

COMPANY REGISTRATION NUMBER 90676

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**MANTILLA LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2011**

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20/12/2012

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COMPANIES HOUSE

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

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**MANTILLA LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

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**MANTILLA LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2011**

The Directors present their report and the financial statements of the Company for the year ended 31 December 2011

**PRINCIPAL ACTIVITIES**

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 £913,500 (2010 £3,505,234) The Directors have not recommended a dividend (2010 £Nil)

**PRINCIPAL RISKS AND UNCERTAINTIES**

It is the Company's policy that no trading in financial instruments shall be undertaken The Company is exposed to risks associated with the hotel and serviced apartments industry and detail of its mitigation approaches are as follows

**Industry risk**

Global economic downturn and changes in travel patterns or increases in terrorist activities may adversely affect sustained levels of occupancy and room rates as well as income from associated facilities provided

Although management continually seeks to identify risks at the earliest opportunity many of these risks are beyond the control of the Company

**Information technology risk**

The Company is reliant on certain technologies and systems in the operation of its business To minimise this risk the Company invests in appropriate IT systems to obtain as much operational reliability as possible

**Market value risk**

The value of the Company's leasehold improvements are determined by market forces outside of the Company's control, such as shifting yields, market rents and inflation

**FUTURE DEVELOPMENTS**

The Directors will continue to actively manage the letting of rental apartments and the Company's other operations with the aim of maximising rental income and long term capital appreciation

**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 2011**

**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). 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 the year. In preparing these 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 proper accounting records that 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.

**DISCLOSURE OF INFORMATION TO THE AUDITORS**

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**

Cohen Arnold has been appointed as auditor and has indicated their willingness to continue in office.

Signed on behalf of the directors



**Ms C WOON**  
Director

Approved by the directors on **27 November 2012**

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANTILLA LIMITED**

## **YEAR ENDED 31 DECEMBER 2011**

We have audited the financial statements of Mantilla Limited for the year ended 31 December 2011 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 members, 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 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**

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of financial statements which 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 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. 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 apparent 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 of the state of the Company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Accounting Standards
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991

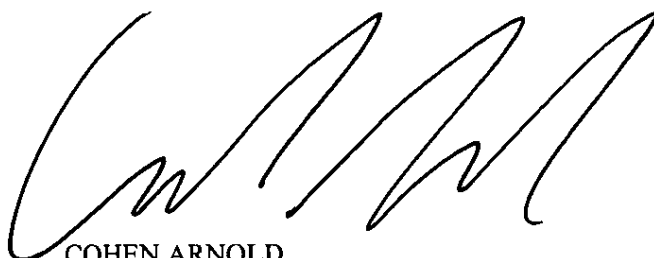
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MANTILLA LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2011**

**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 by the Company, or
- returns adequate for our audit have not been received from branches not visited by us, or
- the Company 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

5<sup>th</sup> December 2012

**MANTILLA LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>TURNOVER</b>	<b>3</b>	<b>11,434,232</b>	10,671,591
Cost of Sales		<u>11,421,519</u>	<u>10,693,809</u>
<b>GROSS PROFIT/(LOSS)</b>		<b>12,713</b>	(22,218)
Administrative Expenses		<u>926,213</u>	<u>1,897,657</u>
<b>OPERATING LOSS</b>	<b>4</b>	<b>(913,500)</b>	(1,919,875)
Interest Payable and Similar Charges	<b>6</b>	–	(1,585,359)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>(913,500)</b></u>	<u>(3,505,234)</u>
Tax on Loss on Ordinary Activities	<b>7</b>	–	–
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u><b>(913,500)</b></u>	<u>(3,505,234)</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 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible Assets	8	<u>10,546,256</u>	<u>9,755,532</u>
<b>CURRENT ASSETS</b>			
Stocks	9	11,860	11,026
Debtors	10	5,546,340	1,290,180
Cash at Bank and in Hand		<u>2,989,359</u>	<u>3,260,197</u>
		8,547,559	4,561,403
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>3,176,434</u>	<u>2,526,036</u>
<b>NET CURRENT ASSETS</b>		<u>5,371,125</u>	<u>2,035,367</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>15,917,381</u>	<u>11,790,899</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	12	<u>14,388,236</u>	<u>9,348,254</u>
		<u>1,529,145</u>	<u>2,442,645</u>
<b>CAPITAL AND RESERVES</b>			
Called-Up Equity Share Capital	14	30,000,110	30,000,110
Profit and Loss Account	15	(28,470,965)	(27,557,465)
<b>EQUITY SHAREHOLDERS' FUNDS</b>	16	<u>1,529,145</u>	<u>2,442,645</u>

These financial statements were approved by the directors and authorised for issue on **27 November, 2012** and are signed on their behalf by



**MS C WOON**

Company Registration Number 90676



**MANTILLA LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>17</b>	<b>323,719</b>	<b>(1,285,307)</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>17</b>	<b>–</b>	<b>–</b>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	<b>17</b>	<b>(1,192,054)</b>	<b>(317,058)</b>
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(868,335)</b>	<b>(1,602,365)</b>
<b>FINANCING</b>	<b>17</b>	<b>597,497</b>	<b>2,768,497</b>
<b>(DECREASE)/INCREASE IN CASH</b>	<b>17</b>	<b>(270,838)</b>	<b>1,166,132</b>

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

**MANTILLA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in the Island of Jersey, incorporating United Kingdom accounting standards

**Going Concern**

On 16 April 2012 the Company has provided a joint and several guarantee together with associated undertakings in respect of a secured term loan facility of £284,400,000 with Wells Fargo Bank N A London Branch which was extended to mature in October 2012

On the 23 August 2012 the Company and associated undertakings agreed a further extension of the secured term loan facility so that the final maturity date is now 17 December 2012

The Company and other associated undertakings are currently negotiating the terms of a new secured term loan facility with the bank. In addition the Company and other associated undertakings are negotiating alternative financing arrangements. The Directors are confident that the existing facility will be refinanced in due course or an alternative financing arrangement will be secured. The Directors of the Company note that the secured financing arrangements with Well Fargo Bank, N A (detailed above), do not contain a loan-to-value covenant, and that they reasonably expect that rental income received by the Company and other associated undertakings during the next 12 months will allow the Company to meet its interest cover obligations under the facility.

The Company's 50% voting shareholder WB Dolphin Square, LLC has provided the Company with an undertaking that for at least 12 months from the date of the approval of these financial statements, they will not seek repayment of the amounts currently made available to the Company (by way of unsecured subordinated shareholder loans made through Westbrook Dolphin Square Residential 1 Ltd through Westbrook Dolphin Square Residential 612 Ltd inclusive) if repayment of these amounts would result in the Company being unable to meet its obligations. This should enable the Company to continue to meet all of its obligations in the foreseeable future.

The Company's ability to continue as a going concern is dependent upon the successful renegotiation of the loan facility detailed above. As described above the Company and other associated undertakings are currently in negotiation with the lender, but the outcome of these discussions cannot be estimated with certainty at present. If the Company and other associated undertakings are unable to negotiate an extension or renewal, this could result in the loan being called by the lender. This indicates the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The Directors are of the opinion that based on the current discussions with the lender, it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

The financial statements have been prepared on the going concern basis. The Directors believe this to be appropriate because the Company is in a position to continue to meet all its obligations in the foreseeable future.

The functional currency of the Company is pound sterling. The principal accounting policies are set out below.



**MANTILLA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**1. ACCOUNTING POLICIES** *(continued)*

**Taxation**

The Company is liable to United Kingdom corporation tax by virtue of its permanent establishment in the UK

Under Article 123 of the Income Tax (Jersey) Law 1961, as amended, the Company is considered resident on the island of Jersey and consequently is taxable in Jersey. Profits are subject to tax at a rate of nil%

**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

	2011	2010
	£	£
United Kingdom	<u>11,434,232</u>	<u>10,671,591</u>

Included in the turnover detailed above is £122,400 (2010 £122,400) received as a management fee from Westbrook Dolphin Square Residential 1 Ltd through Westbrook Dolphin Square Residential 612 Ltd inclusive. All the above mentioned companies are fellow subsidiary undertakings.

**4. OPERATING LOSS**

Operating loss is stated after charging

	2011	2010
	£	£
Depreciation of owned fixed assets	401,330	516,705
Auditor's remuneration		
- as auditor	9,000	9,000
Operating lease costs		
- Land & Buildings	6,408,799	6,408,799
- Other	<u>26,543</u>	<u>57,453</u>

**5. PARTICULARS OF EMPLOYEES**

The aggregate payroll costs of the above were

	2011	2010
	£	£
Wages and salaries	342,038	412,096
Social security costs	38,456	34,552
Other pension costs	23,151	15,903
	<u>403,645</u>	<u>462,551</u>

**MANTILLA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**5. PARTICULARS OF EMPLOYEES** *(continued)*

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

	2011	2010
	No	No
Number of administrative staff	8	7
Number of rental apartment and health club staff	72	57
Number of maintenance staff	37	38
	<u>117</u>	<u>102</u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2011	2010
	£	£
Other similar charges payable	—	1,585,359
	<u>—</u>	<u>1,585,359</u>

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

**7. TAX**

**Analysis of charge in the year**

	2011	2010
	£	£
Current tax		
UK Corporation Tax based on the results for the year	—	—
Tax on loss on ordinary activities	—	—
	<u>—</u>	<u>—</u>

**Factors affecting current tax charge**

	Year to 31 Dec 11	Year to 31 Dec 10
	£	£
Loss on ordinary activities before taxation	<u>(913,500)</u>	<u>(3,505,234)</u>
Explained by		
Loss on ordinary activities at the rate of 26.5% (2010: 28%)	(242,078)	(981,466)
Expenditure not deductible for tax purposes	106,352	588,578
Unrelieved tax losses carried forward	135,726	417,436
Capital allowances claimed in the year	—	(24,548)
Total current tax	<u>—</u>	<u>—</u>

The Company has tax losses carried forward. Deferred tax assets of £4,458,581 (2010: £4,325,417) have not been recognised because it is not probable that future taxable income will be available to utilise these losses.

Under Article 123 of the Income Tax (Jersey) Law 1961, as amended, the Company is considered resident on the island of Jersey and consequently is taxable in Jersey. Profits are subject to tax at a rate of nil%.

**MANTILLA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**8. TANGIBLE FIXED ASSETS**

	Leasehold Improvements £	Equipment £	Total £
<b>COST</b>			
At 1 January 2011	8,205,416	4,693,790	12,899,206
Additions	1,136,849	55,205	1,192,054
<b>At 31 December 2011</b>	<u>9,342,265</u>	<u>4,748,995</u>	<u>14,091,260</u>
<b>DEPRECIATION</b>			
At 1 January 2011	–	3,143,674	3,143,674
Charge for the year	–	401,330	401,330
<b>At 31 December 2011</b>	<u>–</u>	<u>3,545,004</u>	<u>3,545,004</u>
<b>NET BOOK VALUE</b>			
<b>At 31 December 2011</b>	<u>9,342,265</u>	<u>1,203,991</u>	<u>10,546,256</u>
At 31 December 2010	<u>8,205,416</u>	<u>1,550,116</u>	<u>9,755,532</u>

**9. STOCKS**

	2011 £	2010 £
Stock	<u>11,860</u>	<u>11,026</u>

**10. DEBTORS**

	2011 £	2010 £
Trade debtors	348,327	446,730
Amounts owed by group undertakings	38,839	38,721
WB Dolphin Square L L C	4,933,608	491,123
Other debtors	2,179	15,643
Prepayments and accrued income	223,387	297,963
	<u>5,546,340</u>	<u>1,290,180</u>

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

	2011 £	2010 £
WB Dolphin Square L L C	<u>4,933,608</u>	<u>491,123</u>

**11. CREDITORS: Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	1,232,848	622,304
Other taxation and social security	160,255	213,587
Other creditors	1,491,640	1,408,761
Accruals and deferred income	291,691	281,384
	<u>3,176,434</u>	<u>2,526,036</u>

Bank balances totalling £1,507,378 (2010 £1,460,235) 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 2011**

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

	2011	2010
	£	£
Amounts owed to group undertakings	<u>14,388,236</u>	<u>9,348,254</u>

Amounts owed to group undertakings represent monies due to Westbrook Dolphin Square Residential 1 Ltd through Westbrook Dolphin Square Residential 612 Ltd inclusive. These balances are interest free and repayable on 16th April 2012.

**13. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2011 the company had aggregate annual commitments under non-cancellable operating leases as set out below:

<b>Land &amp; Buildings</b>	2011	2010
	£	£
Operating leases which expire		
Within one year	408,799	408,799
After more than 5 years	<u>6,000,000</u>	<u>6,000,000</u>
Total annual commitments at 31 December	<u>6,408,799</u>	<u>6,408,799</u>

**14. RELATED PARTY TRANSACTIONS**

£6,000,000 (2010: £6,000,000) per annum rent is payable to Westbrook Dolphin Square Residential 1 Ltd through Westbrook Dolphin Square Residential 612 Ltd inclusive and £408,799 (2010: £408,799) per annum rent is payable to Westbrook Dolphin Square Limited, all the above mentioned companies are fellow subsidiary undertakings.

**15. SHARE CAPITAL**

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
100 Ordinary voting shares of £0.10 each	100	10	100	10
300,001,000 Ordinary non-voting shares of £0.10 each	<u>300,001,000</u>	<u>30,000,100</u>	<u>300,001,000</u>	<u>30,000,100</u>
	<u>300,001,100</u>	<u>30,000,110</u>	<u>300,001,100</u>	<u>30,000,110</u>

**16. PROFIT AND LOSS ACCOUNT**

	2011	2010
	£	£
Balance brought forward	(27,557,465)	(24,052,231)
Loss for the financial year	<u>(913,500)</u>	<u>(3,505,234)</u>
Balance carried forward	<u>(28,470,965)</u>	<u>(27,557,465)</u>

**MANTILLA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

**17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Loss for the financial year	(913,500)	(3,505,234)
New ordinary share capital subscribed	—	30,000,000
Net (reduction)/addition to shareholders' funds/(deficit)	(913,500)	26,494,766
Opening shareholders' funds/(deficit)	2,442,645	(24,052,121)
Closing shareholders' funds	<u>1,529,145</u>	<u>2,442,645</u>

**18. NOTES TO THE CASH FLOW STATEMENT**

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

	2011 £	2010 £
Operating Loss	(913,500)	(1,919,875)
Depreciation	401,330	516,705
Increase in Stocks	(834)	(888)
Decrease/(Increase) in Debtors	186,325	(315,206)
Increase in Creditors	650,398	433,957
Net cash inflow/(outflow) from operating activities	<u>323,719</u>	<u>(1,285,307)</u>

**CAPITAL EXPENDITURE**

	2011 £	2010 £
Payments to Acquire Tangible Fixed Assets	(1,192,054)	(317,058)
Net cash outflow from capital expenditure	<u>(1,192,054)</u>	<u>(317,058)</u>

**FINANCING**

	2011 £	2010 £
Issue of Equity Share Capital	—	30,000,000
Repayment of Long-Term Amounts Owed to Group Undertakings	5,039,982	5,387,558
Movement on WB Dolphin Square L L C loan	(4,442,485)	(32,619,061)
Net cash inflow from financing	<u>597,497</u>	<u>2,768,497</u>



**MANTILLA LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2011**

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

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2011 £	2010 £
(Decrease)/Increase in Cash in the Period	(270,838)	1,166,132
Net Cash (Inflow) from Long-Term Amounts Owed to Group Undertakings	(5,039,982)	(5,387,558)
Net Cash Outflow from Other Long-Term Creditors	4,442,485	32,619,061
Accrued Interest on WB Dolphin Square L L C Loan	-	(1,585,359)
	<u>(597,497)</u>	<u>25,646,144</u>
Change in Net Debt	(868,335)	26,812,276
Net debt at 1 January	(5,596,934)	(32,409,210)
Net debt at 31 December	<u>(6,465,269)</u>	<u>(5,596,934)</u>

**ANALYSIS OF CHANGES IN NET DEBT**

	At 1 Jan 2011 £	Cash flows £	At 31 Dec 2011 £
Net Cash			
Cash in Hand and at Bank	3,260,197	(270,838)	2,989,359
Debt			
Long-Term Amounts Owed to Group Undertakings	(9,348,254)	(5,039,982)	(14,388,236)
WB Dolphin Square L L C loan	491,123	4,442,485	4,933,608
	<u>(8,857,131)</u>	<u>(597,497)</u>	<u>(9,454,628)</u>
Net debt	<u>(5,596,934)</u>	<u>(868,335)</u>	<u>(6,465,269)</u>

**MAJOR NON-CASH TRANSACTIONS**

During the year interest in the sum of £Nil (2010 £1,585,359) was accrued in relation to the WB Dolphin Square L L C loan

**19. POST BALANCE SHEET EVENT**

On 16 April 2012 the Company has provided a joint and several guarantee together with associated undertakings in respect of a secured term loan facility of £284,400,000 with Wells Fargo Bank N A London Branch which was extended to mature in October 2012

On the 23 August 2012 the Company and associated undertakings agreed a further extension of the secured term loan facility so that the final maturity date is now 17 December 2012

**20. 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

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**MANTILLA LIMITED**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 31 DECEMBER 2011**

**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 2011**

	2011	2010
	£	£
<b>TURNOVER</b>	<b>11,434,232</b>	<b>10,671,591</b>
<b>COST OF SALES</b>		
Opening stock and work-in-progress	11,026	10,138
Direct costs - Sports and health club	1,255,857	1,208,528
Direct costs - Bar & Grill	764,946	708,972
Direct costs - Rental apartments	9,059,123	8,644,911
Direct costs - Lettings	109,009	130,958
Direct costs - Corporate Housing	3,690	—
Direct costs - Dolphin Spa	228,738	—
Other cost of sales direct costs	990	1,328
	<u>11,433,379</u>	<u>10,704,835</u>
Closing stock - resale	<u>(11,860)</u>	<u>(11,026)</u>
	<u><b>11,421,519</b></u>	<u><b>10,693,809</b></u>
<b>GROSS PROFIT/(LOSS)</b>	<u><b>12,713</b></u>	<u><b>(22,218)</b></u>
<b>OVERHEADS</b>		
Administrative Expenses	<u>926,213</u>	<u>1,897,657</u>
<b>OPERATING LOSS</b>	<u><b>(913,500)</b></u>	<u><b>(1,919,875)</b></u>
Interest on other loans	<u>—</u>	<u>(1,585,359)</u>
<b>LOSS ON ORDINARY ACTIVITIES</b>	<u><b>(913,500)</b></u>	<u><b>(3,505,234)</b></u>

**MANTILLA LIMITED**  
**NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2011**

	2011		2010
	£	£	£
<b>ADMINISTRATIVE EXPENSES</b>			
<b>Personnel costs</b>			
Wages and salaries	342,038		412,096
Employers national insurance contributions	38,456		34,552
Staff pension contributions	23,151		15,903
		<b>403,645</b>	<b>462,551</b>
<b>Establishment expenses</b>			
Rent	26,543		57,453
Insurance	1,592		2,592
Repairs and maintenance	(6,566)		41,559
		<b>21,569</b>	<b>101,604</b>
<b>General expenses</b>			
Travel and subsistence	769		—
Telephone	1,424		156,968
Computer Costs	43,843		255,844
Printing, stationery and postage	3,255		4,735
Staff training	936		4,075
Staff welfare	5,319		59,106
Other staff related expenses	3,736		48,655
General expenses	6,555		25,212
Advertising	—		774
Entertaining	9,658		2,525
Legal and professional fees	5,742		247,657
Auditors remuneration	9,000		9,000
Depreciation	401,330		516,705
		<b>491,567</b>	<b>1,331,256</b>
<b>Financial costs</b>			
Bad debts written off	6,262		—
Bank charges	3,170		2,246
		<b>9,432</b>	<b>2,246</b>
		<b>926,213</b>	<b>1,897,657</b>