

Company number : 07717091

WELLESBOURNE DISTRIBUTION PARK GP LIMITED
(FORMERLY ALNERY NO. 2987 LIMITED)

FINANCIAL STATEMENTS FOR THE YEAR ENDED
DECEMBER 31, 2016

25 Bank Street
Canary Wharf
E14 5JP London
United Kingdom

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WELLESBOURNE DISTRIBUTION PARK GP LIMITED

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WELLESBOURNE DISTRIBUTION PARK GP LIMITED

COMPANY INFORMATION

DIRECTORS

Mr. Colin Whittington
Mr. Shaun Burch
Mr. Karl McCathern

LEGAL ADVISERS

Wragge & Co LLP
55 Colmore Row
B3 2AS Birmingham
United Kingdom

TAX ADVISERS

Deloitte LLP
Athene Place
66 Shoe Lane
London EC4A 3BQ
United Kingdom

SECRETARY

J.P. Morgan Secretaries (UK) Limited
Level 23, 25 Bank Street
London E14 5JP
United Kingdom

REGISTERED OFFICE

25 Bank Street
Canary Wharf
E14 5JP London
United Kingdom

WELLESBOURNE DISTRIBUTION PARK GP LIMITED

REPORT OF THE DIRECTORS

Wellesbourne Distribution Park GP Limited (the Company) presents its report on the activities together with the financial statements for the year ended December 31, 2016.

Any disclosure of information in these financial statements may only be made with the prior consent of the Company.

ACTIVITIES

The Company was incorporated on July 25, 2011 and was formerly known as Alnery No. 2987 Limited. The name change was effective on July 29, 2011.

The sole activity of the Company is to act as the General Partner of the Wellesbourne Distribution Park Limited Partnership (the Partnership) as governed by the Limited Partnership agreement.

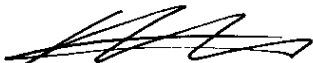
On August 2, 2011, the Partnership was established as an English Limited Partnership under the Limited Partnerships Act 1907 to invest in investment property and related investments for the purpose of rental revenue and capital appreciation.

RESULTS

Results for the year are presented in page 5 of the financial statements.

The result for the year ended December 31, 2016 is nil (2015: nil).

Signed on behalf of



WELLESBOURNE DISTRIBUTION PARK GP LIMITED

Date: May 25, 2017

Director's name: Mr. Karl McCathern

WELLESBOURNE DISTRIBUTION PARK GP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 including FRS 102 " The Financial Reporting Standard applicable in the UK and Republic of Ireland). 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 year. 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 UK Accounting Standards 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.

Signed on behalf of



WELLESBOURNE DISTRIBUTION PARK GP LIMITED

Date: May 25, 2017

Director's name: Mr. Karl McCathern

WELLESBOURNE DISTRIBUTION PARK GP LIMITED

STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2016

	Notes	2016 GBP	2015 GBP
Other operating income		-	-
Administrative expenses		-	-
Profit/(Loss) on ordinary activities before taxation		-	-
Tax on profit on ordinary activities		-	-
Profit/(Loss) for the year and other comprehensive income		-	-

Continuing operations

All items dealt with in arriving at the net profit/(loss) for the current year relate to continuing operations.

WELLESBOURNE DISTRIBUTION PARK GP LIMITED**BALANCE SHEET**As at December 31, 2016

	Notes	2016 GBP	2015 GBP
Fixed assets			
Investments	2	1	1
Current assets			
Cash and cash equivalents		-	-
Total current assets		-	-
Net current assets/(liabilities)		-	-
Total assets less current liabilities		<u>1</u>	<u>1</u>
Capital and reserves			
Partner's capital		1	1
Profit and loss account		-	-
Shareholder's funds		<u>1</u>	<u>1</u>

The company is entitled to exemption from audit under Section 480 of the Companies Act 2006 for the year ended December 31, 2016.

The members have not required the Company to obtain an audit of its financial statements for the year ended December 31, 2015 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for.

(a) ensuring that the Company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on May 25, 2017 and were signed on its behalf by:



Director's name: Mr. Karl McCathern
Company number : 07717091

WELLESBOURNE DISTRIBUTION PARK GP LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2016

	Capital Contribution GBP	Result for the year GBP	Total GBP
Balance as at December 31, 2014	1	-	1
Change for the year	-	-	-
Balance as at December 31, 2015	1	-	1
Change for the year	-	-	-
Balance as at December 31, 2016	1	-	1

The paid share capital of the Company is composed of 1 ordinary share of GBP 1.

WELLESBOURNE DISTRIBUTION PARK GP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2016

1. ACCOUNTING POLICIES

Basis of Accounting

The Company was incorporated on July 25, 2011 and was formerly known as Alnery No. 2987 Limited. The name change was effective on July 29, 2011. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the report of directors on page 3.

The financial statements have been prepared under the historical cost convention in accordance with FRS 102 "The financial Reporting Standard applicable in the UK and Republic of Ireland".

The prior financial statements were not restated on adoption of FRS 102 as no adjustment was needed.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemption has been taken in these separate Company financial statements in relation to presentation of a cash flow statement.

The directors have made an assessment of the Company's ability to continue as a going concern and have identified no material uncertainties that may cast a significant doubt on the ability of the Company to continue as a going concern for the foreseeable future.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at 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 Company'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.

2. FIXED ASSET INVESTMENTS

	2016 GBP	2015 GBP
Underlying investments		
Cumulative cost balance at start of year	1	1
New investments made during the year	-	-
Cumulative costs as at the end of the year	1	1
Net book value at the end of the year	1	1

The Company has made a capital contribution of GBP 1 to the Partnership.

3. RELATED PARTY DISCLOSURE

There were no material related party transactions during the year.

4. CONTROLLING PARTIES

At December 31, 2016 and 2015, 100% of the share capital of the Company was owned by JPMorgan GEOPF Luxembourg Holding S à r.l. registered in Luxembourg. The ultimate controlling party is JPMorgan Greater Europe Opportunistic Property Fund (B) L.P., registered in Scotland which prepares group financial statements available at 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland.

5. ADVANCES, CREDIT AND GUARANTEES

The General Partner has granted no credits, advances or guarantees to the Directors of any kind throughout the year.

WELLESBOURNE DISTRIBUTION PARK LP

Financial Statements
For the year from January 1, 2016 to December 31, 2016

WELLESBOURNE DISTRIBUTION PARK LP

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WELLESBOURNE DISTRIBUTION PARK LP

GENERAL INFORMATION

The entity is an English Limited Partnership, incorporated and domiciled in England. The address of its registered office is 60 Victoria Embankment, London EC4Y 0JP, UK. The parent of the group is Flairzone S.à r.l.
The partnership number is LP014590

General Partner: Wellesbourne Distribution Park GP Limited

Directors of the General Partner: Karl W McCathern appointed on July 29, 2011
Colin Whittington appointed on August 8, 2011
Shaun S Burch appointed on July 29, 2011

Operator: JPMorgan Asset Management (UK) Limited
60 Victoria Embankment
London EC4Y 0JP
United Kingdom

Investment Adviser: JPMorgan Asset Management (UK) Limited

Accountants: Deloitte Tax & Consulting S à r.l
560, rue de Neudorf
L-2220 Luxembourg
Grand Duchy of Luxembourg

Independent Auditors: PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT
United Kingdom

Legal Advisers: Allen & Overy LLP
One Bishops Square
E1 6AD London
United Kingdom

Tax Advisers: Deloitte LLP
Athene Place
66 Shoe Lane
London EC4A 3BQ
United Kingdom

WELLESBOURNE DISTRIBUTION PARK LP

GENERAL PARTNER'S REPORT

The Board of Directors of the General Partner present their report and the financial statements of Wellesbourne Distribution Park LP (the "Limited Partnership") for the year from January 1, 2016 to December 31, 2016.

Principal activities

The Limited Partnership has been established to invest in investment property and related investments for the purpose of rental revenue and capital appreciation.

Business Review and Future Developments

In September 2011, the Group (composed of the Limited Partnership and its wholly owned subsidiary, Aberdone S à r.l.) acquired for investment purposes a distribution park and surrounding land with an address at Wellesbourne Business Park, Loxley Road, Wellesbourne. The acquisition price for the asset was £20.75 million, excluding acquisition costs amounting to £1.66 million. This acquisition was partly funded with a £13.20 million loan facility from Santander. The distribution park comprised a number of premises leased to tenants. Certain obsolete premises had been demolished and new buildings constructed in their place. One such building under construction together with the land on which it sits was sold on a "forward funding basis" in May 2014, yielding sale proceeds of £4.70 million. Under the terms of this sale Wellesbourne was retained as developer by the purchaser and completed the construction of a Sainsbury's supermarket in May 2015. The total development profit earned by Wellesbourne following the sale in respect of this development was £1.20 million.

On part of the remaining distribution park land held, there was another building under construction, which was a built to suit logistics unit for Aston Martin and pre let to them for 15 years. Construction commenced during 2014. The distribution park was sold on February 20, 2015. The sale generated net proceeds of £35.30 million. This included various deductions for future development costs and contingency retentions relating to the building under construction totalling £4.13 million which were placed in a third party escrow account. Under the terms of the sale, the Limited Partnership was obligated to provide development services to the purchaser, with the remaining development costs being funded directly from the amounts held in the third party escrow account. The development was completed in June 2015. Part of the proceeds from the sale of the Aston Martin development site were used to repay the outstanding Santander debt in full.

The Limited Partnership had a wholly owned subsidiary Aberdone S à r.l. ("Aberdone") established and domiciled in Luxembourg. Aberdone owned land adjacent to Wellesbourne Distribution Park LP. The land held by Aberdone was sold on March 11, 2015 for an amount of £6.34 million. Aberdone had been liquidated on June 1, 2016 generating liquidation proceeds of £2.62 million.

Now that all the investments have been sold, there are no plans for future developments.

Statement of General Partner's responsibilities in respect of the financial statements

The General Partner is responsible for preparing the General Partner's Report and the Limited Partnership's financial statements in accordance with applicable law and regulations.

Company law requires the General Partner to prepare financial statements for each financial year. Under that law, the General Partner has prepared the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU). Under Company Law, the General Partner 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 Limited Partnership and of the profit or loss of the Limited Partnership for that period. In preparing these financial statements, the General Partner is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs as adopted by EU) 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 Limited Partnership will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Limited Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulation 2008. The General Partner is also responsible for safeguarding the assets of the Limited Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with Section 418, the General Partner report shall include a statement, in the case of each director in office at the date the General Partner report is approved, that:

- (a) so far as each director of the General Partner is aware, there is no relevant audit information of which the Limited Partnership's auditor is unaware; and
- (b) each director of the General Partner has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Limited Partnership's auditor is aware of that information.

Financial risk management objectives and policies

Financial risk management objectives and policies are described in the notes to the financial statements for the Limited Partnership (Note 3).

Directors of the General Partner

The names of the persons who were directors of the General Partner during the year and up to the date of the signing are Karl W McCathern, Colin Whittington and Shaun S Burch.

Auditors

The General Partner confirms that so far as it is aware, there is no relevant audit information of which the Limited Partnership's auditors are unaware, and it has taken all the steps that it ought to have taken as a General Partner in order to make itself aware of any relevant audit information and to establish that the Limited Partnership's auditors are aware of that information.

The independent Auditors PricewaterhouseCoopers LLP has expressed its willingness to continue in office as auditors.

By order of the General Partner


For and on behalf of Wellesbourne Distribution Park GP Limited
Director

Date March 23, 2017

Report on the financial statements

Our opinion

In our opinion, Wellesbourne Distribution Park LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its gain and cash flows 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 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.
-

What we have audited

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

- the Statement of Financial Position as at 31 December 2016;
- the Statement of Comprehensive Income for the year then ended;
- Cash Flow Statement for the year then ended;
- the Statement of Changes in Net Assts Attributable to Partners for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

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

Entitlement to exemptions

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the general partner

As explained more fully in the General Partner's Report set out on page 3, the general partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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.

What an audit of financial statements involves

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

- whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the general partner ; and
- the overall presentation of the financial statements.

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

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

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



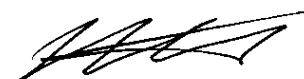
Sandra Dowling (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 March 2017

WELLESBOURNE DISTRIBUTION PARK LP

STATEMENT OF FINANCIAL POSITION

As at December 31, 2016

	Notes	2016 GBP	2015 GBP
ASSETS			
Non-current assets			
Investment in subsidiaries	5	-	20,000
<i>Total non-current assets</i>		-	20,000
Current assets			
Trade and other receivables	9	36,495	553,658
Cash and cash equivalents	14	1,336,516	51,421
<i>Total current assets</i>		1,373,011	605,079
Total assets		1,373,011	625,079
LIABILITIES			
Current liabilities			
Trade and other payables	11	7,866	10,445
Payable to affiliated undertaking	5	-	2,620,690
Accrued expenses	16	795,437	58,856
<i>Total current liabilities</i>		803,303	2,689,991
Total liabilities (excluding Net assets attributable to Partners)		803,303	2,689,991
Net assets attributable to Partners		569,708	(2,064,912)
Total liabilities		1,373,011	625,079


Director


Date

The accompanying notes on pages 10-21 form an integral part of these financial statements

WELLESBOURNE DISTRIBUTION PARK LP

STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2016

	Notes	2016 GBP	2015 GBP
Rental income		-	382,169
Other property income		1,433	182,254
Construction contract revenue	12	114,063	2,489,665
Service charges, net	17	-	126,589
Net operating income		115,496	3,180,677
General and administrative expenses	18	(62,238)	700,460
Construction contract costs	12	(92,678)	(2,100,613)
Net Operating (loss)/income		(39,420)	1,780,524
Net change in fair value of investment properties	8	-	(11,833)
Net change in fair value of derivative financial instruments	13	-	120,391
Liquidation proceeds from subsidiary	5	2,675,878	-
Realised gain on sale of the investment properties	10	-	71,480
Realised loss on foreign currency transactions		(714)	(1,053)
Operating income		2,635,744	1,959,509
Finance income		-	301
Finance cost	15	(1,124)	(214,666)
Profit before taxation		2,634,620	1,745,144
Net profit for the year		2,634,620	1,745,144
<i>Net profit for the year:</i>			
Attributable to Limited Partners		2,634,620	1,745,144
Other comprehensive income for the year		-	-
<i>Total comprehensive income for the year:</i>			
Attributable to Limited Partners		2,634,620	1,745,144

The accompanying notes on pages 10-21 form an integral part of these financial statements

WELLESBOURNE DISTRIBUTION PARK LP

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTNERS

For the year ended December 31, 2016

	Capital Contribution GBP	Advance Contribution GBP	Distribution GBP	Retained Earnings GBP	Total GBP
Balance at December 31, 2014	107	9,272,650	(315,885)	14,295,532	23,252,404
Contribution	-	549,750	-	-	549,750
Reimbursement	-	(9,146,988)	-	-	(9,146,988)
Accrued interest	-	39,812	-	-	39,812
Repayment of interest	-	(715,224)	-	-	(715,224)
Distribution	-	-	(17,789,810)	-	(17,789,810)
Net profit for the year and total comprehensive income for the year	-	-	-	1,745,144	1,745,144
Balance at December 31, 2015	107	-	(18,105,695)	16,040,676	(2,064,912)
Contribution	-	-	-	-	-
Reimbursement	-	-	-	-	-
Accrued interest	-	-	-	-	-
Repayment of interest	-	-	-	-	-
Distribution	-	-	-	-	-
Net profit for the year and total comprehensive income for the year	-	-	-	2,634,620	2,634,620
Balance at December 31, 2016	107	-	(18,105,695)	18,675,296	569,708

The accompanying notes on pages 10-21 form an integral part of these financial statements.

WELLESBOURNE DISTRIBUTION PARK LP

CASH FLOW STATEMENT

For the year ended December 31, 2016

	Notes	2016 GBP	2015 GBP
Cash flows from operating activities			
Net profit for the year		2,634,620	1,745,144
<i>Adjustments in relation to:</i>			
Net change in fair value of derivative financial instruments	13	-	(120,391)
Finance income		-	(301)
Finance cost		1,124	214,667
Liquidation proceeds from subsidiary	5	(2,675,878)	-
Changes in working capital	19	507,181	(2,966,026)
<i>Cash generated from/(used in) operations</i>		<u>467,047</u>	<u>(1,126,907)</u>
Interest received		-	301
Interest paid		-	(176,140)
Finance cost paid		(1,124)	(88,760)
<i>Net cash generated from/(used in) operating activities</i>		<u>465,923</u>	<u>(1,391,506)</u>
Cash flows from investing activities			
Disposal of investment properties at market value	8	-	35,296,417
<i>Net cash generated by investing activities</i>		<u>-</u>	<u>35,296,417</u>
Cash flows from financing activities			
Contributions from Limited Partners	4	-	549,750
Reimbursement to Limited Partners		-	(9,146,988)
Repayment of interest		-	(715,224)
Distribution		-	(17,789,810)
Proceeds from affiliated undertakings	5	819,172	2,620,690
Repayments of borrowings	13	-	(10,500,000)
<i>Net cash used in financing activities</i>		<u>819,172</u>	<u>(34,981,582)</u>
Net increase/(decrease) in cash and cash equivalents		<u>1,285,095</u>	<u>(1,076,671)</u>
Cash and cash equivalents at the beginning of the year		51,421	1,128,092
Cash and cash equivalents at the end of the year	14	<u>1,336,516</u>	<u>51,421</u>

The accompanying notes on pages 10-21 form an integral part of these financial statements

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP

For the year ended December 31, 2016

1. General Information

Wellesbourne Distribution Park LP (the "Limited Partnership") was established on August 2, 2011 as an English limited partnership.

The address of the Limited Partnership's registered office is 60 Victoria Embankment, London, EC4Y 0JP, England

The Limited Partnership was constituted by Wellesbourne Distribution Park GP Limited as General Partner and Flairzone S.à r.l. as Initial Limited Partner. The Limited Partnership commenced its investment activity in September 2011. The term of the Partnership shall continue until November 2021, unless terminated earlier or extended in accordance with the first amended and restated limited partnership agreement.

The purpose of the Limited Partnership is to seek returns from acquiring, holding, managing and disposing of investments in real estate and real estate-related assets.

These financial statements of the Limited Partnership have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS as adopted by the EU") and have been approved for issue by the General Partner on March 23, 2017 and are not subject to change after such approval.

The Limited Partnership has taken advantage of the small companies exemption and has not presented a strategic report.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

A. Basis of preparation

The financial statements of the Limited Partnership have been prepared in accordance with IFRSs as adopted by the EU as issued by the International Accounting Standards Board and in accordance with Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008. The financial statements have been prepared on a going concern basis under the historical cost convention, except for the revaluation of investment property, financial assets and financial liabilities (including derivative financial instruments) held at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS as adopted by the EU requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Limited Partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements are disclosed in note L below.

i. Standards, amendments and interpretations effective 2016 and adopted by the Limited Partnership

The following standards have been adopted by the Limited Partnership for the first time for the financial year beginning on or after January 1, 2015 with no material impact on the Limited Partnership's financial statements:

Amendment to IFRSs Annual improvements to IFRSs 2010-2012 Cycle, and

Amendment to IFRSs Annual improvements to IFRSs 2011-2013 Cycle

ii. New standards, amendments and interpretations issued but not effective for the financial year beginning on January 1, 2016 and not early adopted.

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Limited Partnership, except the following set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&I. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Limited Partnership is yet to assess IFRS 9's full impact.

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

2. Summary of significant accounting policies (continued)

A. Basis of preparation (continued)

ii. New standards, amendments and interpretations issued but not effective for the financial year beginning on January 1, 2016 and not early adopted. (continued)

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Limited Partnership is assessing the impact of IFRS 15.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Limited Partnership.

B. Foreign currency translation

The financial statements of the Limited Partnership are presented in pound sterling (GBP or £), which is the functional currency.

(a) Functional and presentation currency

Items included in the financial statements of the Limited Partnership are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

(b) Transactions and balances

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

When gains or losses on a non-monetary item are recognised directly in other comprehensive income, the exchange component of that gain or loss shall be recognised directly in other comprehensive income. Conversely when gains or losses on a non-monetary item are recognised directly in the profit or loss within the statement of comprehensive income, the exchange component of that gain or loss shall be recognised in the profit or loss within the statement of comprehensive income.

As at December 31, 2016, the Limited Partnership has GBP as functional currency.

C. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and which is not occupied by the Limited Partnership is classified as investment property.

Investment property comprises freehold land, freehold buildings and buildings held under finance lease.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Limited Partnership uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections.

Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of the current market conditions.

The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the investment property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property, others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is included into the investment property's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Limited Partnership and the cost of the item can be measured reliably. All repairs and maintenance costs are charged to the statement of comprehensive income during the financial year in which they are incurred.

Investment property under construction is also valued at fair value, except if such values cannot be reliably determined. In the exceptional cases when a fair value cannot be reliably determined, such properties are recorded at cost.

Changes in fair value are recognised in the statement of comprehensive income. Investment properties are derecognised when they have been disposed.

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

2. Summary of significant accounting policies (continued)

D. Leases

The Limited Partnership is the lessor

i. Operating lease

Properties leased out under operating leases are included in investment property in the balance sheet. Lease income is recognised over the term of the lease on a straight-line basis.

ii. Finance lease

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

E. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

F. Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less a provision for impairment.

An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified against revenue.

G. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts.

H. Borrowings

Borrowings are designated at fair value through profit or loss at inception and are financial instruments that are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis.

Borrowings are recognised initially and subsequently at fair value. Transactions costs are expensed as incurred. Any change in the fair value is recognised in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Limited Partnership has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Interest expenses related to the borrowings are reported as finance cost in the statement of comprehensive income based on the effective interest rate.

I. Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

2. Summary of significant accounting policies (continued)

I. Deferred income tax (continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the Limited Partnership and it is probable that the temporary difference will not reverse in the foreseeable future

J. Revenue recognition

Revenue includes rental income, service charges and management charges from properties, and income from property trading

Rental Income

Rental income from operating leases is recognised in income on a straight-line basis over the lease term. When the Limited Partnership provides incentives to its customers, the cost of incentives are recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Construction contract revenue

For further detail regarding the construction contract revenue, please refer to note 11 and 2 O.

Service charges and expenses recoverable from tenants

Service charges, net are composed of service charges billed to the tenants net of recoverable service charge expenses incurred by the Limited Partnership. Service and management charges are recognised in the accounting period in which the services are rendered.

Interest income

Revenue is recognised as interest accrues (using the effective interest rate method). Interest income is included in finance income in the statement of comprehensive income.

K. Derivative financial instruments

Interest rate derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at year end.

Changes in fair value of the interest rate derivatives are recognised in the statement of comprehensive income.

L. Use of significant accounting estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue, expenses and unrealised gains or losses during the reporting period. Actual results could differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors. These include expectations of future events that are believed to be reasonable under the circumstances.

The Limited Partnership makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Estimate of fair value of investment properties and borrowings

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the Limited Partnership determines the most reliable estimate of fair value within a range of reasonable fair value estimates. In making its judgement, the Limited Partnership considers information from a variety of sources including:

- i. Current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences;
- ii. Recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices;
- iii. Discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and, when possible, by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows;
- iv. Current interest rates on similar borrowings, and
- v. Transaction price post closing.

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

2. Summary of significant accounting policies (continued)

L. Use of significant accounting estimates (continued)

(b) Principal assumptions for management's estimation of fair value of investment properties

If information on current or recent prices of investment properties is not available, the fair value of investment properties is determined using discounted cash flow valuation techniques. The Limited Partnership uses assumptions that are mainly based on market conditions existing at each balance sheet date.

The principal assumptions underlying management's estimation of fair value are those related to the receipt of contractual rentals, expected future market rentals, void periods, maintenance requirements and appropriate discount rates. These valuations are regularly compared to actual market yield data and actual transactions by the Limited Partnership and those reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

(c) Income taxes

The Limited Partnership is subject to income taxes in several jurisdictions. Significant judgement is required in determining the Limited Partnership's provisions for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain. The Limited Partnership recognises liabilities for anticipated tax review issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

M. Limited partners' contributions

The contributions to the Limited Partnership consist of capital contributions and advance contributions.

The Capital contributions are not returned to the Partners until the end of the life of the Partnership.

Capital contributions and advance contributions are included in the Net assets attributable to partners in the Balance Sheet and are carried at amortised cost.

N. Distributions to partners

Distributions are made in accordance with the First amended and restated Limited Partnership Agreement dated November 1, 2011.

Distributions of net distributable cash as defined in the agreement are made to the partners in the following order of priority:

- First, to the General Partner until the General Partner has received the General Partner's priority profit Share (£1,000 per year);
- Second, to any Non-Defaulting Partners whose Deficit Loans shall not previously have been fully repaid, until all accrued and unpaid interest on such Deficit Loans shall have been paid;
- Third, to any Non-Defaulting Partners whose Deficit Loans shall not previously have been fully repaid, until all Deficit Loans shall have been paid in full;
- Fourth, to the Limited Partners (other than Barwood Shareholder LLP), until Flairzone has received an 18% Internal Rate of Return on all the Aggregate Contributions of both Flairzone and its Affiliates;
- Fifth, to the extent that Net Distributable Cash exceeds the amounts set out in the clauses above: (i) 15% to the Asset Manager (Barwood Developments Limited); and (ii) 85% to each of the Limited Partners (including BDL Wellesbourne LLP but excluding Barwood Shareholder LLP), until Flairzone has received, an amount equivalent to (A) the Flairzone Twice Investment Amount and (B) 25% Internal Rate of Return on all Aggregate Contributions of both Flairzone and its Affiliates;
- Sixth, to the extent that Net Distributable Cash exceeds the amounts set out in the clauses above: (i) 20% to Barwood Shareholder LLP; and (ii) 80% to each of the Limited Partners (including BDL Wellesbourne LLP but excluding Barwood Shareholder LLP), until Flairzone has received, an amount equivalent to a 30% Internal Rate of Return on all of the Aggregate Contributions of both Flairzone and its Affiliates; and
- Seventh, to the extent that Net Distributable Cash exceeds the amounts set out in the clauses above: (i) 30% to Barwood Shareholder LLP; and (ii) 70% to all of the Limited Partners (excluding Barwood Shareholder LLP).

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

2. Summary of significant accounting policies (continued)

O. Construction contracts

A construction contract is defined by IAS 11, "Construction contracts", as a contract specifically negotiated for the construction of an asset. When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

P. Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and the sale is considered as highly probable. They are stated at the lower of the carrying amount and fair value less costs to sell unless the assets are investment properties previously classified under IAS40 which are measured at fair value.

Q. Going concern

As a result of the funding activities undertaken, the Limited Partnership should be able to operate within the level of its current financing.

After making enquiries, the General Partner, Wellesbourne Distribution Park GP Limited, has a reasonable expectation that the Limited Partnership has adequate resources to continue in operational existence for the foreseeable future. The Limited Partnership therefore continues to adopt the going concern basis in preparing its financial statements.

R. Provisions

Provisions are recognised when the Limited Partnership has an obligation (legal or constructive) arising from a past event and the costs to settle the obligation are both probable and able to be reliably measured.

3. Financial risk management

3.1 Financial risk factors

An investment in the Limited Partnership involves certain risks relating to the Limited Partnership's structure and to its investment policy. Where possible the Limited Partnership and its advisors will take the necessary actions to mitigate these risks.

The Limited Partnership's activities expose it to a variety of financial risks: market risk (including price risk, cash flow and fair value interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Limited Partnership's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Limited Partnership's financial performance. The Limited Partnership uses derivative financial instruments to moderate certain risk exposures.

The Limited Partnership's objective is to seek capital appreciation by investing in real estate and real estate-related assets in the target markets.

3.2 Market risk

(a) Price risk

The Limited Partnership has no significant exposure to price risk as it does not hold any equity securities or commodities.

(b) Interest rate risk

The Company is not subject to significant interest rate risk as a consequence of the disposal of the investment properties and the cancellation of the loan and related derivatives.

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

3. Financial risk management (continued)

3.2 Market risk (continued)

The following table summarises the Limited Partnership's exposure to interest rate risks. It includes the Limited Partnership's financial assets and liabilities at fair value, categorised by the earlier of contractual re-pricing or maturity dates.

At December 31, 2016	Interest bearing				Total GBP
	Less than 3 months GBP	3 months to 1 year GBP	1 to 5 years GBP	Non interest bearing GBP	
ASSETS					
Trade and other receivables	-	-	-	36,495	36,495
Cash and cash equivalents	1,336,516	-	-	-	1,336,516
Total assets	1,336,516	-	-	36,495	1,373,011
LIABILITIES					
Trade and other payables	-	-	-	7,866	7,866
Accrued expenses	-	-	-	795,437	795,437
Total liabilities (excluding net asset attributable to Partners)	-	-	-	803,303	803,303

At December 31, 2015	Interest bearing				Total GBP
	Less than 3 months GBP	3 months to 1 year GBP	1 to 5 years GBP	Non interest bearing GBP	
ASSETS					
Trade and other receivables	-	-	-	553,658	553,658
Cash and cash equivalents	51,421	-	-	-	51,421
Total assets	51,421	-	-	553,658	605,079
LIABILITIES					
Trade and other payables	-	-	-	10,445	10,445
Payable to affiliated undertaking	-	-	-	2,620,690	2,620,690
Accrued expenses	-	-	-	58,856	58,856
Total liabilities (excluding net asset attributable to Partners)	-	-	-	2,689,991	2,689,991

No sensitivity analysis had been performed as at December 31, 2015 and 2016 as the loan had been fully repaid.

(c) Foreign exchange risk

The Limited Partnership may invest in target markets in which the GBP is not the local currency. Where it is appropriate to do so, the Investment Advisor may cause the Limited Partnership to enter into transactions in relation to currency risk in connection with an investment. These transactions will not be entered into for speculative purposes.

Where hedging is deemed appropriate to reduce currency risk for the Limited Partnership, the Investment Advisor will evaluate and seek to purchase the most cost effective instrument available at the time. In some instances either (i) it may not be cost effective to enter into such transaction or (ii) the anticipated hold period for an investment may be relatively short, in which case this risk arising from such investment will remain and the risk will be taken into account.

It is impossible to reduce currency risk precisely where the magnitude and timing of future cash flows are not known with certainty. Therefore, the Limited Partnership's policy will serve to reduce, but will not eliminate all the risks of currency or interest rate fluctuations.

The Limited Partnership does not apply hedge accounting as per IAS 39.

On acquisition, the exchange rate risk of each acquisition is reviewed and approved by the Operator. Any changes in the exposure will be discussed with the Investment Adviser and necessary action considered.

On December 31, 2014 the Limited Partnership held two investments located in the United Kingdom, representing 100% of the gross property value in the Limited Partnership. This property was partly financed by bank loan in GBP. The Net Asset Value of the Limited Partnership as at December 31, 2014 was not exposed to any significant foreign exchange risk. As at December 31, 2015, considering the sale of the investment properties, the Limited Partnership was no more exposed to any significant foreign exchange risk.

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

3. Financial risk management (continued)

3.3 Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures with respect to rental customers, including outstanding receivables.

The Limited Partnership has no significant concentrations of credit risk

Excess cash is held in short term cash accounts. Cash transactions are limited to high-credit-quality financial institutions

The trade and other receivables outstanding as of December 31, 2016 and 2015 had been incurred in the normal course of the Limited Partnership activities.

3.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Limited Partnership aims to maintain flexibility in funding by keeping committed credit lines available.

The Investment Adviser is responsible for managing and reviewing all cash flows arising from the real estate investments through a detailed budgeting process. These reviews are performed based on the annual budget and reviewed throughout the year on a regular basis. The Investment Adviser makes budget recommendations for each real estate investment which are approved by the Operator. The Investment Adviser provides further updates and recommendations for any particular real estate investments to the Operator when required. The Operator will then decide on the appropriate action required.

The table below summarises the Limited Partnership's financial liabilities and net settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

At December 31, 2016	Less than 3 months GBP	3 months to 1 year GBP	1 to 2 years GBP	2 to 5 years GBP	Over 5 years GBP	Total GBP
Current liabilities						
Trade and other payables	7,866	-	-	-	-	7,866
Accrued expenses	795,437	-	-	-	-	795,437
Net Assets attributable to Partners	-	-	-	-	569,708	569,708
Total financial liabilities	803,303	-	-	-	569,708	1,373,011
At December 31, 2015	Less than 3 months GBP	3 months to 1 year GBP	1 to 2 years GBP	2 to 5 years GBP	Over 5 years GBP	Total GBP
Current liabilities						
Trade and other payables	10,445	-	-	-	-	10,445
Payable to affiliated undertaking	-	2,620,690	-	-	-	2,620,690
Accrued expenses	58,856	-	-	-	-	58,856
Net Assets attributable to Partners	-	-	-	-	(2,064,912)	(2,064,912)
Total financial liabilities	69,301	2,620,690	-	-	(2,064,912)	625,079

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

4. Partners' Contributions

Pursuant to the Original Partnership Agreement dated August 2, 2011, the capital contribution of the initial limited partner amounts to £100 in total. The initial advance contribution amounted to £12,570,893. On November 1, 2011, date of the First amended and restated Limited Partnership Agreement, two additional Limited Partners joined the Partnership with capital contributions for an amount of £6.26 in total and advance contributions for an amount of £742,670.89. The total interest of both additional Partners in the Limited Partnership amounts to 5%. No interest will be paid or payable by the Limited Partnership upon any capital contribution. During the year 2016, no additional contribution has been made by the initial limited partner (2015: £0) or by any of the additional limited partners (2015: £0). The Partnership contributions may be made by the Limited Partners directly or by any of their respective affiliates pursuant to interest bearing or interest free loans.

The Capital contributions are not returned to the Partners until the end of the life of the Partnership.

At December 31, 2015, capital and advance contributions of an amount of £14,125,560 were contributed by the Limited Partners and £14,125,453 were paid back to the Limited Partners as per the Amended Limited Partnership agreement. At balance sheet date, only capital contributions amounting to £106.26 remain outstanding.

	2016 GBP	2015 GBP
Capital contributions called	107	107
Advance contributions at the beginning of the year		
Advance contributions (nominal value)	-	8,597,238
Additional advance contributions (nominal value)	-	549,750
Reimbursement during the year	-	(9,146,988)
Advance contributions at the end of the year (nominal value)	-	-
Accrued interest on advance contributions	-	675,412
Additional accrued interest during the year	-	39,812
Reimbursement during the year	-	(715,224)
Advance contributions and related interest at the end of the year	-	-

Following the sale of Wellesbourne Distribution Park LP, all the advance contributions have been fully reimbursed during the year 2015.

5. Investment in subsidiaries

On August 5, 2011, the Limited Partnership purchased 100% of the issued share capital of Aberdome S à r l, a company incorporated under the laws of the Grand Duchy of Luxembourg. The purchase price amounted to €18,500 in cash. This subsidiary was fully consolidated.

Issued and subscribed capital of the subsidiary has been converted in GBP and increased to £20,000 during the year 2011.

In 2015, the subsidiary granted three interest free loans to its Limited Partnership:

	2016 GBP	2015 GBP
Interest free loan		
Maturity date: April 7, 2017	-	2,565,296
Interest free loan		
Maturity date: November 19, 2063	-	31,099
Interest free loan		
Maturity date: August 14, 2017	-	24,295
	-	2,620,690

Following the liquidation of the subsidiary on June 1, 2016, the interest free loans granted to the Limited Partnership as well as the remaining outstanding items were fully distributed to the Limited Partnership for a total amount of £2,675,878.

6. Income tax

Income taxes are calculated based on the tax rates in the countries where the Limited Partnership has operations, taking into account tax-exempt income and tax losses carried forward.

The Limited Partnership is income tax transparent for the purposes of UK taxation.

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

7. Related-party transactions

In 2011, the Limited Partnership appointed JPMorgan Asset Management (UK) Limited to act as the Operator and Property Adviser of the Partnership. No Operator or Property Adviser fees have been paid during the year and no fees were payable at the end of the year

On November 1, 2011, the Limited Partnership entered into an Asset Management agreement with DB Symmetry Limited (formerly Barwood Development Limited) to carry out management activities as defined in the agreement. Fees payable consist of (i) acquisition fees of £75,000 for property acquisition, (ii) asset management fee of £100,000 per year, (iii) development management fee of 3% calculated on development costs and (iv) promote fee calculated in accordance with the provisions of the Limited Partnership as detailed in note 2. No fee (2015 £0) has been accrued for this at December 31, 2016. During 2015 the Company paid £1,790,964 in promote fees, £1,282,587 to the Asset Manager and £508,377 to Barwood Shareholder LLP. In 2015, the Company has reversed over accrued promote fees for an amount of £902,993 following the crystallisation of the final promote figure. The acquisition fee for an amount of £75,000 was paid to Barwood Developments Limited during the year 2011 and the asset management fee payable at the end of the year 2016 amounts to £0 (2015 £0).

The Limited Partnership, together with the Limited Partnership's General Partner, Aberdome S.à r.l., JPMorgan Asset Management (UK) Limited, JPMorgan GEOPF Luxembourg Holding S.à r.l. and Flairzone S.à r.l. are related parties as they are/were subsidiaries or affiliates of JPMorgan Chase & Co.

On November 1, 2011, BDL Wellesbourne LLP and Barwood Shareholder LLP entered the Limited Partnership already formed by Wellesbourne Distribution Park GP Limited and Flairzone S.à r.l. on August 2, 2011. The two limited Partners and DB Symmetry Limited are related parties as BDL Wellesbourne LLP and Barwood Shareholder LLP are affiliates of DB Symmetry Ltd

Pursuant to the Amended Limited Partnership agreement, all amounts of Net Distributable Cash for each fiscal year of the Limited Partnership shall be distributed at least quarterly. The agreement sets out the methodology to determine the net distributable cash. Under the agreement, the net distributable cash distributed to BDL Wellesbourne LLP and JPMorgan GEOPF Luxembourg Holding S.à r.l. during the years 2015 and 2016 amounted to £0.

8. Investment properties

	2016 GBP	2015 GBP
Net change in fair value	-	-
Straight-lining of rent incentives	-	(11,833)
Total net change in fair value	-	(11,833)

On February 20, 2015, Wellesbourne Distribution Park was sold for a gross amount of GBP 43.6 million which leads to a net result of GBP 71,480 after deduction of all related costs and net proceeds of £35.3 million, which included various deductions being made, including those for future development costs and contingency retentions. At the same time the remaining borrowings from Santander of £10.50 million were repaid.

9. Trade and other receivables

	Limited Partnership 2016 GBP	Limited Partnership 2015 GBP
Rent and trade receivables	28,282	1,932
VAT receivable	8,212	551,725
Receivables from Barwood Shareholder LLP	1	1
	<u>36,495</u>	<u>553,658</u>

10. Non-current assets classified as held for sale

On February 20, 2015, the distribution park was sold for a gross amount of GBP 43.6 million which leads to a net result of GBP 71,480 after deduction of all related costs.

In 2016 the final retention payments were made from the third party escrow account, these totalled GBP 198,738 of income and expense, which leads to a net result of GBP Nil.

11. Trade and other payables

	Limited Partnership 2016 GBP	Limited Partnership 2015 GBP
Accounts payable to suppliers	7,866	10,445
	<u>7,866</u>	<u>10,445</u>

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

12. Construction contracts

	Limited Partnership 2016 GBP	Limited Partnership 2015 GBP
Net profit on construction contracts	21,385	460,532
	<u>21,385</u>	<u>460,532</u>

In May 2014, the Limited Partnership entered into a development finance agreement with the new owner to develop the site with the construction profit being recorded in the Limited Partnership's accounts. The site was completed in May 2015.

The development contract revenue and expenses were recognized over the period of the contract by reference to the stage of completion.

13. Borrowings and Derivative financial instruments

*The mortgage backed loan consisted of:
£13,200,000 Bank loan*

In September 2011, a credit facility of £13,200,000 was entered into with Santander UK Plc to finance the property purchase and further property development and is secured against the investment property in the UK. The credit facility matured on August 31, 2015. A first tranche of the loan for an amount of £8,000,000 had been utilised in September 2011. A second tranche of the loan for an amount of £4,562,500 had been utilised in June 2012. On each quarterly interest payment date, a principal amount was repaid. Repayments amounted to £10,500,000 (2014: £600,000) in the year 2015 corresponding to the full reimbursement of the remaining balance of the credit facility on February 25, 2015. Loan arrangement fees to acquire the new facility were recognised in the consolidated statement of comprehensive income for an amount of £177,724 in 2011, £23,713 in 2013, £0 in 2014 and £0 in 2015.

The interest rate on the credit facility was based on 3 Months Libor + margin (3.25% per annum for the first tranche, 2.75% per annum for the second tranche and 2.50% per annum for the third tranche). The interest rate on the credit facility was 3.31% at the balance sheet as of December 31, 2014.

The loan has been repaid in full together with accrued interest at the time of the disposal of the distribution park.

On December 31, 2015, following the repayment of the loan, the Limited Partnership no longer owned interest rate derivatives. On December 31, 2014, interest on borrowings for an amount of £9,500,000 was hedged by means of swapping the variable interest payments to fixed interest payments. The notional amount was variable and was determined in accordance with the schedule of the loan repayments. This instrument was intended to protect the Limited Partnership against interest rate fluctuations. The fair value of the derivatives as at December 31, 2014 was amounting to a net unrealised loss of £120,391 and was included under Derivative financial instruments in the balance sheet. The variation of the fair value was recorded in the statement of comprehensive income.

14. Cash and cash equivalents

	Limited Partnership 2016 GBP	Limited Partnership 2015 GBP
Cash at bank	1,336,516	51,421
	<u>1,336,516</u>	<u>51,421</u>

15. Finance costs

	2016 GBP	2015 GBP
Interest expense on bank loan and swap	-	86,097
Bank charges	1,124	1,556
Interest expense on contributions from related parties	-	39,813
Other financing fees	-	87,200
	<u>1,124</u>	<u>214,666</u>

WELLESBOURNE DISTRIBUTION PARK LP

NOTES TO THE FINANCIAL STATEMENTS FOR THE LIMITED PARTNERSHIP (CONTINUED)

For the year ended December 31, 2016

16. Accrued expenses

	Limited Partnership 2016 GBP	Limited Partnership 2015 GBP
Accrued income tax payable	743,984	-
Accrued other professional fees	32,261	29,797
Accrued accounting fees	9,192	7,991
Accrued audit fees	10,000	21,068
	<u>795,437</u>	<u>58,856</u>

17. Service charges, net

	2016 GBP	2015 GBP
Service charge income	-	27,909
Service charge expenses/(regularisation)	-	98,680
	<u>-</u>	<u>126,589</u>

18. General and administrative expenses

	2016 GBP	2015 GBP
Audit fees	15,722	43,573
Accountancy fees	16,492	32,035
Tax preparation fees	24,403	15,900
Legal fees	1,519	986
Other professional fees	4,102	77,620
Other operating expenses	-	3,574
Management fees (see note 7)	-	14,444
Promote fees (see note 7)	-	(902,993)
Property tax	-	14,401
	<u>62,238</u>	<u>(700,460)</u>

During 2015 the Company paid £1,790,964 in promote fees. In 2015, the Company has reversed the accrued promote fees for an amount of £902,993 following the crystallisation of the final promote fee figure.

19. Changes in working capital

	Balance as at December 31, 2016 GBP	Balance as at December 31, 2015 GBP	Change in working capital GBP
Rent and trade receivables	28,282	1,932	(26,350)
Receivables from related parties	1	1	-
VAT receivable	8,212	551,725	543,513
Accounts payable to suppliers	7,866	10,445	(2,579)
Accrued other professional fees	32,261	29,797	2,464
Accrued accounting fees	9,192	7,991	1,201
Accrued audit fees	10,000	21,068	(11,068)
			<u>507,181</u>

20. Subsequent events

There were no material events since the date of the statement of financial position and the date of the auditor's report that have a bearing on the understanding of these financial statements.

21. Ultimate Controlling Party

At December 31, 2016 and 2015, 95% of interest in the Limited Partnership was owned by Flairzone S à r l registered in Luxembourg and 5% was held by BDL Wellesbourne LLP registered in the UK. There is no ultimate controlling party.

The operator has full power and authority in respect of affairs of the Limited Partnership and management and control of the Limited Partnership shall rest exclusively with the operator.