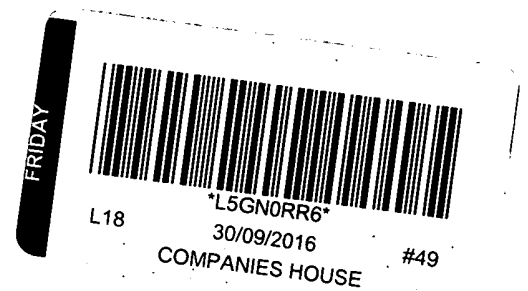


A.L.I.H. (Properties) Limited

UNAUDITED

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2015**

Registered in England, No. 1343356



A.L.I.H (Properties) Limited
Financial Statements for the year ended 31 December 2015

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A.L.I.H (Properties) Limited
Financial Statements for the year ended 31 December 2015

Directors and Officers

Directors	A Dakin	(Appointed 11/09/2015)
	G H Edwards	(Appointed 11/09/2015)
	R C Gurnhill	(Appointed 11/09/2015)
	C M Hodson	
	G R W Hunter	(Appointed 20/11/2015)
	K P Moriarty	
	W Persky	(Appointed 11/09/2015)
	H L Richards	(Resigned 11/09/2015)
	J Stone	

Secretary	A J Burns	(Appointed 11/09/2015)
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Registered office	4th Floor 10 Lower Grosvenor Place London SW1W 0EN
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Registered number	Registered in England, No. 1343356
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Bankers	National Westminster Bank PLC 208 Piccadilly, London, W1A 2DG
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A.L.I.H (Properties) Limited

Directors' Report for the year ended 31 December 2015

The directors present their Report and the financial statements for the year ended 31 December 2015.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. They have also taken advantage of the exemptions provided by section 414A of the Companies Act 2006 in not preparing a Strategic Report.

Principal activity

The principal activity of A.L.I.H. (Properties) Limited ('the company') is to invest in land appropriate for development.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

A Dakin
G H Edwards
R C Gurnhill
C M Hodson
G R W Hunter
K P J Moriarty
W Persky
J L Stone

Future developments

The directors do not anticipate any significant change to the current activity in the foreseeable future.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions, commonly known as directors and Officers insurance (as defined by section 234 of the Companies Act 2006), in relation to certain losses and liabilities which the directors may incur (or have incurred) to third parties in the course of their professional duties, were in force for the directors for their periods of directorship and at the date of this report.

Financial risk management and key performance indicators (KPI's)

Details of financial risk management are disclosed in note 4 to these financial statements and form part of this report by cross-reference.

The directors of the company believe that analysis using key performance indicators is not necessary for understanding of the performance or position of the A.L.I.H. (Properties) Limited due to its small scale projects.

By order of the board



Aaron Burns
Company secretary

Date

30 SEP 2016

A.L.I.H (Properties) Limited

Statement of 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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law 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 the Profit or Loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS's as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that 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 Act 2006. 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.

A.L.I.H (Properties) Limited

Registered number: 1343356

Statement of Financial Position as at 31 December 2015

	Note	2015 £	2014 £
Equity and liabilities			
Equity attributable to owners of the parent			
Issued share capital	5	100	100
Retained deficit		<u>(72,488)</u>	<u>(69,055)</u>
Total equity		(72,388)	(68,955)
Liabilities			
Current liabilities			
Bank overdraft		<u>72,388</u>	<u>68,955</u>
Total Liabilities		72,388	68,955
Total equity and liabilities		-	-

The notes on pages 8 to 10 are an integral part of these financial statements.

For the financial year ended 31 December 2015 the company was entitled to exemption under section 480 of the Companies Act 2006.

Members have not requested an audit in accordance with section 476 of the Companies Act 2006

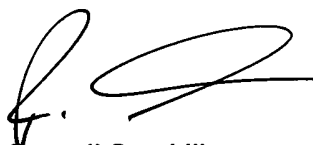
The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies regime.

The financial statements were approved for issue by the Board of directors on *30 September* 2016 and signed on its behalf by



Warren Persky
Director



Russell Gurnhill
Director

The notes on pages 7 to 9 are an integral part of these financial statements.

A.L.I.H (Properties) Limited**Statement of Comprehensive Income for the year ended 31 December 2015**

	Note	2015 £	2014 £
Direct property operating expenses		(3,433)	-
Operating loss		<u>(3,433)</u>	<u>-</u>
Loss before income tax		<u>(3,433)</u>	<u>-</u>
Total comprehensive loss for the year after taxation attributable to parent		<u><u>(3,433)</u></u>	<u><u>-</u></u>

There is no difference between the loss (2014: loss) for the year and the total comprehensive loss (2014: loss) for the year.

All amounts relate to continuing operations.

The notes on pages 7 to 9 are an integral part of these financial statements.

A.L.I.H (Properties) Limited

Notes to the Financial Statements

1 General Information

A.L.I.H. (Properties) Limited is a company domiciled in the United Kingdom. The company's registered address is 4th Floor, 10 Lower Grosvenor Place, SW1W 0EN, London, United Kingdom. The principal activity of the company is to invest in land appropriate for development.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The financial statements of A.L.I.H. (Properties) Limited have been prepared on a going concern basis in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS's as adopted by the EU. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS's as adopted by the EU requires management to make use of critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will by definition, seldom equal the actual results.

The areas involving a higher degree of judgement or complexity, are disclosed in "Critical accounting estimates or assumptions".

All references made to "net assets" throughout these financial statements refer to the net assets attributable to the shareholders interests unless otherwise stated.

Going concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of Telereal Services Limited. The directors have received confirmation that Telereal Services Limited intends to support the company for at least one year after these financial statements are signed.

Presentation currency

The company's financial statements are presented in GBP (Pound Sterling) which is the company's functional and presentational currency.

2.1 Basis of preparation

(a) Standards, amendments and interpretations effective in the year

The following standards, amendments and interpretations are effective for accounting periods beginning on or after 1 January 2015, have been adopted by the European Union (the EU), have been adopted by the company and are of relevance to the company:

- Amendments to IAS 40 Investment Properties. Clarifies that determining whether a transaction meets the definition of a business combination or investment property requires the separate application of both IFRS 3 Business Combinations and IAS 40.

A.L.I.H (Properties) Limited
Notes to the Financial Statements (continued)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

(b) Standards, amendments and interpretations effective in the year, but not relevant

The following amendments are effective for accounting periods beginning on or after 1 January 2015, have been endorsed by the EU, but are not relevant to the company's current operations:

- Annual improvements 2012 (effective 1 July 2014) - The annual improvements process is intended to make non urgent, but necessary amendments to IFRS's. The proposals from 2012 included amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, consequential amendments to IFRS 9, IAS 37 and IAS 39.

- Annual improvements 2013 (effective 1 July 2014) - The annual improvements process is intended to make non urgent, but necessary amendments to IFRS's. The proposals from 2013 included amendments to IFRS 1, IFRS 3, IFRS 13 and IAS 40.

(c) Interpretations, standards and amendments that are EU endorsed and not yet effective, have not been

- Annual improvements 2014 (effective 1 January 2016). These set of amendments impacts IFRS 5, IFRS 7, IAS 19 and IAS 34.

- IFRS 9, 'Financial Instruments' (effective 1 January 2018), addresses the classification, measurement and recognition of financial assets and liabilities.

- Amendments to IAS 27, 'Separate financial statements' (effective 1 January 2016), allows entities to use the equity method to account for their investments in subsidiaries, joint ventures and associates in their separate financial statements.

- Amendments to IFRS 11, 'Joint arrangements' (effective 1 January 2016), regarding the accounting for acquisitions of an interest in a joint operation

- Amendments to IFRS 12, 'Disclosure of interests in other entities' (effective 1 January 2016), regarding the application of the consolidation exception

- IFRS 15, 'Revenue from Contracts with customers' (effective 1 January 2018), clarifies the standard.

- IFRS 16, 'Leases' (effective 1 January 2019), changes the classification and measurement of operating and finance leases.

- Amendments to the International Financial Reporting Standard for Small and Medium-sized Entities' (effective 1 January 2017), the first comprehensive review of the standard.

- Amendments resulting from the disclosure initiative (effective 1 January 2016), regarding the application of IAS1.

- Amendments to IAS 12, 'Income taxes' (effective 1 January 2017), regarding the recognition of deferred tax assets for unrealised losses.

- Amendments to IAS 16, 'Property, plant and equipment' and IAS 38 'Intangible assets' (effective 1 January 2016), regarding the clarification of acceptable methods of depreciation and amortisation.

- Amendments to IAS 28, 'Investments in Associates and Joint Ventures' (effective 1 January 2016), regarding the application of the consolidation exception.

2.1.1 Share capital

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised as a liability in the period in which they are declared.

3 Related party transactions
Transactions with Directors

The Company paid no remuneration to any of its directors in the year ended 31 December 2015 (2014 - £nil).

A.L.I.H (Properties) Limited
Notes to the Financial Statements (continued)

4 Financial Risk Management

Financial risk factors

For the purposes of this note, the directors have taken into account current facts and circumstances and what they consider to be standard market practice and industry accepted levels of risk and exposure, given the nature of the company's business. The directors do not guarantee the ultimate performance of the company.

Categories of financial instruments	2015 Carrying value £	2015 Fair Value £	2014 Carrying value £	2014 Fair Value £
Financial liabilities				
Bank overdraft	(72,388)	(72,388)	(68,955)	(68,955)
	(72,388)	(72,388)	(68,955)	(68,955)

5 Share capital

	2015 £	2014 £
Allotted and fully paid		
100 (2014: 100) Ordinary Shares of £1.00 each	<u>100</u>	<u>100</u>

6 Directors' remuneration

The company did not employ any staff during either year.

All directors' remuneration is paid by Empire LIH Limited which makes no recharge to the company. The directors are also directors of a number of fellow Empire LIH Limited subsidiaries and it is not possible to make an accurate apportionment of their remuneration in respect of each of the subsidiaries. Accordingly, the company's financial statements include no remuneration in respect of directors. The total aggregate directors' remuneration is disclosed in the schedule below:

	2015 £	Unaudited 2014 £
Aggregate directors' remuneration	<u>859,907</u>	<u>959,146</u>
The amount including pension, payments under a Long Term Incentive Plan and other benefits paid to the highest earning director	<u>397,575</u>	<u>390,677</u>

7 Contingencies

The company gives cross guarantees in favour of National Westminster Bank plc. to secure all monies from time to time owing to the bank by individual companies in the Empire LIH Limited group. The Group's accounts with the bank are subject to an offset arrangement. The total overdraft balances within the offset arrangement at 31 December 2015 amounted to £5,473,654 (2014: £2,644,011). The net cash position within the Group at 31 December 2015 amounted to £504,730 (2014: £2,816,024).

In July 2016, the group of companies ceased the cross guarantee arrangement.

A.L.I.H (Properties) Limited
Notes to the Financial Statements (continued)

8 Ultimate Parent undertaking and controlling party

The immediate parent undertaking is Lands Improvement Holdings Limited.

Until 11 September 2015, the ultimate parent undertaking and controlling party was Blackrock Europe Property Fund III L.P., an English Limited Partnership. From this date, the ultimate parent undertaking and controlling party is Field Nominees Limited (a company incorporated in Bermuda), as nominee for the B Pears 1967 Family Trust.

The smallest and largest group of companies to consolidate the results of the company are Telereal Investments Limited and Tele-Finance Holdings Limited, respectively, both incorporated in the British Virgin Islands.