

---

**GROSVENOR ESTATE HOLDINGS**  
**(an unlimited company having share capital)**

---

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

FRIDAY



\*A89KM6DD\*

A18

12/07/2019

#257

COMPANIES HOUSE

---

## GROSVENOR ESTATE HOLDINGS

---

### CONTENTS

---

	Page
Strategic Report	1 - 2
Directors' Report	3 - 4
Directors' Responsibilities Statement	5
Independent Auditor's Report	6 - 8
Income Statement	9
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 - 43

---

## **GROSVENOR ESTATE HOLDINGS**

---

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

---

#### **INTRODUCTION**

The directors present their Annual Report on the affairs of the Company together with the financial statements and auditor's report for the year ended 31 December 2018.

#### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The principal activity of the Company during the year was to provide management and administration of the holding company activities and to act as an intermediate holding company for investments.

The results of the Company for the year are shown in the Income Statement.

The balance sheet shows that the Company's net assets decreased from £1,721,280,000 to £1,640,663,000 during the year.

The directors do not anticipate any significant change in the activity of the Company and its profitability. The directors expect the general level of activity to remain consistent with 2018 in the forthcoming year. This is consistent with the long-term strategy of the company.

The Company is incorporated in the United Kingdom and the registered office is 70 Grosvenor Street, London, W1K 3JP.

#### **GOING CONCERN**

The Company is in a net asset and net current liability position and is profit making as at 31 December 2018. The net current liability position is due to loans from subsidiaries and the company can therefore control the timing of repayment of these loans. In addition, the Company has significant undrawn committed borrowing facilities.

After making enquiries the directors have a reasonable expectation that the Company has adequate resources for the foreseeable future and for a minimum period of 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

In a referendum on 23 June 2016 the British people expressed a desire for the country to resign its membership of the European Union. At this point in time it is difficult to predict the outcome and the opportunities and threats that would result and the Company is managing these by closely monitoring the position and assessing any possible impacts on the going concern position of the Company.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company arise from the financing of its investments, including interest rate volatility on external debt.

The Company is financed by equity, intra group loans and external debt.

The Company is a subsidiary of Grosvenor Group Limited, the "Group". The Group co-ordinates its cash flows, liquidity position and borrowing facilities on a group basis and further disclosures relating to these matters are included in the annual report of Grosvenor Group Limited.

---

## GROSVENOR ESTATE HOLDINGS

---

### STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### KEY PERFORMANCE INDICATORS

The directors of Grosvenor Group Limited manage its group operations on a divisional basis. For this reason, the Company's directors believe that further key financial and non-financial performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The performance of the Grosvenor Group Limited, which includes the Company, is discussed in the directors' report in the annual report of that Company which does not form part of this report.

This report was approved by the board and signed on its behalf.



**J P Ball**  
Secretary

Date: 9 May 2019

---

## GROSVENOR ESTATE HOLDINGS

---

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

---

The directors present their annual report and the audited financial statements for the year ended 31 December 2018.

#### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £42,197,000 (2017 - £215,096,000).

There were £125,398,892 of dividends paid in the year under review (2017 - £42,278,430).

Please refer to the Strategic Report for information on risk management objectives and policies.

#### DIRECTORS

The directors who served during the year and subsequently were:

T L Budden  
S J Moore  
M R Preston  
N R Scarles  
C J Jukes  
R A J Marshall  
P S Vernon

#### DIRECTORS' INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

#### FUTURE DEVELOPMENTS

The directors do not anticipate any significant change in the activity of the Company and its profitability.

The directors have prepared the financial statements on the going concern basis. Refer to the Strategic Report for further information.

#### DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

#### POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

---

**GROSVENOR ESTATE HOLDINGS**

---

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**AUDITOR**

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**J P Ball**  
Secretary

Date: 9 May 2019

---

## **GROSVENOR ESTATE HOLDINGS**

---

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018**

---

The directors are responsible for preparing the Strategic Report, the Directors' Report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the audited financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these audited financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

---

## GROSVENOR ESTATE HOLDINGS

---

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GROSVENOR ESTATE HOLDINGS

---

#### OPINION

In our opinion the financial statements of Grosvenor Estate Holdings (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the Company which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### CONCLUSIONS RELATING TO GOING CONCERN

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

#### OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our



---

## **GROSVENOR ESTATE HOLDINGS**

---

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GROSVENOR ESTATE HOLDINGS (CONTINUED)**

---

report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

#### **RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' Responsibilities Statement on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's Report.

---

## GROSVENOR ESTATE HOLDINGS

---

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GROSVENOR ESTATE HOLDINGS (CONTINUED)

---

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

##### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

##### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006 we are required to report in respect of the following matters, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

##### USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Georgina Robb FCA (Senior Statutory Auditor)

for and on behalf of  
**Deloitte LLP**

Statutory Auditor

London  
United Kingdom

9 May 2019

---

**GROSVENOR ESTATE HOLDINGS**

---

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

		<b>2018 £000</b>	<b>2017 £000</b>
Other income		<b>189</b>	<b>392</b>
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		<b>189</b>	<b>392</b>
Administrative expenses		<b>(23,342)</b>	<b>(20,943)</b>
		<hr/>	<hr/>
<b>OPERATING LOSS</b>	<b>3</b>	<b>(23,153)</b>	<b>(20,551)</b>
Income from shares in group undertakings		<b>140,426</b>	<b>231,982</b>
Impairment of investments	<b>10</b>	<b>(75,069)</b>	<b>-</b>
Interest receivable	<b>6</b>	<b>5,209</b>	<b>2,484</b>
Interest payable and similar charges	<b>7</b>	<b>(5,055)</b>	<b>(3,152)</b>
Fair value movements		<b>(2,285)</b>	<b>957</b>
		<hr/>	<hr/>
<b>PROFIT BEFORE TAX</b>		<b>40,073</b>	<b>211,720</b>
Tax on profit	<b>8</b>	<b>2,124</b>	<b>3,376</b>
		<hr/>	<hr/>
<b>PROFIT FOR THE YEAR</b>		<b>42,197</b>	<b>215,096</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 13 to 43 form part of these financial statements.

All activities in the current year and prior year are derived from continuing operations.

---

**GROSVENOR ESTATE HOLDINGS**

---

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

	<b>Note</b>	<b>2018 £000</b>	<b>2017 £000</b>
Profit for the financial year		<b>42,197</b>	<b>215,096</b>
Actuarial gain on defined benefit schemes		<b>3,115</b>	<b>4,181</b>
Tax relating to components of other comprehensive income		<b>(530)</b>	<b>(710)</b>
<b>Other comprehensive income net of tax</b>		<b>2,585</b>	<b>3,471</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>44,782</b>	<b>218,567</b>


The notes on pages 13 to 43 form part of these financial statements.

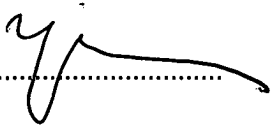
**GROSVENOR ESTATE HOLDINGS**  
**REGISTERED NUMBER: 01414189**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
<b>Fixed assets</b>			
Tangible assets	9	11,789	11,241
Investments	10	1,740,250	1,728,019
		<u>1,752,039</u>	<u>1,739,260</u>
<b>Current assets</b>			
Debtors	11	335,714	252,188
Cash at bank and in hand		54,222	120,149
		<u>389,936</u>	<u>372,337</u>
Creditors: amounts falling due within one year	12	(486,783)	(382,949)
<b>Net current liabilities</b>		<u>(96,847)</u>	<u>(10,612)</u>
<b>Total assets less current liabilities</b>		<u>1,655,192</u>	<u>1,728,648</u>
Creditors: amounts falling due after more than one year	13	(1,115)	(853)
		<u>1,654,077</u>	<u>1,727,795</u>
Deferred taxation	14	(4,733)	3,806
<b>Net assets excluding pension liability</b>		<u>1,649,344</u>	<u>1,731,601</u>
Pension liability		(8,681)	(10,321)
<b>Net assets</b>		<u><u>1,640,663</u></u>	<u><u>1,721,280</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	59,906	59,906
Share premium account	18	173,940	173,940
Other reserves	18	9,595	9,595
Profit and loss account	18	1,397,222	1,477,839
		<u>1,640,663</u>	<u>1,721,280</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 May 2019.

  
.....  
**T L Budden**  
Director

  
.....  
**C J Jukes**  
Director

The notes on pages 13 to 43 form part of these financial statements.

**GROSVENOR ESTATE HOLDINGS**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2018	59,906	173,940	9,595	1,477,839	1,721,280
Profit for the year	-	-	-	42,197	42,197
Actuarial gains on pension scheme	-	-	-	3,115	3,115
Deferred tax movements	-	-	-	(530)	(530)
Dividends paid	-	-	-	(125,399)	(125,399)
<b>At 31 December 2018</b>	<b>59,906</b>	<b>173,940</b>	<b>9,595</b>	<b>1,397,222</b>	<b>1,640,663</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Other reserves</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2017	59,906	173,940	9,595	1,301,551	1,544,992
Profit for the year	-	-	-	215,096	215,096
Actuarial gains on pension scheme	-	-	-	4,181	4,181
Deferred tax movements	-	-	-	(711)	(711)
Dividends paid	-	-	-	(42,278)	(42,278)
<b>At 31 December 2017</b>	<b>59,906</b>	<b>173,940</b>	<b>9,595</b>	<b>1,477,839</b>	<b>1,721,280</b>

The notes on pages 13 to 43 form part of these financial statements.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

Grosvenor Estate Holdings (the Company) is a private Company, unlimited by shares having share capital, incorporated in the United Kingdom under the Companies Act and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The financial statements have been prepared under the historical cost basis and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS101") and the Companies Act 2006.

These financial statements are separate financial statements. The company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Grosvenor Group Limited (the Group). The accounts of the Group are available to the public and can be obtained as set out in note 20.

The financial statements have been prepared under the historic cost basis, except for the revaluation of certain assets and liabilities that are restated at revalued amounts or for values at the end of each reporting period.

Historic cost is generally based on the value of the consideration given in exchange for the assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 input are unobservable inputs for the asset or liability.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The following accounting policies have been applied:

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

Where required, equivalent disclosures are given in the group accounts of Grosvenor Group Limited. The group accounts of Grosvenor Group Limited are available to the public and can be obtained as set out in note 20.

##### 1.3 Changes in accounting policy

###### *i) New standards, interpretations and amendments effective from 1 January 2018*

The Company has applied IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 'Financial Instruments' with an effective date of 1 January 2018.

In accordance with the transitional provisions in IFRS 9 and IFRS 15 the new rules have been adopted cumulatively.

###### *ii) IFRS 9 and 15*

There are no adjustments required to be made to the Company's financial statements as a result of the application of IFRS 9 and IFRS 15.

##### 1.4 Tangible Fixed Assets

Tangible fixed assets, other than investment properties, are stated at cost less accumulated depreciation and impairment losses. Land and buildings are stated at fair value, with valuation gains



---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES (CONTINUED)

and losses recognised in equity.

Depreciation is charged to the Income Statement as to allocate the cost of assets and major components over their estimated useful lives, using the straight-line method.

Depreciation rate ranges applied as follows:

Fixtures & Fittings: 12.50% - 33.3%

Motor vehicles: 25%

Computer systems: 25 - 33.3%

The assets' useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

#### 1.5 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.6 Investments

Investments held as fixed assets, including subsidiaries, Joint Ventures and Associates are stated at cost less provision for impairment.

#### 1.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 1.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 1.9 Financial instruments

Derivative financial instruments utilised by the Company are interest rate swaps and forward exchange contracts against known transactions. The Company does not enter into derivative contracts for solely speculative purposes. Instruments are used for hedging purposes to alter the risk profile of an existing underlying exposure of the Company in line with its risk management policies. Amounts payable or receivable in respect of interest rate swaps are recognised as adjustments to interest expense over the period of the contracts.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES (CONTINUED)

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the income statement. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of an asset or a liability then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs.

If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the period.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value, with gains or losses reported in the income statement.

#### 1.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.11 Foreign currency translation

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

###### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement except when deferred in other comprehensive income as qualifying cash flow hedges.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.12 Pensions

###### Defined contribution plan

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

###### Defined benefit plan

The company's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and preceding periods; that benefit is discounted to determine its present value.

The calculation is performed by a qualified actuary using the projected unit credit method. The future benefit liability is offset by the fair value of the pension plan assets at the balance sheet date.

The expected annual charge for defined benefit costs as estimated by the actuary is included in the income statement and comprises the current service cost, the interest cost on the future benefit liability and the expected return on plan assets.

Adjustments between expectation and actual, together with all the actuarial adjustments, are recognised in full in the year in which they arise and are credited or debited directly to reserves.

##### 1.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income Statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

##### i) Significant judgements in applying the Company's accounting policies

There were no critical judgements, apart from those involving estimations (which are dealt with separately below) that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

##### ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liability within the next financial year, are discussed below:

##### Defined benefit pension schemes

The net balance sheet deficit and the expected annual charge in respect of defined benefit pension plans is determined according to estimates carried out by actuaries on the basis of assumptions adopted by the Board. The key assumptions underlying these calculations are set out in the Retirement Benefit Schemes note.

##### Income tax

The Group applies judgement in the application of taxation regulations and makes estimates in calculating current income tax and deferred tax assets and liabilities, including the likely availability of future taxable profits against which deferred tax assets can be utilised.

##### Impairment of investments

Determining whether the company's investments in subsidiaries have been impaired requires estimations of the investments' values in use.

#### 3. OPERATING LOSS

The operating loss is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets	3,472	2,717
Foreign exchange (gain) / loss on loan activities	(4,509)	2,813
Foreign exchange loss on hedging activities	3,713	2,600
Defined contribution pension cost	672	632
Defined benefit pension cost	2,189	2,452

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 4. AUDITORS' REMUNERATION

The company paid the following amounts to its auditors in respect of the audit of the financial statements provided to the Company:

	2018 £000	2017 £000
Fees for the audit of the Company	4	4
Fees for the audit of fellow group companies	196	185
	<u>200</u>	<u>189</u>

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent company.

#### 5. EMPLOYEES

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	13,080	11,222
Social security costs	1,575	1,728
Cost of defined benefit scheme	2,189	2,452
Cost of defined contribution scheme	672	632
	<u>17,516</u>	<u>16,034</u>

All employees are based in the United Kingdom.

The cost of the employees, who were employed by Grosvenor Estate Management Limited, were borne by the Company.

No fees or other emoluments were paid to the directors of the Company during either the current or the preceding year in respect of their services to the Company. The directors are paid by Grosvenor Estate Management Limited.

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Management and administration	<u>68</u>	<u>60</u>

---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**6. INTEREST RECEIVABLE**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Interest receivable from group companies	3,253	276
Other interest receivable	1,956	2,208
	<u>5,209</u>	<u>2,484</u>

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Other finance costs	1,635	1,957
Loans from group undertakings	1,966	972
Other interest payable	1,454	223
	<u>5,055</u>	<u>3,152</u>

**8. TAXATION**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
<b>CORPORATION TAX</b>		
Current tax on profits for the year	(9,772)	(2,801)
Adjustments in respect of previous periods	(361)	(445)
<b>Total current tax</b>	<u>(10,133)</u>	<u>(3,246)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	7,494	(850)
Changes to tax rates	95	99
Adjustment for prior years	420	621
<b>Total deferred tax</b>	<u>8,009</u>	<u>(130)</u>
<b>TAXATION ON PROFIT</b>	<u>(2,124)</u>	<u>(3,376)</u>



---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**8. TAXATION (CONTINUED)**

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

	<b>2018 £000</b>	<b>2017 £000</b>
Profit on ordinary activities before tax	<b>40,073</b>	<b>211,720</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	<b>7,844</b>	<b>40,756</b>
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes	<b>14,512</b>	<b>20</b>
Effect of tax rate change on deferred tax	<b>95</b>	<b>99</b>
Provisions for uncertain tax positions	<b>1,684</b>	<b>-</b>
Effect of indexation	<b>-</b>	<b>(113)</b>
Group relief surrendered / (received) for no consideration	<b>363</b>	<b>1,020</b>
Adjustments in respect of prior years	<b>59</b>	<b>176</b>
Other items attracting no tax liability	<b>(26,681)</b>	<b>(45,334)</b>
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<b>(2,124)</b>	<b>(3,376)</b>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

A current tax rate of 19%, being the UK corporation tax rate throughout the period, has been applied to the year ended 31 December 2018. From 1 April 2020, the UK corporation tax rate will reduce to 17% (Finance Act 2016).

A deferred tax rate of 17% (2017: 17%) has been applied to opening balances and movements in deferred tax in the year ended 31 December 2018.

---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**9. TANGIBLE FIXED ASSETS**

	Motor vehicles £000	Fixtures and fittings £000	Office equipment £000	Computer systems £000	Total £000
<b>COST OR VALUATION</b>					
At 1 January 2018	76	15	171	23,567	23,829
Additions	-	-	-	4,019	4,019
At 31 December 2018	76	15	171	27,586	27,848
<b>DEPRECIATION</b>					
At 1 January 2018	33	15	171	12,368	12,587
Charge for the year on owned assets	19	-	-	3,453	3,472
At 31 December 2018	52	15	171	15,821	16,059
<b>NET BOOK VALUE</b>					
At 31 December 2018	24	-	-	11,765	11,789
At 31 December 2017	43	-	-	11,198	11,241

---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**10. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £000
<b>COST OR VALUATION</b>	
At 1 January 2018	1,736,228
Additions	87,300
Permanent impairment	(75,069)
At 31 December 2018	<u>1,748,459</u>
<b>IMPAIRMENT</b>	
At 1 January 2018	8,209
At 31 December 2018	<u>8,209</u>
<b>NET BOOK VALUE</b>	
At 31 December 2018	<u>1,740,250</u>
At 31 December 2017	<u>1,728,019</u>

During the year, the Company made an investment in Grosvenor Europe Limited of £34,948,111 (2017: £49,997,133) and in Grosvenor Investments North America LLC of £52,352,049 (2017: £Nil). The Company also fully impaired its investment in Grosvenor Group Finance Company Limited of £75,069,126 during the year following the distribution to the Company of its remaining assets..

The subsidiaries of the Company are listed in note 21 of these financial statements.

**11. DEBTORS**

	2018 £000	2017 £000
Trade debtors	1,485	1,585
Amounts owed by group undertakings	265,965	183,106
Other debtors	66,503	66,150
Prepayments and accrued income	1,761	1,347
	<u>335,714</u>	<u>252,188</u>

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 11. DEBTORS (CONTINUED)

Interest bearing amounts owed by group undertakings in 2018 include:

- a US \$26,919,124 (£21,119,664) (2017: US \$23,234,272 (£17,230,652)) loan to Grosvenor Investments North America Inc. which carries interest at 3 month USD LIBOR plus a margin of 2%.
- a US \$54,000,000 (£42,366,233) (2017: \$50,000,000 (£36,937,170)) loan to Grosvenor Americas Limited which carries interest at 3 month USD LIBOR and a US \$50,000,000 (£39,227,993) (2017: \$Nil) loan to Grosvenor USA Limited which carries interest at 3 month USD LIBOR.
- a Euro €39,070,000 (£35,101,747) (2017: £2,500,000) loan to Grosvenor Europe Limited which carries interest at 3 month LIBOR.

All amounts are repayable on demand. The remaining amounts owed to group undertakings are non-interest bearing.

#### 12. CREDITORS: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	242	568
Amounts owed to group undertakings	463,378	363,510
Corporation tax	-	3,916
Other creditors	15,854	10,468
Accruals and deferred income	7,309	4,487
	<u>486,783</u>	<u>382,949</u>

Amounts owed to group undertakings include:

- a Euro €154,906,071 (£139,172,608) loan from Grosvenor ECO Limited which carries interest at 3 month LIBOR (2017: £Nil).

The remaining amounts owed to group undertakings are non-interest bearing.

---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

**13. CREDITORS: Amounts falling due after more than one year**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Other creditors	1,115	853
	<u>1,115</u>	<u>853</u>
	<u><u>1,115</u></u>	<u><u>853</u></u>

**14. DEFERRED TAXATION**

	<b>2018</b>
	<b>£000</b>
At January 2018	3,806
Charged to profit or loss	(8,009)
Charged to other comprehensive income	(530)
<b>AT 31 DECEMBER 2018</b>	<u><u>(4,733)</u></u>

The deferred taxation balance is made up as follows:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Other property, plant and equipment	(8)	(82)
Provision for uncertain tax provisions	(8,400)	-
Other items (incl. employee benefits)	3,675	3,888
	<u>(4,733)</u>	<u>3,806</u>
	<u><u>(4,733)</u></u>	<u><u>3,806</u></u>

**15. FINANCIAL INSTRUMENTS**

The Company has taken out a number of foreign exchange currency swaps to fix exchange rates on loans to and from fellow subsidiaries. The fair value of these swaps at 31 December 2018 is a liability of £2,324,962 (2017 - £1,987,167), disclosed within Other Creditors.

The total mark to market in the Profit and Loss Account including swaps that have matured during the year is a loss of £5,973,158 (2017 - loss of £547,010) of which £3,723,951 (2017 - loss of £2,600,190) is recognised as foreign exchange loss in operating profit and a loss of £2,260,207 (2017 - gain of £2,053,180) which is recognised in fair value adjustments.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 16. SHARE CAPITAL

	2018 £000	2017 £000
<b>Authorised</b>		
8,000,000 Ordinary shares of £1 each	8,000	8,000
64,000,000 Non Voting Ordinary shares of £1 each	64,000	64,000
8,000,000 12% Non Cumulative Irredeemable Preference shares of £1 each	8,000	8,000
	<u>80,000</u>	<u>80,000</u>
<b>Allotted, called up and fully paid</b>		
5,990,524 Ordinary shares of £1 each	5,991	5,991
47,924,192 Non Voting Ordinary shares of £1 each	47,924	47,924
5,990,524 12% Non Cumulative Irredeemable Preference shares of £1 each	5,991	5,991
	<u>59,906</u>	<u>59,906</u>

Profits determined by the Directors as available for distribution are to be applied first in paying a fixed non-cumulative dividend of 12% per annum on the amounts paid up on the preference shares. The balance of profits available for distribution are payable to the holders of the ordinary shares and non-voting ordinary shares in proportion to the amounts paid up on their shares.

On a return of the Company's assets to Shareholders, the assets are to be applied first in repaying to the holders of the preference shares the amounts paid up on their shares. The balance of the assets is payable to the holders of the ordinary shares and non-voting ordinary shares in proportion to the amounts paid up on their shares.

As regards voting, only the ordinary shares shall entitle the holders to vote. One vote is allocated for each fully paid ordinary share held.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 17. RETIREMENT BENEFIT SCHEMES

##### Defined contribution schemes

The Company participates in defined contribution retirement benefit schemes. The company contributes a percentage of salary into the defined contribution scheme. The assets of the schemes are held separately from those of the Grosvenor Group in funds under the control of independent pension providers. The only obligation of the company with respect to the defined contribution schemes is to make the specified contributions.

##### Defined benefit schemes

The Company, along with other companies in the Grosvenor Group, participates in the Grosvenor Pension Plan (the "Plan"), a defined benefit scheme which has sections where benefits are based on service and average or final salary. The Plan is approved by HMRC for tax purposes, and is operated separately from the Grosvenor Group and managed by independent Trustees. The Trustees are responsible for payment of the benefits and management of the Plan's assets. The Plan is subject to UK regulations, which require the Grosvenor Group and Trustees to agree a funding strategy and Schedule of Contributions for the Plan.

The Company accounts for its proportionate share of defined benefit obligations, plan assets and costs of the schemes.

The principal section of the scheme, which is not used for new staff, provides a defined benefit pension up to an upper earnings limit; above this limit the company contributes between 25% and 30% of that tranche of salary into a defined contribution scheme. Some members accrue benefits on historical scales which provide pensions based on full salary.

New employers earning up to an upper limit are entitled to join a new section of the Plan. Employees earning above this limit are entered into a personal defined contribution scheme.

Independent qualified actuaries complete valuations of the schemes at least every three years and, in accordance with their recommendations, annual contributions are paid to the schemes so as to secure the benefits set out in the rules. The most recently completed triennial valuation was carried out at 31 December 2017.

In addition to the defined benefit schemes set out above, the Company also participates in an unfunded defined benefit scheme to satisfy pension commitments not catered for by the funded schemes.

As with the vast majority of similar arrangements, the Grosvenor Group incurs a high degree of risk relating to the defined benefit plan. These risks include investment risks and demographic risks, such as the risk of members living longer than expected. The plan holds a large proportion of its assets in equity investments. Strong future equity returns would be expected to reduce the company's future cash contributions (and vice versa). If the contributions currently agreed are insufficient to pay the benefits due, the company may need to make further contributions to the plan.

The amounts recognised in the Profit and Loss Account in respect of defined benefit schemes are as follows:

---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Current service cost	<b>1,924</b>	<b>2,212</b>
Past service cost	<b>33</b>	<b>11</b>
Curtailment	<b>-</b>	<b>(99)</b>
Net interest cost	<b>232</b>	<b>328</b>
	<u><b>2,189</b></u>	<u><b>2,452</b></u>

The amounts included in Other Comprehensive Income in respect of defined benefit schemes are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
Experience on benefit obligations	<b>(253)</b>	<b>1,463</b>
Changes in financial assumptions	<b>6,112</b>	<b>(784)</b>
Changes in demographic assumptions	<b>(99)</b>	<b>1,375</b>
	<u><b>5,760</b></u>	<u><b>2,054</b></u>
Defined benefit scheme assets actuarial gain	<b>(2,645)</b>	<b>2,127</b>
	<u><b>3,115</b></u>	<u><b>4,181</b></u>

Movements in the present value of defined benefit obligations were:

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
At 1 January	<b>43,322</b>	<b>43,540</b>
Current service cost	<b>1,924</b>	<b>2,212</b>
Past service cost	<b>33</b>	<b>11</b>
Curtailments and settlements	<b>-</b>	<b>(99)</b>
Interest cost	<b>1,013</b>	<b>1,120</b>
Actuarial (loss) due to changes in financial assumptions	<b>(5,760)</b>	<b>(2,054)</b>
Benefits paid	<b>(908)</b>	<b>(1,408)</b>
<b>At 31 December</b>	<u><b>39,624</b></u>	<u><b>43,322</b></u>



---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

Movements in the fair value of scheme assets were:

	2018 £000	2017 £000
At 1 January	33,000	30,327
Interest on plan assets	781	792
Actual return on plan assets less interest on plan assets	(2,645)	2,127
Regular contributions by the employer	445	502
Benefits paid	(638)	(784)
<b>At 31 December</b>	<b>30,943</b>	<b>32,964</b>

Movements in the net defined benefit obligations were:

	2018 £000	2017 £000
At 1 January	(10,322)	(13,213)
Expense/ (credit) charged to profit and loss	(2,189)	(2,452)
Amount recognised outside of profit and loss	3,115	4,181
Benefit payments	270	660
Employer contributions	445	502
<b>At 31 December</b>	<b>(8,681)</b>	<b>(10,322)</b>

Analysis of the scheme assets:

	2018 £000	2017 £000
Equities	23,969	25,949
Corporate bonds	3,817	3,828
Multi-asset credit funds	2,772	2,860
Other	385	363
<b>At 31 December</b>	<b>30,943</b>	<b>33,000</b>

The plan does not invest directly in property occupied by the Group or in financial securities issued by the Group.

The plan's assets are invested in a diversified range of asset classes as set out in this note. These assets include liability matching assets and annuity policies purchased by the Trustees which aim to match the benefits to be paid to some members from the plan and therefore remove the investment, inflation and demographic risks in relation to those liabilities.

---

**GROSVENOR ESTATE HOLDINGS**

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

---

The Company operates a Defined Benefit Pension Scheme.

Analysis of net pension scheme liability:

	2018 £000	2017 £000
Fair value of plan assets	30,943	33,000
Present value of plan liabilities	(39,624)	(43,322)
<b>Net pension scheme liability</b>	<b>(8,681)</b>	<b>(10,322)</b>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2018	2017
Discount rate	2.91 %	2.36 %
Expected return on scheme assets at	3.90 %	3.17 %
Expected rate of salary increases	3.21 %	4.90 %
Expected rate of future pension increases	3.21 %	3.17 %

The assumed life expectancy of a 65 year old male today is 24.4 years (2017 - 24.2 years) and a 65 year old female today is 26.1 years (2017 - 24.8 years).

The assumed life expectancy of a 65 year old male in 20 years is 26.1 years (2017 - 25.9 years) and a 65 year old female in 20 years in 27.6 years (2017 - 27.1 years).

The sensitivity to the assumptions above of the total defined benefit obligation and approximate income statement expense is set out as follows:

	Total defined benefit obligation	Approx expense in 2018
Increase in discount rate by 0.25%	(1,632)	(31)
Increase in inflation rate by 0.25%	1,735	33
Increase in life expectancy by 1 year at 65	1,153	22

The calculations in this section have been carried out using the same method and data as the Group's pensions and accounting figures with each assumption adjusted as shown above. Each assumption has been varied individually and a combination of changes in assumptions could produce a different result.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 18. RESERVES

##### Share premium

Share premium is the excess consideration received, over par value, for ordinary shares in the company.

##### Other reserves

Other reserves arose in 2014 due to a Group reorganisation whereby the company received the entire share capital of Grosvenor Investments North America LLC, a fellow group undertaking, by way of a dividend from its wholly owned subsidiary, Grosvenor Overseas Holdings Limited. This dividend was treated as an unrealised profit in other reserves, in accordance with TECH 02/10.

##### Profit and loss account

The reserve contains the balance of retained earnings to carry forward. Dividends are paid from this reserve.

#### 19. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the disclosure exemptions under FRS 101 relating to IAS 24 Related Party Disclosures and does not disclose related party transactions with Grosvenor Group Limited or wholly owned fellow subsidiaries of Grosvenor Group Limited, which would otherwise qualify as related parties.

During 2018, the company entered into the following transactions with related parties:

	2018 £000	2017 £000
Management and administration fee from the Grosvenor Trusts	(1,628)	(1,068)

At the end of the year, the following amounts were due from/(to) related parties:

	2018 £000	2017 £000
Amounts due from the Grosvenor Trusts	407	236
Amounts due to companies owned by the Grosvenor Trusts	-	-

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 20. CONTROLLING PARTY

The Company's ultimate parent undertaking is Grosvenor Group Limited a company incorporated in Great Britain and registered in England and Wales which is wholly owned by trusts on behalf of the Grosvenor family, headed by the 7th Duke of Westminster.

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

Copies of the consolidated financial statements of Grosvenor Group Limited can be obtained from Companies House, 3 Crown Way, Maindy, Cardiff, CF14 3UZ.

The address of the registered office of Grosvenor Group Limited is 70 Grosvenor Street, London, W1K 3JP.

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

#### 21. INVESTMENTS IN SUBSIDIARIES

At 31 December 2018, Grosvenor Estate Holdings had investments in a number of subsidiary and joint venture entities, the details of which are listed below. The investment in each entity is 100% unless otherwise stated.

##### Direct holdings

The following companies are directly held:

United Kingdom

Registered office: 70 Grosvenor Street, London W1K 3JP

110 Park Street Limited

Grosvenor Estate International Developments

Grosvenor Estate International Properties

Grosvenor Estate Investment Management Limited

Grosvenor European Properties Limited

Grosvenor Europe Limited

Grosvenor Garden Leisure Limited

Grosvenor Group Management Services Ltd (formerly Grosvenor Sixty Nine Ltd)

Grosvenor International Investments Limited

Grosvenor Limited

Grosvenor Overseas Holdings Limited

Grosvenor Sports Club Limited

Grosvenor Westminster Holdings Limited

##### Indirect holdings

The following companies are indirectly held:

United Kingdom

Registered office: 70 Grosvenor Street, London W1K 3JP

1-5 GP Management Limited

20 Balderton Street Project 1 Limited – 50% ownership

29-37 Davies Street Limited

32-42 BPR Limited

59/60 South Audley Street (Management) Limited - 11.1% ownership

64/70 South Audley Street Limited

65 Davies Street Development Limited

65 Davies Street Investment Limited

7 Green Street Limited – 33.3% ownership

Alpha Place Developments LLP – 33.3% ownership

Bankside 4 Limited

Barton Oxford LLP – 50% ownership

Barton Park Estate Management Company - 100%

Barton Oxford LLP ownership

Belgrave House Developments Limited

Belgravia Estate Services Limited

Belgravia Leases Limited

Cambridge Retail Investment Limited

Coton Park Consortium Limited – 50% ownership-6

Coton Park Limited

Drummond Road Limited

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

Due West Investments Limited  
Eaton Square Properties Limited  
Fountain North Limited- 1  
Four Ashes Limited – 40% ownership-4  
Fournier Securities Limited  
GC Bankside LLP – 50% ownership-3  
GCH Investments (1) Limited  
GCH Investments (2) Limited  
GCH Investments LLP  
GCPPIB (GB) Ltd – 50% ownership  
GEB2 Limited  
GFAL Limited  
Gio Investments Limited  
Grosvenor (Basingstoke) Limited  
Grosvenor Alpha Place LLP  
Grosvenor Americas Holdings Limited  
Grosvenor Americas Investments Limited  
Grosvenor Asset Management Limited  
Grosvenor Basingstoke Management Limited  
Grosvenor Basingstoke Properties Limited  
Grosvenor Commercial Properties  
Grosvenor Continental Europe Holdings Limited  
Grosvenor Developments (GB) Limited  
Grosvenor Developments (UK) Limited  
Grosvenor Developments Limited  
Grosvenor Eighty Five Limited  
Grosvenor Eighty Four Limited  
Grosvenor Eighty Three Limited  
Grosvenor Estate Belgravia  
Grosvenor Estate International Investments Limited  
Grosvenor Estate Management Limited  
Grosvenor Estates Limited  
Grosvenor Europe LP Limited  
Grosvenor Europe Investments Limited  
Grosvenor Fund Management Limited  
Grosvenor Fund Management UK Limited  
Grosvenor Group Holdings Limited  
Grosvenor International Fund Management Limited  
Grosvenor Investment Management Limited  
Grosvenor Investments Limited  
Grosvenor Keysign Limited  
Grosvenor Liverpool Fund - 10% ownership  
Grosvenor Liverpool Limited  
Grosvenor Liverpool Residential Fund - 10% effective interest  
Grosvenor London Office Fund - 12.673% ownership  
Grosvenor London Properties Limited  
Grosvenor Lothbury Investment Limited  
Grosvenor Management Limited  
Grosvenor Mayfair Properties Limited  
Grosvenor Policy Management Limited  
Grosvenor Properties  
Grosvenor Property Advisers Limited  
Grosvenor Property Asset Management Limited  
Grosvenor Property Developments Limited  
Grosvenor Property Group Limited  
Grosvenor Property Holdings Limited

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

Grosvenor Quarryvale Limited  
Grosvenor Realty Investments Limited  
Grosvenor Residential GP Limited  
Grosvenor Seventy Five Limited  
Grosvenor Seventy Nine Limited  
Grosvenor Stow Limited – 50% ownership  
Grosvenor Stow Projects 2 Limited – 50% ownership  
Grosvenor Stow Projects Limited – 50% ownership  
Grosvenor ECO Limited  
Grosvenor Technopole Investment Limited  
Grosvenor UK Finance plc  
Grosvenor UK Properties Limited  
Grosvenor West End Properties  
Halkin Street LLP – 50% ownership  
Headfort Place Garages Limited – 50% ownership  
O Investment 2 LLP – 27.2% effective interest-5  
IO Investments LLP – 96.2% ownership-5  
IOG2LLP – 99.2% ownership-5  
Liffey Valley Limited  
Liverpool One Management Company Limited – 50% ownership  
Liverpool One Residential GP Limited  
Liverpool Property Investments Limited  
Liverpool PSDA Limited  
Liverpool Site 11 Hotel Limited  
Liverpool Site 12 Limited  
London Leasehold Flats Limited  
London Leasehold Properties Limited  
London Office (No.1) General Partner Limited - 50% ownership  
London Office II (Growth) General Partner Ltd  
London Office II (Growth) LP Ltd  
Mayfair Leasehold Properties Limited  
Montrose Place Development Limited  
Montrose Place LLP - 50% ownership  
NEOD Investments LLP – 12.5% ownership-3  
NEOD Trade Limited – 12.5% ownership-3  
NLG Campden LLP – 16.7% ownership-3  
Old Broad Street Properties Limited  
One Park West Limited  
Preston Tithebarn Investment Limited  
Quarryvale Two Limited  
Retail Centres V (Sweden) General Partner Ltd  
Retail Centres V (Sweden) Investment Ltd - 10% ownership  
Retail Centres V (Sweden) Limited Partnership - 10% ownership  
Retail Centres V (Sweden) LP Ltd  
Sekmount Properties Limited  
Southwark GP 1 Limited  
Southwark GP 2 Limited  
Southwark GP Nominee 1 Limited  
Southwark GP Nominee 2 Limited  
Southwark Holding LP  
Southwark LP  
Southwark Real Estate Investments Limited- 2  
Talbot General Partner Limited  
The Grouss Residential Investment Partnership LLP – 31.8% ownership  
Trumpington Meadows Land Company Limited – 50% ownership  
UNHEM Construction Limited

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

Urban Neighbourhood Holdings Limited  
Urban Neighbourhoods Limited  
Urban Retail V (UK) General Partner Limited - 9.09% effective interest  
Urban Retail V (UK) Limited Partnership - 9.09% effective interest

Registered address: 1 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ; 2 240 Blackfriars Road, London SW1 8NW; 3 The Pavilion, 118 Southwark Street London SE1 0SW; 4 4th Floor 7/10 Chandos Street, Cavendish Square London W1G 9DQ; 5 9-10 Carolos Place London W1K 3AT; 6 Temple House 20 Holywell Row, London EC2A 4XH

#### Australia

Registered office: Level 38, Tower 3, 300 Barangaroo Avenue, Sydney

Grosvenor Australasia Investments Pty Ltd

Registered address: Level 29, 20 Bond Street, Sydney NSW 2000

POP III Investment Partnership – 89% ownership  
Heathley JV Property Fund - 50% ownership

#### Bermuda

Registered office: Canon's Court, 22 Victoria Street, Hamilton, Bermuda  
Grosvenor Fund Management Japan Ltd (Bermuda)

#### British Virgin Islands

Registered office: PO Box 957, Offshore Incorporations Centre, Road Town, Tortola

Acute Choice Limited  
Seatonmere Limited  
Golden Eternal Limited  
Texton Investments Limited  
High Ace Holdings Limited  
Seatonmere Limited  
Finestart International Ltd  
First Globe Limited (50% ownership)

Sea Meadow House Blackburn Highway PO Box 116 Road Town, Tortola  
Bonrite Limited - 30% ownership

PO Box 957, Offshore Incorporations Centre, Road Town, Tortola  
Eagle Wonder Limited -- 20% owned

PO Box 957, Offshore Incorporations Centre, Road Town, Tortola  
Spring Plus Limited (BVI) -- 50% owned

#### Canada

Registered office: 2000-1040 West Georgia

1300 Marine Drive Holdings Ltd  
1300 Marine Drive LP  
Balsam BT Holdings Limited  
Edgemont Village GP Limited  
Edgemont Village Limited Partnership - 0.01% ownership  
GCC Balsam Properties Limited  
Greensoil Building Innovation Fund (International) LP - 90% ownership  
Grosvenor 5th Avenue Holdings Limited  
Grosvenor Americas Corporation



---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

Grosvenor Beltline Holdings II Limited  
Grosvenor Beltline Holdings III Limited  
Grosvenor Beltline Holdings Limited  
Grosvenor Canada Limited  
Grosvenor Capital Corporation  
Grosvenor Development Corporation  
Grosvenor Eighty Nine Limited  
Grosvenor Eighty Seven Limited  
Grosvenor Eighty Six LLP  
Grosvenor High Street GP Limited  
Grosvenor High Street Limited Partnership  
Grosvenor International Investments (Canada) Limited  
Grosvenor International Investments (USA) Corporation  
Grosvenor International Investments Corporation Ltd  
Grosvenor Oak Street Holdings Limited  
Grosvenor Pacific Development Limited  
Grosvenor Properties (2008) Limited  
Grosvenor True North Services Canada  
Grosvenor True North Services Management Canada  
Grosvenor Village GP Limited  
Grosvenor Village Limited Partnership  
Hornby BT Holdings Ltd  
King George GP Limited  
Marine Drive BT Holdings Limited  
Marine Drive WV Development Limited  
Pacific BT Holdings Limited  
Rosemary GP Limited  
True North GP Limited  
West 15 Project Holdings Ltd  
Registered address: 900 Waterfront, Vancouver  
Grosvenor Rempel East Clayton Development Ltd 2  
Rise BT Holdings Ltd 1 – 65% owned  
Registered address: 1200 Waterfront, Vancouver  
Oak Street Project Holdings Limited – 50% owned  
True North Residential One LP  
West 15 Ventures Ltd – 50% owned  
Edgemont Village BT Ltd  
Grosvenor High Street LP  
Grosvenor Village Holdings LP

Cayman Islands  
Registered office: PO Box 309, Ugland House, Grand Cayman, KY-1104

Global Real Estate Absolute Return Fund Ltd – 83.2% ownership  
Global Real Estate Absolute Return Master Fund Ltd – 83.2% ownership  
Grosvenor Park Partners Limited – 41% ownership  
Grosvenor Vega Fund Management Ltd – 75% ownership  
Grosvenor Vega GP Ltd – 75% ownership  
China

Registered office: Unit 602-603, No. 233, Taicang Road, Huangpu District, Shanghai

Grosvenor Management Consulting (Shanghai) Limited

France  
Registered office: 69 Boulevard Haussman 75008 Paris

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

GFRI 1 – 11.1% ownership  
GRIF 2 – 11.1% ownership  
GRIF 3 – 11.1% ownership  
GRIF Holdings – 11.1% ownership  
Grosvenor Continental Europe SAS  
SPPICAV GRIF – 11.1% ownership

#### Hong Kong

Registered office: Suite 3505 Jardine House, One Connaught Place, Central

Fortune Joy Properties Limited  
GDPHK Holdings Limited  
Global Trinity Limited  
Grosvenor Asia Pacific Limited  
Grosvenor Fund Management Hong Kong Limited  
Grosvenor Hong Kong Limited  
Grosvenor Limited  
Majesty International Limited  
Regal Way International Limited  
Unity Asian Development Limited – 60% owned  
30th Floor Asia Orient Tower Town Place 33 Lockhart Road Wanchai  
Lucky New Investment Limited  
3108 Bank of America Tower, 12 Harcourt Road, Central  
Imperial Time Limited  
30th Floor Asia Orient Tower Town Place 33 Lockhart Road Wanchai  
Paramount Shine Limited- 50% owned  
21st Floor, Edinburgh Tower, The Landmark, 15 Queen's Road Central  
Richly Leader Ltd -- 50% owned

#### Ireland

Registered office: 21 Lavitts Quay, Cork

Barkhill Limited - 50% ownership  
Dietacaron Limited - 50% ownership  
Dutywell Trading Limited - 50% ownership  
Everuton Limited - 50% ownership

#### Isle of Man

Registered office: 2nd floor, St Georges Court, Upper Church St, Douglas IM1 1EE

Grosvenor Belgravia Investment Limited

#### Italy

Registered office: Corso Garibaldi, Giuseppe 86, CAP 20121 Milano

Grosvenor Fund Management Italy SRL  
Urban Retail V Italy SRL – 9.09% ownership

#### Japan

Registered office: 1-12-32 Akasaka, Mnato-ku, Tokyo

Azabu Tokutei Mokuteki Kaisya – 50% owned  
GDP1 Tokutei Mokuteki Kaisya – 38% owned  
GDP2 Investment Business Limited Partnership – 38% owned  
GDP2 Tokutei Mokuteki Kaisya – 38% owned

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

GDP3 Tokutei Mokuteki Kaisya – 38% owned  
GOP3 Tokutei Mokuteki Kaisya  
GPT Tokutei Mokuteki Kaisya – 48% owned  
Grosvenor Limited Japan branch

#### Jersey

Registered address: 22 Grenville St, St Helier, Jersey JE4 8PX

Grosvenor Management Jersey Limited

#### Luxembourg

Registered office: 46a Avenue John F Kennedy, L1855 Luxembourg

GERP Luxembourg SARL – 5% ownership

GFM (CE) S.A.

GFRI 2007 – 11.1% ownership

GFRI 2010 – 11.1% ownership

Grosvenor Americas Sarl – in liquidation

Grosvenor Continental Europe Holdings Sarl

Grosvenor First European Property Investments SA

Grosvenor French Retail Investments SA - 11.1% ownership

Grosvenor International SARL

Grosvenor Investments Portugal SARL

Grosvenor Retail European Properties II Sarl - 13.95% ownership

Grosvenor Retail European Properties SA - 13.95% ownership

Urban Retail V (Europe) Sarl – 9.09% ownership

#### Portugal

Lugar do Espido, Via Norte, Apartado 1197, 4471-909 Maia

Sonae Sierra SGPS SA (Portugal) – 30% owned

#### Spain

Registered office: Paseo de la Castellana 60, Oficina Planta 2 Centro 28046 Madrid

Grosvenor Fund Management Spain SL

Jorge J.53 SL – 50% ownership

Logic Spain KCRE SL – 40% ownership

Modesto L.26 Investment SL – 50% ownership

Urban Value Add I (Spain) SL – 50% ownership

#### Sweden

Registered office: Smalandsgatan 10, 4tr, 11146 Stockholm

GERP Balsta Centrum AB – 5% ownership

GERP Burlov AB – 5% ownership

GERP Haninge Centrum AB – 5% ownership

GERP Maxi Helsingborg KB – 5% ownership

GERP Sverige AB – 5% ownership

GERP Vasby Centrum AB – 5% ownership

Grosvenor Fund Management Sweden AB

RCV Skarholmen AB – 10% ownership

Skarholmen Retail AB – 10% ownership

#### United States of America

Registered office (unless otherwise stated): One California Street, Suite 2500 San Francisco, CA 94111

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

1500 K Street LLC – 20% ownership  
1645 Pacific Homes LLC  
180 Post Street LLC – 50% ownership  
185 Post Street LLC – 50% ownership  
1900 Duke Street LP – 25% ownership  
240 Stockton LLC  
251 Post Street LLC – 50% ownership  
306 Rodeo Drive LLC – 50% ownership  
394 Pacific, LLC  
3800 California Street, LLC  
5520 Wisconsin LLC-1  
701 North Michigan Avenue LLC – 20% ownership  
720 Battery LLC  
875 California II LLC  
875 California LLC  
AGP JV LLC  
Atlantic Freeholds – 50% ownership  
Ballpark Hotel LLC-1  
Ballpark Residential LLC– 50% ownership-1  
Ballpark Square LLC – 99.4% ownership-1  
Ballpark Square REA Manager Inc.  
Bridge Workforce and Affordable Housing Fund LP - 16% ownership  
Chelsea at Juanita Village LP -1  
CP6WW LLC  
Crossings II LLC - 19.8% ownership-1  
Crossings, LLC - 19.8% ownership-1  
Fair Oaks Polo Drive II, LLC - 19.8% ownership-1  
Fair Oaks Polo Drive, LLC - 19.8% ownership-1  
FCB Silver Spring LLC  
Fenton Street Apartments LLC -1  
Frontier Drive Metro Centre LP – 50% ownership -1  
GFM Equity Advisors Inc.  
GFM LLC  
GP Warehouse Investment Member One LLC -3  
GP Warehouse Investment Propco One LLP – 57.5% ownership  
GP Warehouse Investment Propco Three LLP – 57.5% ownership  
GP Warehouse Investment Propco Two LLP – 57.5% ownership  
Grosvenor Americas Inc  
Grosvenor Americas Joint Ventures LLC  
Grosvenor Americas LLC  
Grosvenor Americas Partners  
Grosvenor Americas USA Inc  
Grosvenor Basingstoke Management Limited  
Grosvenor California Limited  
Grosvenor Capco Limited  
Grosvenor DC Residential LLC  
Grosvenor Financial California LLC  
Grosvenor Financial Inc -1  
Grosvenor Fund Management (USA) Inc.  
Grosvenor Fund Management Inc.  
Grosvenor GP Limited LLC  
Grosvenor International (American Freeholds) Limited  
Grosvenor International (Atlantic Freeholds) Limited -1  
Grosvenor International (Cupertino) Limited  
Grosvenor International (Nevada) Limited

---

## GROSVENOR ESTATE HOLDINGS

---

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

---

Grosvenor International (Westcoast Freeholds) Limited  
Grosvenor Investments North America LLC  
Grosvenor Maple Leaf Ventures II LP – 20% ownership-1  
Grosvenor Maple Leaf Ventures III LP – 20% ownership  
Grosvenor Maple Leaf Ventures IV LP – 20% ownership  
Grosvenor Maple Leaf Ventures LP – 20% ownership  
Grosvenor Maple Leaf Ventures V LP – 20% ownership  
Grosvenor Maple Leaf Ventures VI LP – 20% ownership  
Grosvenor Maple Leaf Ventures VII LP – 20% ownership  
Grosvenor Maple Leaf Ventures VIII LP – 20% ownership  
Grosvenor Residential GP Limited LLC  
Grosvenor Urban Maryland -1  
Grosvenor Urban Retail LP – 25% ownership -1  
Grosvenor USA Limited  
Hamaker Court, LLC -1  
Hamilton Marketplace LLC  
High Street Real Estate Fund IV Inc – 7.1% ownership-4  
High Street Real Estate Fund V Inc – 15% ownership-4  
HS/GP Warehouse Investment Company LLP – 57.5% ownership-4  
ML7 Residential II, LLC - 19.8% ownership  
ML7 Residential, LLC - 19.8% ownership  
Reston Sunrise, LLC -1  
Rice Lake Square LP – 25% ownership-1  
Stockdale Parking, LLC – 90% ownership-5  
True North California, LLC  
True North US, Inc -1  
West Ridge Park Apartments LP -2

Registered address: 1 1701 Pennsylvania Avenue Suite 450, Washington; 2 2620 Third Avenue Suite 100, Seattle, WA 98121; 3 2 Commerce Square, 2001 Market Street, Suite 200 Philadelphia PA 19103; 4 53 State Street, 38th Floor Boston MA 02109; 5 10850 Wilshire Boulevard, Suite 1050, Los Angeles, California 90024