

Company Registration No. 7780013

Metric GP Income Plus Limited

Financial Statements

For the year ended 31 March 2019

FRIDAY



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Metric GP Income Plus Limited

Financial statements for the year ended 31 March 2019

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Metric GP Income Plus Limited

Financial statements for the year ended 31 March 2019

Officers and professional advisers

Directors

Valentine Beresford
Mark Stirling
William Evers
Graham Burnett
Michael Catt
David Webster

Company Secretary

Ritesh Patel

Registered Office

One Curzon Street
London
W1J 5HB

Solicitors

Jones Day
21 Tudor Street
London
EC4Y 0DJ

Auditor

Deloitte LLP
Statutory Auditor
London

Metric GP Income Plus Limited

Directors' report

The directors present their report together with the audited financial statements for the year ended 31 March 2019. The company qualifies as a small company under section 382 of the Companies Act 2006 and accordingly has not produced a Strategic Report. This directors' report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies exemption.

Business review and principal activities

The Company is the general partner to the Metric Income Plus Limited Partnership. The directors do not anticipate any significant change in the principal activity in the foreseeable future.

The accounts have been prepared on a going concern basis. Further information has been set out in note 1 to the financial statements.

Results and dividends

The results for the Company show a profit after tax of £1,349 (2017/18: £1,186). No dividends were paid during the year (2017/18: £nil). The Company has net assets of £3,056 (2017/18: £1,707).

Directors

The present directors of the Company all of whom served throughout the year and subsequently, unless otherwise stated, are as shown on page 1.

None of the Directors has a service agreement with the Company and they are not entitled to any compensation on termination of appointment or sale of the Company.

Auditor and disclosure of information to the auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

So far as each director is aware, there is no relevant audit information (that is, information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware. Each director has taken all the steps that they ought to have taken in their duty as a director in order to make themselves 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 section 418 of the Companies Act 2006.

On behalf of the Board



V Beresford
Director
One Curzon Street, London W1J 5HB
24 July 2019

Metric GP Income Plus Limited

Directors' responsibilities statement

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Metric GP Income Plus Limited

Independent auditor's report to the members of Metric GP Income Plus Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Metric GP Income Plus Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement;
- the related notes 1 to 9.

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

Basis for opinion

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

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

Conclusions relating to going concern

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

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

We have nothing to report in respect of these matters.

Other information

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

Metric GP Income Plus Limited

Independent auditor's report to the members of Metric GP Income Plus Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

Metric GP Income Plus Limited

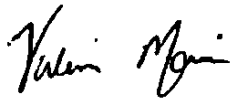
Independent auditor's report to the members of Metric GP Income Plus Limited

- 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Valerie Main FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP

Statutory Auditor

London, UK

24 July 2019

Metric GP Income Plus Limited

**Income statement
Year ended 31 March 2019**

	Notes	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Administration expenses	2	(3,334)	(3,536)
Operating loss		(3,334)	(3,536)
Distributions receivable	8	5,000	5,000
Profit before tax		1,666	1,464
Tax	3	(317)	(278)
Profit after tax		1,349	1,186

All activities during the current and prior year are derived from continuing operations.

There are no other items of comprehensive income or expense in the current or prior year and therefore no statement of comprehensive income is shown.

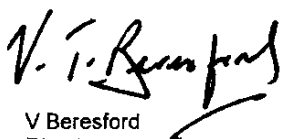
The notes on pages 11 to 14 form part of these financial statements.

Metric GP Income Plus Limited

Balance Sheet As at 31 March 2019

	Notes	31 March 2019 £	31 March 2018 £
Non-current assets			
Investments	4	2	2
Total non-current assets		2	2
Current assets			
Trade and other receivables		100	100
Amounts due from Metric Income Plus Limited Partnership		6,672	5,200
Total current assets		6,772	5,300
Total assets		6,774	5,302
Current liabilities			
Corporation tax		(317)	(278)
Accruals		(3,400)	(3,316)
Amounts due to Metric Income Plus Nominee Limited		(1)	(1)
Total current liabilities and total liabilities		(3,718)	(3,595)
Total assets less current liabilities		3,056	1,707
Net assets		3,056	1,707
Equity			
Share capital	6	100	100
Retained earnings		2,956	1,607
Total equity		3,056	1,707

The financial statements of Metric GP Income Plus Limited (registered number 7780013) were approved by the Board of Directors and authorised for issue on 24 July 2019 and signed on its behalf by:


V Beresford
Director

The notes on pages 11 to 14 form part of these financial statements.

Metric GP Income Plus Limited

**Statement of changes in equity
Year ended 31 March 2019**

	Share capital £	Retained earnings £	Total £
At 1 April 2018	100	1,607	1,707
Profit for the year	-	1,349	1,349
Total equity attributable to equity shareholders	100	2,956	3,056

Year ended 31 March 2018

	Share capital £	Retained earnings £	Total £
At 1 April 2017	100	421	521
Profit for the year	-	1,186	1,186
Total equity attributable to equity shareholders	100	1,607	1,707

The notes on pages 11 to 14 form part of these financial statements.

Metric GP Income Plus Limited**Cash flow statement****Year ended 31 March 2019**

	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Cash flows from operating activities		
Operating loss	(3,334)	(3,536)
Cash flows from operations before changes in working capital	(3,334)	(3,536)
Increase in trade and other payables	84	316
Cash flows from operations	(3,250)	(3,220)
Tax paid	(278)	(484)
Cash flows from operating activities	(3,528)	(3,704)
Financing activities		
Distributions received	5,000	5,000
Net movement in loan to Metric Income Plus Limited Partnership	(1,472)	(1,296)
Cash flows from financing activities	3,528	3,704
Net movement in cash and cash equivalents	-	-
Opening cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	-	-

The notes on pages 11 to 14 form part of these financial statements.

Metric GP Income Plus Limited

Notes to the financial statements Year ended 31 March 2019

1. Accounting policies

General

Metric Property GP Income Plus Limited is a private, limited company incorporated in Great Britain.

The functional and presentational currency of the Company is sterling. The financial statements have been prepared in accordance with EU Endorsed International Financial Reporting Standards, IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of properties.

Estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the report year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

Due to the simple nature and operations of the Company there were no significant accounting judgements or areas of estimation.

Going concern

The Directors are satisfied that the Company has the resources to continue in operational existence for the foreseeable future. For this reason the financial statements have been prepared on a going concern basis.

Adoption of new and revised standards

Standards and interpretations effective in the current period

During the year, the following new and revised Standards and Interpretations have been adopted and have not had a material impact on the amounts reported in these financial statements. The Company's accounting policies were amended following the adoption of IFRS 9 and 15 as discussed further below.

Name	Description
IFRS 9	Financial instruments
IFRS 15	Revenue from contracts with customers
IAS 12 (amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
IFRS 2 (amendments)	Classification and Measurement of Share Based Payment Transactions
Annual Improvements to IFRSs: 2014 – 2016 cycle	Amendments to IFRS 1 and IAS 28

IFRS 9 Financial instruments

IFRS 9 replaces the provisions of IAS 39 relating to the recognition, classification and measurement of financial assets and liabilities, derecognition of financial instruments, the impairment of financial assets and hedge accounting. The Company has applied IFRS 9 from 1 April 2018 without restating comparatives on initial application in accordance with the transitional provisions of the standard.

The Company has reviewed its financial assets and liabilities and has assessed the main impact of adopting this standard as follows:

Metric GP Income Plus Limited

Notes to the financial statements Year ended 31 March 2019

1. Accounting policies (continued)

IFRS 9 Financial Instruments (continued)

i) Classification and measurement

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through profit and loss ('FVTPL') and fair value through other comprehensive income ('FVTOCI').

The Company's financial assets at 31 March 2019 consist primarily of amounts due from Metric Income Plus Limited Partnership which will continue to be reflected at amortised cost.

There was no impact on the Company's accounting for financial liabilities under IFRS 9, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Company does not have any such liabilities.

ii) Impairment

The new impairment model requires the recognition of impairment provisions based on expected credit losses ('ECL') rather than only incurred credit losses as was the case under IAS 39. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The Company applies the IFRS 9 simplified approach to measuring ECLs at an amount equal to lifetime expected credit losses.

The Company holds loans and receivable balances with Metric Income Plus Limited Partnership. There is no material impact on the Company financial statements from recognition of impairment provisions under IFRS 9 compared to those recognised under IAS 39.

IFRS 15 Revenue from contracts with customers

The Company has applied IFRS 15 from 1 April 2018 and has adopted the modified retrospective approach without restatement of comparatives. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. There was no material impact on the Company.

Standard and interpretations in issue not yet adopted

At the date of approval of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective:

IFRS 16	Leases
Annual Improvements to IFRSs: 2015 – 2017 cycle	Amendments to IFRS 3, Business Combinations

The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Company's financial statements in the year of initial application, other than on presentation and disclosure.

Financial assets and financial liabilities

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

Financial instruments under IFRS 9

Trade and other receivables and payables

Trade and other receivables are recognised and carried at amortised cost. An impairment provision is created based on the expected credit loss model which reflects the Company's historical incurred credit losses and the lifetime expected credit loss.

Metric GP Income Plus Limited

Notes to the financial statements Year ended 31 March 2019

1. Accounting policies (continued)

Trade and other payables are initially measured at fair value and subsequently at amortised cost using the effective interest method.

Income tax

The charge for current UK corporation tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

2. Administration expenses

Employees

There were no employees directly employed by the Company during the current or prior year.

Audit fees

A charge of £1,700 (2017/18: £1,658) for the Company and £1,700 (2017/18: £1,658) on behalf of Metric Income Plus Nominee Limited is payable to Deloitte LLP in respect of the audit of the financial statements. There were no non-audit fees payable to Deloitte LLP and its associates in the current or prior year.

Directors' remuneration

The directors received no remuneration from the Company in respect of their services during the current and prior year. Fees of £10,200 (2017/18: £10,200) were payable by Universities Superannuation Scheme Limited to Mr Webster.

3. Tax

The Company has provided for corporation tax at a rate of 19% (2017/18: 19%).

4. Investments

	31 March 2019 £	31 March 2018 £
At 1 April and 31 March	<u>2</u>	<u>2</u>

Investments are held at the lower of cost or net realisable value.

At 31 March 2019 the Company had the following investments:

As General Partner to the Metric Income Plus Limited Partnership the Company has £1 of Partners' Equity. The Company's profit allocation from the Partnership is £5,000 per annum.

The Company owns 100% of the ordinary share capital of Metric Income Plus Nominees Limited which is incorporated in England and has its registered office at 1 Curzon Street, London, W1J 5HB. The Company acts as a nominee company and holds the legal title to the properties owned by the Metric Income Plus Limited Partnership.

Metric GP Income Plus Limited

Notes to the financial statements Year ended 31 March 2019

5. Financial risk management

Through the Company's operations it is exposed to a variety of risks. The principal risks that are potentially material to the Company and the policies for managing these risks are summarised below.

Liquidity risk

Liquidity risk reflects the risk that the Company may have insufficient resources to meet its financial liabilities as they fall due. The Company relies on its annual £5,000 profit allocation from the Metric Income Plus Limited Partnership to pay for any expenses it incurs and manages liquidity risk on this basis.

Credit risk

Credit risk reflects the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's cash deposits are placed with banks and money market funds, with high credit ratings of at least AA-, and strict counterparty limits ensure the Company's exposure to bank failure is minimised.

6. Share capital

	31 March 2019 £	31 March 2018 £
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

The Company has two classes of ordinary shares: 50 A shares held by Metric Property Investments Limited and 50 B Shares held by USS MIPP Limited, which carry no right to fixed income.

7. Controlling Party

The Company is the General Partner to the Metric Income Plus Limited Partnership, a joint venture between LondonMetric Property Plc and Universities Superannuation Scheme Limited. Consequently, the Company is jointly controlled by both of these parties both with equal voting rights.

The registered office of LondonMetric Property Plc is 1 Curzon Street, London, W1J 5HB. The registered office of Universities Superannuation Scheme Limited is Royal Liver Building, Liverpool L3 1PY.

8. Related party transactions

There were no transactions between the Company and Universities Superannuation Scheme Limited or LondonMetric Property Plc.

Transactions between the Company and Metric Income Plus Limited Partnership are shown below.

	31 March 2019 £	31 March 2018 £
Nature of transaction:		
Distributions received	5,000	5,000

9. Contingencies and commitments

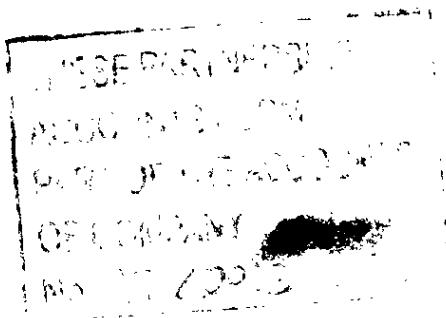
The Company has no significant contingent liabilities or commitments.

Partnership Registration No. LP014656

Metric Income Plus Limited Partnership

Financial Statements

For the year ended 31 March 2019



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Metric Income Plus Limited Partnership

Financial statements for the year ended 31 March 2019

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Metric Income Plus Limited Partnership

Financial statements for the year ended 31 March 2019

Partners and professional advisers

General Partner

Metric GP Income Plus Limited
One Curzon Street
London
W1J 5HB

Limited Partners

Universities Superannuation Scheme Limited
Royal Liver Building
Liverpool
L3 1PY

Metric LP Income Plus Limited
One Curzon Street
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W1J 5HB

Asset Manager

LondonMetric Management Limited
One Curzon Street
London
W1J 5HB

Registered Office

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London
W1J 5HB

Solicitors

Jones Day
21 Tudor Street
London
EC4Y 0DJ

Auditor

Deloitte LLP
Statutory Auditor
London

Bankers

Deutsche Pfandbriefbank AG
23rd Floor
20 Fenchurch Street
London
EC3M 3BY

Metric Income Plus Limited Partnership

Report of the General Partner

The General Partner submits its report together with the audited financial statements for the year ended 31 March 2019. The strategic report on pages 4 and 5 forms part of the General Partner report.

Directors

The present directors of the Company all of whom served throughout the year and subsequently, unless otherwise stated, are:

Valentine Beresford
Mark Stirling
William Evers
Graham Burnett
Michael Catt
David Webster

None of the Directors has a service agreement with the Company and they are not entitled to any compensation on termination of appointment or sale of the Company.

Post balance sheet events

Particulars of important events affecting the Partnership since the financial year end have been included within the strategic report.

Auditor and disclosure of information to the auditor

Deloitte LLP has indicated their willingness to continue in office in accordance with the Companies Act 2006.

Each of the persons who is a Director of the General Partner for the Partnership at the date of approval of this report have confirmed that:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418(2) of the Companies Act 2006.

Approved by Metric GP Income Plus Limited, General Partner, and signed on its behalf.



V Beresford
Director
One Curzon Street, London W1J 5HB
24 July 2019

Metric Income Plus Limited Partnership

Responsibilities statement of the General Partner

The Metric Income Plus Limited Partnership ('the Partnership') is registered pursuant to the provisions of The Limited Partnerships Act 1907. The Partnerships and Unlimited Companies (Accounts) Regulations 2009 (SI 2009/569) require certain qualifying partnerships to prepare and have audited annual accounts and reports as required for a Partnership by the Companies Act 2006. The Partnership is a qualifying partnership as all its members are limited companies. Under that law, the General Partner has elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Metric GP Income Plus Limited, acting as the General Partner, is responsible under the Limited Partnership Agreement for preparing the annual report and financial statements in accordance with applicable law and regulations.

The General Partner is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that year. In preparing these financial statements, the General Partner is required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and performance;
- make an assessment of the Partnership's ability to continue as a going concern; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The General Partner is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with SI 2009/569 (Regulation 4). It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Metric Income Plus Limited Partnership

Strategic report

The General Partner submits its strategic report for the year ended 31 March 2019.

Business review and principal activities

The principal activity of the Partnership is property investment. The General Partner does not anticipate any significant change in the principal activity in the foreseeable future.

The partnership made a number of acquisitions and disposals during the year leaving the portfolio comprising of the following properties at the year end:

- Fleming Way Retail Park, Swindon
- 168 Sevenoaks Way, Orpington
- Milburn Road Retail Park, Inverness
- Hitchcock & King standalone store, Ashford
- Lottbridge Road Retail Park, Eastbourne
- Wickes Portfolio, at two sites: Barnsley and Oldham
- Dartford Heath Retail Park, Dartford
- Madford Retail Park, Hertford
- Trostre South Retail Park, Llanelli
- Bubble Retail Park, Liskeard
- Totton Retail Park, Southampton
- Dunelm & Wickes, units 1 & 2 London Road, Hemel Hempstead
- North Shields Retail Park, Coast Road, North Shields
- DSG unit, Speke Road, Liverpool
- Wickes, Overy Street, Dartford
- Premier Inn development site, Forest Gate Business Park, Ringwood
- Development site, North of Rampart Way, Telford
- Wickes unit Willie Snaith Road, Newmarket
- The Range, Ivy Road, Aldershot
- Wickes, Swinmoor Lane, Beverley

On 4 June 2019 the Partnership sold Wickes, Larch Street, Oldham for £4.535 million.

The Directors of the General Partner have considered the use of the going concern basis in the preparation of the financial statements as at 31 March 2019 and concluded that it was appropriate. More information is provided in note 1 to the financial statements.

Results and distributions

The results for the Partnership show a loss before tax of £5,123,222 (2017/18: profit £25,872,354). Distributions of £9,090,504 (2017/18: £7,505,363) were paid during the year. The Partnership incurred £30,501,519 (2017/18: £1,767,470) on acquisition and capital expenditure in the year and had a revaluation deficit of £13,571,389 (2017/18: gain £16,774,686). The net assets of the Partnership are £123,694,277 (2017/18: £127,738,003).

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Directors of the General Partner are of the opinion that the KPIs relevant to understanding the development, performance and position of the business are profit before tax and net asset value. The results are disclosed within this strategic report.

Capital risk management

The capital structure of the Partnership is managed by the General Partner. The Partnership manages its capital to ensure that it will be able to continue as a going concern and as such aims to maintain an appropriate mix of equity and debt financing. Equity comprises partners' equity and loans, reserves and retained earnings as disclosed in the reconciliation of movements in partners' funds. There were no changes in objectives, policies and processes for capital management since the previous period.

Metric Income Plus Limited Partnership

Strategic report (continued)

Principal risks and uncertainties

Through the Partnership's operations it is exposed to a variety of risks. The principal risks that are potentially material to the Partnership and the policies for managing these risks are summarised below.

Strategic risks

- The Partnership's commercial property portfolio is its largest asset and is exposed to market risk. The property market is cyclical and the United Kingdom is progressing with an exit from the EU. These factors may result in a fall in property values or assets may otherwise underperform against financial objectives. Performance depends on general economic conditions and the health of the retail sector in particular. The Partnership mitigates this risk through its investment selection and it continues to actively monitor market conditions, investment and tenant performance on an asset by asset basis.
- Development projects may fail to deliver expected returns due to increased costs, delays or changes in property market values. Exposure to developments is limited and developments are only undertaken on a pre-let basis. The Partnership does not accept planning risk and manages costs through detailed cost budgets and fixed price contracts where possible. Contracts are tendered and contractor due diligence undertaken.

Financial risks

- The Partnership may have insufficient resources to implement strategy and meet financial liabilities as they fall due. An appropriate mix of partner and bank loan finance is maintained to counter this risk.
- Failure to comply with covenants could cause a default and accelerate the Partnership's bank loan. Appropriate cure rights are contained within the loan. Significant headroom is maintained within covenants and covenants are tested quarterly. Headroom is taken into consideration in decision making.
- A counterparty may expose the Partnership to credit risk, the risk that it may default on its contractual obligations resulting in a financial loss. Potential tenants are evaluated for creditworthiness and cash deposits are placed with a major clearing bank.
- The Partnership is exposed to market risk through interest rate fluctuations. It manages this risk by using interest rate derivatives including swaps and caps to manage its interest rate exposure for a significant proportion of its bank loan to term providing an appropriate balance of exposure.

Asset management risks

- The Partnership is at risk of tenant failure. It mitigates this risk through holding a diversified portfolio, managing tenant concentration and undertaking due diligence including reviewing trading performance.

Creditor payment policy

It is the Partnership's policy that suppliers are paid in accordance with those terms and conditions agreed between the Partnership and the supplier, provided that all terms and conditions have been complied with. The Partnership's trade creditors as a proportion of amounts invoiced by suppliers represented 13 days as at 31 March 2019 (31 March 2018: 26 days).


Charitable and political donations

The Partnership did not make any charitable or political donations during the year (2017/18: £nil).

Partners' equity

As at 31 March 2019 the issued Partners' equity was £13,098 (31 March 2018: £11,435).

Signed on behalf of the General Partner.


V Beresford
Director
24 July 2019

Metric Income Plus Limited Partnership

Independent Auditor's Report to the Members of Metric Income Plus Limited Partnership (continued)

Independent auditor's report to the members of Metric Income Plus Limited Partnership

Report on the audit of the financial statements

Opinion

- In our opinion the financial statements of Metric Income Plus Limited Partnership (the 'Limited Partnership'):
 - give a true and fair view of the state of the limited partnership's affairs as at 31 March 2019 and of its loss for the year then ended;
 - have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB); and
 - have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited partnerships.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the reconciliation of movement in partners' funds;
- the cash flow statement;
- the related notes 1 to 20.

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 and, as regards the limited partnership financial statements, as applied in accordance with the provisions of Part 16 of the Companies Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

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

- the members use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or

Metric Income Plus Limited Partnership

Independent Auditor's Report to the Members of Metric Income Plus Limited Partnership (continued)

- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of the General Partner

As explained more fully in the responsibilities statement of the General Partner, the General Partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors of the General Partner determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Metric Income Plus Limited Partnership

Independent Auditor's Report to the Members of Metric Income Plus Limited Partnership (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

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

Matters on which we are required to report by exception

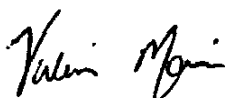
Under the Companies Act 2006 as applied to limited partnerships we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 partnership and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Valerie Main FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP

Statutory Auditor

London, UK

24 July 2019

Metric Income Plus Limited Partnership

Income statement Year ended 31 March 2019

	Notes	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Gross rental income		13,157,890	11,065,997
Property operating expenses		(1,509,557)	(1,039,208)
Net rental income		11,648,333	10,026,789
Administration expenses	2	(39,876)	(71,438)
(Deficit)/gain arising on valuation of investment properties	5	(13,571,389)	16,774,686
Gain on sale of investment properties		-	1,274,841
Operating (loss)/profit		(1,962,932)	28,004,878
Finance income	3	292,643	21,108
Finance costs	4	(2,739,779)	(2,626,256)
Change in fair value of derivative financial instruments	11	(713,154)	472,624
(Loss)/profit before and after tax		(5,123,222)	25,872,354

All activities during the year and prior year are derived from continuing operations.

There are no other items of comprehensive income or expense in the year or prior year and therefore no statement of comprehensive income is shown.

The notes on pages 13 to 27 form part of these financial statements.


Metric Income Plus Limited Partnership

Balance sheet As at 31 March 2019

	Notes	31 March 2019 £	31 March 2018 £
Non-current assets			
Investment properties	5	202,150,000	183,355,000
Fair value of derivative financial instruments	11	11,198	85,279
Total non-current assets		202,161,198	183,440,279
Current assets			
Trade and other receivables	6	572,842	351,292
Cash at bank and short term deposits	7	4,483,688	21,681,741
Total current assets		5,056,530	22,033,033
Total assets		207,217,728	205,473,312
Current liabilities			
Trade and other payables	8	(3,388,798)	(3,004,189)
Total current liabilities		(3,388,798)	(3,004,189)
Total assets less current liabilities		203,828,930	202,469,123
Non-current liabilities			
Bank loans	10	(79,510,577)	(74,731,120)
Fair value of derivative financial instruments	11	(624,076)	-
Total non-current liabilities		(80,134,653)	(74,731,120)
Total liabilities		(83,523,451)	(74,731,120)
Net assets		123,694,277	127,738,003
Partners' funds			
Partners' equity	12	13,098	11,435
Partners' loans	12	99,365,455	89,197,118
Partners' current accounts	12	24,315,724	38,529,450
Total partners' funds		123,694,277	127,738,003

The General Partner in accordance with the Limited Partnership Agreement approved the financial statements of Metric Income Plus Limited Partnership (registered number: LP014656) on 24 July 2019.

Signed on behalf of the General Partner.


V Beresford
Director

W Evers
Director



The notes on pages 13 to 27 form part of these financial statements.

Metric Income Plus Limited Partnership

Reconciliation of movements in partners' funds Year ended 31 March 2019

	Partners' equity	Partners' loans	Partners' current accounts	Total
	£	£	£	£
At 1 April 2018	11,435	89,197,118	38,529,450	127,738,003
Partners' loans advanced	1,663	16,628,337	-	16,630,000
Partners' loans repaid	-	(6,460,000)	-	(6,460,000)
Loss for the year	-	-	(5,123,222)	(5,123,222)
Distributions paid	-	-	(9,090,504)	(9,090,504)
Total partners' funds (note 12)	13,098	99,365,455	24,315,724	123,694,277

Year ended 31 March 2018

	Partners' equity	Partners' loans	Partners' current accounts	Total
	£	£	£	£
At 1 April 2017	10,491	79,758,062	20,162,459	99,931,012
Partners' loans advanced	944	9,439,056	-	9,440,000
Profit for the year	-	-	25,872,354	25,872,354
Distributions paid	-	-	(7,505,363)	(7,505,363)
Total partners' funds (note 12)	11,435	89,197,118	38,529,450	127,738,003

The notes on pages 13 to 27 form part of these financial statements.

Metric Income Plus Limited Partnership

Cash flow statement

Year ended 31 March 2019

	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Cash flows from operating activities		
Operating (loss)/profit	(1,962,932)	28,004,878
Adjustment for non-cash items:		
(Loss)/gain arising on valuation of investment property	13,571,389	(16,774,686)
Gain on sale of investment properties	-	(1,274,841)
Lease incentives recognised	(444,798)	109,524
Cash flows from operations before changes in working capital	11,163,659	10,064,875
Increase in trade and other receivables	(226,547)	(103,809)
Increase/(decrease) in trade and other payables	194,319	(98,015)
Cash flows from operations	11,131,431	9,863,051
Interest received	23,735	21,108
Interest paid	(2,466,425)	(2,360,905)
Cash flows from operating activities	8,688,741	7,523,254
Investing activities		
Purchase of investment properties	(28,518,288)	(1,688,292)
Disposal of investment properties	5,000	10,790,776
Redevelopment and refurbishment expenditure	(2,980,662)	(133,187)
Cash flows from investing activities	(31,493,950)	8,969,297
Financing activities		
Partners' equity received	1,663	944
Partners' loans advanced	16,628,337	9,439,056
Partners' loans repaid	(6,460,000)	-
Bank loan advanced	4,617,500	-
Loan arrangement fees paid	(91,312)	(775,630)
Distributions paid	(9,085,504)	(7,500,363)
Loans advanced to General Partner	(3,528)	(3,704)
Cash flows from financing activities	5,607,156	1,160,303
Net increase in cash and cash equivalents	(17,198,053)	17,652,854
Opening cash and cash equivalents	21,681,741	4,028,887
Cash and cash equivalents at the end of the year	4,483,688	21,681,741

The notes on pages 13 to 27 form part of these financial statements.

Metric Income Plus Limited Partnership

Notes to the financial statements

Year ended 31 March 2019

1. Accounting policies

General

Metric Income Plus Limited Partnership is a private limited partnership established in Great Britain.

These financial statements are presented in pounds sterling since that is the currency in which the majority of the Partnership's transactions are denominated. The financial statements have been prepared in accordance with EU Endorsed International Financial Reporting Standards, IFRIC interpretations and the Companies Act 2006 applicable to qualifying partnerships reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of properties.

The financial statements have been prepared on a going concern basis. This is discussed further below.

Going concern

The Directors of the General Partner are satisfied that the Partnership has the resources to continue in operational existence for the foreseeable future. They have considered a range of factors including the positive net rental cashflows generated by the business, the undrawn Limited Partner's capital and loan commitments, the Deutsche Pfandbriefbank AG loan facility and forecast covenant compliance. For this reason the financial statements have been prepared on a going concern basis.

Estimates and judgements

The preparation of financial statements in conformity with IFRS requires the directors of the General Partner to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future periods, the change is recognised over those periods.

The accounting policies subject to significant judgements and estimates are as follows:

Significant areas of estimation uncertainty

Property valuations

The valuation of the property portfolio is a critical part of the Partnership's performance. The Partnership carries the property portfolio at fair value in the balance sheet and engages professionally qualified external valuers to undertake quarterly valuations.

The determination of the fair value of each property requires, to the extent applicable, the use of estimates and assumptions in relation to factors such as future lease income, lease incentives, current market rental yields, future development costs and the applicable discount rate. In addition, to the extent possible, the valuers make reference to market evidence of transaction prices for similar properties.

The fair value of a development property is determined by using the 'residual method', which deducts all estimated costs necessary to complete the development, together with an allowance for development risk, profit and purchasers' costs, from the fair valuation of the completed property.

Note 5 to the financial statements includes further information on the valuation techniques and inputs used to determine the fair value of the property portfolio.

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

1. Accounting policies (continued)

Adoption of new and revised standards

Standards and interpretations effective in the current period

During the year, the following new and revised Standards and Interpretations have been adopted and have not had a material impact on the amounts reported in these financial statements. The Partnership's accounting policies were amended following the adoption of IFRS 9 and 15 as discussed further below.

Name	Description
IFRS 9	Financial instruments
IFRS 15	Revenue from contracts with customers
IAS 40 (amendments)	Transfers of Investment Property
IAS 12 (amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
IFRS 2 (amendments)	Classification and Measurement of Share Based Payment Transactions
Annual Improvements to IFRSs: 2014 – 2016 cycle	Amendments to IFRS 1 and IAS 28

IFRS 9 Financial instruments

IFRS 9 replaces the provisions of IAS 39 relating to the recognition, classification and measurement of financial assets and liabilities, derecognition of financial instruments, the impairment of financial assets and hedge accounting. The Partnership has applied IFRS 9 from 1 April 2018 without restating comparatives on initial application in accordance with the transitional provisions of the standard.

The Partnership has reviewed its financial assets and liabilities and has assessed the main impact of adopting this standard as follows:

i) Classification and measurement

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through profit and loss ('FVTPL') and fair value through other comprehensive income ('FVTOCI').

The Partnership's financial assets at 31 March 2019 consist primarily of trade receivables which will continue to be reflected at amortised cost as the Partnership's business model is to collect the contractual cash flows due from tenants, which meet the test of being solely payments of principal and interest ('SPPI').

There was no impact on the partnership's accounting for financial liabilities under IFRS 9, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Partnership does not have any such liabilities.

ii) Impairment

Trade receivables at 31 March 2019 were £498,459 (2018: £291,611) and the credit risk associated with unpaid rent is deemed to be low.

The new impairment model requires the recognition of impairment provisions based on expected credit losses ('ECL') rather than only incurred credit losses as was the case under IAS 39. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The Partnership applies the IFRS 9 simplified approach to measuring ECLs at an amount equal to lifetime expected credit losses for all trade receivables.

We performed an assessment of the Partnership's trade receivables at 31 March 2018 and 31 March 2019 for impairment in accordance with the requirements of IFRS 9. We have based our estimate of expected credit losses on past experience of incurred credit losses and the trade debtor's current

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

1. Accounting policies (continued)

financial condition and we have specifically provided against receivables where there is no realistic prospect of recovery.

Based on our assessment, there was no material impact on the Partnership financial statements of impairment losses recognised under IFRS 9 at transition and no adjustment was made to opening net assets.

Changes to debt modification rules for non-substantial modifications may result in a gain or loss being recognised in the profit and loss equal to the difference in the present value of cash flows under the original and modified terms of the debt, discounted at the effective interest rate. There are no relevant debt modifications to consider in the current or prior year.

iii) Hedge accounting

The Partnership does not apply hedge accounting and therefore there is no impact from the hedge accounting provisions in IFRS 9.

IFRS 15 Revenue from contracts with customers

The Partnership has applied IFRS 15 from 1 April 2018 and has adopted the modified retrospective approach without restatement of comparatives. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer.

IFRS 15 does not apply to rental income which, at 31 March 2019, accounted for over 95% of total gross revenue of the Partnership, but does apply to other non-core income streams including surrender premiums receivable. IFRS 15 did not have a material impact on the timing of revenue recognition for the non-core income streams.

The main impact of adopting IFRS 15 has been to recognise property transactions at the point of completion, which is the point at which control of the property passes, rather than on unconditional exchange of contracts, which was the point at which significant risks and rewards were transferred under IAS 18. The effect of adopting the cumulative catch up approach on transition to IFRS 15 was nil.

Standards and interpretations in issue not yet adopted

The IASB and the IFRS Interpretations committee (formerly IFRIC) have issued the following standards and interpretations that are mandatory for later accounting periods and which have not been adopted early. These are:

Name	Description
IFRS 16	Leases
IFRS 2 (amendments)	Classification and Measurement of Share Based Payment Transactions
Annual Improvements to IFRSs: 2015-2017 cycle	Amendments to IFRS 3, Business Combinations

The Partners do not expect that the adoption of the Standards listed above will have a material impact on the financial statements in future periods.

Property portfolio

i) Investment properties

Investment properties are properties owned or leased by the Partnership which are held for long term rental income and for capital appreciation. Investment property includes property that is being constructed, developed or redeveloped for future use as an investment property. Investment property

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

1. Accounting policies (continued)

i) Investment properties (continued)

is initially recognised at cost, including related transaction costs. It is subsequently carried at each published balance sheet date at fair value on an open market basis as determined by professionally qualified independent external valuers. Changes in fair value are included in the income statement.

Where a property held for investment is appropriated to development property, it is transferred at fair value. A property ceases to be treated as a development property on practical completion.

In accordance with IAS 40 Investment Properties, no depreciation is provided in respect of investment properties.

Investment property is recognised as an asset when:

- It is probable that the future economic benefits that are associated with the investment property will flow to the Partnership.
- The cost of the investment property can be measured reliably

All costs directly associated with the purchase and construction of a development property are capitalised. Capital expenditure that is directly attributable to the redevelopment or refurbishment of investment property, up to the point of it being completed for its intended use, is included in the carrying value of the property.

ii) Assets held for sale

An asset is classified as held for sale if its carrying amount is expected to be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, the asset is available for sale in its present condition and management expect the sale to complete within one year from the balance sheet date.

iii) Tenant leases

Management has exercised judgement in considering the potential transfer of the risks and rewards of ownership in accordance with IAS 17 for all properties leased to tenants and has determined that such leases are operating leases.

iv) Net rental income

Rental income from investment property leased out under an operating lease is recognised in the profit or loss on a straight line basis over the lease term.

Contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants. Surrender premiums receivable are recognised on completion of the surrender.

Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earlier of the first break option or the lease termination date. Lease incentives and costs associated with entering into tenant leases are amortised over the period from the date of lease commencement to the earlier of the first break option or the lease termination date.

Property operating expenses are expensed as incurred and any property operating expenditure not recovered from tenants through service charges is charged to profit or loss.

The Partnership has applied IFRS 15, Revenue from contracts with customers, from 1 April 2018. The main impact of adopting IFRS 15 has been to recognise property transactions at the point of completion, which is the point at which control of the property passes, rather than on unconditional exchange of contracts, which was the point at which significant risks and rewards were transferred. The cumulative effect of adopting IFRS 15 at the date of initial application was nil.

v) Profit and loss on sale of investment properties

Profits and losses on sales of investment properties are calculated by reference to the carrying value at the previous year end valuation date, adjusted for subsequent capital expenditure.

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

1. Accounting policies (continued)

Financial assets and financial liabilities

Financial assets and financial liabilities are recognised in the balance sheet when the Partnership becomes a party to the contractual terms of the instrument.

Financial instruments under IFRS 9

i) Trade and other receivables and payables

Trade receivables are recognised and carried at amortised cost as the Partnership's business model is to collect the contractual cash flows due from tenants. An impairment provision is created based on the expected credit loss model which reflects the Partnership's historical incurred credit losses and the lifetime expected credit loss.

Trade and other payables are initially measured at fair value and subsequently at amortised cost using the effective interest method.

ii) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

iii) Borrowings

Borrowings are recognised initially at fair value less attributable transaction costs. Subsequently, borrowings are stated at amortised cost with any difference being recognised in the income statement over the term of the borrowing.

Financial instruments under IAS 39

iv) Derivative financial instruments

The Partnership uses derivative financial instruments to hedge its exposure to interest rate risks. Derivative financial instruments are recognised initially at fair value, which equates to cost and subsequently remeasured at fair value, with changes in fair value being included in the income statement.

Income tax

As a limited partnership the respective partners are liable for their share of tax on profits and losses of the partnership. Consequently, income tax is not accounted for in the financial statements of the partnership.

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

2. Administration expenses

Employees

There were no employees directly employed by the Partnership (2017/18: no employees).

Audit fees

A charge of £20,900 (2017/18: £20,062) is payable to Deloitte LLP in respect of the audit of the financial statements. There were no non-audit fees payable to Deloitte and its associates in the current or preceding year.

Fees of £10,200 (2017/18: £10,200) were payable by Universities Superannuation Scheme Limited to one of the Directors of the General Partner, Metric GP Income Plus Limited.

3. Finance income

	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Third party interest receivable	1,110	13,012
Bank interest receivable	22,625	8,096
Other interest receivable	268,908	-
	<u>292,643</u>	<u>21,108</u>

Other interest receivable represents a notional discount in relation to payments made to a contractor under a development funding agreements. This notional income is treated as a deduction when calculating the final balancing payment at practical completion.

4. Finance costs

	Year ended 31 March 2019 £	Year ended 31 March 2018 £
Interest on bank loans and overdrafts	2,307,610	2,253,793
Loan commitment fees	193,900	124,326
Amortisation of loan issue costs	238,269	237,014
Debt early close out costs	-	11,123
	<u>2,739,779</u>	<u>2,626,256</u>

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

5. Investment properties

Investment properties consist of land and buildings held for rental income and capital growth, and land and properties held for or in the course of redevelopment. All properties are freehold.

	31 March 2019 £	31 March 2018 £
Opening balance	183,355,000	174,370,000
Acquisitions including acquisition costs	28,603,628	1,682,587
Additions	1,897,891	84,883
Disposals	-	(9,495,935)
Revaluation (deficit)/gain	(13,571,389)	16,774,686
At 31 March	200,285,130	183,416,221
Tenant lease incentives, letting fees and accrued rental income	1,864,870	(61,221)
At 31 March	202,150,000	183,355,000
Properties held at valuation		
- cost	189,529,008	157,162,619
- valuation gain	12,620,992	26,192,381
At 31 March	202,150,000	183,355,000

Valuation

At 31 March 2019, the Partnership's freehold investment properties were externally valued by the Royal Institution of Chartered Surveyors (RICS) Registered Valuers of CBRE Limited ("CBRE") Chartered Surveyors, at £202.150 million (31 March 2018: £183.355 million).

The valuation was prepared in accordance with the RICS Valuation – Professional Standards 2014 on the basis of fair value. Fair value represents 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. There has been no change in the valuation technique in the year. The total fees earned by CBRE from the Partnership represent less than 5% of their total UK revenues. The valuer has continuously been the signatory of valuations for the Partnership since December 2011 and has therefore carried out valuation and professional services on behalf of the Partnership for over five years.

Investment properties with a value of £188,175,000 million (31 March 2018: £183.355 million) are secured to Deutsche Pfandbriefbank AG as part of a £100 million (31 March 2018: £100 million) loan facility.

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

5. Investment properties (continued)

Valuation technique and quantitative information

Asset Type	Fair Value 2019 £000	Valuation Technique	Estimated Rental Value (ERV)		Net Initial Yield		Reversionary Yield	
			Weighted Average (£ per sq ft)	Range (£ per sq ft)	Weighted Average %	Range %	Weighted Average %	Range
Retail	182.725	Yield capitalisation	14.49	9.00 – 34.60	5.74	4.13 – 7.82	5.61	4.19 – 7.52
Hotel	9.425	Yield capitalisation	5,150	-	4.25	-	4.25	-

¹Capitalised market rental values calculated using estimated rentals and market capitalisation rates derived from prior transactions and for comparable transactions in the market

All of the Partnership's properties are categorised as Level 3 in the fair value hierarchy as defined by IFRS 13 Fair Value Management. There have been no transfers of properties between Levels 1, 2 and 3 during the year ended 31 March 2019. The fair value at 31 March 2019 represents the highest and best use.

i) Technique

The valuation techniques described below are consistent with IFRS 13 and use significant "unobservable" inputs. There have been no changes in valuation techniques since the prior year.

Yield capitalisation – for commercial investment properties, market rental values are capitalised with a market capitalisation rate. The resulting valuations are cross-checked against the net initial yields and the fair market values per square foot derived from recent market transactions.

ii) Sensitivity

An increase or decrease in estimated rental value (ERV) will increase or decrease the fair value of the Partnership's investment properties.

An increase or decrease to the net initial yields and reversionary yields will decrease or increase the fair value of the Partnership's investment properties.

An increase or decrease in the estimated costs of development will decrease or increase the fair value of the Partnership's investment properties under development.

There are interrelationships between the unobservable inputs as they are determined by market conditions; an increase in more than one input could magnify or mitigate the impact on the valuation.

iii) Process

The valuation reports produced by CBRE are based on:

- Information provided by the Partnership, such as current rents, lease terms, capital expenditure and comparable sales information, which is derived from the Partnership's financial and property management systems and is subject to the Partnership's overall control environment;
- Assumptions applied by the valuers such as ERVs and yields which are based on market observation and their professional judgement.

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

6. Trade and other receivables

	31 March 2019 £	31 March 2018 £
Amounts due from tenants	498,459	291,611
Sale proceeds receivable	-	5,000
Prepayments and accrued income	63,532	27,506
Other debtors	10,848	27,175
Fair value of derivative financial instruments	3	-
	<u>572,842</u>	<u>351,292</u>

The carrying amount of trade and other receivables approximates their fair values. The Partnership's credit risk is primarily attributable to amounts due from tenants, which consist of rent and service charge monies. A provision for doubtful debts is provided for based on estimated irrecoverable amounts determined by past experience and knowledge of the individual tenant's circumstances. The amount charged to the income statement in respect of doubtful debts was £13,893 (2017/18: £nil). Trade and other receivables are initially measured at invoiced value and have settlement dates within one year. Based on the IFRS9 ECL model, no impairment provision (2018: £nil) has been made against trade receivables.

At 31 March 2019 there were £13,893 of trade receivables (31 March 2018: £nil) which were overdue and considered at risk. A full provision has been made against these trade receivables.

As at 31 March 2019 and 31 March 2018, trade and other receivables outside their payment terms yet not impaired are as follows:

	Outside credit terms but not impaired				
	Total £	Within credit terms £	0-1 month £	1-3 months £	More than 3 months £
At 31 March 2019	<u>498,459</u>	<u>497,277</u>	<u>-</u>	<u>-</u>	<u>1,182</u>
At 31 March 2018	<u>291,611</u>	<u>290,172</u>	<u>-</u>	<u>-</u>	<u>1,439</u>

7. Cash at bank and short-term deposits

	31 March 2019 £	31 March 2018 £
Cash at bank	24,670	23,604
Short term deposits	<u>4,459,018</u>	<u>21,658,137</u>
	<u>4,483,688</u>	<u>21,681,741</u>

As at 31 March 2019 £2,903,936 (31 March 2018: £13,757,325) was held in rent and restricted accounts which are not readily available to the Partnership for day-to-day commercial purposes.

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

8. Trade and other payables

	31 March 2019 £	31 March 2018 £
Rents invoiced in advance	1,749,132	1,586,561
VAT payable	308,878	269,534
Accrued capital expenditure in respect of property acquisitions and refurbishment expenditure	153,733	-
Amount due to General Partner	6,672	5,200
Other trade payables and accruals	1,170,383	1,142,894
	<u>3,388,798</u>	<u>3,004,189</u>

Trade payables are interest free and have settlement dates within one year. The General Partner considers that the carrying amount of trade and other payables approximates their fair value.

9. Financial risk management

The strategic report on pages 4 and 5 contains information on the Partnership's financial risks and the policies for managing those risks.

10. Bank loans

	31 March 2019 £	31 March 2018 £
Secured bank loan	80,517,500	75,900,000
Unamortised finance costs	(1,006,923)	(1,168,880)
	<u>79,510,577</u>	<u>74,731,120</u>

The bank loan is secured by fixed charges over investment properties with a carrying value of £188,175,000 million (31 March 2018: £183.355 million) and a floating charge over the net assets of the Partnership. The loan is repayable within one to five years of the balance sheet date. As at 31 March 2018 the undrawn committed borrowing facility was £19.48 million (31 March 2018: £24.1 million).

In addition to the principal payment noted above the Partnership is committed to future undiscounted interest payments as follows:

	31 March 2019 £	31 March 2018 £
Within one year	2,940,988	2,761,990
Within one to five years	8,967,603	11,055,527
Greater than five years	-	158,909
	<u>11,908,591</u>	<u>13,976,426</u>

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

10. Bank loans (continued)

Under the loan the bank may require repayment of the outstanding amount following a change of control.

11. Derivative financial instruments

The Partnership is exposed to market risk through interest rate fluctuations. It is the Partnership's policy that a significant portion of external bank borrowings are at either fixed or capped rates of interest. The Partnership will use interest rate derivatives including swaps and caps to manage its interest rate exposure and hedge future interest rate risk for the term of the respective bank loan. This policy does not entirely eliminate the risk although the Directors of the general partner believe it provides an appropriate balance of exposure.

Details of the Partnership's derivative financial instruments that were in place are provided below.

	Protected rate	Expiry	Market value 31 March 2019 £	Market value 31 March 2018 £
Current assets				
£4.4 million cap	2.50%	January 2020	1	-
£9.6 million cap	2.50%	January 2020	1	-
£8 million cap	2.50%	January 2020	1	-
Total current assets			3	-
Non-current assets				
£4.4 million cap	2.50%	January 2020	-	430
£9.6 million cap	2.50%	January 2020	-	940
£8 million cap	2.50%	January 2020	-	783
£50 million swap	1.28%	April 2023	-	37,696
£11 million cap	3.00%	April 2023	8,515	45,430
£3.5 million cap	3.00%	April 2023	2,683	-
Total non-current assets			11,198	85,279
Total assets			11,201	85,279
Non-current liabilities				
£50 million swap	1.28%	April 2023	(624,076)	-
Total non-current liabilities			(624,076)	-
Total Liabilities			(624,076)	-
Total all derivative financial instruments			(612,875)	85,279
Movement debited to profit and loss account			(713,154)	472,624

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

11. Derivative financial instruments (continued)

All derivative financial instruments are carried at fair value following a valuation as at 31 March 2019 by J C Rathbone Associates Limited.

The market values of hedging products change with interest rate fluctuations, but the exposure of the Partnership to movements in interest rates is protected by way of the hedging products listed above. In accordance with accounting standards, fair value is estimated by calculating the present value of future cash flows, using appropriate market discount rates. For all derivative financial instruments this equates to a Level 2 fair value measurement as defined by IFRS 13 Fair Value Measurement. The valuation therefore does not reflect the cost or gain to the Partnership of cancelling its interest rate protection at the balance sheet date, which is generally a marginally higher cost (or smaller gain) than a market valuation.

12. Partners' funds

	Partners' equity £	Partners' loans £	Partners' current accounts £	Total £
Universities Superannuation Scheme Limited	6,549	47,631,285	14,209,304	61,847,138
Metric LP Income Plus Limited	6,548	51,734,170	10,106,420	61,847,138
Metric GP Income Plus Limited	1	-	-	1
Total partners' funds as at 31 March 2019	13,098	99,365,455	24,315,724	123,694,277
	Partners' equity £	Partners' loans £	Partners' current accounts £	Total £
Universities Superannuation Scheme Limited	5,717	42,547,116	21,316,168	63,869,001
Metric LP Income Plus Limited	5,717	46,650,002	17,213,282	63,869,001
Metric GP Income Plus Limited	1	-	-	1
Total partners' funds as at 31 March 2018	11,435	89,197,118	38,529,450	127,738,003

The partners' equity contributions are in proportion to each partner's interest.

On 28 September 2017 each Limited Partner made a further £25,000,000 commitment to the Partnership comprising of £2,500 of capital and £24,997,500 of loan advances. As at 31 March 2019, £15,575,000 remained undrawn from each partner (2017/18: £20,660,000). This commitment is subject to appropriate investment opportunities being sourced. The loans are non interest bearing and have no fixed repayment terms.

Each Limited Partner has stated their intention to advance a further £25 million of capital to the partnership subject to appropriate investment opportunities being sourced.

During the year distributions totalling £9,090,504 (2017/18: £7,505,363) were paid as follows: Universities Superannuation Scheme Limited £4,542,752 (2017/18: £3,750,181), Metric LP Income Plus Limited £4,542,752 (2017/18: £3,750,182) and Metric GP Income Plus Limited £5,000 (2017/18: £5,000).

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

13. Advances, credit and guarantees

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

14. Limited partnership agreement

The Limited Partnership Agreement, dated 14 November 2011, as amended and restated 28 September 2017, states that the purpose of the Partnership is to carry out property investment. During the year Metric Property GP Income Plus Limited, acting as the General Partner, had an interest of £5,000 (2017/18: £5,000) in the profits and assets of the Partnership. Universities Superannuation Scheme Limited and Metric LP Income Plus Limited, acting as the Limited Partners, each have a 50% interest in the remaining profits and assets of the Partnership.

15. Ultimate controlling parties

The Partners listed in note 12 are the immediate controlling parties of the Partnership. The ultimate controlling parties are LondonMetric Property Plc and Universities Superannuation Scheme Limited, which are both registered in England.

The consolidated financial statements of LondonMetric Property Plc are available from its registered office at One Curzon Street, London W1J 5HB and its website www.londonmetric.com. The financial statements of Universities Superannuation Scheme Limited are available from its registered office at Royal Liver Building, Liverpool L3 1PY.

16. Related party transactions

Transactions between the Partnership and Universities Superannuation Scheme Limited are shown below:

	31 March 2019 £	31 March 2018 £
Nature of transaction:		
Distributions paid	4,542,752	3,750,181

There was no balance outstanding at 31 March 2019 and 31 March 2018.

Transactions between the Partnership and LondonMetric Property Plc are shown below:

	31 March 2019 £	31 March 2018 £
Nature of transaction:		
Management fees	1,027,090	909,915
Distributions paid	4,542,752	3,750,182
	5,569,842	4,660,097

Significant balances outstanding between the Partnership and LondonMetric Property Plc Partnership companies are shown below:

	31 March 2019 £	31 March 2018 £
Management fees - accrued	492,382	248,553

The above balance is not secured.

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

16. Related party transactions (continued)

Transactions between the Partnership and Metric GP Income Plus Limited are shown below:

	31 March 2019 £	31 March 2018 £
Nature of transaction:		
Distributions paid	5,000	5,000

There was no balance outstanding at 31 March 2019 and 31 March 2018.

17. Capital commitments

Contractual obligations to purchase, construct, develop, repair, maintain or enhance as at 31 March 2019 were £473,272 (31 March 2018: £8,774,321).

18. Analysis of movements in net debt

	Cash and cash equivalents £	Borrowings £	Net debt £
Opening balance	21,681,741	74,731,120	53,049,379
Cash movement	(17,198,053)	4,617,500	21,815,553
Loan issue costs paid	-	(76,312)	(76,312)
Amortisation of loan issue costs	-	238,269	238,269
As at 31 March 2019	4,483,688	79,510,577	75,026,889

	Cash and cash equivalents £	Borrowings £	Net debt £
Opening balance	4,028,887	75,183,615	71,154,728
Cash movement	17,652,854	-	(17,652,854)
Loan issue costs paid	-	(689,509)	(689,509)
Amortisation of loan issue costs	-	237,014	237,014
As at 31 March 2018	21,681,741	74,731,120	53,049,379

Metric Income Plus Limited Partnership

Notes to the financial statements Year ended 31 March 2019

19. Operating leases

The Partnership as lessor

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	31 March 2019 £	31 March 2018 £
Less than one year	12,164,927	10,293,768
Between two and five years	45,806,962	42,745,447
Greater than five years	69,459,171	68,094,104
	<u>127,431,060</u>	<u>121,133,319</u>

20. Post balance sheet events

On 4 June 2019 the Partnership sold Wickes, Larch Street, Oldham for £4.535 million.