

**MOORFIELD REAL ESTATE FUND II LP LIMITED**

**AUDITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED  
31 DECEMBER 2018**

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## **MOORFIELD REAL ESTATE FUND II LP LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	Marc Gilbard Nicholas Edwards Charles Ferguson-Davie Steven Hall
<b>Registered number</b>	06312640
<b>Registered office</b>	Moorfield Group 10 Grosvenor Street London W1K 4QB
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH
<b>Bankers</b>	Lloyds Banking Group London Chief Office PO Box 54873 London SW1Y 5WX

**MOORFIELD REAL ESTATE FUND II LP LIMITED**

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## **MOORFIELD REAL ESTATE FUND II LP LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report and the audited financial statements for the year ended 31 December 2018.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' report and the audited 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). 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 the financial statements, the directors are required to:

In preparing these audited financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the audited 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.

#### **Principal activities**

The Company's principal activity during the year was that of a limited partner and investor of the Moorfield Real Estate Fund "B" Limited Partnership.

#### **Directors**

The directors who served during the year were:

Marc Gilbard  
Nicholas Edwards  
Charles Ferguson-Davie  
Steven Hall

#### **Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Stessa Trading Limited, a company with common shareholders. The directors have received confirmation that Stessa Trading Limited intends to support the Company for at least 12 months from the date these financial statements are approved.

#### **Results**

The Company's result for the financial year, after taxation, is £NIL (2017 - loss £2,000 ).

**MOORFIELD REAL ESTATE FUND II LP LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor are aware of that information.

**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Director



Date:

25 SEPTEMBER 2019

## **MOORFIELD REAL ESTATE FUND II LP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MOORFIELD REAL ESTATE FUND II LP LIMITED**

#### **Opinion**

In our opinion, Moorfield Real Estate Fund II LP Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2018; the statement of income and retained earnings for the year ended 31 December 2018; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## MOORFIELD REAL ESTATE FUND II LP LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MOORFIELD REAL ESTATE FUND II LP LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the 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.

**MOORFIELD REAL ESTATE FUND II LP LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MOORFIELD REAL ESTATE FUND II LP LIMITED**

**Other required reporting**

**Companies Act 2006 exception reporting**

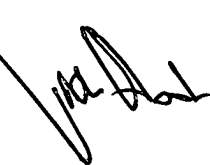
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

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: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Hook (Senior statutory auditor)

for and on behalf of

**PricewaterhouseCoopers LLP**

Chartered Accountants and Statutory Auditors

1 Embankment Place

London

WC2N 6RH

25/9/19



MOORFIELD REAL ESTATE FUND II LP LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £000	2017 £000
Administrative expenses	-	(2)
<b>Operating result/(loss)</b>	<u>-</u>	<u>(2)</u>
<b>Result/(loss) after tax</b>	<u>-</u>	<u>(2)</u>
Accumulated loss at the beginning of the year	(11)	(9)
Result/(loss) for the year	-	(2)
<b>Accumulated loss at the end of the year</b>	<u>(11)</u>	<u>(11)</u>

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of income and retained earnings.

The notes on pages 8 to 12 form part of these financial statements.

**MOORFIELD REAL ESTATE FUND II LP LIMITED**  
**REGISTERED NUMBER:06312640**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
<b>Fixed assets</b>			
Investments	5	106	106
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	25	-
Cash at bank and in hand		20	51
		<u>45</u>	<u>51</u>
Creditors: amounts falling due within one year	7	(162)	(14)
<b>Net current (liabilities)/assets</b>		<u>(117)</u>	<u>37</u>
<b>Total assets less current liabilities</b>		<u>(11)</u>	<u>143</u>
Creditors: amounts falling due after more than one year	8	-	(154)
<b>Net liabilities</b>		<u>(11)</u>	<u>(11)</u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account		(11)	(11)
<b>Total equity</b>		<u>(11)</u>	<u>(11)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Director



Date:

25 September 2019

## **MOORFIELD REAL ESTATE FUND II LP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **1. General information**

The Company's principal activity during the year was that of a limited partner and investor of the Moorfield Real Estate Fund II "B" Limited Partnership. The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Moorfield Group, 10 Grosvenor Street, London, W1K 4QB. The Company registered number is 06312640.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

There were no material departures from the standard.

These financial statements are presented in sterling, which is functional currency of the Company and rounded to the nearest £1,000.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Stessa Trading Limited, a company with common shareholders. The directors have received confirmation that Stessa Trading Limited intends to support the Company for at least 12 months from the date these financial statements are approved.

##### **2.3 Investments in subsidiaries**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **2.4 Related party transactions**

The Company discloses transactions with related parties which are not wholly owned within the same group.

##### **2.5 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **2.6 Taxation**

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

## **MOORFIELD REAL ESTATE FUND II LP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **2. Accounting policies (continued)**

##### **2.7 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

##### **2.8 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.11 Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

###### **(i) Financial assets**

Basic financial assets, including other receivables, loans to fellow group undertakings and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction which is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 assets' 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 statement of comprehensive income.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

###### **(ii) Financial liabilities**

Basic financial liabilities, including other payables 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

# MOORFIELD REAL ESTATE FUND II LP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 2. Accounting policies (continued)

#### 2.11 Financial instruments (continued)

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### (iii) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

### 3. Auditors' remuneration

The Company's ultimate parent has borne the cost of all audit and non audit fees. The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group financial statements of the ultimate parent.

### 4. Employees

The Company has no employees (2017 - none) other than the directors, who did not receive any remuneration (2017 - £NIL).

### 5. Investments

	Investments in subsidiary companies £000
<b>Cost or valuation</b>	
At 1 January 2018	106
At 31 December 2018	<u>106</u>

### 6. Debtors: Amounts falling due within one year

	2018 £000	2017 £000
Amounts owed by group undertakings	<u>25</u>	<u>-</u>

**MOORFIELD REAL ESTATE FUND II LP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**7. Creditors: Amounts falling due within one year**

	2018 £000	2017 £000
Bank loans	154	-
Amounts owed to group undertakings	8	14
	<u>162</u>	<u>14</u>

**8. Creditors: Amounts falling due after more than one year**

	2018 £000	2017 £000
Bank loans	-	154
	<u>-</u>	<u>154</u>

Bank loans comprise debt held with Bank of Scotland which is to be redeemed at an initial redemption premium equal to a return of 12% per annum. These borrowings are secured by a charge over the shares of the Company.

**9. Loans**

Analysis of the maturity of loans is given below:

	2018 £000	2017 £000
<b>Amounts falling due within one year</b>		
Bank loans	154	-
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	154
	<u>154</u>	<u>154</u>

**10. Called up share capital**

	2018 £	2017 £
<b>Allotted, called up and fully paid</b>		
2 (2017 - 2) Ordinary shares of £1.00 each	2	2
	<u>2</u>	<u>2</u>

**11. Reserves**

**Profit and loss account**

The profit and loss accounts represents cumulative profits and losses net of all adjustments.

**MOORFIELD REAL ESTATE FUND II LP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**12. Related party transactions**

The Company is exempt under the terms of Financial Reporting Standard 102 (FRS 102) paragraph 33.1A, from disclosing related party transactions with other group companies, on the grounds that 100% of the voting rights in the Company are controlled within the Group and the Company is included in consolidated financial statements prepared by the Group.

**13. Immediate and ultimate parent undertaking and ultimate controlling party**

The Company's immediate and ultimate parent undertaking and ultimate controlling party is Curzon Street Investments Limited, a company incorporated in England and Wales. Copies of the financial statements of Curzon Street Investments Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.