

Granquay Limited

FINANCIAL STATEMENTS

for the year ended

31 May 2008



Company Registration No. 2945066

Granquay Limited

DIRECTORS AND OFFICERS

DIRECTORS

V A Tchenguiz
R Tchenguiz
M R Harris

SECRETARY

M H P Ingham

COMPANY NUMBER

2945066 (England and Wales)

REGISTERED OFFICE

4th Floor
Leconfield House
Curzon Street
London
W1J 5JA

AUDITORS

Baker Tilly UK Audit LLP
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey
GU1 1UW

SOLICITORS

Olswang
90 High Holborn
London
WC1V 6XX

Granquay Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of Granquay Limited for the year ended 31 May 2008.

PRINCIPAL ACTIVITIES

During the year, the principal activity of the company was property investment. At the year end the company held no investment properties.

REVIEW OF THE BUSINESS

In the opinion of the directors the result for the year and the financial position of the company at 31 May 2008 were satisfactory.

DIVIDENDS

The directors do not recommend payment of a dividend.

DIRECTORS

The following directors have held office since 1 June 2007:

V A Tchenguiz
R Tchenguiz
M R Harris

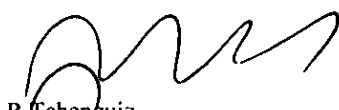
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITORS

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

On behalf of the board



R Tchenguiz
Director

30 January 2009

Granquay Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRANQUAY LIMITED

We have audited the financial statements on pages 5 to 10.

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

Respective responsibilities of directors and auditors

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

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

Basis of opinion

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

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

Opinion

In our opinion

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

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Registered Auditor
Chartered Accountants
The Clock House
140 London Road
Guildford
Surrey
GU1 1UW

30 January 2009

Granquay Limited
PROFIT AND LOSS ACCOUNT
for the year ended 31 May 2008

	<i>Notes</i>	2008 £	2007 £
Other operating expenses	1	(30)	(30)
OPERATING LOSS		(30)	(30)
Investment income	2	250	243
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		220	213
Taxation	4	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	8	220	213

All amounts derive from continuing activities.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

Granquay Limited

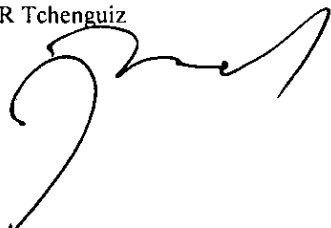
BALANCE SHEET

31 May 2008

	<i>Notes</i>	2008 £	2007 £
FIXED ASSETS			
Investments	5	4,216	4,216
CURRENT ASSETS			
Debtors	6	694	474
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,910</u>	<u>4,690</u>
CAPITAL AND RESERVES			
Called up share capital	7	2	2
Profit and loss account	8	4,908	4,688
SHAREHOLDERS' FUNDS	9	<u>4,910</u>	<u>4,690</u>

The financial statements on pages 5 to 10 were approved by the board of directors and authorised for issue on 30 January 2009 and are signed on its behalf by:

R Tchenguiz



Director

Granquay Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have been prepared under the historical cost convention.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

INVESTMENTS

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

CASH FLOW STATEMENT

The company is exempt from the requirement to prepare a cash flow statement, as more than 90% of the voting rights are controlled within the group and consolidated financial statements in which the company is included are publicly available.

Granquay Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2008

1.	OTHER OPERATING EXPENSES	2008	2007
		£	£
	Administrative expenses	30	30
		<u> </u>	<u> </u>
2.	INVESTMENT INCOME	2008	2007
		£	£
	Interest receivable	250	243
		<u> </u>	<u> </u>
3.	EMPLOYEES		
	There were no employees during the year apart from the directors, who received no emoluments.		
4.	TAXATION	2008	2007
		£	£
	Current tax charge	-	-
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year:		
	Profit on ordinary activities before taxation	220	213
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2007: 30.00%)		
		62	64
		<u> </u>	<u> </u>
	Effects of:		
	Group relief	(62)	(64)
		<u> </u>	<u> </u>
		(62)	(64)
		<u> </u>	<u> </u>
	Current tax charge	-	-
		<u> </u>	<u> </u>
5.	FIXED ASSET INVESTMENTS		
			<i>Listed</i>
			<i>investments</i>
			£
	Cost		
	1 June 2007 and 31 May 2008		4,216
			<u> </u>

The market value at 31 May 2008 was £3,791 (2007: £3,899).

Granquay Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 May 2008

6. DEBTORS	2008	2007
	£	£
Due within one year:		
Amounts owed by group undertakings	354	287
Other debtors	97	64
Prepayments and accrued income	243	123
	<u>694</u>	<u>474</u>
	<u><u>694</u></u>	<u><u>474</u></u>
7. SHARE CAPITAL	2008	2007
	£	£
Authorised:		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>
Allotted, issued and fully paid:		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>
	<u><u>2</u></u>	<u><u>2</u></u>
8. STATEMENT OF MOVEMENT ON RESERVES		<i>Profit and loss account</i>
		£
1 June 2007		4,688
Retained profit for the year		220
		<u>4,908</u>
31 May 2008		<u><u>4,908</u></u>
9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2008	2007
	£	£
Result for the financial year	220	213
Opening shareholders' funds	4,690	4,477
	<u>4,910</u>	<u>4,690</u>
Closing shareholders' funds	<u><u>4,910</u></u>	<u><u>4,690</u></u>

Granquay Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 May 2008

10. OWNERSHIP AND CONTROL

The company's immediate holding company, and also United Kingdom ultimate holding company, is Rotch Property Group Limited.

The parent undertaking of the smallest and largest group for which group accounts are prepared and of which the company is a member is Rotch Property Group Limited, which is registered in England. Copies of these group accounts are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The directors regard the ultimate holding company to be Vin-Rotch Properties Limited Inc., a company incorporated in the Republic of Panama.

The ultimate controlling party is the Tchenguiz Family Trust.

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed transactions with fellow group undertakings where more than 90% of the voting rights are controlled within the group and consolidated financial statements in which the company is included are publicly available.