of Guernsey in respect of this exemption. No charge to Guernsey taxation arises on capital gains. The Group is liable to foreign tax arising on activities in the overseas subsidiaries. The Group has subsidiary operations in Cyprus and India. The Group also holds investments in Spain, owned through investments in Luxembourg and the Netherlands, and in the United Kingdom, owned through an investment in Jersey. The Group has also invested in Convertible Loan Stock Units in the United Kingdom. The Group is therefore liable to taxation in these overseas jurisdictions.

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible timing differences can be utilised.

2.(a) Significant accounting policies (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity.

Dividends

Dividends are recognised as a liability in the Group's financial statements in the period in which they become obligations of the Group.

Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost being the fair value of consideration given including related transaction costs. After initial recognition at cost, investment properties are carried at their fair values based on half yearly professional valuations made by independent valuers. The valuations are in accordance with standards complying with the Royal Institution of Chartered Surveyors Approval and Valuation manual and the International Valuation Standards Committee.

Gains or losses arising from changes in fair value of investment property are included in the statement of comprehensive income in the period in which they arise. Properties are treated as acquired when the Group assumes the significant risks and returns of ownership and as disposed of when these are transferred to the buyer.

All costs directly associated with the purchase and construction of a property, and all subsequent expenditures qualifying as acquisition costs are capitalised.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

The investing policy means the Group may invest in real estate opportunities unconstrained by geography, but with a particular focus on the UK, Europe and Asia. At present, for management purposes, the Group is organised into one main operating segment being Europe.

All of the Group's revenue is from entities that are incorporated in Europe.

With the exception of the Galaxia investment (note 14), all of the Group's non-current assets are located in Europe.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. The Group shall offset financial assets and financial liabilities if the Group has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

a) Financial assets

The Group's financial assets fall into the categories discussed below, with the allocation depending to an extent on the purpose for which the asset was acquired. Although the Group uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions. The Group has not classified any of its financial assets as held to maturity or as available for sale.

Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

(a) (i) Investments held at fair value through profit or loss

Investments are classified as "fair value through profit or loss" and are initially recognised at cost, being the fair value of the consideration given.

Financial assets designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Group's investment strategy. The Group's policy is for the Investment Manager and the Board of Directors to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Recognition

Purchases and sales of investments are recognised on the transaction date, the date on which the Group commits to purchase or sell the investment.

Measurement

Financial assets at fair value through profit or loss are initially recognised at fair value with transaction costs being expensed in the income statement. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and

2.(a) Significant accounting policies (continued)

losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement in the period in which they arise.

(a) (ii) Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through rental leases with tenants (e.g. trade receivables and cash and cash equivalents), but also incorporate other types of contractual monetary assets. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The effect of discounting on these financial instruments is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, such impairments directly reduce the carrying amount of the impaired asset and are recognised against the relevant income category in the statement of comprehensive income.

Cash and cash equivalents are carried at cost and consist of cash in hand and short term deposits in banks with an original maturity of three months or less.

(a) (iii) Derivatives at fair value through profit or loss

This category comprises only 'in the money' financial derivatives. They are carried in the balance sheet at fair value with changes in fair value recognised in the statement of comprehensive income. Other than these derivative financial instruments, the Group does not have any assets held for trading nor has it designated any other financial assets as being at fair value through profit or loss.

The fair value of the Group's derivatives is based on valuations as described in note 24.

(a) (iv) Derecognition of financial assets

A financial asset (in whole or in part) is derecognised either:

- when the Group has transferred substantially all the risks and rewards of ownership, or
- when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the asset or a portion of the asset, or
- when the contractual right to receive cash flow has expired.

(b) Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was issued and its characteristics. Although the Group uses derivative financial instruments in economic hedges of currency and interest rate risk, it does not hedge account for these transactions.

Unless otherwise indicated, the carrying amounts of the Group's financial liabilities are a reasonable approximation of their fair values.

(b) (i) Derivatives at fair value through profit or loss

This category comprises only 'out-of-the-money' financial derivatives. They are carried in the balance sheet at fair value with changes in fair value recognised in the statement of comprehensive income. Other than derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any other financial liabilities as being at fair value through profit or loss.

The fair value of the Group's derivatives is based on the valuations as described in note 24.

(b) (ii) Financial liabilities measured at amortised cost

Other financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method
- Bank borrowings are initially recognised at fair value net of attributable transaction costs incurred. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method.

(b) (iii) Derecognition of financial liabilities

A financial liability (in whole or in part) is derecognised when the Company or Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the statement of comprehensive income.

2.(a) Significant accounting policies (continued)

(c) Fair value measurement hierarchy

IFRS 7 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into one of the three levels.

(d) Share capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments. For the purposes of the disclosures given in note 24 the Group considers all its share capital, share premium and all other reserves as equity. The Company is not subject to any externally imposed capital requirements.

(e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or liability, or, where appropriate, a shorter period.

A summary of the principal accounting policies are set out below, all of which have been applied consistently for all periods presented unless otherwise stated.

2.(b) Significant accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Investment property

The gross property value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction without deduction for any associated transfer taxes, sales taxes, or other costs normally borne by the seller. Transaction costs normally borne by the seller are not deducted in arriving at gross property value, in accordance with IAS 40. The fair value is calculated by deducting the costs normally borne by the purchaser from the gross property value. Fair value is not intended to represent the liquidation value of the property, which would be dependent upon the price negotiated at the time of sale less any associated selling costs. The fair value is largely based on estimates using property appraisal techniques and other valuation methods as outlined below. Such estimates are inherently subjective and actual values can only be determined in a sales transaction.

The Group's valuers derive the fair value by applying the methodology and valuation guidelines as set out by the Royal Institution of Chartered Surveyors in the United Kingdom in accordance with IAS 40. This approach is based on discounting the future net income receivable from the property to arrive at the net present value of that future income stream. Future net income comprises the rent secured under existing leases, less any known or expected non-recoverable costs and the current market rent attributable to vacant units. The consideration basis for this calculation excludes the effects of any taxes. The discount factors used to calculate fair value are consistent with those used to value similar properties, with comparable leases in each of the respective markets.

The fair value of the investment property as at 31 March 2012 was £73.8 million (2011: £18.6 million). Refer to note 13 for further details.

(b) Estimate of fair value of indirect property investment - Galaxia

The property interest in Galaxia is classified as an indirect property investment held at fair value through profit and loss and has been included within the financial statements based on the expected realisable value to the Group. The Group's estimation of fair value is based upon legal advice following a recommencement of arbitration proceedings following breaches by Logix Group. The arbitration seeks an award of INR 450 million plus the agreed minimum investment return and lost profit from the Logix Group promoters. The Directors consider it prudent to continue to value the indirect investment at INR 450 million.

2.(b) Significant accounting estimates and judgements (continued)

(c) Fair value of derivative contracts

(c) (i) Interest rate cap

The Group estimates fair value of the interest rate cap based on valuation techniques employed by the contractual counter parties. These techniques are significantly affected by the assumptions used, including discount rates and future cash flows. The fair value of the interest rate cap as at 31 March 2012 was £532,000 (2011: £587,000) as shown in note 24.

(c) (ii) Interest rate swap

The Group estimates fair value of the interest rate swap based on valuation techniques employed by the contractual counter parties. These techniques are significantly affected by the assumptions used, including discount rates and future cash flows. The fair value of the interest rate swap as at 31 March 2012 was £16,000 (2011: nil) as shown in note 24.

(c) (iii) Fair value of the conversion option (CULS)

The fair value of the conversion option and other share options received is estimated by using the binomial option pricing model on the date of grant based on certain assumptions. Those assumptions include among others, the expected volatility and expected life of the options. Further details are given in note 24.

(c) (iv) Fair value of foreign currency options

The Group estimates fair value of the foreign currency options based on valuation techniques employed by the contractual counter parties.

(d) Income and deferred taxation

The Group is subject to income and capital gains taxes in numerous jurisdictions. Significant judgement is required in determining the total provision for income and deferred taxes. There are many transactions and calculations for which the ultimate tax determination and timing of payment is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded such differences will impact the income and deferred tax provisions in the period in which the determination is made.

3. Revenue

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Rental income	2,058	2,094
Service charges	685	580
Other income	105	12
Total	**2,848**	**2,686**

The Group recognises its revenue from its investment in two properties: the H2O Shopping Centre in Madrid, Spain, and the Phase 1000 of Cambourne Business Park in Cambridge, United Kingdom.

The H2O Shopping Centre, acquired on 31 March 2010 via a joint venture, is leased on standard institutional Spanish retail operating leases with a minimum guaranteed monthly rent and the possibility for the landlord to earn additional income if the tenants' turnover exceeds certain pre-set levels on most leases. The leases are typically for a minimum guaranteed term of 5 years from the opening of the centre in mid-2007 with 5 year renewal options thereafter, e.g. 5+5+5, and generally a 10 to 15 year term.

At 31 March 2012, the Group had contracted with tenants at the H2O Shopping Centre and Phase 1000 of Cambourne Business Park for the following future minimum lease payments:

	31 March 2012 £'000	31 March 2011 £'000
Within one year	5,571	2,022
In the second to fifth years inclusive	10,227	1,393
After five years	3,315	840
Total	**19,113**	**4,255**

4. Other administration costs

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Auditors' remuneration for audit services	83	97
Accounting and administrative fees	298	226
Non-executive directors' fees	124	126
Other professional fees	936	915
Total	**1,441**	**1,364**

The Group has no employees. During the year the Group paid fees amounting to £9,000 to BDO Limited in respect of non-audit services in relation to the Company's admission to trade in the SFM market.

5. Finance income

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Bank interest receivable	146	146
Interest receivable on convertible loan stock	898	412
Interest receivable from joint venture loan	1,359	1,292
Net gains on financial assets and liabilities held at fair value through profit or loss (note 24)	511	199
Total	**2,914**	**2,049**

6. Finance costs

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Interest on bank borrowings	785	678
Foreign exchange loss	61	117
Net losses on financial assets and liabilities held at fair value through profit or loss (note 24)	503	695
Total	**1,349**	**1,490**

The above finance costs arise on financial liabilities measured at amortised cost using the effective interest rate method. No other losses have been recognised in respect of financial liabilities at amortised cost other than those disclosed above.

7. Taxation

(a) Parent Company

The Parent Company is exempt from Guernsey taxation on income derived outside of Guernsey and bank interest earned in Guernsey. A fixed annual fee of £600 is payable to the States of Guernsey in respect of this exemption. No charge to Guernsey taxation arises on capital gains. The Group is liable to foreign tax arising on activities in the overseas subsidiaries. The Company has investments, subsidiaries and joint venture operations in Luxembourg, United Kingdom, the Netherlands, Spain, Cyprus, Jersey and India.

(b) Group

The Group's tax expense for the year comprises:

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Deferred tax	-	-
Current tax	82	31
Tax Expense	**82**	**31**

The charge for the year can be reconciled to the profit/(loss) per the consolidated statement of comprehensive income as follows:

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Tax expense reconciliation		
Profit/(loss) for the year	430	(137)
Less: Income not taxable	(2,242)	(2,353)
Add: Expenditure not taxable	2,334	2,619
Un-provided deferred tax asset	(125)	15
Total	**397**	**144**

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Analysed as arising from		
India entities	-	-
Cyprus entities	-	-
Luxembourg entities	-	27
UK investment	397	117
Total	**397**	**144**

Tax at domestic rates applicable to profits in the country concerned are as follows:

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
India taxation at 22.66%	-	-
Cypriot taxation at 10%	-	-
Luxembourg entities at an average rate of 28.64% (*)	2	8
UK taxation at 20%	80	23
Total	**82**	**31**

* The taxation incurred in Luxembourg relates to the minimum corporate tax charge of €1,575 per entity

7. Taxation (continued)

(c) Deferred taxation

The following is the deferred tax liability recognised by the Group and movements thereon:

	Revaluation of Investment Properties	Accelerated tax depreciation	Tax Losses	Other timing differences	Total
	£'000	£'000	£'000	£'000	£'000
At 31 March 2010	**-**	**-**	**-**	**-**	**-**
Release to Income	(78)	105	(292)	265	-
At 31 March 2011	**(78)**	**105**	**(292)**	**265**	**-**
Release to Income	66	100	(50)	(116)	-
At 31 March 2012	**(12)**	**205**	**(342)**	**149**	**-**

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes available for offset against future profits.

	2012	2011
	£'000	£'000
Deferred tax liabilities	354	370
Deferred tax assets	(354)	(370)
Total	**-**	**-**

At the balance sheet date the Group had unused tax losses of £22,000 (2011: £22,000) in Cyprus. Due to the unpredictability of future taxable profits, the Directors believe it is not prudent to recognise a deferred tax asset for the unused tax losses. The Cypriot unused tax losses can be carried forward indefinitely.

At the balance sheet date the Group had unused tax losses of £12,000 (2011: £28,000) in Spain. Due to the unpredictability of future taxable profits, the Directors believe it is not prudent to recognise a deferred tax asset for the unused tax losses. The Spanish unused tax losses can be carried forward for 18 years (changed during the year, previously 15 years).

At the balance sheet date the Group had unused tax losses of £30,000 (2011: £10,000) in Luxembourg. Due to the unpredictability of future taxable profits, the Directors believe it is not prudent to recognise a deferred tax asset for the unused tax losses. The Luxembourg unused tax losses can be carried forward indefinitely.

At the balance sheet date the Group had unused tax losses of £10,000 (2011: £20,000) in the Netherlands. Due to the unpredictability of future taxable profits, the Directors believe it is not prudent to recognise a deferred tax asset for the unused tax losses. The Netherlands unused tax losses can be carried forward for 9 years.

8. Dividends

No dividend has been paid or proposed for the year ended 31 March 2012 (2011: £nil).

9. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	1 April 2011 to 31 March 2012	1 April 2011 to 30 September 2011	1 January 2010 to 31 March 2011
Earnings per income statement (£'000)	348	582	(168)
Basic and diluted earnings pence per share	**0.7p**	**1.1p**	**(0.3)p**
Earnings per income statement (£'000)	348	582	(168)
Net change in the revaluation of investment property (gain)/loss (note 13)	510	(500)	(136)
Movement in fair value of interest rate cap (Mark to Market) (note 24)	433	327	(82)
Movement in fair value of interest rate swap (Mark to Market) (note 24)	16	-	-
Movement in fair value of currency swaps (Mark to Market) (note 24)	(65)	(125)	211
Movement in fair value of the conversion options (Mark to Market) (note 24)	54	42	161
Movement in fair value of the forward currency contract (note 24)	-	-	323
Foreign exchange loss (note 6)	61	14	117
Adjusted earnings (£'000)	**1,357**	**340**	**426**
Adjusted earnings pence per share	**2.6p**	**0.6p**	**0.8p**
Weighted average number of ordinary shares (000's)	**51,820**	**53,576**	**56,483**

The adjusted earnings are presented to provide what the Company believes is a more appropriate assessment of the operational income accruing to the Group's activities. Hence, the Company adjusts basic earnings for income and costs which are not of a recurrent nature or which may be more of a capital nature.

The 3,750,000 warrants issued to the Investment Manager (note 23), which could have potentially diluted basic earnings per share in the future, have all expired at the balance sheet date.

10. Net asset value per share

	31 March 2012	30 September 2011	31 March 2011
Net asset value (£'000)	53,385	54,855	58,427
Net asset value per share	**106.8p**	**109.0p**	**105.3p**
Number of ordinary shares (000's)	**49,980**	**50,314**	**55,512**

11. Investment in subsidiary undertakings

A list of the significant investments in subsidiaries as at 31 March 2012, including the name, country of incorporation and the proportion of ownership interest is given below.

Name of subsidiary undertaking	Class of share	% of class held with voting rights	Country of incorporation	Principal activity
Alpha Tiger Cyprus Holdings Limited	Ordinary	100	Cyprus	Holding Company
Alpha Tiger Cyprus Investments No. 1 Limited	Ordinary	100	Cyprus	Holding Company
Alpha Tiger Cyprus Investments No. 2 Limited	Ordinary	100	Cyprus	Holding Company
Alpha Tiger Cyprus Investments No. 3 Limited	Ordinary	100	Cyprus	Holding Company
Alpha Tiger Cyprus Investments No. 4 Limited	Ordinary	100	Cyprus	Holding Company
Luxco 114 SARL	Ordinary	100	Luxembourg	Finance company
Luxco 111 SARL	Ordinary	100	Luxembourg	Holding Company
KMS Holding BV	Ordinary	100	Netherlands	Holding Company
Alpha Tiger Spain 1, SLU	Ordinary	100	Spain	Property Company
Alpha Tiger Spain 2, SLU	Ordinary	100	Spain	Property Company

LuxCo 111 SARL group

Name	Country of Incorporation	31 March 2012	31 March 2011
		% held	% held
LuxCo 111 SARL	Luxembourg	100%	51%

LuxCo 111 SARL group is the holding structure for the H20 shopping centre joint venture. On 30 March 2012 the Company exercised its option to fully consolidate the H2O Shopping Centre.

Up to and including the exercise date of the 30 March 2012, the joint venture in the LuxCo 111 SARL group has been proportionally consolidated in the Consolidated Statement of Comprehensive Income and fully consolidated in the Consolidated Balance Sheet.

The following amounts have been recognised in the Consolidated Balance Sheet and Consolidated Statement of Comprehensive Income in respect of this structure:

	31 March 2012	31 March 2011
	£'000	£'000
Income	2,040	2,687
Net change in the revaluation of investment property	(510)	136
Expenses	(1,907)	(2,010)
Net result (26%; 2011: 26%)	**(377)**	**813**
Non-current assets	72,009	28,212
Current assets	5,038	13,554
Current liabilities	(1,680)	(668)
Non- current liabilities	(59,868)	(16,677)
Net assets (100%; 2011: 26%)	**15,499**	**24,421**

Within the Spanish SPV that owns the H20 investment property there is a bank account in which an amount of £1.8 million (€2.1 million) (2011: £4.4 million) has been ring-fenced for future capital expenditure on the shopping centre. The Group's 100% share (2011: 26%) of this account of £1.8 million (2011: £1.1 million) is included in current assets above.

In the opinion of the Directors, the transaction did not meet the definition of a business combination as set out in IFRS 3. Accordingly this transaction has not been accounted for as a business combination.

12. Investment in joint venture

Scholar Property Holdings Limited group

Name	Country of Incorporation	31 March 2012 % held	31 March 2011 % held
Scholar Property Holdings Limited	Jersey	10%	-

On the 6 October 2011 the Company invested in 10% of the share capital of Scholar Property Holdings Limited which in turn owns 100% of the share capital of Scholar Property Investments Limited. Scholar Property Investments Limited is the owner of the Phase 1000 of Cambourne Business Park. This shareholding structure is referred to as the Scholar Property Holdings Limited group and the Company owns a 10% effective interest in this group.

The joint venture in the Scholar Property Holdings Limited group has been proportionally consolidated in the Consolidated Statement of Comprehensive Income and the Consolidated Balance Sheet.

The following amounts have been recognised in the Consolidated Balance Sheet and Consolidated Statement of Comprehensive Income in respect of this joint venture:

	31 March 2012 £'000	31 March 2011 £'000
Income	95	-
Net change in the revaluation of investment property	-	-
Expenses	(56)	-
Net result	**39**	**-**
Non-current assets	2,295	-
Current assets	136	-
Current liabilities	(160)	-
Non-current liabilities	(1,061)	-
Net assets	**1,210**	**-**

13. Investment property

	31 March 2012 £'000	31 March 2011 £'000
Fair value of investment property at 1 April	**18,642**	**18,572**
Acquired during the year	55,900	-
Subsequent capital expenditure after acquisition	605	66
Rent incentive movement	129	127
Fair value adjustment in the year	(510)	136
Foreign exchange movements	(995)	(259)
Fair value of investment property at 31 March	**73,771**	**18,642**

As explained in Note 11, on 30 March 2012 the Company exercised its option to fully consolidate the H2O Shopping Centre.

The fair value of the H2O property has been arrived at on the basis of an independent valuation carried out at the balance sheet date by CBRE Valuation Advisory S.L. CBRE Valuation Advisory S.L. are independent valuers and are not connected to the Group. The valuation basis used is market value as defined by the Royal Institute of Chartered Surveyors ("RICS") Approval and Valuation Standards. The approved RICS definition of market value is the "estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

13. Investment property (continued)

The Company's proportionately consolidates its share (10%) of the Cambourne property in Cambridge, UK (acquired during the year).

The Cambourne property has not been independently valued and is carried (at the proportionate share) at the original acquisition cost and subsequent capital expenditure. The Directors believe this to be a reasonable estimate of the fair value of the property.

The acquisitions in investment properties in the year reflect the acquisition of the Camborne property of £2.3 million (at the proportionate share) and the adjustments required following the full consolidation of the H20 holding structure of £53.6 million.

Properties have been pledged as security for the related borrowings in the SPVs in which the properties are held (note 18).

14. Indirect property investment held at fair value

	31 March 2012 £'000	31 March 2011 £'000
As at 1 April	**6,182**	**10,314**
Disposal during the year	-	(3,501)
Effect of foreign exchange	(754)	(631)
As at 31 March	**5,428**	**6,182**

The Galaxia investment is carried at a fair value of INR 450 million (£5.4 million). The Group's estimation of fair value is based upon legal advice following a recommencement of arbitration proceedings following breaches by Logix Group. The arbitration seeks an award of INR 450 million plus the agreed minimum investment return and lost profit from the Logix Group promoters. The Directors consider it prudent to continue to value the indirect investment at INR 450 million.

15. Investment held at fair value

	31 March 2012 £'000	31 March 2011 £'000
As at 1 April	**6,317**	**-**
Additions during the year	-	6,200
Distributed investment income in year	(117)	117
Undistributed investment income in year	190	-
As at 31 March	**6,390**	**6,317**

The Group invested in income units of the Freehold Income Trust ("FIT"), a fund offering monthly redemptions, in the prior year. The Group considers that the asset will be held for the shorter term and has therefore disclosed the investment as a current asset. FIT provides monthly valuations of the net asset value of its units. The investment has therefore been valued at the net asset value published on 20 March 2012, this being the closest point to the Group's balance sheet date.

16. Trade and other receivables

	31 March 2012 £'000	31 March 2011 £'000
Non-current		
CULS	12,339	4,534
Interest receivable from CULS	760	412
Loan receivable from joint venture	-	9,110
Total	**13,099**	**14,056**
Current		
Trade debtors	303	62
VAT	55	2,857
Accrued bank interest	52	63
Other debtors	318	522
Amount receivable from joint venture	-	8,264
Interest receivable from joint venture	-	1,292
Interest receivable from CULS	226	-
Total	**954**	**13,060**

On the 9 August 2010, the Company subscribed for £4.75 million of convertible unsecured loan stock ("CULS") in Alpha UK Multi Property Trust plc ("AUMP") (formerly Close High Income Properties plc). The CULS carry an annual coupon of 4.75% and can be converted at any time up to and including 30 June 2013 into Ordinary Shares at a Conversion Price of 31 pence. The CULS annual coupon can either be paid in cash at the relevant interest payment dates or can be made as a Payment In Kind ("PIK") by the issuance of further CULS at each relevant date. The CULS attract an 18% redemption premium if not converted. Additionally, AUMP has issued 4 million share options to the Company at an exercise price of 50 pence per share.

On 18 October 2011, the Company completed the investment of £7.5 million by way of a three year Convertible Loan in Alpha UK Real Estate Plc ("AURE"). The loan can be converted at any time up to expiry (20 November 2014) into ordinary shares at an effective price of 41.4 pence per Fund share. The Convertible Loan has an annual coupon of 6% payable quarterly in cash. Should the Company elect not to convert, the Convertible Loan is redeemable at a premium of 14% to its face value.

The fair value of the conversion option within the CULS instruments and the additional options have been valued by reference to an external valuation by J.C. Rathbone (using a binomial model).

17. Trade and other payables

	31 March 2012 £'000	31 March 2011 £'000
Trade creditors	930	219
Investment Manager's fee payable	168	229
Accruals	632	718
Other creditors	2,045	536
Corporation tax	57	31
Total	**3,832**	**1,733**

Trade creditors and accruals primarily comprise amounts outstanding for trade purchases and ongoing costs. The Group has financial management policies in place to ensure that all payables are paid within the credit time frame.

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Included in other creditors is a £1.7 million liability due for the exercise of the option to fully consolidate the H2O Shopping Centre.

18. Bank borrowings

	31 March 2012 £'000	31 March 2011 £'000
Current liabilities: interest payable	183	52
Current liabilities: repayments	453	-
Total current liabilities	**636**	**52**
Non-current liabilities: bank borrowings	60,929	16,625
Total liabilities	**61,565**	**16,677**
The borrowings are repayable as follows:		
Interest payable	183	52
On demand or within one year	453	-
In the second to fifth years inclusive	1,918	497
After five years	59,011	16,128
Total	**61,565**	**16,677**

Movements in the Group's non-current bank borrowings are analysed as follows:

	31 March 2012 £'000	31 March 2011 £'000
As at 1 April	**16,625**	**17,167**
Additional borrowings	45,692	-
Repayment of borrowings	(122)	(240)
Reclassification to current liabilities	(453)	-
Amortisation of deferred finance costs	43	43
Exchange differences on translation of foreign currencies	(856)	(345)
As at 31 March	**60,929**	**16,625**

The bank borrowings as at 31 March 2012 represent the syndicated loan finance provided to the property owning Spanish SPV in the LuxCo 111 SARL group (note 11) and the proportionate share of the loan finance provided to the property owning SPV in the Scholar Property Holdings Limited group (note 12).

The additional borrowings in the year reflects the loan utilised in the acquisition of the Cambourne property of £1.0 million (at the proportionate share) and the adjustments following the full consolidation of H2O on the exercise of the Company's option (note 11) of £44.7 million.

The Spanish SPV loan is provided by a syndicate of three banks (Eurohypo AG, Deutsche Hypothekenbank and Landesbank Hessen-Thuringen Girozentrale). The loan has two tranches of debt of which one tranche has an agreed schedule of amortisation as reflected in the repayment table above; the balance of the loans after amortisation is repayable on 4 October 2017. The loans are secured by a first charge mortgage against the Spanish property.

The Spanish property owning SPV has entered into an interest rate cap under which the floating rate element of the interest charge is capped at 2.85% for the full term of the loan on €50 million of the principal borrowings of €75 million.

The UK SPV (Scholar Property Investments Limited) loan is provided by the National Westminster Bank PLC. The loan is repayable on 6 October 2015 and is secured by a first charge mortgage against the UK property (Phase 1000 of Cambourne Business Park).

19. Share capital

			Number of shares
Authorised			
Ordinary shares of no par value			Unlimited
Issued and fully paid	**Treasury**	**External**	**Total**
At 1 April 2011	**6,168,032**	**55,512,294**	**61,680,326**
Shares cancelled following completion of tender offer	(614,751)	-	(614,751)
Shares bought back via tender offer	-	(5,532,762)	(5,532,762)
At 31 March 2012	**5,553,281**	**49,979,532**	**55,532,813**

The Company has one class of ordinary share which carries no right to fixed income.

The Company has the right to reissue or cancel the remaining treasury shares at a later date.

As previously announced, following the Extraordinary General Meeting on 17 March 2011, the Company's shareholders approved a general authority allowing the Company to buy back up to 24.99% of its shares.

Under the above authority, 5,532,762 shares have been repurchased and cancelled at an average price of 71 pence per share (excluding fees) and the total voting rights figure is now 49,979,532 (excluding treasury shares). The purchased Ordinary Shares have been cancelled together with 614,751 shares currently held in treasury which were also cancelled following the purchase to ensure that the Company holds no more than 10% of its share capital in treasury pursuant to Guernsey law requirements.

Following the above share buybacks, the Ordinary Share capital of the Company is 55,532,813 (including shares held in treasury). The Company holds a total of 5,553,281 shares in treasury. The total voting rights in Alpha Tiger following the purchase and cancellation of the Ordinary Shares is 49,979,532.

20. Reserves

The movements in the reserves for the Group are shown on page 27.

Special reserve

The special reserve is a distributable reserve to be used for all purposes permitted under Guernsey company law, including the buy-back of shares and payment of dividends.

Warrant reserve

The warrant reserve represented the fair value of share-based payments in respect of the warrants issued to the Investment Manager but not exercised. All warrants have now expired so the Warrant Reserve balance has been transferred to the Special Reserve.

Translation reserve

The translation reserve contains exchange differences arising on consolidation of the Group's overseas operations.

Capital reserve

The capital reserve contains increases and decreases in the fair value of the Group's investment properties, gains and losses on the disposal of properties, gains and losses arising from indirect property investment at fair value together with expenses allocated to capital.

Revenue reserve

Any surplus arising from net profit after tax is taken to this reserve, which may be utilised for the buy-back of shares and payment of dividends.

21. Share based payments

a) Warrants

The Parent Company issued warrants in a prior period to the Investment Manager pursuant to which it was granted the right to subscribe for 3,750,000 ordinary shares in the Company at an exercise price of £1 per share. Such warrants could have been exercised at any time up to and including 21 December 2011. No warrants were exercised up to and including the expiry date of 21 December 2011. Hence, at 31 March 2012, no warrants were outstanding and available for exercise.

b) Share based payments

The Group has not recognised any share based payment for the year ended 31 March 2012 (2011: £nil).

22. Events after the balance sheet date

There were no significant events after the balance sheet date.

23. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. ARC is the Investment Manager to the Company under the terms of the Investment Manager Agreement and is thus considered a related party of the Company.

The Investment Manager is entitled to receive a fee from the Company at an annual rate of 2% of the net assets of the Company, payable quarterly in arrears. The Investment Manager is also entitled to receive an annual performance fee calculated with reference to total shareholder return ("TSR"), whereby the fee is 20% of any excess over an annualised TSR of 15% subject to a rolling 3 year high water mark.

ARC, via its 100% subsidiary Alpha Global Property Securities PTE Limited, had co-invested in the H2O joint venture subject to the terms of the Shareholder Agreements and Call Option arrangements as disclosed in the 31 March 2011 financial statements. On 30 March 2012, the Company exercised its option to fully consolidate the H2O Shopping Centre. ARC therefore has no investment in the H2O joint venture at the year ended 31 March 2012. The Company will settle its liability under the option with Alpha Global Property Securities PTE Limited of £1.7 million after the year end.

The Investment Manager has a management agreement directly with the H2O property company, Alpha Tiger Spain 1, SLU under which it earns a fee of 0.9% per annum based upon the gross assets of Alpha Tiger Spain 1, SLU. In order to avoid double counting of fees, the Investment Manager will provide a rebate to the Company of a proportion of its current fee equivalent to the value of the Company's net asset value attributable to the H2O investment.

The Company has invested in AUMP where ARC is the Property Investment Advisor. Phillip Rose is a Director on the Board of AUMP. ARC rebates fees earned in relation to the Company's investment in AUMP.

The Company has invested in FIT where ARPIA, a subsidiary of ARC, is the Trust Manager. ARC rebates fees earned in relation to the Company's investment in AUMP.

Following the agreed transaction with Alpha UK Real Estate Fund plc, ARC has been appointed Investment Manager and earns a management fee of 1.25% p.a. of AURE's gross asset value. ARC will rebate to Alpha Tiger its net management fee relating to Alpha Tiger's investment in the Convertible Loan. Further, following completion, Phillip Rose and Brad Bauman were appointed to the board of AURE.

Following the completion of Alpha Tiger's investment in Phase 1000, Cambourne Business Park, Cambridge, ARC was appointed as asset and property manager of the joint venture entity. ARC will rebate to Alpha Tiger the relevant proportion of fees earned by ARC which apply to the Company's investment.

Details of the Investment Manager's fees for the current period are disclosed on the face of the consolidated statement of comprehensive income and the balance payable at 31 March 2012 is provided in note 17.

The Investment Manager was also issued warrants over the Company's ordinary share capital (further details of which are provided in note 20) but which have subsequently expired.

ARC held 22,175,000 shares in the Company at 31 March 2012 (31 March 2011: 22,175,000). The following, being partners of the Investment Manager, also hold direct interests in the following shares of the Company at 31 March 2012:

	31 March 2012 Number of shares held	31 March 2011 Number of shares held
IPGL Property Funds Limited*	3,010,100	3,010,100
Phillip Rose	139,695	139,695
Brad Bauman	55,006	55,006
Ronald Armist	500	500

* IPGL Property Funds Limited's interest includes 3,000,000 (2011: 3,000,000) owned by a fellow group company, IPGL.

Details of the Directors fees and share interests in the Company are included in the Directors Report.

Serena Tremlett is also the Managing Director and a major shareholder of Morgan Sharpe Administration Limited, the Company's administrator and secretary. During the year the Company paid Morgan Sharpe Administration Limited fees of £77,000 (2011: £48,000).

24. Financial instruments risk exposure and management

In common with similar businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group from which financial instrument risk arises, are as follows:

Financial assets and liabilities carrying value	31 March 2012 £'000	31 March 2011 £'000
Current financial assets		
Investment held at fair value	6,390	6,317
Trade and other receivables	954	13,187
Cash and cash equivalents	18,224	17,947
Total current financial assets	**25,568**	**37,451**
Non-current financial assets		
Derivatives held at fair value through profit or loss		
Convertible loan stock conversion options	20	54
Interest rate cap	532	587
Currency options	380	315
Total derivatives held at fair value through profit or loss	**932**	**956**
Indirect property investment at fair value	5,428	6,182
Trade and other receivables	13,099	14,056
Total non-current financial assets	**19,459**	**21,194**
Total financial assets	**45,027**	**58,645**
Current financial liabilities		
Trade and other payables	(3,832)	(1,733)
Bank borrowings	(636)	(52)
Foreign currency forward	-	(323)
Total current financial liabilities	**(4,468)**	**(2,108)**
Non-current financial liabilities		
Bank borrowings	(60,929)	(16,625)
Interest rate swap	(16)	-
Total non-current financial liabilities	**(60,945)**	**(16,625)**
Total financial liabilities	**(65,413)**	**(18,733)**

24. Financial instruments risk exposure and management (continued)

Net changes in realised and unrealised gains or losses on financial instruments can be summarised as follows:

	31 March 2012 £'000	31 March 2011 £'000
Realised gains or losses on loans and receivables		
Bank interest receivable	146	146
Interest receivable on convertible loan stock	898	412
Interest receivable from joint venture loan	1,359	1,292
Distributed investment income received	373	-
Impairment of trade and other receivables	(417)	(72)
Net realised gains on loans and receivables	**2,359**	**1,778**
Unrealised gains and losses on financial assets and liabilities held at fair value through profit or loss		
Movement in fair value of interest rate cap	(433)	82
Movement in fair value of interest rate swap	(16)	-
Movement in fair value of currency swap	65	(211)
Movement in fair value of the conversion options	(54)	(161)
Movement in fair value of the forward currency contract	-	(323)
Undistributed investment income	73	117
Realised gains and losses on financial assets and liabilities held at fair value through profit or loss		
Distributed investment income	373	-
Net losses on financial assets and liabilities held at fair value through profit or loss	**8**	**(496)**
Disclosed as:		
Finance income (note 4)	511	199
Finance costs (note 5)	(503)	(695)
Net gains/(losses) on financial assets and liabilities held at fair value through profit or loss	**8**	**(496)**

	Year ended 31 March 2012 £'000	Year ended 31 March 2011 £'000
Bank interest receivable	146	146
Interest receivable on convertible loan stock	898	412
Interest receivable from joint venture loan	1,359	1,292
Interest on bank borrowings	(785)	(678)
Total interest income	**1,618**	**1,172**

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Project monitoring

Projects are monitored through regular Project Control Meetings held with development partners to discuss progress and monitor risks. The Investment Manager attends these meetings and reports to the Board on a quarterly basis.

24. Financial instruments risk exposure and management (continued)

Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the balance sheet date.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

The Group policy is to maintain its cash and cash equivalent balances with a number of financial institutions as a means of diversifying credit risk. The Group monitors the placement of cash balances on an ongoing basis and has policies to limit the amount of credit exposure to any financial institution.

With regards to the investment property business, a property advisor monitors the tenants in order to anticipate and minimise the impact of default by occupational tenants. Where possible, tenants' risk is mitigated through rental guarantees. The Group meets with the tenant frequently and monitors its financial performance closely.

With regard to its other investments, the Group receives regular updates from the relevant Investment Manager as to the performance of the underlying investments and assesses its credit risk as a result.

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has procedures with the object of minimising these risks such as maintaining sufficient cash and other highly liquid current assets. Cash and cash equivalents are placed with financial institutions on a short term basis reflecting the Group's desire to maintain a high level of liquidity in order to enable timely completion of investment transactions.

The following table illustrates the contractual maturity analysis of the Group's financial liabilities.

31 March 2012	Within 1 year £'000	1-2 years £'000	2-5 years £'000	Over 5 years £'000	Total £'000	Total carrying amount £'000
Trade and other payables	3,832	-	-	-	**3,832**	**3,832**
Bank Borrowings	636	453	1,465	59,011	**61,565**	**61,565**
Interest rate swap	-	-	16	-	**16**	**16**
Total	**4,468**	**453**	**1,481**	**59,011**	**65,413**	**65,413**

31 March 2011	Within 1 year £'000	1-2 years £'000	2-5 years £'000	Over 5 years £'000	Total £'000	Total carrying amount £'000
Trade and other payables	1,733	-	-	-	**1,733**	**1,733**
Bank Borrowings	52	-	497	16,128	**16,677**	**16,677**
Foreign currency forward	323	-	-	-	**323**	**323**
Total	**2,108**	**-**	**497**	**16,128**	**18,733**	**18,733**

Market risk

a) Foreign exchange risk

The Group operates in India and Spain and is exposed to foreign exchange risk arising from currency exposures with respect to Indian Rupees and Euros. Foreign exchange risk arises from future commercial transactions, recognised monetary assets and liabilities and net investments in foreign operations.

The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency.

The Group does not currently hedge its Indian foreign currency exposure and only partially hedges its Euro currency exposure through currency options: the Group has purchased two fixed rate currency options to hedge €7 million of long term mezzanine loan Euro exposure.

The Board monitors the Group's exposure to foreign currencies on a quarterly basis as part of its Risk Management review.

A strengthening of the Rupee by 5 Rupees would increase the net assets by £348,000 (2011: £456,000). A weakening of the Rupee by 5 Rupees would decrease net assets by £309,000 (2011: £397,000). A strengthening of the Euro by 5 cents would increase the net assets by £674,000 (2011: £271,000). A weakening of the Euro by 5 cents would decrease net assets by £620,000 (2011: £248,000).

24. Financial instruments risk exposure and management (continued)

b) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from long term borrowings. The Group has an interest rate cap, entered into by the Spanish property owning SPV, under which the floating rate element of the interest charge is capped at 2.85% for the full term of the loan on €50 million of the principal borrowings of €75 million.

The Group also holds significant cash balances and loan assets which accrue interest based on variable interest rates.

The Group's cash flow is periodically monitored by the Board.

The sensitivity analysis below is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated – for example, changes in interest rate and changes in market value.

For the Group, a decrease of 100 basis points in interest rates would result in an increase in post-tax profits of £22,000 (2011: £93,000). An increase of 100 basis points in interest rates would result in a decrease in post tax profits of £22,000 (2011: £93,000).

c) Price risk

The Company announced on 28 May 2010 that it had entered into a Settlement Agreement with Logix Group under which it has sold its interest in its Technova investment and has agreed a floor price mechanism for the sale of the Galaxia project. The Settlement Agreement lapsed on 28 May 2011 returning the parties to the pre-existing agreement. The terms of the pre-existing agreement provide for a minimum return of INR 450 million and an additional preferred return and profit.

During November and December 2010, the Company invested in income units in the Freehold Income Trust ("FIT"). FIT is an open ended unauthorised unit trust which operates a monthly dealing facility to provide investment liquidity. The value of the income units are assessed monthly and are subject to fluctuation.

d) Fair value estimation

The following methods and assumptions were used to estimate fair values:

- Cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts due to the short-term maturities of these instruments
- The fair value of the currency option contracts is determined by reference to an applicable valuation model employed by the contractual counter parties
- The fair value of the derivative interest rate swap contract is determined by reference to an applicable valuation model employed by the contractual counter parties
- The fair value of the CULS options is estimated by using a binomial option pricing model
- The fair value of the Galaxia investment is based on the Directors' estimate of the recoverable amount based upon legal advice
- The fair value of the FIT investment is based upon monthly valuations, provided by the issuer, of the net asset value of its units.

The following table shows an analysis of the fair values of financial instruments recognised in the balance sheet by level of the fair value hierarchy (see note 2(a), financial instruments (c)):

As at 31 March 2012	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment held at fair value	-	6,390	-	6,390
Indirect property investment at fair value	-	-	5,428	5,428
Convertible loan stock conversion options	-	20	-	20
Interest rate cap	-	532	-	532
Currency options	-	380	-	380
Interest rate swap	-	(16)	-	(16)
Total	**-**	**7,306**	**5,428**	**12,734**

24. Financial instruments risk exposure and management (continued)

As at 31 March 2011	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment held at fair value	-	6,317	-	6,317
Indirect property investment at fair value	-	-	6,182	6,182
Convertible loan stock conversion options	-	54	-	54
Interest rate cap	-	587	-	587
Currency options	-	315	-	315
Forward currency contract	-	(323)	-	(323)
Total	**-**	**6,950**	**6,182**	**13,132**

Reconciliation of the level 3 investment is given in note 14. Given the nature of the investment and how it is valued (note 14) a sensitivity analysis has not been presented.

e) Growth in rental income and defaults

Income growth may not continue at a consistent rate. Future income is dependent on, amongst other things, the Group negotiating suitable rent levels when compared to associated financing costs.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group regularly reviews the adequacy of its level of borrowings by monitoring its compliance with the relevant bank covenants.

25. Commitments

The Group had no un-provided material commitments within its Group undertakings.

Directors and Company information

Directors:
David Jeffreys (Chairman)
Jeff Chowdhry
Roddy Sage
Phillip Rose
Serena Tremlett

Registered Office:
Isabelle Chambers
Route Isabelle
St Peter Port
Guernsey GY1 3TX

Investment Manager:
Alpha Real Capital LLP
1b Portland Place
London W1B 1PN

Administrator and Secretary:
Morgan Sharpe Administration Limited
Isabelle Chambers
Route Isabelle
St Peter Port
Guernsey GY1 3TX

Broker:
Panmure Gordon (UK) Limited
Moorgate Hall
155 Moorgate
London EC2M 6XB

Independent Valuers in India:
Colliers International (Hong Kong) Limited
Suite 5701 Central Plaza
18 Harbour Road
Wanchai
Hong Kong

Independent Valuers in Spain:
CBRE Valuation Advisory S.L.
Edificio Torre Picasso
Planta 27
Plaza Pablo Ruiz Picasso, s/n
Madrid, 28020
Spain

Auditors:
BDO Limited
Place du Pré
Rue du Pré
St Peter Port
Guernsey GY1 3LL

Tax Advisors in Europe:
Ernst & Young LLP
1 More London Place
London SE1 2AF

Tax Advisors in India:
BMR Advisors
The Great Eastern Centre
First Floor
70, Nehru Place
New Delhi – 110 019
India

Legal Advisors in Guernsey:
Carey Olsen
PO Box 98
Carey House
Les Banques
St Peter Port
Guernsey GY1 4BZ

Legal Advisors in the UK:
Norton Rose
3 More London Riverside
London SE1 2AQ

Legal Advisors in India:
AZB & Partners
Plot A-8 Sector 4
NOIDA 201 301
India

Legal Advisors in Spain:
Perez Llorca
Alcalá, 61
28014 Madrid
Spain

Registrar:
Computershare Investor Services (Jersey) Limited
Queensway House
Hilgrove Street
St Helier
Jersey JE1 1ES

Shareholder information

Further information on the Company, compliant with the Specialist Fund Market ("SFM") regulations, can be found at the Company's website: www.alphatigerpropertytrust.com

Share Price

The Company's Ordinary Shares are listed on the SFM of the London Stock Exchange.

Change of address

Communications with shareholders are mailed to the addresses held on the share register. In the event of a change of address or other amendment, please notify the Company's Registrar under the signature of the registered holder.

Investment Manager

The Company is advised by Alpha Real Capital LLP which is authorised and regulated by the Financial Services Authority in the United Kingdom.

Financial Calendar

Financial reporting	Date
Annual report and accounts announcement	22 June 2012
Publication of annual report and notice of Annual General Meeting	29 June 2012
Annual General Meeting	3 August 2012
Interim Management Statement (quarter 1)	15 August 2012
Half Year Report	23 November 2012

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