

Company Registration No. 7834763

Metric MIPP Asset Management Limited

Report and Financial Statements

31 March 2014

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Metric MIPP Asset Management Limited

Report and financial statements 2014

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Metric MIPP Asset Management Limited

Report and financial statements 2014

Company information

Directors

Valentine Beresford

Sue Ford (resigned 17 May 2013)

Andrew Jones

Martin McGann (appointed 17 May 2013)

Mark Stirling

Company Secretary

Richard Howell

Registered Office

One Curzon Street

London

W1J 5HB

Auditor

Deloitte LLP

Chartered Accountants and Statutory Auditor

London

Metric MIPP Asset Management Limited

Directors' report

The directors present their report with the audited financial statements for the year ended 31 March 2014. The Company qualifies as a small company under section 382 of the Companies Act 2006 and accordingly has not produced a Strategic Report.

Business review and principal activities

The principal activity of the Company is Asset Manager to the Metric Income Plus Limited Partnership.

The accounts have been prepared on a going concern basis. The results for the Company show a pre-tax profit of £476,270 (2013: £150,259). No dividends were paid during the year (2013: £150,068). The Company has net assets of £476,462 (2013: £192) and amounts owed from group companies of £346,655 (2013: owed to £89,453).

The Company is a wholly owned subsidiary of LondonMetric Property Plc.

Directors

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

The Group has arranged insurance cover in respect of legal action against its Directors.

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 by the LondonMetric Property Plc group.

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 his duty as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

On behalf of the Board



Martin McGann
Director
12 December 2014

Metric MIPP Asset Management Limited

Directors' responsibilities statement

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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.

By Order of the Board

Independent auditor's report to the members of Metric MIPP Asset Management Limited

We have audited the financial statements of Metric MIPP Asset Management Limited for the year ended 31 March 2013 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard 101 Reduced Disclosure Framework. This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' report.


Claire Faulkner (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

12 December 2014

Metric MIPP Asset Management Limited

Profit and loss account Year ended 31 March 2014

		Year to 31 March 2014 £	Period from 3 November 2011 to 31 March 2013 £
	Notes		
Management fee income		488,556	282,416
Operating expenses		(15,976)	(133,796)
Net income		472,580	148,620
Administration expenses	2	-	-
Operating profit		472,580	148,620
Finance income	3	3,690	1,639
Profit before tax		476,270	150,259
Tax	4	-	-
Profit after tax		476,270	150,259

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

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

The notes on pages 8 to 13 form part of these financial statements.

Metric MIPP Asset Management Limited

Balance sheet As at 31 March 2014

	Notes	As at 31 March 2014 £	As at 31 March 2013 £
Current assets			
Trade and other receivables	5	504,072	89,645
Total assets		504,072	89,645
Current liabilities			
Trade and other payables	6	(27,610)	-
Total current liabilities		(27,610)	-
Non-current liabilities			
Amounts owing to Group undertakings	7	-	(89,453)
Total liabilities		(27,610)	(89,453)
Net assets		476,462	192
Equity			
Share capital	8	1	1
Retained earnings		476,461	191
Total equity		476,462	192

The financial statements of Metric MIPP Asset Management Limited (registered number 7834763) were approved by the Board of Directors and authorised for issue on 12 December 2014 and signed on its behalf by:

Martin McGann

Martin McGann
Director

The notes on pages 8 to 13 form part of these financial statements.

Metric MIPP Asset Management Limited

Statement of changes in equity Year ended 31 March 2014

	Share capital £	Retained earnings £	Total £
At 1 April 2013	1	191	192
Profit for the year	-	476,270	476,270
Total equity attributable to equity shareholders	1	476,461	476,462

Period ended 31 March 2013

	Share capital £	Retained earnings £	Total £
At incorporation	-	-	-
Issue of ordinary shares	1	-	1
Profit for the period	-	150,259	150,259
Dividends paid	-	(150,068)	(150,068)
Total equity attributable to equity shareholders	1	191	192

The notes on pages 8 to 13 form part of these financial statements.

Metric MIPP Asset Management Limited

Notes to the financial statements Year ended 31 March 2014

1. Accounting policies

a) General information

Metric MIPP Asset Management Limited is a limited company incorporated in England under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the business review on page 2.

b) Statement of compliance

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 March 2014 the Company has undergone transition from reporting under IFRSs adopted by the European Union to FRS 101 as issued by the Financial reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. This transition is not considered to have had a material effect on the financial statements.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of LondonMetric Property Plc. The group accounts of LondonMetric Property Plc are available to the public and can be obtained as set out in note 9.

c) Basis of preparation

The functional and presentational currency of the Company is sterling. The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies adopted are set out below.

Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Metric MIPP Asset Management Limited

Notes to the financial statements Year ended 31 March 2014

1 Accounting policies (continued)

The accounting policies have been applied consistently in all material respects.

i) Estimates and judgements

The preparation of financial statements in conformity with FRS101 requires management to make judgements, 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 reporting period.

Significant items subject to such assumptions and estimates include the fair value of investment properties. The most critical accounting policies in determining the financial condition and results of the Company are those requiring the greatest degree of subjective or complex judgements. These relate to property valuation, which is discussed in the policies below. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

ii) Adoption of new and revised standards

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:

Amendments to IAS 1 <i>Presentation of Financial Statements</i> (as part of the Annual Improvements to IFRSs 2009 - 2011 Cycle issued in May 2012)	The Annual Improvements to IFRSs 2009 - 2011 have made a number of amendments to IFRSs. The amendments that are relevant to the company are the amendments to IAS 1 regarding when a statement of financial position as at the beginning of the preceding period (third statement of financial position) and the related notes are required to be presented. The amendments specify that a third statement of financial position is required when a) an entity applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position. The amendments specify that related notes are not required to accompany the third statement of financial position.
IFRS 13 <i>Fair Value Measurement</i>	The company has applied IFRS 13 for the first time in the current year. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of IFRS 13 is broad; the fair value measurement requirements of IFRS 13 apply to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are within the

Metric MIPP Asset Management Limited

Notes to the financial statements Year ended 31 March 2014

1 Accounting policies (continued)

IFRS 13 <i>Fair Value Measurement (continued)</i>	scope of IAS 17 Leases, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes). IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under IFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, IFRS 13 includes extensive disclosure requirements; the Company has taken advantage of the exemption provided under FRS 101 from providing these disclosures. IFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard.
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d) 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. Unless otherwise indicated, the carrying amounts of the financial assets and liabilities are a reasonable approximation of their fair values.

e) Finance income

Finance income includes interest receivable on funds invested, measured at the effective rate of interest on the underlying sum invested.

f) Dividends

Dividends on equity shares are recognised when they become legally payable.

g) Tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, together with any adjustment in respect of previous years.

h) Going Concern

The financial statements have been prepared on a going concern basis. This is discussed further in the Directors' Report on page 2.

Metric MIPP Asset Management Limited

Notes to the financial statements Year ended 31 March 2014

2. Administration expenses

Employees

There were no employees directly employed by the Company (2013: no employees).

Audit fees

The auditor's remuneration for the year and prior period was borne by the ultimate parent company.

Directors' remuneration

The directors received no remuneration in respect of their services to the company during the year and prior period. All of the directors are also directors of LondonMetric Property Plc, the company's ultimate holding company, and the remuneration of these directors is disclosed in the financial statements of that company.

3. Finance income

	Year to 31 March 2014 £	Period from 3 November 2011 to 31 March 2013 £
Interest received on inter-company loan balance	3,690	1,639
	<u>3,690</u>	<u>1,639</u>

4. Tax

	Year to 31 March 2014 £	Period from 3 November 2011 to 31 March 2013 £
Current tax		
Current tax on profit for the year	-	-
Total tax on ordinary activities	<u>-</u>	<u>-</u>

Metric MIPP Asset Management Limited

Notes to the financial statements Year ended 31 March 2014

4. Tax (continued)

Factors affecting tax for the year

The tax charge differs from the standard rate of corporation tax in the UK. The differences are explained below:

	Year to 31 March 2014 £	Period from 3 November 2011 to 31 March 2013 £
Profit on ordinary activities before tax	476,270	150,259
Tax on profit on ordinary activities at the standard rate of corporation tax in the UK of 23% (2013: 24%)	109,542	36,062
Effects of:		
Group loss relief	(109,542)	(36,062)
Total tax on ordinary activities	-	-

Factors that may affect future tax charges

The standard rate of UK corporation tax is due to fall in stages to 20 per cent by 2015. This is unlikely to impact the Company's tax charge significantly.

5. Trade and other receivables

	31 March 2014 £	31 March 2013 £
Amount due from group undertakings	346,655	-
Prepayments and accrued income	157,417	89,645
	504,072	89,645

All amounts fall due for payment in less than one year.

At 31 March 2014 there were no trade receivables which were overdue and considered at risk (2013: £nil).

Metric MIPP Asset Management Limited

Notes to the financial statements Year ended 31 March 2014

6. Trade and other payables

	31 March 2014 £	31 March 2013 £
VAT payable	27,610	-
	<u>27,610</u>	<u>-</u>

All amounts fall due for payment in less than one year.

At 31 March 2014 there were no trade receivables which were overdue and considered at risk (2013: £nil)

7. Amounts owing to Group undertakings

Intercompany loans have no fixed repayment terms and are interest bearing at the LondonMetric group's weighted average cost of debt. The Company and its parent have agreed that they will not demand repayment of any intercompany loan balances due to the parent within the next twelve months.

8. Share capital

	31 March 2014 £	31 March 2013 £
Allotted, called up and fully paid		
1 ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

The Company has one class of ordinary shares, which carry no right to fixed income.

9. Controlling party information

The intermediate parent company is Metric Property Investments plc and ultimate holding company is LondonMetric Property Plc. LondonMetric Property Plc is the smallest and largest group of which the Company is a member to prepare group accounts. Copies of the consolidated accounts of LondonMetric Property plc can be obtained from One Curzon Street, London W1J 5HB.