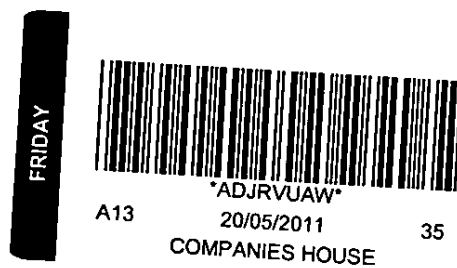


Grosvenor Stow Limited

Company Registration Number 4028008

Annual Report and Financial Statements

Year Ended 31 December 2010



Grosvenor Stow Limited

Directors' Report

The directors present their annual report together with the audited financial statements of the company for the year ended 31 December 2010

Principal Activities and Business Review

The principal activity of the company during the year was the management of the Keysign House property in London, W1. The company is responsible for collecting rent from the tenants on behalf of the landlord, Grosvenor Keysign Limited.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

The directors have taken advantage of the special provisions available to small companies provided by S 415A of the Companies Act 2006.

Results and Dividends

The results of the company for the year are shown in the Profit and Loss Account. Loss on ordinary activities before taxation was £ - (2009 - Loss of £ -).

The directors have not recommended payment of a dividend.

Directors of the Company

The directors who served the company throughout the year, except as noted, were as follows:

G J Powell
S T Mainee
G A Clarke
J R Milne

Directors' Responsibilities

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

United Kingdom 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). Under company law the directors must not approve 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 and loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable United Kingdom accounting standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Grosvenor Stow Limited

Directors' Report

The directors are responsible for keeping proper accounting records that 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. The directors 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.

Each of the persons who is a director at the date of approval of this report confirms that

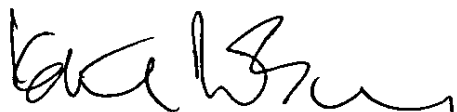
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all reasonable steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

This information is given in accordance with S 418 of the Companies Act 2006.

Auditors

Deloitte LLP has indicated its willingness to be reappointed for another term and is deemed to be reappointed accordingly.

Signed by order of the Board



K Robinson
Company Secretary

Independent Auditor's Report to the Members of
Grosvenor Stow Limited
For the Year Ended 31 December 2010

We have audited the financial statements of Grosvenor Stow Limited for the year ended 31 December 2010 which comprise the profit and loss account, balance sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice's Boards Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on Financial Statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on Other Matters Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of
Grosvenor Stow Limited
For the Year Ended 31 December 2010

Matters on Which we are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, 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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report



Emma Cox (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

24 March 2011

Grosvenor Stow Limited

Profit and Loss Account for the Year Ended 31 December 2010

	Note	2010 £	2009 £
Turnover	2	4,905,709	5,725,997
Cost of sales		(4,902,679)	(5,722,995)
Gross profit		<u>3,030</u>	<u>3,002</u>
Administrative expenses		<u>(3,052)</u>	<u>(3,002)</u>
Operating loss	3	(22)	-
Interest receivable and similar income	5	22	-
Profit on ordinary activities before taxation		<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		<u><u>-</u></u>	<u><u>-</u></u>

All results are derived from continuing operations

The company has no recognised gains or losses in the current or preceding year other than the results as set out above therefore no statement of total recognised gains or losses is presented

Grosvenor Stow Limited

Balance Sheet as at 31 December 2010

	Note	2010 £	2009 £
Current assets			
Debtors	7	2,779,839	4,471,874
Cash at bank and in hand		384,822	373,661
Restricted cash		730,315	486,434
		<u>3,894,976</u>	<u>5,331,969</u>
Creditors: amounts falling due within one year	8	<u>(3,894,876)</u>	<u>(5,331,869)</u>
Net current assets		<u>100</u>	<u>100</u>
Total assets less current liabilities		<u>100</u>	<u>100</u>
Net assets		<u>100</u>	<u>100</u>
Capital and reserves			
Called up share capital	9	<u>100</u>	<u>100</u>
Shareholders' funds	10	<u>100</u>	<u>100</u>

These financial statements were approved by the Board on 24 March 2011 and are signed on its behalf by



G J Powell



S T Mainee

Company registration number 4028008

Grosvenor Stow Limited
Notes to the Financial Statements

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The accounting policies have been applied consistently throughout the current and preceding year.

The directors' report describes the going concern basis of preparation of the financial statements.

Cash flow statement

The directors have taken advantage of the exemption in FRS1 'Cash flow statements' from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and is a member of a group that publishes a consolidated cash flow statement.

Turnover

The turnover shown in the profit and loss account represents rents receivable and other recoverables in the year, excluding VAT collected from the tenants on behalf of the landlord.

2. Turnover

Turnover and profit before tax are attributable to the one principal activity of the company and arise entirely in the United Kingdom.

3. Operating Loss

Operating loss is stated after charging	2010	2009
	£	£
Auditors' remuneration		
- for the audit of the annual accounts of the company	<u>3,000</u>	<u>2,950</u>
	<u>3,000</u>	<u>2,950</u>

4. Particulars of Employees

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 companies within the same groups as the joint shareholders, Grosvenor West End Properties and Stow Mayfair Jersey GP Limited.

There were no employees of the company for the current or preceding year.

Grosvenor Stow Limited
Notes to the Financial Statements

5. Interest Receivable & Similar Income

	2010	2009
	£	£
Bank interest receivable	<u>22</u>	-
	<u>22</u>	-

6. Taxation

The company made neither a profit nor a loss in the current and preceding year and no corporation tax is payable

7. Debtors: amounts falling due within one year

	2010	2009
	£	£
Trade debtors	666,099	1,060,040
Prepayments and accrued income	1,091,418	963,074
Other debtors	<u>1,022,322</u>	<u>2,448,760</u>
	<u>2,779,839</u>	<u>4,471,874</u>

Trade debtors includes £176,172 (2009 - £350,475) in respect of costs charged to Stow Mayfair Limited Partnership. It also includes £100,405 (2009 - £339,317) in respect of costs charged to Grosvenor West End Properties.

Other debtors includes £493,651 (2009 - £471,167) in respect of prepaid rental income and £5,262 (2009 - £499) in respect of costs charged to Stow Mayfair Limited Partnership.

It also includes £493,651 (2009 - £471,167) in respect of prepaid rental income and £5,262 (2009 - £Nil) in respect of costs charged to Grosvenor West End Properties.

8. Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	1,227,257	3,156,214
Other creditors	883,000	654,882
Accruals and deferred income	<u>1,784,619</u>	<u>1,520,773</u>
	<u>3,894,876</u>	<u>5,331,869</u>

Other creditors includes £137,194 (2009 £63,299) in respect of the share of the net of other income and costs due to Grosvenor West End Properties.

Grosvenor Stow Limited
Notes to the Financial Statements

9. Called up Share Capital

Authorised share capital:

	2010 £	2009 £
50 'A' Ordinary shares of £1 each	50	50
50 'B' Ordinary shares of £1 each	50	50
	<u>50</u>	<u>50</u>

Allotted, called up and fully paid:

	2010 £	2009 £
50 'A' Ordinary shares of £1 each	50	50
50 'B' Ordinary shares of £1 each	50	50
	<u>50</u>	<u>50</u>

10. Reconciliation of Movements in Shareholders' Funds

	Share capital £	Total £
1 January 2010	100	100
31 December 2010	<u>100</u>	<u>100</u>

11. Related Party Transactions

During the period under review the company had the following related party transactions

	2010 £	2009 £
Rent paid under a sub-sub underlease with Stow Mayfair Limited Partnership	<u>4,340,366</u>	<u>4,644,699</u>
Expenses recharged under a sub-sub underlease with Stow Mayfair Limited Partnership	<u>81,255</u>	<u>734,711</u>
Other income paid under a sub-sub underlease with Stow Mayfair Partnership	<u>51,524</u>	<u>131,799</u>

12. Ultimate Parent Company and Controlling Party

The company is owned equally by Grosvenor West End Properties and Stow Mayfair GP Jersey Limited, with neither party having overall control