

FIRST TOWER GP(1) LIMITED
Registered Number: SC 132920

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008



FIRST TOWER GP(1) LIMITED

FINANCIAL STATEMENTS

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FIRST TOWER GP(1) LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report with the audited financial statements for the year ended 31 December 2008. This report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The company is a wholly owned subsidiary of Canary Wharf Group plc and its ultimate parent undertaking is Songbird Estates plc.

The company owns a partnership interest as a General Partner in the First Tower Limited Partnership ('the Partnership'), as described in Note 4 to the accounts. The Partnership comprises two General Partners and twelve Limited Partners.

Until 5 September 1996, all of the partners were members of the group. On that date the company's investment in the Partnership was reduced to £1 as a result of a return of capital. On the same date the group disposed of its interest in the shares of the Limited Partners.

As shown in the company's profit and loss account, the company's profit after tax for the year was £2 (2007: £2).

The balance sheet shows the company's financial position at the year end and indicates that net assets were £111 (2007: £109).

There have been no significant events since the balance sheet date.

DIVIDENDS AND RESERVES

The profit and loss account for the year ended 31 December 2008 is set out on page 6. No dividends have been paid or proposed (2007: £Nil) and the retained profit of £2 (2007: profit of £2) has been transferred to reserves.

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, performance and position, are set out in this Directors' Report. The finances of the company and its liquidity position and borrowings are, where appropriate, also described in this report.

The company is in a net asset position at the year end. In addition, as a member of the Canary Wharf Group, the company has access to considerable resources.

Having made the requisite enquiries, the directors have a reasonable expectation that the company will have adequate resources to continue its operations for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

FIRST TOWER GP(1) LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

DIRECTORS

The directors of the company throughout the year ended 31 December 2008 were:

A P Anderson II
G Iacobescu
R J J Lyons

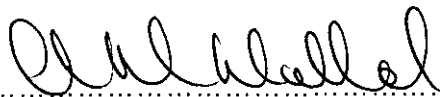
The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Neither the indemnity or the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each director holding office at the date of this report has taken all the steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditors are aware of that information. As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985.

BY ORDER OF THE BOARD



..... Joint Secretary
A M Holland

26 June 2009

Registered office:
Dundas & Wilson
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

FIRST TOWER GP(1) LIMITED

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 results of the company for the year then ended. 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;
- state whether applicable 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.

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 Act 1985. 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.

FIRST TOWER GP(1) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST TOWER GP(1) LIMITED

We have audited the financial statements of First Tower GP(1) Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, Balance Sheet and the related Notes 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

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 auditors' 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 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.

FIRST TOWER GP(1) LIMITED

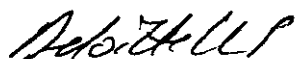
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST TOWER GP(1) LIMITED

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 as at 31 December 2008 and of its profit for the year then ended;
- the financial statements 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.



Deloitte LLP
Chartered Accountants and Registered Auditors
London, UK

26 June 2009

FIRST TOWER GP(1) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
OPERATING PROFIT	2	—	—
Income from fixed asset investments		2	2
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2	2
Tax on profit on ordinary activities	3	—	—
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR	7	2	2

Movements in reserves are shown in Note 7 of these financial statements.

All amounts relate to continuing activities in the United Kingdom.

There were no recognised gains and losses for the year ended 31 December 2008 or the year ended 31 December 2007 other than those included in the profit and loss account.

The Notes on pages 8 to 11 form an integral part of these financial statements.

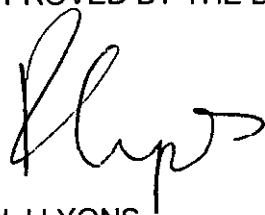
FIRST TOWER GP(1) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	31 December 2008 £	31 December 2007 £
FIXED ASSETS			
Investments	4	1	1
CURRENT ASSETS			
Debtors	5	23	22
Cash at bank		87	86
		110	108
TOTAL ASSETS		111	109
NET ASSETS		111	109
CAPITAL AND RESERVES			
Called-up share capital	6	67	67
Profit and loss account	7	44	42
SHAREHOLDERS' FUNDS	8	111	109

The Notes on pages 8 to 11 form an integral part of these financial statements.

APPROVED BY THE BOARD ON 26 JUNE 2009 AND SIGNED ON ITS BEHALF BY:



R J J LYONS
DIRECTOR

FIRST TOWER GP(1) LIMITED

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

1. PRINCIPAL ACCOUNTING POLICIES

A summary of the principal accounting policies of the company, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Accounting convention

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

In accordance with the provisions of FRS 1 (Revised) the company is exempt from the requirements to prepare a cash flow statement, as it is a wholly-owned subsidiary of Canary Wharf Group plc, which has prepared a consolidated cash flow statement.

Investments

The investment in the Partnership is revalued annually to reflect the share of the company's net assets in the Partnership. The company's share of the Partnership's profits and losses is included in the profit and loss account and the company's share of unrealised gains and losses is taken to the revaluation reserve.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date. The company is part of a UK group for group relief purposes and accordingly may take advantage of the group relief provisions whereby current taxable profits can be offset by current tax losses arising in other companies in that group. The group's policy is that no payment will be made for tax losses surrendered under the group relief provisions.

2. OPERATING PROFIT

None of the directors received any emoluments in respect of their services to the company during the year or the prior year.

No staff were employed by the company during the year or the prior year.

Auditors' remuneration of £500 (2007: £500) for the audit of the company has been borne by another group undertaking.

3. TAXATION

No provision for corporation tax has been made since the profit for the year will be covered by the group relief expected to be made available to the company by other companies in the group. No charge will be made by other group companies for the surrender of group relief. It is anticipated that group relief and other tax reliefs will impact on future tax charges. There is no unprovided deferred taxation.

FIRST TOWER GP(1) LIMITED

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

4. INVESTMENTS

Investment in partnerships

	£
CAPITAL ACCOUNT	
At 1 January 2008	1
At 31 December 2008	<u>1</u>

As a general partner, the company has contributed 0.05% of the capital of the Partnership, an entity which commenced business on 22 August 1991. Upon commencing business the Partnership acquired an interest in certain floors within One Canada Square at Canary Wharf and certain retail areas within the Canary Wharf estate. On 27 December 1995 the Partnership sold its retail interests to a fellow group undertaking. On 5 September 1996, the Partnership granted an overriding lease in its remaining interests to a fellow subsidiary undertaking. Also on 5 September 1996, the company's investment in the Partnership was reduced to £1 as a result of a return of capital by the Partnership. On the same date the group disposed of its interest in the shares of the Limited Partners in the Partnership.

5. DEBTORS

	31 December 2008	31 December 2007
	£	£
Amounts owed by Partnership	6	5
Amounts owed by fellow subsidiary undertakings	<u>17</u>	<u>17</u>
	<u>23</u>	<u>22</u>

FIRST TOWER GP(1) LIMITED

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

6. CALLED-UP SHARE CAPITAL

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Authorised:		
1,000 deferred ordinary shares of £1 each	1,000	1,000
100 ordinary shares of \$1 each	65	65
Allotted, called-up and fully paid:		
2 deferred ordinary shares of £1 each	2	2
100 ordinary shares of \$1 each	65	65
	67	67

The holders of the deferred ordinary shares are entitled to a restricted participation in the profits or assets of the company and do not have any right to attend or vote at any general meeting.

7. RESERVES

	Profit and loss account £
At 1 January 2008	42
Profit for the year	2
At 31 December 2008	44

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2008 £	31 December 2007 £
Opening shareholders' funds	109	107
Profit for the year	2	2
Closing shareholders' funds	111	109

FIRST TOWER GP(1) LIMITED

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

9. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

The company's immediate parent undertaking is CWE SPV HCo Limited.

As at 31 December 2008, the smallest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Canary Wharf Group plc. The largest group of which the company is a member for which group financial statements are drawn up is the consolidated financial statements of Songbird Estates plc, the ultimate parent undertaking and controlling party. Copies of the financial statements of both companies may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS 8 allowing the company not to disclose related party transactions with respect to other group companies.



FIRST TOWER LIMITED PARTNERSHIP
Registered Number: LP 4097



ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008



FIRST TOWER LIMITED PARTNERSHIP

ACCOUNTS

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FIRST TOWER LIMITED PARTNERSHIP

STATEMENT OF GENERAL PARTNERS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

-) The First Tower Limited Partnership was registered as an English limited partnership on 22 August 1991 and comprises two General Partners and twelve Limited Partners. The General Partners and Limited Partners are incorporated in Scotland. In addition there are two trustee companies which hold legal title to certain property as trustees for the Partnership. The two trustees are incorporated in England and Wales.

Until 5 September 1996, all of the partners were members of the Canary Wharf Group ('CWG'). On that date the sale of shares in the Partnership's limited partners to a company outside CWG was completed.

The Limited Partnership Deed dated 22 August 1991 (the 'Agreement') requires that the General Partners prepare accounts for each financial period. In preparing these accounts, the General Partners are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume the Partnership will continue in existence.

The General Partners are also responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Partnership.

The General Partners are responsible for ensuring that the Partnership has complied at all times with its obligations under the Agreement and have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Partnership and to prevent and detect fraud, errors and other irregularities.

These accounts have been prepared under Regulation 4 of the Partnership and Unlimited Companies (Accounts) Regulations 1993, as amended by SI 2005 No 1987 The Partnerships and Unlimited Companies (Accounts)(Amendment) Regulations 2005.

FIRST TOWER LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF FIRST TOWER LIMITED PARTNERSHIP

We have audited the accounts of First Tower Limited Partnership ("the Partnership") for the year ended 31 December 2008 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 9. These accounts have been prepared under the accounting policies set out in note 1.

This report is made solely to the partners, as a body. 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 auditors' 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 the General Partners and auditors

The General Partners are responsible for preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts 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 accounts give a true and fair view and are properly prepared in accordance with the accounting policies set out in note 1. We also report if, in our opinion, the Partnership 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 is not disclosed.

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the Partnership, consistently applied and adequately disclosed.

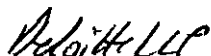
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the accounts.

FIRST TOWER LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF FIRST TOWER LIMITED PARTNERSHIP

Opinion

In our opinion the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the Partnership's affairs as at 31 December 2008 and of its profit for the year then ended and have been properly prepared in accordance with the accounting policies set out in note 1.



Deloitte LLP
Chartered Accountants and Registered Auditors
London, UK

26 June 2009

FIRST TOWER LIMITED PARTNERSHIP

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008

		Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
	Note		
TURNOVER - RENTAL INCOME		5,000	5,000
Cost of sales		(2,000)	(2,000)
GROSS PROFIT		<u>3,000</u>	<u>3,000</u>
OPERATING PROFIT	2	<u>3,000</u>	<u>3,000</u>
Interest receivable and similar income	3	<u>47</u>	<u>54</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,047	3,054
Tax on profit on ordinary activities	4	—	—
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR	9	<u>3,047</u>	<u>3,054</u>

Movements in reserves are shown in Note 9 of these financial statements.

All amounts relate to continuing activities in the United Kingdom.

There were no recognised gains and losses for the year ended 31 December 2008 or the year ended 31 December 2007 other than those included in the profit and loss account.

The Notes on pages 6 to 9 form an integral part of these accounts.

FIRST TOWER LIMITED PARTNERSHIP

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	31 December 2008 £	31 December 2007 £
FIXED ASSETS			
Tangible assets	5	52,500	52,500
CURRENT ASSETS			
Debtors	6	33,836	28,836
Cash at bank		2,479	2,432
		36,315	31,268
CREDITORS: Amounts falling due within one year	7	(22,140)	(20,140)
NET CURRENT ASSETS		14,175	11,128
TOTAL ASSETS LESS CURRENT LIABILITIES		66,675	63,628
NET ASSETS		66,675	63,628
RESERVES			
Capital account	8	2,000	2,000
Revaluation reserve	9	52,500	52,500
Current account	9	12,175	9,128
		66,675	63,628

The Notes on pages 6 to 9 form an integral part of these accounts.

APPROVED BY THE GENERAL PARTNERS, FIRST TOWER GP(1) LIMITED AND FIRST TOWER GP(2) LIMITED ON 26 JUNE 2009 AND SIGNED ON THEIR BEHALF BY:


R J J LYONS

FIRST TOWER LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. PRINCIPAL ACCOUNTING POLICIES

A summary of the principal accounting policies of the Partnership, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Accounting convention

The accounts have been prepared under the historical cost convention, modified to include the revaluation of properties and in accordance with applicable United Kingdom accounting standards. The Partnership has net assets. Having made the requisite enquiries and assessed the resources at the disposal of the Partnership, the General Partners have a reasonable expectation that the Partnership will have adequate resources to continue its operations for the foreseeable future. Accordingly the going concern basis continues to be adopted in preparing the financial statements.

The Partnership qualifies for an exemption from the requirements of the Partnerships and Unlimited Companies (Accounts) Regulations 1993 as amended by SI 2005 No 1987 The Partnerships and Unlimited Companies (Accounts)(Amendment) Regulations 2005, on the grounds that the general partners and the Partnership are included in the consolidated financial statements of CWG.

No cash flow statement has been prepared as there were no cash flows during the year ended 31 December 2008 or the year ended 31 December 2007 other than the receipt of bank interest (Note 3).

Turnover

Turnover represents rents receivable net of VAT and is recognised on an accruals basis in the period in which the rents become due.

Interest receivable and interest payable

Interest receivable and payable are recognised on an accruals basis in the period in which they fall due.

Investment properties

Investment properties are revalued annually and in accordance with SSAP 19 (Accounting for Investment Properties) no provision is made for depreciation. This departure from the requirements of the statutory accounting rules, which requires all properties to be depreciated is, in the opinion of the directors, necessary for the accounts to show a true and fair view. Depreciation is only one of the factors reflected in the annual valuation and the amount attributable to this factor is not capable of being separately identified or quantified. Surpluses or deficits are transferred to the revaluation reserve, unless a deficit is expected to be permanent and exceeds previous surpluses recognised on the same property, in which case the excess is charged to the profit and loss account.

2. OPERATING PROFIT

No staff were employed by the Partnership during the year or the prior year.

Auditors' remuneration of £500 (2007: £500) for the audit of the Partnership has been borne by a CWG company.

FIRST TOWER LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2008 £	Year Ended 31 December 2007 £
Bank interest receivable	<u>47</u>	<u>54</u>

4. TAXATION

No provision for tax has been made as the income earned by the Partnership is taxable in the accounts of the partners.

5. TANGIBLE FIXED ASSETS

	Freehold & Leasehold Property £
VALUATION	
At 1 January 2008 and 31 December 2008	<u>52,500</u>
NET BOOK VALUE	
At 31 December 2008	<u>52,500</u>
At 31 December 2007	<u>52,500</u>

On 22 August 1991, the Partnership purchased the residual 95 year term of a 99 year lease in certain areas of the Canary Wharf development for £105 million and entered into a leaseback arrangement with Canary Wharf Limited ('CWL') in respect of those areas. On 8 December 1991 the Partnership purchased the residual 95 year term of a 99 year lease in certain other areas of the Canary Wharf development for £10 million and again entered into leaseback arrangements with CWL in respect of those areas.

On 22 December 1995 the leaseback arrangements referred to above were varied by means of the Partnership granting to CWL new overriding leases in respect of the interests in the Canary Wharf development held by the Partnership. The new overriding leases were then merged with the existing lease to CWL, the net effect of which was that the Partnership became entitled to receive 99% of the rents due from occupational tenants with effect from 22 December 1995. The consideration for granting these leases was a premium payable by CWL to the Partnership of £78.5 million. Following this variation the Partnership transferred its interest in certain retail areas to a CWG undertaking for a consideration of £10.4 million.

On 5 September 1996, the Partnership granted an overriding lease at a nominal ground rent to its then immediate parent and paid a commutation sum to its immediate landlord in commutation of its obligations under its leasehold interest. The net consideration received from these transactions was £23.8 million, determined on the basis of an external valuation.

FIRST TOWER LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

On a historic cost basis, investment properties would have been included as follows:

	31 December 2008 £	31 December 2007 £
Historic cost	—	—

As at 31 December 2008 the company's leasehold property interest was valued by CB Richard Ellis Limited, Surveyors and Valuers, on the basis of Market Value in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors. No allowance was made for any expenses of realisation nor for any taxation which might arise in the event of disposal.

6. DEBTORS

	31 December 2008 £	31 December 2007 £
Amounts due from CWG	33,836	28,836

7. CREDITORS: Amounts falling due within one year

	31 December 2008 £	31 December 2007 £
Amounts due to CWG	22,140	20,140

8. CAPITAL AND CURRENT ACCOUNTS

	Interest %	Capital £	Revaluation £	Current £
First Tower GP(1) Limited	0.050	1.00	26.22	6.08
First Tower GP(2) Limited	0.050	1.00	26.22	6.08
First Tower LP(1) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(2) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(3) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(4) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(5) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(6) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(7) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(8) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(9) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(10) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(11) Limited	8.325	166.50	4,370.63	1,013.57
First Tower LP(12) Limited	8.325	166.50	4,370.63	1,013.57
		2,000.00	52,500.00	12,175.00

FIRST TOWER LIMITED PARTNERSHIP

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

9. RESERVES

	Capital Account £	Revaluation £	Current Account £
At 1 January 2008	2,000	52,500	9,128
Profit for the year	—	—	3,047
At 31 December 2008	<u>2,000</u>	<u>52,500</u>	<u>12,175</u>