

VANWALL 2 MANAGEMENT COMPANY LIMITED

Registered in England and Wales No. 04039774

ANNUAL REPORT AND FINANCIAL STATEMENTS

2015

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Directors and Officers

Directors

D A Diemer
J M Cobourne

Officer - Company Secretary

Aviva Company Secretarial Services Limited
St Helen's
1 Undershaft
London
EC3P 3DQ

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT

Bankers

National Westminster Bank Plc
1 Princes Street
London
EC2R 8PA

Royal Bank of Scotland plc
36 St Andrew Square
Edinburgh
EH2 2YB

Registered office

No. 1 Poultry
London
England
EC2R 8EJ

Company Number

Registered in England and Wales: No. 04039774

Other Information

Vanwall 2 Management Company Limited (the 'Company') is a company limited by guarantee and has no share capital. The company is under the control of its members.

Directors' Report

For the year ended 31 December 2015

The directors present their report and the audited financial statements for the Company for the year ended 31 December 2015.

Directors

The current directors and those in office during the year and up to date of the signing of the financial statements are as follows:

J E Ashcroft (appointed on 22 June 2015 and resigned on 15 July 2016)
J M Cobourne (appointed on 23 March 2016)
M T Leach (appointed on 10 February 2015 and resigned on 1 February 2016)
I B Womack (resigned on 2 July 2015)
D A Diemer (appointed on 5 August 2016)

Principal Activities

The principal activity of the Company is the business of estate management. The Company is incorporated and domiciled in the United Kingdom and manages the common parts and communal services to the owners and occupiers of the Vanwall Business Park (the 'Estate'), a set of self-contained office units in Berkshire, which was developed by Aviva Life & Pensions UK Limited. The directors consider that the Company's activities will continue unchanged into the foreseeable future.

Results and Dividends

The result for the financial year and the total comprehensive income for the year ended 31 December 2015 was £nil (2014 - £ nil). There was no interim dividend paid during the financial year. The directors do not recommend the payment of a final dividend for the financial year ending 31 December 2015.

Business Review

Financial Position and Performance

The position of the Company at the year end is shown in the Statement of Financial Position on page 9, with the results shown in the Statement of Comprehensive Income on page 8.

Future Outlook

The directors aim to maintain the management policies which have resulted in the Company's current position. The directors consider that this will continue unchanged for the foreseeable future.

Principal Risks and Uncertainties

A description of the principal risks and uncertainties facing the Company and the Company's risk and capital management policies are set out in note 10 to the financial statements. The Company is subject to the governance and risk management framework of the Aviva Group, details of which are contained in the Aviva plc Annual Report and Accounts 2015, available at <http://www.aviva.com/investor-relations/results-and-reports/reports/>.

Key Performance Indicators ('KPIs')

The Company is managed in conjunction with a number of other property funds within the Aviva Group. As such, the directors believe that an analysis using key performance indicators for the Company is neither necessary nor appropriate. The development, performance and position of the Group, which includes the Company, are discussed in the financial statements of Aviva plc.

Directors' Report (continued)

For the year ended 31 December 2015

Going Concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Events since the Date of Financial Position

On 23 June 2016 the UK electorate voted to leave the European Union. This decision will start a process that is likely to take a minimum of two years to complete, and it is important to note that during this time the UK remains a member of the EU. The result is likely to usher in a period of uncertainty for the UK economy and real estate markets, with increased volatility expected in financial markets. The fair value of assets and liabilities is unchanged on the balance sheet date of 31 December 2015.

Employees

The Company has no employees. The key management personnel have been identified as the directors of the Company. The directors received no remuneration.

Limited by Guarantee

The company is limited by guarantee, the Membership Fee should not exceed 20 percent of the budgeted expenditure or £10,000, whichever is greater. The company has a total of 5 members, 2014(5).

Disclosure of Information to the Auditors

Each person who was a director of the Company on the date that this report was approved, confirms that:

- (a) so far as the director is aware, there is no relevant audits information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware; and
- (b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent Auditors

It is the intention of the directors to reappoint the auditors, PricewaterhouseCoopers LLP, under the deemed appointment rules of Section 487 of the Companies Act 2006.

Qualifying Indemnity Provisions

Aviva plc, the Company's ultimate parent, granted in 2004 an indemnity to the directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985 (which continue to apply in relation to any provision made before 1 October 2007). This indemnity is also a 'qualifying third party indemnity' for the purposes of sections 309A to 309C of the Companies Act 1985 and remains in force as at the date of approving the Directors' Report.

Directors' Report (continued)
For the year ended 31 December 2015

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

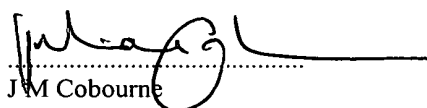
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing these financial statements, the directors have also elected to comply with IFRSs, issued by the International Accounting Standards Board (IASB). 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 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 IFRSs as adopted by the European Union, and IFRSs as issued by the IASB 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 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board on 5th September 2016



J M Cobourne

Director

Independent auditors' report to the members of Vanwall 2 Management Company Limited

Report on the financial statements

Our opinion

In our opinion, Vanwall 2 Management Company Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its result and cashflows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flow for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving

these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report

is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Vanwall 2 Management Company Limited (continued)

What an audit of financial statements involves

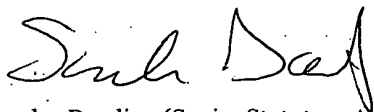
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Sandra Dowling (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

05 September 2016

Statement of Comprehensive Income

For the year ended 31 December 2015

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		£	£
Income			
Service charge income		18,688	37,769
Total income		<u>18,688</u>	<u>37,769</u>
Expenses			
Service charge expenses		(18,688)	(37,769)
Total expenses		<u>(18,688)</u>	<u>(37,769)</u>
Result before tax		-	-
Tax charge	4	-	-
Results for the financial year and total comprehensive income for the year		<u>-</u>	<u>-</u>

All amounts reported in the Statement of Comprehensive Income relate to continuing operations. There were no other recognised gains or losses in the year.

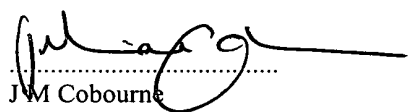
Notes on pages 11 to 19 are an integral part of these financial statements.

Statement of Financial Position As at 31 December 2015

	<u>Note</u>	<u>2015</u> £	<u>2014</u> £
Assets			
Current assets			
Receivables and other financial assets	6	64,005	63,713
Total current assets		<u>64,005</u>	<u>63,713</u>
Total assets		<u>64,005</u>	<u>63,713</u>
Liabilities			
Current liabilities			
Payables and other financial liabilities	7	(1,128)	(31,207)
Amounts due to related party	11	(62,877)	(32,506)
Total liabilities		<u>(64,005)</u>	<u>(63,713)</u>
Net asset/(liabilities)		<u>-</u>	<u>-</u>
Equity			
Total equity		<u>-</u>	<u>-</u>

Notes on pages 11 to 19 are an integral part of these financial statements.

The financial statements on pages 8 to 19 were approved by the board of directors on 5th September 2016 and were signed on its behalf by:


J M Cobourne
Director

Statement of Cash Flows

For the year ended 31 December 2015

	<u>2015</u>	<u>2014</u>
	£	£
Cash flows from operating activities		
Results before tax	-	-
	<u>-</u>	<u>-</u>
Changes in working capital:		
Increase in trade and other receivables	(292)	(63,713)
(Decrease)/increase in trade and other payables	(30,079)	31,207
Increase in amounts due to related party	30,371	32,506
Decrease in working capital	<u>-</u>	<u>-</u>
Cash generated used in operations:		
<i>Net cash outflow from operating activities</i>	-	-
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents as at 1 January	-	-
Cash and cash equivalents as at 31 December	<u>-</u>	<u>-</u>

Notes on pages 11 to 19 are an integral part of these financial statements.

Notes to the Financial Statements For the year ended 31 December 2015

1. Accounting policies

The preparation of financial statements requires the Company to select accounting policies and make estimates and assumptions that affect items reported in the financial statements. The accounting policies have been applied consistently in the current and preceding year.

(a) Basis of preparation

The Company is incorporated in the United Kingdom under The Companies Act 2006. The address of the registered office is 1 Poultry, London, England, EC2R 8EJ. The nature of the Company's operations and its principal activities are set out on page 3.

The financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union, which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee (IASC) that remain in effect which have been applied consistently throughout the year and the preceding year except where noted.

The financial statements have been prepared on a going concern basis, in accordance with the Companies Act 2006 as applicable to companies using IFRS and under the historic cost modified by revaluation or financial assets held at fair value through profit and loss (as applicable).

The Company has not presented a Statement of Changes in Equity as the Company is limited by guarantee and that there are no retained earnings as there are nil results each year.

Standards and interpretations effective in the current year

There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning or after 1 January 2015 that would be expected to have a material impact on the Company.

Standards and interpretations issued but not effective

At the date of authorisation of these financial statements, the following Standard and Interpretation which has not been applied in these financial statements was in issue but not yet effective:

Standard/interpretation	Content	Applicable for financial years beginning on/after
IFRS 9	Financial Instruments	1 January 2018
Amendments to IFRS 11	Joint Arrangements	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2017

The Directors do not expect that the adoption of the standard above will have a material impact on the financial statements of the Company in future periods.

(b) Going concern basis

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. It is their assessment that the Company is a going concern. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Notes to the Financial Statements For the year ended 31 December 2015

1. Accounting policies (continued)

(c) Strategic report

A strategic report has not been included in these audited consolidated financial statements as the Partnership qualifies for exemption as a small entity under Section 382 of the Companies Act 2006 relating to small entities.

(d) Significant accounting policies and use of estimates

The preparation of financial statements requires the directors to select accounting policies and make estimates and assumptions that affect items reported in the financial statements. The accounting policies have been applied consistently in the current and preceding year.

Use of estimates

All estimates are based on management's knowledge of current facts and circumstances, assumptions based on that knowledge and their predictions of future events and actions. Actual results may differ from those estimates, possibly significantly. The directors do not consider any particular item susceptible to changes in estimates and assumptions.

(e) Service charge income and service charge expenses

The Company's service charge income and service charge expenses arise from its property management activity, which is performed in the United Kingdom. Such activities include the provision of cleaning and security services. Income is earned through the levy of charges to the tenants as well as for management fees. The service charge accounts are prepared and audited separately from these financial statements. The service charge income is recognised when the services are rendered and the service charge expenses are recognised when they are incurred.

(f) Trade and other receivables

Trade and other receivables are recognised and carried at the lower of their originally invoiced value or recoverable amount. Where the time value of money is material, the receivables are carried at amortised cost. Provisions are made where there is objective evidence that the amount will not be recovered in full.

(g) Trade and other payables

Trade and other payables are recognised at cost and are accrued in the Statement of Financial Position upon receipt of the invoice.

(h) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and on hand and deposits held at call with banks. For the purposes of the Statement of Cash Flows, cash and cash equivalents also include any bank overdrafts, which are included within payables and other financial liabilities on the Statement of Financial Position.

(i) Cash flow statement

The Company reports cash flows from operating activities using the indirect method. Interest received and paid is presented within finance income and included in investing cash flows.

Notes to the Financial Statements For the year ended 31 December 2015

1. Accounting policies (continued)

(j) Tax

The current tax expense is based on the taxable profits for the year, after any adjustments in respect of prior years. Tax, including tax relief for losses if applicable, is allocated over profits before taxation and amounts charged or credited to reserves as appropriate.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, using the liability method, on all material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

(k) Amounts due to related parties

The Company discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Company financial statements.

2. Directors' emoluments

None of the directors received any emoluments in respect of services as a director of the Company (2014: £nil). There was no compensation from the Company for any of the directors for loss of office. There were no other employees of the Company.

3. Auditors' remuneration

Auditors' remuneration in relation to the Company for 2015 was £6,894 (2014: £7,888). There were no other services provided by the Company's auditors or fees paid to the Company's auditors for services other than the statutory audit.

4. Tax charge

a) Tax charged to the Statement of Comprehensive Income

	2015	2014
	£	£
Current tax:		
For this year	-	-
Total current tax charged to the Statement of Comprehensive Income	-	-

b) Tax reconciliation

The tax on the Company's result before tax is the same as the tax calculated at the standard UK corporation tax rate as follows:

	2015	2014
	£	£
Result before tax	-	-
Tax calculated at standard UK corporation tax rate 20.25% (2014: 21.50%)	-	-
Total tax charged to the Statement of Comprehensive Income	-	-

Notes to the Financial Statements For the year ended 31 December 2015

4. Tax charge (continued)

As legislated in Finance (No 2) Act 2015, which was substantively enacted on 26 October 2015, the UK corporate rate will reduce further to 19% from 1 April 2017 and to 18% from 1 April 2020.

A further change to the UK corporation tax rate was announced in the Budget on 16 March 2016. This proposed a reduction in the main corporation tax rate to 17% from 1 April 2020. As the change had not been substantively enacted at the balance sheet date, its effect is not included in these financial statements.

5. Tax assets and liabilities

There was no tax asset or liability for the year.

6. Receivables and other financial assets

	2015	2014
	£	£
Tenant receivables	31,240	38,069
Deferred income	3,993	3,993
Accruals and other receivables	28,772	21,651
Total	<u>64,005</u>	<u>63,713</u>

As at the balance sheet date, there was no provision for bad debts, nor material past due or impaired receivables. For terms and conditions relating to related party receivables, refer to note 11.

7. Payables and other financial liabilities

	2015	2014
	£	£
Trade payables	-	24,310
VAT payables	1,128	6,897
Total	<u>1,128</u>	<u>31,207</u>

Notes to the Financial Statements For the year ended 31 December 2015

8. Financial instruments

The carrying amounts of financial instruments at year end were categorised as follows:

31 December 2015				
	Loans and receivables	Assets at fair value through profit and loss	Available for sale	Total
	£	£	£	£
Financial assets as per statement of financial position				
Trade and other receivables	27,728	-	-	27,728
Related party transactions	32,284			32,284
Total	60,012	-	-	60,012

31 December 2014				
	Loans and receivables	Assets at fair value through profit and loss	Available for sale	Total
	£	£	£	£
Financial assets as per statement of financial position				
Trade and other receivables	59,720	-	-	59,720
Total	59,720	-	-	59,720

31 December 2015			
	Liabilities at fair value through profit and loss	Other financial liabilities at amortised cost	Total
	£	£	£
Financial liabilities as per statement of financial position			
Amounts due from related party	-	62,877	62,877
Total	-	62,877	62,877

31 December 2014			
	Liabilities at fair value through profit and loss	Other financial liabilities at amortised cost	Total
	£	£	£
Financial liabilities as per statement of financial position			
Trade and other payables	-	24,310	24,310
Amounts due from related party	-	32,506	32,506
Total	-	56,816	56,816

Notes to the Financial Statements For the year ended 31 December 2015

9. Contingent liabilities and commitments

There were no commitments or contingent liabilities at the Statement of Financial Position date.

10. Risk and capital management policies

Approach to risk and capital management

The Company operates within the governance structure and risk management framework of the Aviva Group. Aviva's risk management framework, which applies to all Aviva Group companies, includes the strategies, policies, tools, governance arrangements, processes and reporting procedures necessary to support its objectives.

The Directors are responsible for risk management of the Company and for taking reasonable steps to prevent and detect fraud and other irregularities. In the event that one of the following principle risks should materialise, the Directors are obligated to escalate the matter to the Company's shareholders.

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 its shareholder and benefits for other stakeholders and to optimise the balance between return and risk.

In managing capital the Company seeks to:

- Maintain sufficient, but not excessive, financial strength in accordance with risk appetite, to support new developments and investments and satisfy the requirements of its regulators and other stakeholders giving both its customers and shareholders assurance of its financial strength;
- Optimise its overall capital structure to enhance returns to its shareholder, subject to its capital risk appetite and balancing the requirements of the different stakeholders;
- Retain financial flexibility by maintaining strong liquidity, including significant unused credit facilities and access to a range of capital markets; and
- Declare dividends with reference to factors including growth in cash flows and earnings.

Details of the Group approach to capital management are set out in the Aviva plc Annual Report and Accounts 2015, available at <http://www.aviva.com/investor-relations/results-and-reports/reports/>

Management of financial and non-financial risks

The Company's exposure to different types of risk is limited by the nature of its business as follows:

(i) Operational risk

Operational risk arises as a result of inadequate or failed internal processes, people or systems; or from external events. Details of the Group approach to operational risk are set out in the Aviva plc Annual Report and Accounts 2015, available at <http://www.aviva.com/investor-relations/results-and-reports/reports/>

(ii) Liquidity risk

Liquidity risk is managed by ensuring that there is sufficient headroom available to meet the working capital requirements of the business. The Directors monitor the maturity of the Company's obligations of when they fall due. In the unlikely event that there is a liquidity shortfall, the Company will approach its shareholder for liquid resources. The maturity analysis of the company's financial assets and liabilities as at 31 December 2015 was as follows:

Notes to the Financial Statements For the year ended 31 December 2015

10. Risk and capital management policies (continued)

31 December 2015				
Financial assets	On demand	1 to 3 months	More than 3 months less than 12 months	Total
	£	£	£	£
Trade receivables	-	31,240	-	31,240
Deferred income	-	3,993	-	3,993
Accruals and other receivables	-	28,772	-	28,772
	-	64,005	-	64,005

31 December 2014				
Financial assets	On demand	1 to 3 months	More than 3 months less than 12 months	Total
	£	£	£	£
Trade receivables	-	38,069	-	38,069
Deferred income	-	3,993	-	3,993
Accruals and other receivables	-	21,651	-	21,651
	-	63,713	-	63,713

31 December 2015				
Financial liabilities	On demand	1 to 3 months	More than 3 months less than 12 months	Total
	£	£	£	£
VAT payables	-	1,128	-	1,128
Amounts due to related party	-	62,877	-	62,877
	-	64,005	-	64,005

31 December 2014				
Financial liabilities	On demand	1 to 3 months	More than 3 months less than 12 months	Total
	£	£	£	£
VAT payables	-	6,897	-	6,897
Trade payables	-	24,310	-	24,310
Amounts due to related party	-	32,506	-	32,506
	-	63,713	-	63,713

Notes to the Financial Statements For the year ended 31 December 2015

10. Risk and capital management policies (continued)

(iii) Credit risk

Credit risk is the risk of financial loss as a result of the failure of third parties to pay their obligations to the Company. The Company's maximum exposure to credit risk is associated with its trade and other receivables. A significant amount of trade receivables relate to amounts held within the Aviva group of companies which are not secured or guaranteed, but were neither past due nor impaired at the balance sheet date.

The Company deposits its cash with a reputable credit institution with a high credit rating.

Receivables and other financial assets largely consist of amounts due from an Aviva group company. As at the balance sheet date, these receivable amounts were neither past due nor impaired.

Exposure to credit risk is therefore considered negligible.

11. Related party transactions

(a) Key management compensation

The members of the Board of Directors, who are considered to be the key management of the Company, are listed on page 2 of these financial statements.

There were no transactions during the year and any accounts receivable from or payments due to members of the Board of Directors.

(b) Amounts due to related party

Under a previous management arrangement with Aviva Life & Pensions UK Limited, a related party undertaking, service charge expenses and income were payable and receivable in the name of Aviva Life & Pensions UK Limited, and as such, the Company was deemed to be dormant. The Company commenced its management of service activities with effect from 1 January 2015, when service charge income and expenses became receivable and payable by the Company, respectively. However, as the Company had not opened a bank account until after the end of the year, Aviva Life & Pensions UK Limited continued to settle and recover the expenses and income on behalf of the Company that were receivable and payable by Company. As at 31 December 2015, £62,877 (2014:£32,506) was owed to Aviva Life & Pensions UK Limited in respect of service charge expenses.

	2015		2014	
	Transactions for the year	Payable at year end	Transactions for the year	Payable at year end
	£	£	£	£
Aviva Life & Pensions UK Limited	30,371	62,877	32,506	32,506
Total	30,371	62,877	32,506	32,506

Notes to the Financial Statements For the year ended 31 December 2015

11. Related party transactions (continued)

(c) Amounts due (to)/from related parties

The outstanding amounts receivable at year end, which are included as tenant receivables in note 6 above, are as follows:

	2015		2014	
	Transactions for the year	Receivables/ (payable) at year end	Transactions for the year	Receivables/ (payable) at year end
	£	£	£	£
SAP (UK) Limited	(8,081)	-	8,081	8,081
Aviva Life & Pensions UK Limited	(4,769)	3,551	8,320	8,320
Cenhinen Caesar Sarl	(1,486)	9,789	11,275	11,275
Abbott Laboratories Limited	3,163	7,015	3,852	3,852
Prestige properties SA	(3,493)	2,167	5,660	5,660
Legal & General	9,762	9,762	-	-
Total	(4,904)	32,284	37,188	37,188

Members' expenses are in respect of service charge demanded and receivable during the year. A significant amount of trade receivables relate to amounts held within the Aviva group of companies which are not secured or guaranteed, but were neither past due nor impaired at the balance sheet date.

(d) Control

The Company is under the control of its sole member, which is Aviva Life & Pensions UK Limited.

12. Events since the statement of financial position

On 23 June 2016 the UK electorate voted to leave the European Union. This decision will start a process that is likely to take a minimum of two years to complete, and it is important to note that during this time the UK remains a member of the EU. The result is likely to usher in a period of uncertainty for the UK economy and real estate markets, with increased volatility expected in financial markets. The fair value of assets and liabilities is unchanged on the balance sheet date of 31 December 2015.