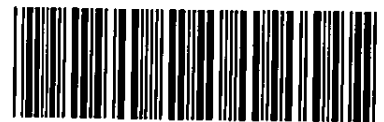


Company No: 3244100

ESTATES & MANAGEMENT LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

FRIDAY



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07/05/2010

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COMPANIES HOUSE

DIRECTOR AND OFFICERS

DIRECTORS

W K Procter
M J Gaston
W K Goldsmith
C C McGill

SECRETARIES

A Wolfson
I Rapley

REGISTERED OFFICE

Molteno House
302 Regents Park Road
London N3 2JX

AUDITORS

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

DIRECTORS' REPORT

The directors submit their report and the financial statements for the year ended 31 December 2008

Principal activity

The principal activity of the company during the financial year was property management

Review of the business and future developments

The directors consider the company's results for the year, and its financial position at year end, to be satisfactory

Results and dividends

The profit for the year was £167,598 (2007 £1,582,894) The directors do not recommend the payment of a dividend

Directors

The directors who served during the year were as follows

W K Procter

M J Gaston

WK Goldsmith

C C McGill (appointed 24 August 2009)

VA Tchenguiz (appointed 18 November 2009, resigned 8 January 2010)

Statement of directors' responsibilities

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 these 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 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 taking reasonable steps for the prevention and detection of fraud and other irregularities

DIRECTORS' REPORT

Statement as to disclosure of information to auditors

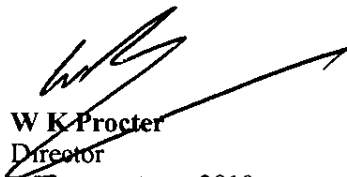
The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board



W K Procter
Director
5 MAY 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ESTATES & MANAGEMENT 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 audit opinion

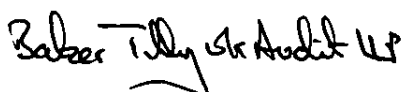
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 December 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

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

7 MAY 2010

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
Turnover		5,264,810	4,221,496
Administrative expenses		(5,107,427)	(2,750,080)
Operating profit		157,383	1,471,416
Interest receivable		11,510	2,315,696
Interest payable and similar charges	2	(1,295)	(2,204,218)
Profit on ordinary activities before taxation	3	167,598	1,582,894
Tax on profit on ordinary activities	5	-	-
Profit on ordinary activities after taxation	9	£ 167,598	£ 1,582,894

The operating profit for the year arises from continuing operations


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

BALANCE SHEET (Company Registration Number: 03244100)

AT 31 DECEMBER 2008

	Notes	2008	2007
		£	£
Current assets			
Debtors	6	176,198	-
Cash at bank and in hand		918,904	2,839,960
		<u>1,095,102</u>	<u>2,839,960</u>
Creditors: amounts falling due within one year	7	-	(1,912,456)
Net current assets		<u>1,095,102</u>	<u>927,504</u>
Net assets		<u>£ 1,095,102</u>	<u>£ 927,504</u>
Capital and reserves			
Called up share capital	8	2,000,000	2,000,000
Profit and loss account	9	(904,898)	(1,072,496)
Shareholders' funds	9	<u>£ 1,095,102</u>	<u>£ 927,504</u>

The financial statements on pages 5 to 10 were approved by the board of directors and authorised for issue on **5 MAY** 2010 and are signed on its behalf by


W.K. Procter
 Director

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 DECEMBER 2008**

1 Accounting policies

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

Basis of accounting

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

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured on a non-discounted basis.

Turnover

Turnover comprises management charges receivable in respect of property management

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

2 Interest payable and similar charges	2008	2007
	£	£
Related parties	-	2,200,644
Bank interest	295	177
Other interest	1,000	3,397
	<u>£ 1,295</u>	<u>£ 2,204,218</u>
3 Profit on ordinary activities before taxation	2008	2007
	£	£
This is stated after charging		
Auditors' remuneration	8,000	12,338
Depreciation on		
Owned assets	-	22,604
Leased assets	-	8,453
	<u>£ -</u>	<u>£ 43,495</u>
4 Employees and director	2008	2007
	£	£
Staff costs during the year amounted to		
Wages and salaries	-	1,599,634
Social security costs	-	184,172
	<u>£ -</u>	<u>£ 1,783,806</u>
	2008	2007
	No.	No.
Average monthly number of employees		
Office and management	-	34
Director's remuneration		
Aggregate emoluments	<u>£ -</u>	<u>£ 369,051</u>
Highest paid director		
Aggregate emoluments	<u>£ -</u>	<u>£ 247,301</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

5 Taxation	2008	2007
	£	£
Current tax		
UK corporation tax on profits of the year	-	-
Total current tax	-	-
Deferred tax	-	-
Tax on loss on ordinary activities	£ -	£ -
Factors affecting tax charge for the year		
Profit on ordinary activities before tax	£ 167,598	£ 1,529,638
Profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 28% (2007 30%)	46,927	458,891
Effects of		
Non-deductible expenses	280	1,049
Depreciation in excess of capital allowances	-	18,578
Group relief received without charge	(40,767)	(399,784)
UK transfer pricing	(6,440)	86,351
Utilisation of losses brought forward	-	(165,085)
Current tax charge for the year	£ -	£ -
6 Debtors	2008	2007
	£	£
Amounts owed by parent undertaking	£ 176,198	£ -
7 Creditors: amounts falling due within one year	2008	2007
	£	£
Amounts owed to parent undertaking	£ -	£ 1,912,456
8 Share capital	2008	2007
	£	£
Authorised, allotted, issued and fully paid 2,000,000 Ordinary shares of £1 each	£ 2,000,000	£ 2,000,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

9 Reserves and reconciliation of movements in shareholders' funds

	Share capital £	Profit and loss account £	Total shareholders' funds £
Opening shareholders' funds	2,000,000	(1,072,496)	927,504
Retained profit for the year	-	167,598	167,598
Closing shareholders' funds	2,000,000	(904,898)	£ 1,095,102

10 Immediate and United Kingdom holding companies

The immediate parent company is Fairhold Services Limited a company incorporated in England and Wales. Copies of the financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

11 Ultimate holding company

The directors regard the ultimate holding company to be Euro Investments Overseas Incorporated, a company incorporated in the British Virgin Islands.

12 Controlling party

The ultimate controlling party is the Investec Trust (Guernsey) Limited as trustees of the Tchenguiz Family Trust.

13 Related party transactions

During the year the company incurred management charges totalling £5,107,427 (2007: £Nil) from Fairhold Services Limited, the company's immediate parent company. At the balance sheet date £176,198 was due from (2007: £1,912,456 due to) Fairhold Services Limited.

Interest of £Nil (2007: £2,200,644) was charged and £Nil (2007: £2,307,595) was received on amounts owed to/by related parties during the year.