BFIN France Limited (formerly Brookfield Financial France Limited)

Annual report and financial statements
Company Registration No. 6324448
For the year ended 31 December 2017

Contents

Directors' report

The directors present their annual report and the audited financial statements of BFIN France Limited (formerly Brookfield Financial France Limited) (the "Company") for the year ended 31 December 2017. The directors' report has been prepared in accordance with the provisions available to companies entitled to the small companies' exemption.

Principal activities
The principal activity of the Company is to provide real estate brokerage services. The Company did not trade during the year.

Change of name

The name of the Company was changed from Brookfield Financial France Limited to BFIN France Limited on 25th October 2017.

Business review
The results for the Company are set out on page 7. The directors do not recommend the payment of a dividend (2016: nil).

The Company has net assets of £172,816 as at 31 December 2017 *(31 December 2016: £174,101).*

Directors
Set out below are the directors who held office during the year and up to the date of this report, except as noted:

H Bezian (appointed 24 January 2018)
H Hauss (resigned 22 May 2018)

None of the directors who held office at the end of the year and up to the date of this report held any disclosable interest in group undertakings as recorded in the register of directors' interests.

Going concern
After making enquiries, the director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. There are no significant uncertainties that affect the going concern assumption. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Events after the balance sheet date

There are no events after the balance sheet date.

Future developments

The Company expects to continue to provide real estate brokerage services for the foreseeable future.

Disclosure of information to the auditor
The directors who held office at the date of approval of this directors' report confirm that:
- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each director has taken all the steps that they ought to have taken as a director to make themself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Directors' report *(continued)*

Approved by the board and signed on its behalf by:

H Bezian
Director

85 King William Street
London
EC4N 7BL

25 September 2018

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 elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 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.

Independent auditor's report to the members of BFIN France Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss 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.

We have audited the financial statements of BFIN France Limited (the 'company') which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

Independent auditor's report to the members of BFIN France Limited *(continued)*

Responsibilities of directors
As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Independent auditor's report to the members of BFIN France Limited *(continued)*

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- The directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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 auditor's 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.

Andy Siddorns

Andy Siddorns (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
25 September 2018

Statement of comprehensive income
For the year ended 31 December 2017

	Notes	**Year ended 31 Dec 2017 £**	**Year ended 31 Dec 2016 £**
Operating result and result before taxation	*5*	**-**	-
Taxation	*7*	**(1,285)**	(1,392)
Total comprehensive loss for the year		**(1,285)**	(1,392)

All results relate to continuing operations.

There were no items of other comprehensive income or expense other than the loss for the preceding year and consequently no separate statement of other comprehensive income is presented.

The statement of comprehensive income should be read in conjunction with the Notes to the financial statements on pages 10 to 16.

Statement of financial position
As at 31 December 2017

	Notes	31 Dec 2017 £	31 Dec 2016 £
Current assets			
Trade and other receivables	*8*	**175,493**	176,981
Current liabilities			
Trade and other payables	*9*	**(2,677)**	(2,880)
Net current assets		**172,816**	174,101
Net assets		**172,816**	174,101
Equity			
Called up share capital	*12*	**2**	2
Retained earnings		**172,814**	174,099
Total equity		**172,816**	174,101

The statement of financial position should be read in conjunction with the Notes to the financial statements on pages 10 to 16.

These financial statements of BFIN France Limited, registered number 6324448, were approved and authorised for issue by the board of directors on 25 September 2018 and were signed on its behalf by:

H Bezian
Director

Statement of changes in equity
For the year ended 31 December 2017

	Called up share capital £	Retained earnings £	Total £
As at 1 January 2016	**2**	**175,491**	**175,493**
Total comprehensive loss for the year	-	(1,392)	(1,392)
As at 31 December 2016	**2**	**174,099**	**174,101**
Total comprehensive loss for the year	-	(1,285)	(1,285)
As at 31 December 2017	**2**	**172,814**	**172,816**

The statement of changes in equity should be read in conjunction with the Notes to the financial statements on pages 10 to 16.

Notes to the financial statements

1. General information

The Company provides real estate brokerage services. The Company is a private limited company, limited by shares and incorporated in England and Wales and domiciled in the United Kingdom. The Company is a private company, limited by shares. The address of its registered office is 85 King William Street, London, EC4N 7BL.

2. Adoption of new and revised standards

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

		Effective for periods beginning on or after
IFRS 9	Financial Instruments	1 January 2018
IFRS 15	Revenue from Contracts with Customers	1 January 2018
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance Contracts	1 January 2021 [*]
IFRS 2 (amendments)	Classification and Measurement of Share-based Payment Transactions	1 January 2018 [*]
IAS 40 (amendments)	Transfers of Investment Property	1 January 2018 [*]
IFRS 9 (amendments)	Prepayment Features with Negative Compensation	1 January 2019 [*]
IAS 28 (amendments)	Long-term Interests in Associates and Joint Ventures	1 January 2019 [*]
Annual Improvements to IFRS Standards 2014-2016 Cycle	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates and Joint Ventures	1 January 2018
Annual Improvements to IFRS Standards 2015-2017 Cycle	Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes, IAS 23 Borrowing Costs	1 January 2019 [*]

[*subject to EU endorsement]

A review of the financial instruments and revenue of the Company has been completed and indicates that there will be no material impact on the financial statements of the Company except for disclosure.

The Directors do not expect that the adoption of the other Standards listed above will have a material impact on the financial statements of the Company aside from additional disclosures.

The Company has applied the following amendments for the first time during the annual reporting period presented in these financial statements:

- The amendments to IAS 12, Income Taxes do not have any impact to the financial statements of the Company as the Company previously calculated the deferred tax assets and liabilities in accordance with the clarified guidance.

3. Significant accounting policies

Basis of preparation

The balance sheet has been prepared under the historical cost accounting convention and in accordance with International Financial Reporting Standards (IFRSs) adopted by the European Union.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Notes to the financial statements (continued)

3. Significant accounting policies (continued)

Going concern

After making enquiries, the directors have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future. There are no significant uncertainties that affect the going concern assumption. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided for amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of 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 the 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.

Cashflow statement

The Company has no cash balances or bank accounts in either the current year or preceding year; therefore, no cashflow statement has been produced.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Notes to the financial statements *(continued)*

3. Significant accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet 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 of the investment have been affected.

For equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.
For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Notes to the financial statements *(continued)*

4. Critical accounting estimates and judgements

The preparation of the financial report in conformity with the International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. However, management do not consider there to be any critical estimates and judgements pertinent to the preparation of these financial statements.

5. Operating result

For the year ended 31 December 2017, fees payable to the auditor of £4,834 *(2016: £4,200)* in respect of the audit of the annual financial statements were borne by a fellow group company. There were no non-audit fees incurred during the year.

6. Staff numbers and costs

The Company had no employees in either the current or preceding year. None of the directors who held office during the current or preceding year received any remuneration for their services as directors to this Company.

7. Taxation

	Year ended 31 Dec 2017 £	**Year ended 31 Dec 2016 £**
Current tax expense		
Amounts payable in respect of imputed interest	**1,285**	1,392
Total tax expense in Statement of comprehensive income	**1,285**	1,392

Reconciliation of effective tax rate	**Year ended 31 Dec 2017 £**	**Year ended 31 Dec 2016 £**
Result before tax	-	-
Tax at the average UK corporation tax rate of 19.25% *(2016: 20%)*	-	-
Imputed interest	**1,285**	1,392
Total tax expense in Statement of comprehensive income	**1,285**	1,392

The Company has no losses to carried forward as at 31 December 2017 (*2016: nil*).

The Company's average standard rate of corporation tax has decreased from 20% in 2016 to 19.25% in 2017 because of a decrease in UK tax rates. A further rate reduction has been enacted to reduce the main rate of corporation tax to 17% from 1 April 2020.

There is no provided nor unprovided deferred tax in the current year or the preceding year.

Notes to the financial statements *(continued)*

8. Trade and other receivables

	2017	2016
	£	£
Amounts due in one year		
Amounts owed by related parties	**175,493**	176,981

Loans receivable from related parties are unsecured, non-interest bearing and repayable on demand. The carrying amount of these assets approximates to their fair value.

9. Trade and other payables

	2017	2016
	£	£
Amounts payable within one year		
Amounts owed to related parties	**1,392**	1,488
Current tax payable	**1,285**	1,392
	2,677	2,880

Loans payable from related parties are unsecured, non-interest bearing and repayable on demand. The carrying amount of these liabilities approximates to their fair value.

10. Related party transactions

Transactions

During the year, the Company entered into the following transactions with related parties:

Related Party	Nature of relationship	Nature of transaction	Value of transaction 2017 £	Value of transaction 2016 £
BHAL Global Corporate Limited	Fellow group Company	Group tax relief received	-	(1,488)
BGRS Global UK Limited	Fellow group Company	Group tax relief received	(1,392)	-

Notes to the financial statements *(continued)*

10. Related party transactions *(continued)*

At year end, the Company had the following payables to and receivables from related parties:

Related Party	Relationship	Amounts owed by/ (to) related parties 2017 £	2016 £
BFIN Private Advisors LP (formerly Brookfield Private Advisors LP)	Parent	**175,493**	176,981
BHAL Global Corporate Limited	Fellow group Company	-	(1,488)
BGRS Global UK Limited	Fellow group Company	**(1,392)**	-

There are no past due or impaired payable balances. All transactions with related parties are repayable on demand and no interest is payable. Related party transactions are at arm's length.

11. Financial instruments

Categories of financial instruments

The following table summarises the fair values of the financial assets and liabilities recorded in the Company's financial statements.

	Current 2017 £	2016 £
Financial assets		
Trade and other receivables	**175,493**	176,981
Financial liabilities		
Trade and other payables	**(1,392)**	(1,488)

Capital risk management

The Company manages its working capital to ensure that it will be able to continue as a going concern.

Credit risk management

Credit risk refers to the risk that a customer will default on its contractual obligations resulting in financial loss to the Company. Other than with related parties, the Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Liquidity risk management

The liquidity of the Company is managed by Group Treasury as part of the overall Group position. The Group manages its liquidity to ensure that entities in the Group have access to funds as required.

Notes to the financial statements *(continued)*

12. Called up share capital

	2017	2016
	£	£
Authorised		
10,000 ordinary shares of £1 each	-	10,000
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	2	2

13. Ultimate parent undertaking and parent undertaking of larger group of which the Company is a member

The immediate parent, BFIN Private Advisors LP, is registered in the United Kingdom under the Partnership Act 1907. The ultimate parent and ultimate controlling party is Brookfield Asset Management Inc., a company incorporated in Canada. The address of its registered office is Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.

The smallest and largest group in which the results of the Company are consolidated is that headed by Brookfield Asset Management Inc, incorporated in Canada. The consolidated financial statements of Brookfield Asset Management Inc are available to the public and may be obtained from its registered office at Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.