

Registered number: 04350488

Eldon Street (Fidenza) Limited

**Annual report and financial statements
for the year ended 30 November 2016**

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Eldon Street (Fidenza) Limited

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Eldon Street (Fidenza) Limited

Company information

Directors	R Harper A J Brereton
Registered number	04350488
Registered office	Lehman Brothers Level 23 25 Canada Square London E14 5LQ
Auditor	Mercer & Hole Fleet Place House 2 Fleet Place London EC4M 7RF

Eldon Street (Fidenza) Limited

Strategic report for the year ended 30 November 2016

The directors present the strategic report for the year ended 30 November 2016.

Review of business

The financial position of the company has been adversely affected by the impairment of its investment in Master Holdings B.V. of €2,500,000 as set out in note 10 to the financial statements. Master Holdings B.V. is still trading and the directors consider that, should trading conditions improve, part or all of the investment may ultimately be recovered. However, due to uncertainties of the profitability, the investment remains provided for in full.

The ultimate parent undertaking of Eldon Street (Fidenza) Limited, Lehman Brothers Holdings Inc., incorporated in the State of Delaware in the United States of America, filed for Chapter 11 bankruptcy protection on 15 September 2008. On 6 December 2011, the United States Bankruptcy Court for the Southern District of New York confirmed the modified Third Amended Joint Chapter 11 Plan for Lehman Brothers Holdings Inc. and its Affiliated Debtors and on 6 March 2012, the "Effective Date" occurred. As a result of the effectiveness of the Plan, Lehman Brothers Holdings Inc. and its Affiliated Debtors have emerged from bankruptcy.

The immediate parent undertaking of Eldon Street (Fidenza) Limited, Eldon Street Holdings Limited, went into administration on 9 December 2008.

On 22 January 2016, the company acquired the 333,000 B ordinary shares in Burford Beta Holdings Limited for £250,000.

The debt owed by the company to Eldon Street Holdings Limited of £2,406,751 (being the sum of €3,059,825 and £1,549 as at 30 March 2016) was waived.

Following the events noted above the company no longer has a continuing trade and there are no plans for the company to re-invest in property or joint ventures, accordingly, these financial statements have not been prepared on a going concern basis. The impact of this is discussed in note 1.2.

Principal risks and uncertainties

Liquidity risks and cash flow

The company actively monitors its liquidity and cash flow position to ensure it has sufficient cash in order to fund its activities.

Key performance indicators

Given the nature of the company's activity, the directors are of the opinion that an analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Eldon Street (Fidenza) Limited

Strategic report (continued) for the year ended 30 November 2016

Future developments

The directors do not anticipate that there will be any fundamental change in the development of the company's business during the coming year.

On behalf of the board

A handwritten signature in black ink, appearing to read 'A J Brereton', with a stylized flourish at the end.

**A J Brereton
Director**

22/08 2017

Eldon Street (Fidenza) Limited

Directors' report for the year ended 30 November 2016

The directors present their report and the audited financial statements for the year ended 30 November 2016.

Principal activities

Eldon Street (Fidenza) Limited invests in property companies.

Directors

The directors who held office during the year and to the date of signature of the financial statements, were as follows:

R Harper
A J Brereton

Results and dividends

The company's results for the financial year are set out in the statement of comprehensive income on page 8.

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

Future developments

An indication of the likely future developments of the company is provided in the strategic report.

Qualifying third party indemnity provisions

A qualifying third party indemnity provision as defined in Section 232(2) of the Companies Act 2006 is in force for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. The liability and indemnity insurance was still in place at the date of signing this report.

Statement of directors' responsibilities

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). Under company law the directors must not approve the financial statements unless 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 United Kingdom Accounting Standards, including FRS 102 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. As explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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.

Eldon Street (Fidenza) Limited

Directors' report for the year ended 30 November 2016

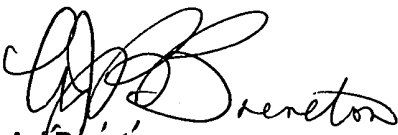
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

In accordance with Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and Mercer & Hole will therefore continue in office.

On behalf of the board



A J Brereton
Director

22/08/2017

Eldon Street (Fidenza) Limited

Independent auditor's report to the members of Eldon Street (Fidenza) Limited

We have audited the financial statements of Eldon Street (Fidenza) Limited for the year ended 30 November 2016 set out on pages 8 to 20. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 auditor

As explained more fully in the Directors' responsibilities statement set out on page 4, 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 Practices Board's 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 Strategic report and Directors' 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.

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 30 November 2016 and of its result 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 matter prescribed by the Companies Act 2006

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

Eldon Street (Fidenza) Limited

Independent auditor's report to the members of Eldon Street (Fidenza) Limited

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.

Andrew Crook

Andrew Crook BA ACA (Senior Statutory Auditor)
for and on behalf of Mercer & Hole

Chartered Accountants
Statutory Auditor

Fleet Place House
2 Fleet Place
London
EC4M 7RF

30 August 2017

Eldon Street (Fidenza) Limited

Statement of comprehensive income for the year ended 30 November 2016

	Note	2016 £	2015 £
Exceptional credit	3	2,406,751	-
Other operating (expense)/income		(252,013)	280,830
Operating profit	4	2,154,738	280,830
Interest receivable and similar income	7	-	2,700
Interest payable and similar charges	8	(2,820)	-
Profit before taxation		2,151,918	283,530
Taxation	9	-	597
Profit for the year		2,151,918	284,127

All activities have been discontinued.

Eldon Street (Fidenza) Limited

Registered number: 04350488

Balance sheet as at 30 November 2016

	Note		2016 £	2015 £
Current assets				
Investments	10	250,000	-	
Debtors	11	19,990	19,990	
		<u>269,990</u>	<u>19,990</u>	
Creditors: amounts falling due within one year	13	(250,000)	(2,151,918)	
Net current assets/(liabilities)			19,990	(2,131,928)
Net assets/(liabilities)			19,990	(2,131,928)
Capital and reserves				
Called up share capital	15		1	1
Profit and loss reserves			19,989	(2,131,929)
Total equity/(deficit)			19,990	(2,131,928)

The notes on pages 11 to 20 are an integral part of these financial statements.

The financial statements on pages 8 to 20 were approved by the board of directors and authorised for issue on 22/08/2017 and are signed on its behalf by:


A J Brereton
Director

Eldon Street (Fidenza) Limited

Statement of changes in equity for the year ended 30 November 2016

	Called up share capital	Profit and loss reserves	Total equity/(deficit)
	£	£	£
At 1 December 2015	1	(2,131,929)	(2,131,928)
Profit for the financial year	-	2,151,918	2,151,918
At 30 November 2016	1	19,989	19,990

Statement of changes in equity for the year ended 30 November 2015

	Called up share capital	Profit and loss reserves	Total deficit
	£	£	£
At 1 December 2014	1	(2,416,056)	(2,416,055)
Profit for the financial year	-	284,127	284,127
At 30 November 2015	1	(2,131,929)	(2,131,928)

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

1. Accounting policies

Company information

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Lehman Brothers, Level 23, 25 Canada Square, London, E14 5LQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 November 2016 are the first financial statements of Eldon Street (Fidenza) Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland. The date of transition to FRS 102 was 1 December 2014. The reported financial position and financial performance of the previous period are not affected by the transition to FRS 102.

In the transition to FRS 102 from old UK GAAP, the company has made recognition adjustments. An explanation of how the transition to FRS 102 has affected the financial position and financial performance of the company is provided in note 19.

A cash flow statement has not been prepared as there were no cash flow movements in either this or the prior year.

The directors have represented amounts held on trust by the immediate parent company from "cash held" to "amounts due from immediate parent undertaking" within debtors for both the current period and prior period in order to better reflect the substance of the balance.

1.2 Going concern

The directors have considered the factors discussed in the Strategic Report and the lack of a continuing trade in the company and have resolved that they do not consider the company to be a going concern. These financial statements have therefore been prepared on a break-up basis.

1.3 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

1.4 Interest receivable and similar income

Interest income is recognised using the effective interest method.

1.5 Current asset investments

Interests in associates are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the statement of comprehensive income.

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

1. Accounting policies (continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Classification financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

1. Accounting policies (continued)

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences in the company's taxable profits and its results as stated in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.9 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end dates. Gains and losses arising on translation are included in the statement of comprehensive income for the period.

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

2. Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of investments

The company reviews the carrying value of current asset investments and the associated impairment provision required. The company calculates the impairment based on the value in use represented by the associate undertaking. See note 10 for the carrying value of the current asset investments.

Recoverability of debtors

The company reviews the expected recoverability of debtors and makes provision based on this.

3. Exceptional credit

	2016 £	2015 £
Amounts due to immediate parent company waived	<u>2,406,751</u>	<u>-</u>

During the year, the company recognised an exceptional credit amounting to £2,406,751 which relates to the debt owed by the company to Eldon Street Holdings Limited being the sum of €3,059,825 and £1,549 as at 30 March 2016 that was waived.

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

4. Operating profit

Operating profit for the year is stated after (charging)/crediting:

	2016 £	2015 £
Preferential dividend due from Master Holdings B.V.	201,570	182,749
Provision against preferential dividend due from Master Holdings B.V.	(201,570)	(182,749)

The Company has an investment in Master Holdings B.V. of £2,129,384 (2015: £1,759,574) (see note 10) and accrued dividends receivable from Master Holdings B.V. of £3,105,347 (2015: £2,390,085) (see note 10) of which £201,570 (2015: £182,749) was accrued in the current year; positive movements of £513,692 (2015: negative £294,891) were foreign exchange revaluations on brought forward balances. The most recent accounts of Master Holdings B.V. for the year ended 31 December 2015 disclose significant losses.

Consequently, the Directors consider that the investment and dividends receivable from Master Holdings B.V. are not recoverable based on the current available information. A provision for the impairment of the assets was made in the year ended 30 November 2005. This provision remains valid in the current year albeit increased to reflect the impact of exchange differences.

5. Employees and directors

Employees

The company had no employees during the year (2015: Nil).

Directors

The directors of the company during the year were also directors of LB SF Warehouse Limited in whose financial statements the information required by the Companies Act 2006 as regards directors emoluments will be given.

6. Auditor's remuneration

Auditor's remuneration in respect of audit services amounting to £4,500 (2015: £4,200) will be borne by Eldon Street Holdings Limited. There were no fees paid to the auditor in relation to non-audit services (2015: £Nil).

7. Interest receivable and similar income

	2016 £	2015 £
Interest receivable from immediate parent company	-	2,700

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

8. Interest payable and similar charges

	2016 £	2015 £
Interest payable to immediate parent company	<u>2,820</u>	<u>-</u>

9. Taxation

	2016 £	2015 £
Current tax		
Adjustments in respect of prior periods	-	(597)
Total current tax	<u>-</u>	<u>(597)</u>

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	<u>2,151,918</u>	<u>283,530</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20% (2015: 20.33%)	430,384	57,646
Effects of:		
Non taxable income	(481,351)	-
Losses carried forward	50,967	-
Utilisation of tax losses	-	(57,646)
Accrued foreign dividend not taxable until paid	-	(37,156)
Reversal of impairment of current asset not allowable	-	37,156
Income received in respect of losses surrendered in prior period	-	(597)
Total tax credit for the year	<u>-</u>	<u>(597)</u>

Factors that may affect future tax charges

A change to the UK corporation tax rate was announced in the Budget on 16 March 2016 to reduce the rate to 17% from 1 April 2020 and was substantively enacted on 6 September 2016. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015.

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

10. Current asset investments

	£
Cost or valuation	
At 1 December 2015	1,759,574
Additions	250,000
Exchange movement	369,810
At 30 November 2016	<u>2,379,384</u>
Impairment	
At 1 December 2015	1,759,574
Movement in provision	369,810
At 30 November 2016	<u>2,129,384</u>
Net book value	
At 30 November 2016	<u><u>250,000</u></u>
At 30 November 2015	<u><u>-</u></u>

Associate undertakings

The following were associate undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Master Holdings B.V.	Netherlands	Ordinary	20.7 %	Real Estate Development
Rome Investments S.r.l (dormant)*	Italy	Ordinary	20.7 %	Real Estate Development
VR Milan S.r.l.*	Italy	Ordinary	20.7 %	Real Estate Development
Burford Beta Holdings Limited	England	Ordinary	33.3 %	Real Estate Development
*held indirectly				

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

10. Current asset investments (continued)

A convertible loan note was provided by Master Holdings B.V. in the period ended 30 November 2002. The note was converted to an equity holding in Master Holdings B.V. on 31 March 2003. On conversion, Eldon Street (Fidenza) Limited was deemed to have earned a 10% cumulative, non-compounding preferred return on its investment, from the original date the loan was provided to Master Holdings B.V.

The equity holding of 20.7% entitles Eldon Street (Fidenza) Limited to a preferential dividend per annum of 10% of the aggregate nominal value of shares held on an ongoing basis.

On 3 December 2012 Rome Investments S.r.l. entered into a voluntary liquidation procedure.

On 22 January 2016, the company acquired the 333,000 B ordinary shares in Burford Beta Holdings Limited for £250,000.

The following information is taken from the last available audited financial statements of Master Holdings B.V. at 31 December 2015, VR Milan S.r.l. at 31 December 2015 and Burford Beta Holdings Limited at 31 March 2016.

	Capital and reserves £	Loss for the period £
Master Holdings B.V.	(151,280,470)	(20,495,826)
VR Milan S.r.l.	(2,525,432)	(10,109,597)
Burford Beta Holdings Limited	(3,328,000)	(878,000)

11. Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Amounts due from immediate parent undertaking	19,990	19,990
Dividends receivable from Master Holdings B.V.	3,105,347	2,390,085
Provision against dividends receivable due from Master Holdings B.V.	(3,105,347)	(2,390,085)
	<u>19,990</u>	<u>19,990</u>

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

12. Financial instruments

	2016 £	2015 £
Financial assets		
Measured at amortised cost	19,990	19,990
Carrying amount of financial liabilities		
Measured at amortised cost	250,000	2,151,918

13. Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts due to immediate parent company	250,000	2,151,918
	<u>250,000</u>	<u>2,151,918</u>

14. Deferred taxation

A potential deferred tax asset of £75,810 (2015: £74,683) relating to losses of £398,999 (2015: £144,163) has not been recognised on the grounds that there is insufficient evidence that the asset will be recoverable. The asset would be recoverable if there are sufficient taxable profits in the future.

15. Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid		
1 ordinary share of £1	1	1

16. Contingent liabilities

The Company is registered with HM Customs & Excise as a member of the Lehman Brothers Limited group for VAT purposes and as a result, is jointly and severally liable on a continuing basis for amounts owing by other members of the group in respect of unpaid VAT.

Eldon Street (Fidenza) Limited

Notes to the financial statements for the year ended 30 November 2016

17. Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 102, not to disclose transactions entered into between two or more members of the group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.

18. Controlling party

The Company's parent undertaking is Eldon Street Holdings Limited, which went into administration on 9 December 2008.

The ultimate parent undertaking of Eldon Street (Fidenza) Limited, Lehman Brothers Holdings Inc., incorporated in the State of Delaware in the United States of America, filed for Chapter 11 bankruptcy protection on 15 September 2008. On 6 December 2011, the United States Bankruptcy Court for the Southern District of New York confirmed the modified Third Amended Joint Chapter 11 Plan for Lehman Brothers Holdings Inc. and its Affiliated Debtors and on 6 March 2012, the "Effective Date" occurred. As a result of the effectiveness of the Plan, Lehman Brothers Holdings Inc. and its Affiliated Debtors have emerged from bankruptcy.

No member of the immediate parent undertaking or ultimate parent company group produces consolidated financial statements.

19. Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 30 November 2016 and the comparative information presented in these financial statements for the year ended 30 November 2015.

In preparing its FRS 102 statement of comprehensive income, the company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting, UK GAAP. The following adjustment has arisen which has had no effect on profit for the year or net equity.

Translation of investments and foreign currency borrowings against foreign investment

Exchange differences arising on translation of investments and foreign currency borrowings against foreign investment have been reclassified from other comprehensive income to other operating income / (expenses) within the statement of comprehensive income. This has no effect on the company's profit for the year or net assets.