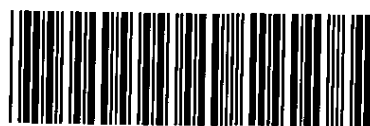


Company No. 07446248

BURLINGTON NUMBER 1 LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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BURLINGTON NUMBER 1 LIMITED

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BURLINGTON NUMBER 1 LIMITED

DIRECTORS, ADVISORS AND OTHER INFORMATION

DIRECTORS

As at the date of signing the financial statements the Directors were as follows:

Matthew Fellows
Richard Ford
Berit Stokke
John Wythe

ADMINISTRATOR

State Street Administration Services (UK) Limited
20 Churchill Place
Canary Wharf
London
E14 5HJ

BANKERS

Citi Bank
Citigroup Centre
33 Canada Square
Canary Wharf
London
E14 5LB

INDEPENDENT AUDITOR

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

REGISTERED OFFICE

20 Churchill Place
Canary Wharf
London
E14 5HJ

COMPANY NO.

07446248

BURLINGTON NUMBER 1 LIMITED

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements of Burlington Number 1 Limited (the "Company") for the year ended 31 December 2016.

INCORPORATION

The Company was incorporated in England and Wales on 22 November 2010 with registered No. 07446248.

ACTIVITIES

The principal activity of the Company is to act as holding company and immediate parent to NBIM George GP Limited (the "Subsidiary").

The Subsidiary acts as the General Partner to NBIM George Partners LP (the "Partnership"). The Partnership's main activities consist of investing directly in property.

RESULTS AND DIVIDENDS

The profit during the year ended 31 December 2016 amounted to £415,860 (31 December 2015: £1,338,250)

The Company's expenses and costs are borne by the Partnership under an administrative costs deed signed by all parties in 2011, and as such, no expense has been reported in the statement of comprehensive income of these financial statements.

The Directors do not recommend a dividend for the year ended 31 December 2016 (31 December 2015: £nil).

GOING CONCERN

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

DIRECTORS

The Directors who held office during the year and up to the date of approval of this report were:

Matthew Fellows
Richard Ford
Berit Stokke
John Wythe

DIRECTORS' INDEMNITIES

The Company has made qualifying third party indemnity provisions for the benefit of its Directors during the year. These remain in force at the date of this report.

BURLINGTON NUMBER 1 LIMITED

REPORT OF THE DIRECTORS - (CONTINUED)

FINANCIAL RISK MANAGEMENT

The Directors carry out the risk management function in respect of financial risks within the Company. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting year. Financial risk comprises market risk (including currency rate risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The Company's financial instrument consists of the investment in the Subsidiary.

The main risk arising from the Company's financial instrument is market risk. The Company has no exposure to credit risk and liquidity risk. The Directors review and agree policies for managing the Company's risk exposure. These policies are described below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risks arise from its investment in the Subsidiary. The Subsidiary holds an investment in the Partnership which indirectly holds investment properties. The properties are exposed to general and specific market movements. The Directors review these risks on a quarterly basis.

Capital management

The capital of the Company consists of equity (comprising issued share capital and retained earnings). The Company's objective when managing capital is to maintain an appropriate capital structure for the Company to discharge its responsibilities as a holding company in the group structure. The Company is not subject to externally imposed capital requirements.

FUTURE DEVELOPMENTS

The Company will continue to act as holding company and immediate parent to the Subsidiary.

INDEPENDENT AUDITOR

Deloitte LLP has expressed its willingness to continue in office.

Each of the persons who is a Director at the date of approval of this report confirms that:

- * so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- * the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself 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. Where the Company will hold an Annual General Meeting, a resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

BURLINGTON NUMBER 1 LIMITED

REPORT OF THE DIRECTORS - (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing 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 ("IFRS") as adopted by the European Union ("EU"), as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). 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 for that year.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS.

In preparing these financial statements, the Directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- * state whether applicable IFRS 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.

In preparing the Directors' report, the Directors have taken advantage of the exemptions available for small companies in accordance with Section 415(A) of the Companies Act 2006. They have also taken the exemption to not prepare a strategic report.

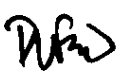
So far as each of the Directors is aware, there is no relevant audit information of which the Company's auditor is unaware and he/she has taken all the steps he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


The Directors confirm that they have complied with the above requirements throughout the year and subsequently.

BY ORDER OF THE BOARD

Director

Date: 19 May 2017


LIAMAS GOSS


MATTHEW FENNEL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURLINGTON NUMBER 1 LIMITED

We have audited the financial statements of Burlington Number 1 Limited (the "Company") for the year ended 31st December 2016 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 11. 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.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 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.

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 31st December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BURLINGTON NUMBER 1 LIMITED - (CONTINUED)

Opinion 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.

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; or
- the Directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report



Mark Beddy (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London UK



23 May 2017

BURLINGTON NUMBER 1 LIMITED

STATEMENT OF FINANCIAL POSITION**AS AT 31 DECEMBER 2016**

	<u>Notes</u>	<u>31 Dec 16</u>	<u>31 Dec 15</u>
		£	£
ASSETS			
NON-CURRENT ASSETS			
Investment in Subsidiary	5	3,622,232	3,206,372
TOTAL ASSETS		<u>3,622,232</u>	<u>3,206,372</u>
EQUITY			
Share capital	7	501	501
Retained earnings		3,621,731	3,205,871
TOTAL EQUITY		<u>3,622,232</u>	<u>3,206,372</u>

The audited financial statements of Burlington Number 1 Limited, Company No. 07446248, were approved and authorised for issue by the Board of Directors on the 19th day of May 2017 and were signed on its behalf by:

Director:  
RICHARD FORD MATTHEW FELLERS

(The notes on pages 12 to 19 form part of these financial statements)

BURLINGTON NUMBER 1 LIMITED

STATEMENT OF COMPREHENSIVE INCOME**FOR THE YEAR ENDED 31 DECEMBER 2016**

	1 Jan 16 to <u>31 Dec 16</u> £	1 Jan 15 to <u>31 Dec 15</u> £
INCOME		
Fair value gain in the year	415,860	1,338,250
PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME	<u>415,860</u>	<u>1,338,250</u>

Continuing operations

All items dealt with in arriving at the results for the years ended 31 December 2016 and 31 December 2015 relate to continuing operations.

Other Comprehensive Income

No other comprehensive income was derived during the years ended 31 December 2016 and 31 December 2015.

(The notes on pages 12 to 19 form part of these financial statements)

BURLINGTON NUMBER 1 LIMITED

STATEMENT OF CHANGES IN EQUITY**FOR THE YEAR ENDED 31 DECEMBER 2016**

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	£	£	£
Balance at 1 January 2015	501	1,867,621	1,868,122
Profit for the year and total comprehensive income	-	1,338,250	1,338,250
Balance at 31 December 2015	501	3,205,871	3,206,372
Profit for the year and total comprehensive income	-	415,860	415,860
Balance at 31 December 2016	501	3,621,731	3,622,232

(The notes on pages 12 to 19 form part of these financial statements)

BURLINGTON NUMBER 1 LIMITED

STATEMENT OF CASH FLOWS**FOR THE YEAR ENDED 31 DECEMBER 2016**

	1 Jan 16 to 31 Dec 16 £	1 Jan 15 to 31 Dec 15 £
Cash flows from operating activities		
Profit for the year and total comprehensive income	415,860	1,338,250
Adjustment for:		
Fair value gain in the year	(415,860)	(1,338,250)
	<hr/>	<hr/>
Net cash generated from operating activities	-	-
	<hr/>	<hr/>
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	-	-
	<hr/>	<hr/>

(The notes on pages 12 to 19 form part of these financial statements)

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a going concern basis, applying the historical cost convention, except for the revaluation of the investment in the Subsidiary.

The financial statements are presented in Pounds Sterling which is the Company's presentational and functional currency.

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. Changes in assumptions may have a significant impact on the financial statements in the year the assumptions changed.

Going concern

The Company has a net asset position of £3,622,232 as at 31 December 2016 (31 December 2015: £3,206,372). Accordingly, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Consolidation

The Company is considered to meet the definition of an investment entity. As a result the Company applies the mandatory exception for consolidation and instead measures its Subsidiary in accordance with IAS 39 'Financial Instruments: recognition and measurement'.

New Accounting Standards, amendments to existing Accounting Standards and/or interpretations of existing Accounting Standards (separately or together, "New Accounting Requirements") adopted during the current year

- Amendments to IAS 1, 'Presentation of financial statements' on the disclosure initiative'
- Amendments to IAS 27, 'Separate financial statements'

The amendments to the below standard include annual improvements 2010 - 2012 cycle.

- IAS 24, 'Related Party Disclosures'

The amendments to the below standard include annual improvements 2012 - 2014 cycle.

- IFRS 7, 'Financial instrument: Disclosures', (with consequential amendments to IFRS 1)

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

New Accounting Standards, amendments to existing Accounting Standards and/or interpretations of existing Accounting Standards (separately or together, "New Accounting Requirements") adopted during the current year - (continued)

These amendments to the standards are effective for the annual periods beginning on or after 1 January 2016. These amendments did not have any impact on the Company's financial position or performance.

New standards and amendments issued but not yet effective for the financial year beginning 1 January 2016 and not early adopted by the Company

There are no standards or amendments to existing standards issued but not yet effective for the annual periods beginning on or after 1 January 2016 that are relevant to the Company.

Upcoming Accounting Requirements not yet endorsed by the EU

- IFRS 9, 'Financial instruments'
- IFRS 15, 'Revenue from Contracts with Customers'
- IFRS 16, 'Leases'
- IAS 12, 'Recognition of Deferred Tax Assets for Unrealised Losses'

The Directors are presently carrying out an assessment of the impact of the applicable new standards and amendments that are either not yet permitted to be adopted, or are not yet mandatory and will determine whether any further changes or disclosures are required in the future.

All other new standards and amendments have no bearing on the operating activities and disclosures of the Company, and consequently have not been listed.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Pounds Sterling, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income.

Statement of comprehensive income and statement of cash flows

The Company presents its statement of comprehensive income by function of expense. The Company reports cash flows using the indirect method.

The acquisition of investments is classified as cash flows from investing activities as the Directors consider that this most appropriately reflects the Company's business activities.

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity financial assets, and available-for-sale financial assets, as appropriate. The Directors determine the classification of the Company's financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial assets expire or the Company transfers substantially all risks and rewards of ownership.

The Company's financial asset consists of the investment in the Subsidiary.

Investment in Subsidiary

The investment in the Subsidiary is accounted for at fair value through profit or loss. Gains or losses arising from the fair value are recognised in the statement of comprehensive income.

Fair value measurement

The investment in the Subsidiary is classified as a financial asset at fair value through profit or loss in accordance with the provisions set out in IAS 39. This classification more fully explains the nature of the investment. The Directors designate the classification of the investment at the time of purchase.

IAS 39 requires financial assets to be held at fair value, except only in rare circumstances where the fair value cannot be reliably measured in which case it allows the financial asset to be carried at cost less provision for impairment. IFRS 13 'Fair Value Measurement' defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).

The fair valuation of the unquoted investment is the key source of estimation uncertainty at the date of the statement of financial position that has a significant risk of causing a material adjustment in the carrying value of the investment.

The fair value of the investment as at 31 December 2016 amounted to £3,622,232 (31 December 2015: £3,206,372).

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Trade and other receivables

Trade and other receivables are composed of trade receivables with due dates of less than one year.

A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The provision is recognised in the statement of comprehensive income.

Expenses

The Company's expenses and costs are borne by the Partnership under an administrative costs deed signed by all parties in 2011.

2. SIGNIFICANT JUDGEMENT AND KEY ESTIMATES

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. Changes in assumptions may have a significant impact on the financial statements in the year the assumptions changed. The Directors believe that the underlying assumptions are appropriate. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors believe that critical accounting judgement has been applied in the preparation of these financial statements in respect of the valuation of the investment in the Subsidiary, see Note 5 for further details.

3. FINANCIAL RISK MANAGEMENT

The Directors carry out the risk management function in respect of financial risks within the Company. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting year. Financial risk comprises market risk (including currency rate risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The Company's financial instrument consists of the investment in the Subsidiary.

The Company's financial instrument is measured at fair value through profit or loss in terms of the financial asset accounting policy and IAS 39 'Financial Instruments: Recognition and Measurement'.

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2016****3. FINANCIAL RISK MANAGEMENT - (CONTINUED)**

The main risk arising from the Company's financial instrument is market risk. The Company has no exposure to credit risk and liquidity risk. The Directors review and agree policies for managing the Company's risk exposure. These policies are described below.

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risks arise from its investment in the Subsidiary. The Subsidiary holds an investment in the Partnership which indirectly holds investment properties. The properties are exposed to general and specific market movements. The Directors review these risks on a quarterly basis.

i) Foreign exchange risk

The Company has no exposure to foreign currency risk as its operational activities and investments are conducted in base currency.

ii) Price risk

The Company is not exposed to the market risk with respect to its financial instrument as it does not hold any marketable equity securities.

iii) Cash flow risk and interest rate risk

The Company is not exposed to cash flow risk or interest rate risk as it has no receivables or payables.

iv) Fair value

The cost and the corresponding fair value of the Company's financial instrument is as follows:

	<u>31 Dec 16</u>		<u>31 Dec 15</u>	
	Cost	Fair value	Cost	Fair value
	£	£	£	£
Investment in Subsidiary	501	3,622,232	501	3,206,372

Sensitivity in the fair value of the investment in the Subsidiary is derived directly and proportionally from the fair value of the investment property held directly by the Partnership which the Subsidiary invests in.

Fair value hierarchy

The Company has adopted the amendment to International Financial Reporting Standard No. 13 'Fair Value Measurement' ("IFRS 13") for financial instruments that are measured at fair value. IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the levels on the next page:

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2016****3. FINANCIAL RISK MANAGEMENT - (CONTINUED)****a) Market risk - (continued)****Fair value hierarchy - (continued)**

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Inputs for the asset or liability that are not based on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The table below analyses the financial instrument measured at fair value as at the statement of financial position date by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 December 2016	Level 1	Level 2	Level 3
	£	£	£
Investment in Subsidiary	-	-	3,622,232
31 December 2015	Level 1	Level 2	Level 3
	£	£	£
Investment in Subsidiary	-	-	3,206,372

In the opinion of the Directors there are no observable inputs relating to the valuation of the Subsidiary hence level 3 is the appropriate classification of the investment.

For further information on the fair value technique of the investment in the Subsidiary, please refer to Note 5.

b) Capital management

The capital of the Company consists of equity (comprising issued share capital and retained earnings). The Company's objective when managing capital is to maintain an appropriate capital structure for the Company to discharge its responsibilities as a holding company in the group structure. The Company is not subject to externally imposed capital requirements.

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2016****4. KEY MANAGEMENT PERSONNEL**

The Company has no employees. The key management personnel have been identified as the Directors of the Company. During the year the Directors received remuneration of £2,163 (31 December 2015: £2,163), which was borne by the Partnership under the administrative costs deed signed in 2011.

5. INVESTMENT IN SUBSIDIARY

	31 Dec 16	31 Dec 15
	£	£
Cost at the start of the year	501	501
Cost at the end of the year	501	501
Fair value gain at the start of the year	3,205,871	1,867,621
Fair value gain for the year	415,860	1,338,250
Fair value gain at the end of the year	3,621,731	3,205,871
Fair value	3,622,232	3,206,372

The investment is accounted for at fair value through profit or loss. Changes in fair value gains in the table above are recognised in the statement of comprehensive income.

The investment relates to 501 ordinary shares at £1 each in the Subsidiary, which is a company incorporated in England and Wales. The investment represents 100% ownership of the Subsidiary. As at 31 December 2016, the Subsidiary has a net asset value of £3,622,232 (31 December 2015: £3,206,374).

The Subsidiary acts as the General Partner to the Partnership and also has an investment of 0.50% in the capital of the Partnership. The registered address of both the Subsidiary and the Partnership is 20 Churchill Place, Canary Wharf, London E14 5HJ. The Partnership qualifies as a qualifying partnership under the Partnership (Accounts) Regulation 2008 and accordingly, the Partnership's financial statements are appended to the Company's and Subsidiary's financial statements.

The Partnership indirectly holds investment properties. As at the statement of financial position date, the properties indirectly held by the Partnership were valued by qualified professional valuers in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

The fair value of the financial instrument, which comprises the Company's investment in the Subsidiary, is estimated to be equal to the net asset value of the Subsidiary as determined by the Directors as at the statement of financial position date.

BURLINGTON NUMBER 1 LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**FOR THE YEAR ENDED 31 DECEMBER 2016****6. TAXATION**

The Company did not generate any taxable income during the year. Its expenses and costs are borne by the Partnership under an administrative costs deed. Accordingly, the Directors believe that no taxation should be recognised in the financial statements during the year ended 31 December 2016 (31 December 2015: £nil).

7. SHARE CAPITAL

	<u>31 Dec 16</u>	<u>31 Dec 15</u>
	£	£
AUTHORISED:		
501 ordinary shares of £1 each	501	501
	<hr/>	<hr/>
ISSUED AND PAID:		
501 ordinary shares of £1 each	501	501
	<hr/>	<hr/>

8. RELATED PARTY DISCLOSURES

The Company's immediate and ultimate parent is Norges Bank which is based in Norway. The Company acts as the holding company and immediate parent to the Subsidiary.

The Subsidiary acts as the General Partner to the Partnership.

During the year, expenses of £11,309 (31 December 2015: £12,042) were borne by the Partnership on behalf of the Company under an administrative costs deed signed in 2011.

9. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

Norges Bank, as the sole shareholder of the Company, is considered the immediate and ultimate controlling party and is the smallest and largest entity which consolidates these financial statements. Norges Bank was incorporated in Norway and its financial statements are available from Bankplassen 2, 0151 Oslo, Norway.

10. AUDITOR'S REMUNERATION

Audit fees of £2,890 (31 December 2015: £2,950) were borne by another group company in the accounting year.

11. SUBSEQUENT EVENTS

There were no material events after the date of the statement of financial position that have a bearing on the understanding of these financial statements.