

GROSVENOR ASSET MANAGEMENT LIMITED

Company Registration Number 03406617

Annual Report and Financial Statements

Year Ended 31 December 2012

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GROSVENOR ASSET MANAGEMENT LIMITED

Directors' Report (continued)

The directors present their annual report together with the audited financial statements of the company for the year ended 31 December 2012

Principal Activities and Business Review

The principal activity of the company during the year was asset management

The directors do not anticipate any significant change in the activity of the company and its underlying profitability

Grosvenor manages its cash flows, liquidity position and borrowing facilities on a group basis, and further disclosures relating to these matters are included in the annual report of Grosvenor Group 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

The Registered Office of Grosvenor Asset Management Limited is 70 Grosvenor Street, London, W1K 3JP

Results and Dividends

The results of the company for the year are shown in the Profit and Loss Account. Profit on ordinary activities before taxation was £204,749 (2011 - Profit of £199,871)

The balance sheet shows that the company's net assets increased from £199,971 to £404,720 during the year

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

R R Davis		
S Hyst	Appointed 13 February 2013	
C Jukes	Appointed 13 February 2013	
N Preston	Appointed 10 October 2012	
C Millard	Resigned 10 April 2012	
M Howard	Resigned 13 February 2013	
R B Mallett	Resigned 13 February 2013	
S Rowland	Appointed 10 April 2012	Resigned 10 October 2012

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

GROSVENOR ASSET MANAGEMENT LIMITED

Directors' Report (continued)

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

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 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 auditor is 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 auditor is aware of that information

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

Auditor

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 on 30 May 2013



S. Hyest
Director

Independent Auditor's Report to the Members of
Grosvenor Asset Management Limited
For the year ended 31 December 2012

We have audited the financial statements of Grosvenor Asset Management Limited for the year ended 31 December 2012 which comprise the profit and loss account, balance sheet and the related notes 1 to 11. 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. In addition, we read all the financial and non-financial information in the annual 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 2012 and of its profit 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

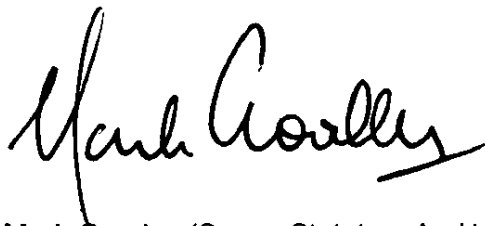
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Members of
Grosvenor Asset Management Limited
For the year ended 31 December 2012

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
- the directors were not entitled to take advantage of the small companies exemption in preparing the director's report



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

Thursday, May 30, 2013

GROSVENOR ASSET MANAGEMENT LIMITED

Profit and Loss Account for the Year Ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	206,880	233,845
Gross profit		<u>206,880</u>	<u>233,845</u>
Administrative expenses		<u>(3,084)</u>	<u>(34,074)</u>
Operating profit	3	203,796	199,771
Interest receivable and similar income		1,043	100
Interest payable and similar charges		(90)	-
Profit on ordinary activities before taxation		<u>204,749</u>	<u>199,871</u>
Tax on profit on ordinary activities	5	-	-
Profit for the financial year		<u><u>204,749</u></u>	<u><u>199,871</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

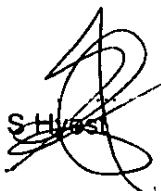
GROSVENOR ASSET MANAGEMENT LIMITED

Balance Sheet as at 31 December 2012

	Note	2012 £	2011 £
Current assets			
Debtors	6	194,969	73,437
Cash at bank and in hand		<u>245,735</u>	<u>142,833</u>
		440,704	216,270
Creditors: amounts falling due within one year	7	<u>(35,984)</u>	<u>(16,299)</u>
Net current assets		<u>404,720</u>	<u>199,971</u>
Total assets less current liabilities		404,720	199,971
Net assets		<u>404,720</u>	<u>199,971</u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account	9	<u>404,620</u>	<u>199,871</u>
Shareholders' funds	9	<u>404,720</u>	<u>199,971</u>

These financial statements were approved by the Board and authorised for issue on Thursday, May 30, 2013 and are signed on its behalf by


C Jukes


S Huest

Company registration number 03406617

GROSVENOR ASSET MANAGEMENT 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 asset management fees receivable, excluding VAT.

Taxation

All current and deferred tax charges or credits (after the application of group relief, to the extent relevant) are recognised in the company's profit and loss account.

Current UK corporation tax is recognised at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The company's taxation obligations are settled on its behalf by the intermediate holding company Grosvenor Fund Management Limited. The benefit of this arrangement is recognised as a capital contribution from Grosvenor Fund Management Limited to the company (or distribution from the company to Grosvenor Fund Management Limited where a tax credit arises) with all current and deferred tax assets and liabilities recorded in the balance sheet of Grosvenor Fund Management Limited.

Deferred taxation is provided in full in respect of timing differences between the recognition of income and expenditure for accounting and taxation purposes. Deferred taxation is not provided in respect of unrealised revaluation surpluses where there is no commitment to sell the asset. Deferred tax credits are recognised to the extent that it is regarded as more likely than not that the related assets will be recovered. Deferred tax assets and liabilities are not discounted. As described above, whilst the deferred tax charge or credit is recognised in the profit and loss account of the company, the related deferred tax assets and liabilities are recorded in the balance sheet of Grosvenor Fund Management Limited.

2. Turnover

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

GROSVENOR ASSET MANAGEMENT LIMITED

Notes to the Financial Statements

3. Operating Profit

Operating profit is stated after charging	2012	2011
	£	£
Auditor's remuneration		
- for the audit of the annual accounts of the company	3,084	4,000
	3,084	4,000

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

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

5 Taxation on Ordinary Activities

Tax reconciliation:

	2012	2011
	£	£
Profit on ordinary activities before taxation	204,749	199,871
Tax on ordinary activities at the standard UK corporation rate of 24.5% (2011 - 26.5%)	50,164	52,966
Group relief received for nil consideration	(50,164)	(52,966)
Total current tax	-	-

6. Debtors: amounts falling due within one year

	2012	2011
	£	£
Amounts owed by group undertakings	144,401	100
Prepayments and accrued income	50,568	48,230
Other debtors	-	25,107
	194,969	73,437

7. Creditors: amounts falling due within one year

	2012	2011
	£	£
Amounts owed to group undertakings	32,900	12,299
Accruals and deferred income	3,084	4,000
	35,984	16,299

GROSVENOR ASSET MANAGEMENT LIMITED

Notes to the Financial Statements

8. Called up Share Capital

Authorised share capital:

	2012	2011
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2012	2011
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. Reconciliation of Movements in Shareholders' Funds

	Share capital	Profit and loss account	Total
	£	£	£
1 January 2012	100	199,871	199,971
Profit for the financial year	-	204,749	204,749
31 December 2012	<u>100</u>	<u>404,620</u>	<u>404,720</u>

10. Related Party Transactions

The company has applied the exemption granted by FRS8 'Related party disclosures' not to disclose transactions with Grosvenor Group Limited or wholly owned fellow subsidiaries of Grosvenor Group Limited, which would otherwise qualify as related parties

Accordingly, during the period under review there were no transactions or balances with related parties which require disclosure in these financial statements

11. Ultimate Parent Company and Controlling Party

The company's ultimate parent undertaking is Grosvenor Group Limited, a company incorporated in Great Britain and registered in England and Wales which is wholly owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster

The immediate parent undertaking is Grosvenor Fund Management UK Limited

The ultimate parent undertaking heads the largest group of undertakings of which the company is a member and for which group accounts are prepared

Copies of the consolidated financial statements of Grosvenor Group Limited can be obtained from Companies House, 3 Crown Way, Maundy, Cardiff, CF14 3UZ