

GROSVENOR ESTATE INVESTMENT MANAGEMENT LIMITED

Registered No 1357532

ANNUAL REPORT AND  
FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002



GROSVENOR ESTATE INVESTMENT MANAGEMENT LIMITEDDIRECTORS' REPORT

The directors submit their annual report together with financial statements for the year ended 31 December 2002.

1. PRINCIPAL ACTIVITIES

The company was dormant throughout the year. The company was incorporated on 14 March 1978.

2. DIRECTORS

The directors of the company at 31 December 2002 all of whom were directors throughout the year except as noted below, were:

J O Hagger  
J H M Newsum  
M R Preston (resigned 8 March 2002)

3. DIRECTORS' AND THEIR INTERESTS IN SHARES OF THE COMPANY

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the financial statements of the ultimate parent company.

Except as disclosed in the financial statements of the ultimate parent company, none of the directors in office at 31 December 2002 had any interests in the securities of the company, Grosvenor Group Holdings Limited, its ultimate parent undertaking, or any of its fellow subsidiary undertakings which are required to be disclosed under the Companies Act 1985

By Order of the Board



C M Tolhurst  
Secretary

January 2003

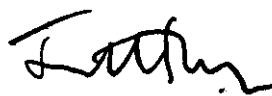
GROSVENOR ESTATE INVESTMENT MANAGEMENT LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2002

	<u>Notes</u>	<u>2002</u> £	<u>2001</u> £
<u>Fixed Assets</u>			
Investment in Subsidiary company shares at cost	3	100,000	100,000
<u>Creditors</u>			
Amounts falling due within one year:			
Due to Grosvenor Estate Holdings		(94,441)	(94,441)
<u>Net Assets</u>		<u>£5,559</u>	<u>£5,559</u>
<u>Capital and Reserves</u>			
Allotted, called up and fully paid:			
2 ordinary shares of £1 each	4	2	2
Profit and Loss Account		5,557	5,557
		<u>£5,559</u>	<u>£5,559</u>

- (a) For the year ended 31 December 2002 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
- i. ensuring the company keeps accounting records which comply with section 221;
  - ii. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Board on      January 2003 and signed on its behalf by:



Director

GROSVENOR ESTATE INVESTMENT MANAGEMENT LIMITEDNOTES TO THE FINANCIAL STATEMENTS31 DECEMBER 2002

1. The financial statements have been prepared under the historical cost convention, and in accordance with appropriate accounting standards, in the UK.
2. The company did not trade during the year. The expenses of the company are met by Grosvenor Estate Management Limited, a fellow subsidiary undertaking.
3. Investment in Subsidiary Company
  - a) The wholly owned subsidiary is Grosvenor Estate Belgravia, an unlimited company registered in England and Wales.
  - b) There is a contingent liability in respect of the uncalled nominal value of 150,000 £1 ordinary shares which are nil paid.
  - c) In accordance with the provisions of Section 228(2) of the Companies Act 1985, the company is not required to submit group accounts. The directors consider that the value of the shares in the subsidiary is not less than the amount at which they are included in the balance sheet.

4. Share Capital

	<u>2002</u>	<u>2001</u>
Authorised: 100 ordinary shares of £1 each	£100	£100
Allotted, called up and fully paid 2 ordinary shares of £1 each	£2	£2

5. Ultimate Parent Undertaking

The company's ultimate parent undertaking and controlling entity is Grosvenor Group Holdings Limited, a company registered in England and Wales which is wholly owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster.

The ultimate parent company heads the largest and smallest group of undertakings of which the company is a member and for which group accounts are prepared.

All companies referred to above are incorporated in Great Britain. Copies of the consolidated financial statements of Grosvenor Group Holdings Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.