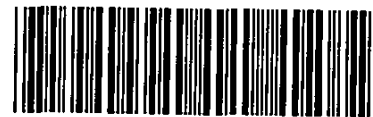


FC & P
COMPANY REGISTRATION NUMBER 90676

FC 26659

MANTILLA LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2010

TUESDAY



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COMPANIES HOUSE

COHEN ARNOLD
Chartered Accountants & Registered Auditor
New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

MANTILLA LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

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MANTILLA LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2010

The directors present their report and the financial statements of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the period were property management, letting of rental apartments and the operation of a health club and brasserie

RESULTS AND DIVIDENDS

The loss for the year amounted to £3,505,234. The directors have not recommended a dividend

PRINCIPAL RISKS AND UNCERTAINTIES

It is the company's policy that no trading in financial instruments shall be undertaken. The group only enters into derivative contracts as part of its risk mitigation strategy. The company is exposed to tenant credit risk, cash flow risks and market value risks and detail of its mitigation approaches are as follows

Tenant credit risk

The risk has been mitigated by the group only taking on appropriate tenants with credit checks undertaken by Maras Group. Generally, tenants are categorised as AAA by rating agencies or are a Government organisation

Cashflow risk

The group minimises its cashflow risk of non performance on its lease agreements by minimising its tenant credit risk. Tenants are generally required to pay rent by direct transfer

Market value risk

The group's investment property values are determined by market forces outside of the company's control, such as shifting yields, market rents and inflation. A reduction in the market value of the investment property would not give rise to a risk of default as the loan funding does not include loan to value covenants

DIRECTORS

The directors who served the company during the year were as follows

Mr K Z Sheikh
Ms C Woon
Mr D E Rico

The company is a wholly owned subsidiary and the directors have no interest in the company

MANTILLA LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2010

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the 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 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,
- 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 enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. 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.

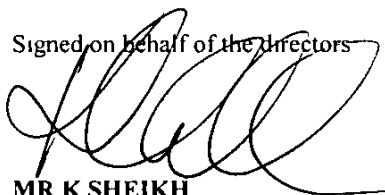
In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

A resolution to re-appoint Cohen Arnold as auditor for the ensuing year will be proposed at the annual general meeting.

Signed on behalf of the directors



MR K SHEIKH

Director

Approved by the directors on **2 August 2011**

MANTILLA LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
MANTILLA LIMITED

YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of Mantilla Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

This report is made solely to the company's shareholders, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders 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 set out on page 2, 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 Practices Board's (APB's) 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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited Financial Statements. If we become aware of any material misstatements or inconsistencies we consider the implications for our Report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view in accordance with UK accounting standards of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

MANTILLA LIMITED

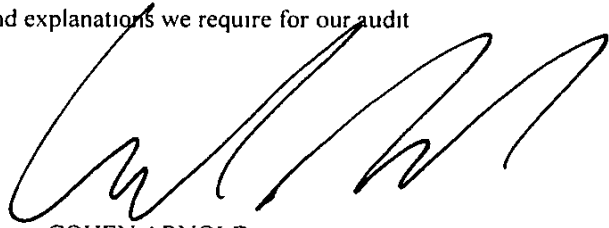
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
MANTILLA LIMITED *(continued)***

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 (Jersey) Law 1991 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit



COHEN ARNOLD
Chartered Accountants
& Registered Auditor

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

3rd August 2011

MANTILLA LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
TURNOVER	3	10,671,591	9,344,097
Cost of Sales		<u>10,693,809</u>	<u>10,386,630</u>
GROSS LOSS		(22,218)	(1,042,533)
Administrative Expenses		<u>1,897,657</u>	<u>1,375,294</u>
OPERATING LOSS	4	(1,919,875)	(2,417,827)
Interest Receivable and Similar Income		—	4,533
Interest Payable and Similar Charges	6	(1,585,359)	(3,259,478)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,505,234)	(5,672,772)
Tax on Loss on Ordinary Activities		—	—
LOSS FOR THE FINANCIAL YEAR		<u>(3,505,234)</u>	<u>(5,672,772)</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the
year as set out above

The notes on pages 8 to 15 form part of these financial statements

MANTILLA LIMITED

BALANCE SHEET

31 DECEMBER 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible Assets	7	<u>9,755,532</u>	<u>9,955,179</u>
CURRENT ASSETS			
Stocks	8	11,026	10,138
Debtors	9	1,290,180	483,851
Cash at Bank and in Hand		<u>3,260,197</u>	<u>2,094,065</u>
		4,561,403	2,588,054
CREDITORS Amounts falling due within one year	10	<u>2,526,036</u>	<u>2,092,079</u>
NET CURRENT ASSETS		<u>2,035,367</u>	<u>495,975</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,790,899</u>	<u>10,451,154</u>
CREDITORS Amounts falling due after more than one year	11	<u>9,348,254</u>	<u>34,503,275</u>
		<u>2,442,645</u>	<u>(24,052,121)</u>
CAPITAL AND RESERVES			
Called-Up Equity Share Capital	14	30,000,110	110
Profit and Loss Account	15	<u>(27,557,465)</u>	<u>(24,052,231)</u>
SHAREHOLDERS' FUNDS/(DEFICIT)	16	<u>2,442,645</u>	<u>(24,052,121)</u>

These financial statements were approved by the directors and authorised for issue on 2 August 2011 and are signed on their behalf by



MS C WOON

Company Registration Number 90676

The notes on pages 8 to 15 form part of these financial statements

MANTILLA LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	17	(1,439,309)	(1,945,289)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	17	(1,585,359)	(3,254,945)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	17	(317,058)	(120,851)
CASH OUTFLOW BEFORE FINANCING		<u>(3,341,726)</u>	<u>(5,321,085)</u>
FINANCING	17	4,507,858	127,121
INCREASE/(DECREASE) IN CASH	17	<u>1,166,132</u>	<u>(5,193,964)</u>

The notes on pages 8 to 15 form part of these financial statements

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, subject to the departures referred to below

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Rental income is accounted for on an accruals basis

Revenue is recognised as interest accrues issuing the effective interest method

All fixed assets are initially recorded at cost

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Equipment - 25% Reducing Balance

Leasehold property improvements are included in the balance sheet at cost subject to an annual impairment review

In accordance with United Kingdom Generally Accepted Accounting Principles

- 8 -

MANTILLA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1 ACCOUNTING POLICIES *(continued)*

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 COUNTRY OF INCORPORATION

Mantilla Limited is incorporated in the island of Jersey

3. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2010	2009
	£	£
United Kingdom	<u>10,671,591</u>	<u>9,344,097</u>

4 OPERATING LOSS

Operating loss is stated after charging:

	2010	2009
	£	£
Depreciation of owned fixed assets	516,705	663,322
Auditor's remuneration		
- as auditor	9,000	8,400
Operating lease costs		
- Rent	<u>57,453</u>	<u>-</u>

MANTILLA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2010	2009
	No	No
Number of administrative staff	7	6
Number of rental apartment and health club staff	57	56
Number of maintenance staff	38	38
	<u>102</u>	<u>100</u>

The aggregate payroll costs of the above were

	2010	2009
	£	£
Wages and salaries	412,096	386,452
Social security costs	34,552	38,260
Other pension costs	15,903	12,985
	<u>462,551</u>	<u>437,697</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Other similar interest payable	<u>1,585,359</u>	<u>3,259,478</u>

The Other similar interest payable is due to WB Dolphin Square L L C (see Note 18)

7. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Equipment £	Total £
COST			
At 1 January 2010	7,965,213	4,616,935	12,582,148
Additions	240,203	76,855	317,058
At 31 December 2010	<u>8,205,416</u>	<u>4,693,790</u>	<u>12,899,206</u>
DEPRECIATION			
At 1 January 2010	–	2,626,969	2,626,969
Charge for the year	–	516,705	516,705
At 31 December 2010	<u>–</u>	<u>3,143,674</u>	<u>3,143,674</u>
NET BOOK VALUE			
At 31 December 2010	<u>8,205,416</u>	<u>1,550,116</u>	<u>9,755,532</u>
At 31 December 2009	<u>7,965,213</u>	<u>1,989,966</u>	<u>9,955,179</u>

MANTILLA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

8 STOCKS

	2010	2009
	£	£
Stock	<u>11,026</u>	<u>10,138</u>

9 DEBTORS

	2010	2009
	£	£
Trade debtors	446,730	251,322
Amounts owed by Tannenberg Limited	38,721	38,721
Other debtors	506,766	6,728
Prepayments and accrued income	<u>297,963</u>	<u>187,080</u>
	<u>1,290,180</u>	<u>483,851</u>

The debtors above include the following amounts falling due after more than one year

	2010	2009
	£	£
Other debtors	<u>491,123</u>	<u>—</u>

Tannenberg Limited is a fellow subsidiary undertaking of the Company

Other debtors represent monies due from WB Dolphin Square L L C (see Note 18)

10 CREDITORS: Amounts falling due within one year

	2010	2009
	£	£
Trade creditors	622,304	478,771
Other taxation and social security	213,587	108,911
Other creditors	1,408,761	1,254,759
Accruals and deferred income	<u>281,384</u>	<u>249,638</u>
	<u>2,526,036</u>	<u>2,092,079</u>

Bank balances totalling £1,460,235 (2009 £1,271,030) held in the name of the Company are subject to trust in favour of creditors included above

MANTILLA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

11. CREDITORS: Amounts falling due after more than one year

	2010 £	2009 £
Amounts owed to group undertakings	9,348,254	3,960,696
Other creditors	—	30,542,579
	<u>9,348,254</u>	<u>34,503,275</u>

Amounts owed to group undertakings represent monies due to 612 companies, being Westbrook Dolphin Square Residential 1 Ltd through Westbrook Dolphin Square Residential 612 Ltd inclusive. All 612 companies are fellow subsidiary undertakings. These balances are interest free and repayable on demand.

Other creditors represent monies due to WB Dolphin Square L L C. During the year the Company issued ordinary share which were subscribed for by WB Dolphin Square L L C (See Note 14).

12. GOING CONCERN

The financial statements have been prepared in accordance with accounting principles appropriate to a going concern. The Directors consider this to be appropriate having regard to the continued provision of financial support by the Company's creditors and bankers.

13. RELATED PARTY TRANSACTIONS

Related party disclosures are disclosed in the notes to the accounts.

14. SHARE CAPITAL

Allotted, called up and fully paid:

	2010 No	£	2009 No	£
100 Ordinary voting shares of £0.10 each	100	10	100	10
300,001,000 Ordinary non-voting shares (2009 - 1,000) of £0.10 each	300,001,000	30,000,100	1,000	100
	<u>300,001,100</u>	<u>30,000,110</u>	<u>1,100</u>	<u>110</u>

During the year, the company issued 300,000,000 ordinary shares of £0.10 each to WB Dolphin Square LLC, its immediate holding company. WB Dolphin Square LLC, subscribed for the new ordinary shares by converting into such newly issued ordinary share capital a like sum of loan monies previously owed to it by this company.

15. PROFIT AND LOSS ACCOUNT

	2010 £	2009 £
Balance brought forward	(24,052,231)	(18,379,459)
Loss for the financial year	(3,505,234)	(5,672,772)
Balance carried forward	<u>(27,557,465)</u>	<u>(24,052,231)</u>

MANTILLA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Loss for the financial year	(3,505,234)	(5,672,772)
New ordinary share capital subscribed	30,000,000	—
Net addition/(reduction) to shareholders' deficit	26,494,766	(5,672,772)
Opening shareholders' deficit	(24,052,121)	(18,379,349)
Closing shareholders' funds/(deficit)	<u>2,442,645</u>	<u>(24,052,121)</u>

17. NOTES TO THE CASH FLOW STATEMENT

**RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM
OPERATING ACTIVITIES**

	2010 £	2009 £
Operating Loss	(1,919,875)	(2,417,827)
Depreciation	516,705	663,322
(Increase)/Decrease in Stocks	(888)	2,949
(Increase)/Decrease in Debtors	(315,206)	173,180
Increase/(Decrease) in Creditors	279,955	(366,913)
Net cash outflow from operating activities	<u>(1,439,309)</u>	<u>(1,945,289)</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2010 £	2009 £
Interest Received	—	4,533
Interest Paid	(1,585,359)	(3,259,478)
Net cash outflow from returns on investments and servicing of finance	<u>(1,585,359)</u>	<u>(3,254,945)</u>

CAPITAL EXPENDITURE

	2010 £	2009 £
Payments to Acquire Tangible Fixed Assets	(317,058)	(120,851)
Net cash outflow from capital expenditure	<u>(317,058)</u>	<u>(120,851)</u>

MANTILLA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

17. NOTES TO THE CASH FLOW STATEMENT *(continued)*

FINANCING

	2010 £	2009 £
Issue of Equity Share Capital	30,000,000	–
Net Inflow from Other Short-Term Creditors	154,002	173,910
Repayment of Long-Term Amounts Owed to Group Undertakings	5,387,558	(587,268)
Net (Outflow)/Inflow from Other Long-Term Creditors	(31,033,702)	540,479
Net cash inflow from financing	<u>4,507,858</u>	<u>127,121</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2010 £	2009 £
Increase/(Decrease) in Cash in the Period	1,166,132	(5,193,964)
Net (Inflow) from Other Short-Term Creditors	(154,002)	(173,910)
Net Cash (Inflow) from/Outflow from Long-Term Amounts Owed to Group Undertakings	(5,387,558)	587,268
Net Cash Outflow from/(Inflow) from Other Long-Term Creditors	<u>31,033,702</u>	<u>(540,479)</u>
	<u>26,658,274</u>	<u>(5,321,085)</u>
Change in Net Debt	26,658,274	(5,321,085)
Net debt at 1 January 2010	(33,663,969)	(28,342,884)
Net debt at 31 December 2010	<u>(7,005,695)</u>	<u>(33,663,969)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2010 £	Cash flows £	At 31 Dec 2010 £
Net Cash			
Cash in Hand and at Bank	2,094,065	1,166,132	3,260,197
Debt			
Debt due Within 1 Year	(1,254,759)	(154,002)	(1,408,761)
Debt due after 1 Year	(34,503,275)	25,646,144	(8,857,131)
	<u>(35,758,034)</u>	<u>25,492,142</u>	<u>(10,265,892)</u>
Net debt	<u>(33,663,969)</u>	<u>26,658,274</u>	<u>(7,005,695)</u>

MANTILLA LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

18 OWNERSHIP AND CONTROL

Dolphin Square Holdings Limited, a company incorporated in Jersey, owns 50% of the voting shares in issue. WB Dolphin Square L.L.C., a company incorporated in Delaware, USA, owns the remaining 50% of the voting shares, as well as 100% of the non-voting ordinary shares in issue.

MANTILLA LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 31 DECEMBER 2010

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 3 to 4**

MANTILLA LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2010

	2010	2009
	£	£
TURNOVER	10,671,591	9,344,097
COST OF SALES		
Opening stock and work-in-progress	10,138	13,087
Direct costs - Sports and health club	1,208,528	1,145,249
Direct costs - Bar & Grill	708,972	716,291
Direct costs - Rental apartments	8,644,911	8,471,597
Direct costs - Lettings	130,958	52,054
Other cost of sales direct costs	1,328	(1,510)
	<u>10,704,835</u>	<u>10,396,768</u>
Closing stock - resale	(11,026)	(10,138)
	<u>10,693,809</u>	<u>10,386,630</u>
GROSS LOSS	<u>(22,218)</u>	<u>(1,042,533)</u>
OVERHEADS		
Administrative Expenses	1,897,657	1,375,294
OPERATING LOSS	<u>(1,919,875)</u>	<u>(2,417,827)</u>
Interest Receivable and Similar Income	—	4,533
	<u>(1,919,875)</u>	<u>(2,413,294)</u>
Interest on other loans	(1,585,359)	(3,259,478)
LOSS ON ORDINARY ACTIVITIES	<u>(3,505,234)</u>	<u>(5,672,772)</u>

MANTILLA LIMITED
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2010

	2010	2009
	£	£
ADMINISTRATIVE EXPENSES		
Personnel costs		
Wages and salaries	412,096	386,452
Employers national insurance contributions	34,552	38,260
Staff pension contributions	15,903	12,985
	<u>462,551</u>	<u>437,697</u>
Establishment expenses		
Rent	57,453	—
Rates and water	—	4,281
Insurance	2,592	6,822
Repairs and maintenance	41,559	22,437
Laundry and Cleaning	—	235
	<u>101,604</u>	<u>33,775</u>
General expenses		
Telephone	156,968	3,810
Computer Costs	255,844	76,905
Printing, stationery and postage	4,735	6,107
Staff training	4,075	1,412
Staff welfare	59,106	16,686
Other staff related expenses	48,655	32,426
General expenses	25,212	31,746
Advertising	774	928
Entertaining	2,525	1,753
Legal and professional fees	247,657	57,263
Auditors remuneration	9,000	8,400
Depreciation	516,705	663,322
	<u>1,331,256</u>	<u>900,758</u>
Financial costs		
Bad debts written off	—	78
Bank charges	2,246	2,986
	<u>2,246</u>	<u>3,064</u>
	<u>1,897,657</u>	<u>1,375,294</u>
INTEREST RECEIVABLE AND SIMILAR INCOME		
Bank interest receivable	—	4,262
Other similar income	—	271
	<u>—</u>	<u>4,533</u>