

**Fletchworth Gate Management
Company Limited**

Unaudited Report and Financial Statements

Year Ended

31 December 2016

Company Number 02443834



Fletchworth Gate Management Company Limited

Company Information

Directors	A Isaacs M Marks G Insley A White
Registered number	02443834
Registered office	89 Wardour Street London W1F 0UB
Accountants	BDO LLP 55 Baker Street London W1U 7EU

Fletchworth Gate Management Company Limited

Contents

	Page
Directors' Report	1
Directors' Responsibilities Statement	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 14

Fletchworth Gate Management Company Limited

Directors' Report For the Year Ended 31 December 2016

The Directors present their annual report and the financial statements of Fletchworth Gate Management Company Limited for the year ended 31 December 2016.

The Company was incorporated in the United Kingdom and established on 17 November 1989. It is governed by the Companies Act 2006.

Principal activity

The Company did not have any trading activities in the year and was dormant.

Ultimate controlling parties

The Company is ultimately controlled by Brockton Capital Fund III GP Limited, the General Partner of Brockton Capital Fund III (General Partner) LP, the General Partner of Brockton Capital Fund III LP.

Results and dividends

The Company has not traded during the current year and the preceding financial year.

The Directors do not recommend the payment of a dividend (2015: £Nil).

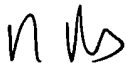
Directors

The Directors who served during the year were:

A Isaacs (appointed 29 July 2016)
M Marks
S Walker (resigned 29 July 2016)
G Frost (resigned 4 May 2016)
H Bland (resigned 5 July 2016)
G Insley
A White

In preparing this Directors' Report advantage has been taken of the small companies' exemption.

This report was approved by the Board on 15 August 2017 and signed on its behalf.



Director M MARKS

Fletchworth Gate Management Company Limited

Directors' Responsibilities Statement

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 year.

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 International Financial Reporting Standards as adopted by the EU have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Fletchworth Gate Management Company Limited

Statement of Comprehensive Income For the Year Ended 31 December 2016

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made no profit or loss. Accordingly, the Statement of Comprehensive Income has not been presented.

The notes on pages 7 to 14 form part of these financial statements.

Fletchworth Gate Management Company Limited

Registered number:02443834

Statement of Financial Position As at 31 December 2016

	Note	2016 £	2015 £
Assets			
Current assets			
Trade and other receivables	4	6,654	6,654
		<u>6,654</u>	<u>6,654</u>
Total assets			
Liabilities			
Current liabilities			
Trade and other payables	5	6,634	6,634
		<u>6,634</u>	<u>6,634</u>
Total liabilities			
		<u>20</u>	<u>20</u>
Net assets			
Equity attributable to equity holders of the Company			
Share capital	8	20	20
Retained earnings		-	-
		<u>20</u>	<u>20</u>
Total equity			

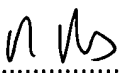
For the year ended 31 December 2016 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant Companies.

Members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 15 August 2017.


.....

Director M MARKS

The notes on pages 7 to 14 form part of these financial statements.

Fletchworth Gate Management Company Limited

Statement of Changes in Equity As at 31 December 2016

	Share capital £	Total equity £
At 1 January 2016	20	20
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Balance at 31 December 2016	20	20

Statement of Changes in Equity As at 31 December 2015

	Share capital £	Total equity £
At 1 January 2015	20	20
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Balance at 31 December 2015	20	20

The notes on pages 7 to 14 form part of these financial statements.

Fletchworth Gate Management Company Limited

Statement of Cash Flows For the Year Ended 31 December 2016

	2016 £	2015 £
Cash flows from operating activities		
Result for the year	-	-
Adjustments for:		
Decrease in trade and other receivables	-	6,429
Decrease in trade and other payables	-	(6,429)
Net cash generated from operating activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at the end of year	<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>-</u>	<u>-</u>

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

1. General information

The Company was incorporated on 17 November 1989 and is domiciled and registered as a limited company in the United Kingdom. The Company is a subsidiary of Dunedin UK Industrial Property IV L.P., a limited partnership registered in the United Kingdom.

2. Accounting policies

The financial statements of the Company have been prepared in accordance with the Companies Act 2006 and International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee (IFRIC) as adopted by the European Union.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgement in applying the Company's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

The principal accounting policies adopted in these financial statements are set out below:

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the historical cost basis.

2.2 Going concern

Having considered the principal activities of the Company and the current uncertain economic environment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual report and financial statements.

2.3 Changes in accounting policy and disclosures

In the opinion of Directors, there are no new and revised standards adopted by the EU, and issued by IASB but not yet adopted by the EU as at 31 December 2016 that had any impact on the financial statements of the Company for the current year and that are expected to have a material impact on the financial statements of the Company in the future periods, respectively.

2.4 Trade and other receivables

Financial assets recognised in the Statement of Financial Position as trade and other receivables are classified as loans and receivables. Trade receivables are initially recognised at fair value and subsequently measured at amortised cost. A provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote

2.5 Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and are initially recognised at fair value and subsequently measured at amortised cost.

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.6 Fair value estimations

The fair values of financial instruments measured at amortised cost are disclosed in the financial statements.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants, acting in their economic best interest, at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company must be able to access the principal or the most advantageous market at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participant would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs significant to the fair value measurement as a whole. The fair values of financial assets and financial liabilities are determined as follows.

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

Fair value estimations (continued)

Inputs used in determining fair value measurement are categorised into different levels based on how observable the inputs used are:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

2.7 Provisions

Provisions are recognised when:

- The Company has a present legal or constructive obligation as a result of past events;
- It is probable that an outflow of economic resources will be required to settle the obligation; and
- The amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance costs.

2.8 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case, the tax is also recognised in other comprehensive income or equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the Statement of Financial Position.

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

Current and deferred income tax (continued)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the date of the Statement of Financial Position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The Company is registered in the United Kingdom and is subject to local taxation at the standard rate of 20%.

2.9 Other financial assets and liabilities

Other financial assets and liabilities are initially recognised at fair value plus (financial assets)/less (financial liabilities) directly attributable transaction costs. They are subsequently measured at amortised cost. Their book values approximate their amortised cost values, and their amortised cost values approximate their fair values.

2.10 Functional currency

The Company's financial statements are presented in pounds sterling, which is also the Company's functional currency.

3. Critical accounting estimates and judgements

There are no particular critical accounting estimates and judgements involved in the preparation of the financial statements.

4. Trade and other receivables

	2016 £	2015 £
Other receivables	<u>6,654</u>	<u>6,654</u>

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

5. Trade and other payables

	2016 £	2015 £
Trade payables	1,980	1,980
Accrued expenses	4,654	4,654
	<u>6,634</u>	<u>6,634</u>

6. Financial risk management objectives and policies

The Company has other receivables and trade and other payables that arise directly from its operations. Due to cessation of trading activity, the Company is not significantly exposed to any financial risks other than liquidity risk.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of intercompany loans when needed. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted cash flows:

Financial assets

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2016					
Trade and other receivables	-	6,654	-	-	6,654
	<u>-</u>	<u>6,654</u>	<u>-</u>	<u>-</u>	<u>6,654</u>

Financial liabilities

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2016					
Trade and other payables	-	6,634	-	-	6,634
	<u>-</u>	<u>6,634</u>	<u>-</u>	<u>-</u>	<u>6,634</u>

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

Financial risk management objectives and policies (continued)

Financial assets

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2015					
Trade and other receivables	-	6,654	-	-	6,654
Total assets	-	6,654	-	-	6,654

Financial liabilities

	On demand £	< 1 year £	1 to 5 years £	> 5 years £	Total £
Year ended 31 December 2015					
Trade and other payables	-	6,634	-	-	6,634
Total liabilities	-	6,634	-	-	6,634

Fair values

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying amount 2016 £	Fair value 2016 £
Financial assets		
Trade and other receivables	6,654	6,654

	Carrying amount 2016 £	Fair value 2016 £
Financial liabilities		
Trade and other payables	6,634	6,634

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

Financial risk management objectives and policies (continued)

	Carrying amount 2015 £	Fair value 2015 £
Financial assets		
Trade and other receivables	6,654	6,654

	Carrying amount 2015 £	Fair value 2015 £
Financial liabilities		
Trade and other payables	6,634	6,634

The Directors assessed that trade and other receivables and trade and other payables approximate to their carrying amounts largely due to the short-term maturities of these instruments. These are classified in Level 2 of the fair value hierarchy.

7. Share capital

	2016 £	2015 £
Authorised, issued and fully paid		
20 ordinary shares of £1 each	20	20

8. Reserves

A description of the Company's reserve is as follows:

Share capital - The share capital reserve represents the nominal value of the shares issued.

Retained earnings - The retained earnings reserve represents cumulative profit and losses, net of dividends paid and other adjustments.

Fletchworth Gate Management Company Limited

Notes to the Financial Statements For the Year Ended 31 December 2016

9. Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Directors monitor capital on the basis of the net assets attributable to the owners of the parent.

10. Related party transactions

There have been no related party transactions during the current or prior year.

11. Ultimate parent undertaking and controlling party

Dunedin UK Industrial Property IV L.P., a limited partnership registered in England and Wales under The Limited Partnership Act 1907, is the immediate parent of the Company.

The Company is ultimately controlled by Brockton Capital Fund III GP Limited, the General Partner of Brockton Capital Fund III (General Partner) LP, the General Partner of Brockton Capital Fund III LP.

12. Subsequent events

There were no material events subsequent to the year end that are required to be disclosed.