Get Living London EV N04 Limited

Annual report and financial statements

For the year ended 31 March 2018

Company Registration No. 08613928

Get Living London EV N04 Limited

Annual report and financial statements for the year ended 31 March 2018

Contents

Page

Company Information

Directors

Jeremy Martin Holmes

James William Jeremy Ritblat

Abdulla Al-Ajail

Gawain Sydney Edward Smart

Registered office

6th Floor Lansdowne House
Berkeley Square
London
W1J 6ER

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Directors' Report

The Directors present the annual report and the audited financial statements for the year ended 31 March 2018.

Directors

The Directors who served during the year were:

- Jeremy Martin Holmes
- DV4 Administration Limited (resigned 30 August 2018)
- Colin Barry Wagman (resigned 29 March 2018)
- Sheikh Jassim Hamad Al-Thani (resigned 27 February 2018)
- James William Jeremy Ritblat (appointed 9 August 2018)
- Abdulla Al-Ajail (appointed 9 August 2018)
- Gawain Sydney Edward Smart (appointed 30 August 2018)

Principal activities

The principal activity of the Company is the letting of investment property at East Village, London E20 to private residential tenants and small number of retail tenants.

Results and dividends

The result for the year amounted to a £430k (2017: £628k) loss before tax and £785k (2017: £196k) loss after tax.

The Directors do not recommend payment of an ordinary dividend for the year (2017: £nil).

Principal risks and uncertainties

In the opinion of the Directors, the major risks faced by the Company relate to fluctuations in the residential rental market and the property market generally. The Directors believe the excellent location and infrastructure in place at Stratford mitigate some of these concerns.

The Company is also exposed to the following specific risks:

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company aims to mitigate liquidity risk by maintaining adequate banking facilities.

Credit risk
The Company services the private rental property sector as it rents its investment properties to third party private residents. The private property industry is highly competitive and relies on payment of financial obligations by private individuals, whose economic circumstances can alter from time to time. If a tenant experiences financial difficulties this may result in arrears which, ultimately, are chased through a legal process which can end in repossession of the property. The Directors mitigate this risk by conducting comprehensive credit checks prior to tenancy commencement and will insist on guarantors as required. For those tenants that do not pass credit checks, the Company requires receipt of a deposit prior to tenancy commencement and will insist on guarantors as required.

Directors' Report (continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company has no significant assets or liabilities denominated in currencies other than Pounds Sterling and was therefore not exposed to currency risk at the reporting date.

Interest rate risk

The Company's interest-bearing financial assets and liabilities expose it to risks associated with the effect of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Company makes use of derivative financial instruments where possible to mitigate its overall exposure to such movements.

Going concern

The financial statements of the Company have been prepared on a going concern basis. The Directors have referred to cash flow forecasts for the coming year in order to understand the cashflow requirements of the Company.

The Directors have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future, and consider it appropriate to prepare the financial statements on a going concern basis.

In considering whether this is appropriate, the Directors have taken into account the following:

- that although the loan from the parent company is repayable on demand, the parent company has agreed not to request repayment for at least 12 months from the date of approval of these financial statements;
- the Company has received a letter of support from an intermediate parent company regarding their current intention to provide financial support to assist in meeting liabilities as they fall due for a period of at least one year from the date of approval of the financial statements.

Directors' Report (continued)

Directors' statement as to disclosure of information to auditors

The Directors who were members of the Board at the time of approving the Directors' Report are shown above. Having made enquiries of fellow Directors and of the Company's auditor, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information (that is, information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Ernst & Young LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

Small companies' exemption

In preparing the report and financial statements, the Directors have taken advantage of the small companies' exemption provided under the Companies Act 2006. The Directors have also taken advantage of the exemption provided under Section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 for the requirement to produce a Strategic Report for the year.

Subsequent events

On 30 August 2018, DV4 Limited completed contracts with Oxford Properties, a Canadian global real estate investor, to form a co-investment vehicle called Delancey Oxford Residential ("DOOR"). Following this transaction, the shareholders of East Village London LLP (the ultimate parent undertaking of the company) are DOOR (39% shareholding), Stichting Depositary APG Strategic Real Estate Pool (39% shareholding) and QD UK Holdings LP (replacing QD Triangle (East Village) Limited) (22% shareholding).

Approved by the Board of Directors and signed on behalf of the Board.

....

Jeremy Holmes

Director

Date: 26 September 2018

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable UK 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 Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 those 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Independent Auditor's Report to the Members of Get Living London EV N04 Limited

Opinion

We have audited the financial statements of Get Living London EV N04 Limited (the 'company') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 March 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements 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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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.

Independent Auditor's Report to the Members of Get Living London EV N04 Limited (continued)

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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
- 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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.

Daniel Saunders (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
Date: 27 September 2018

Statement of comprehensive income

	Notes	2018 £000	2017 £000
Rental income		**2,891**	2,762
Direct costs		**(668)**	(514)
Net rental profit		**2,223**	2,248
Administrative expenses		**(782)**	(689)
Valuation gain on investment property	7	**57**	152
Operating profit	4	**1,498**	1,711
Net interest payable and similar costs	5	**(1,928)**	(2,339)
Loss on ordinary activities before taxation		**(430)**	(628)
Taxation	6	**(355)**	432
Loss for the year		**(785)**	(196)
Other comprehensive income		**-**	-
Total comprehensive expense for the year		**(785)**	(196)

Statement of financial position

	Notes	2018 £000	2017 £000
Fixed assets			
Investment property	7	**74,885**	74,828
Tangible fixed assets	8	**678**	978
		75,563	75,806
Current assets			
Debtors	9	**124**	117
Current liabilities			
Creditors: amounts falling due within one year	10	**(20,547)**	(19,854)
Net current liabilities		**(20,423)**	(19,737)
Total assets less current liabilities		**55,140**	56,069
Non-Current liabilities			
Creditors: amounts falling due after more than one year	11	**(32,441)**	(32,940)
Deferred tax liabilities	6	**(1,614)**	(1,259)
		(34,055)	(34,199)
Net assets		**21,085**	21,870
Capital and reserves			
Share capital	13	**-**	-
Capital contribution	14	**13,908**	13,908
Retained earnings		**7,177**	7,962
Total equity		**21,085**	21,870

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors for issue on 26 September 2018 and were signed on its behalf by:

....
Jeremy Holmes

Director
Company Registration No. 08613928

Statement of changes in equity

	Share capital	Capital contribution	Retained earnings	Total equity
	£000	£000	£000	£000
As at 1 April 2016	-	13,908	8,158	22,066
Total comprehensive expense for the year	-	-	(196)	(196)
As at 31 March 2017	-	13,908	7,962	21,870
Total comprehensive expense for the year	-	-	(785)	(785)
As at 31 March 2018	**-**	**13,908**	**7,177**	**21,085**

Notes to the financial statements

1. Statement of compliance with FRS 101

These Company financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and under the historical cost convention as modified by the revaluation of investment properties and derivative financial liabilities measured at fair value through the statement of comprehensive income, in accordance with the Companies Act 2006.

2. Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2018. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
    - paragraph 79(a)(iv) of IAS 1;
    - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
    - paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Going concern

The financial statements of the Company have been prepared on a going concern basis. The Directors have referred to cash flow forecasts for the coming year in order to understand the cashflow requirements of the Company.

The Directors have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future, and consider it appropriate to prepare the financial statements on a going concern basis.

In considering whether this is appropriate, the Directors have taken into account the following:

- that although the loan from the parent company is repayable on demand, the parent company has agreed not to request repayment for at least 12 months from the date of approval of these financial statements;
- the Company has received a letter of support from an intermediate parent company regarding their current intention to provide financial support to assist in meeting liabilities as they fall due for a period of at least one year from the date of approval of the financial statements.

Notes to the financial statements (continued)

3. Summary of significant accounting policies

a) Investment property

Investment property is initially recognised at cost and subsequently measured at fair value. Gains or losses arising from changes in fair value of investment property are included in the statement of comprehensive income in the period in which they arise. No depreciation or amortisation is provided in respect of investment property.

b) Revenue recognition

Rental income from investment properties is recognised in the statement of comprehensive income on a straight-line basis over the term of the lease.

c) Taxes

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that they can be utilised against taxable profits. However, deferred tax assets are not recognised where they relate to the deductible temporary difference arising from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

d) Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation. Fixed assets are depreciated at 25% per annum on a straight line basis. The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements (continued)

3. Summary of significant accounting policies (continued)

e) Debtors

Debtors are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment.

A provision for impairment in trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due. The amount of the provision is the difference between the asset's carrying amount and the estimated future cash flows. A 50% provision is made for receivables over one month old (but less than two months) and 100% provision for receivables over two months old. At that point, the Company will commence legal proceedings. The movement in the provision is recognised in the statement of comprehensive income.

f) Interest-bearing and profit-bearing loans

Obligations for bank loans are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and profit-bearing loans are subsequently measured at amortised cost using the effective interest method. The discount between the redeemable amount and the net proceeds is accreted over the term of the bonds and charged to the statement of comprehensive income.

In the year ended 31 March 2015, the Company entered into a Murabaha loan to finance the purchase of the investment property. The quarterly profit element payable on this transaction is treated as interest payable within these accounts, in accordance with recommended accounting practice.

g) Derivative financial instruments

The Company uses a derivative financial instrument to hedge its exposure to movements in the profit-bearing loans. The derivative is initially recognised at fair value and subsequently re-measured to its prevailing fair value at each reporting date. Changes in the fair value of the derivative financial instrument are recognised as income or expense in the statement of comprehensive income as they arise.

The Company does not apply hedge accounting.

h) Leases - Company as lessee

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the present value of the minimum lease payments.

Long leasehold properties are included in the statement of financial position at fair value increased for the obligation for the present value of minimum future lease payments at inception. The finance charge is allocated each period during the lease term so as to produce a consistent periodic rate of interest on the remaining balance of the liability.

Notes to the financial statements (continued)

4. Operating profit

Operating profit is stated after charging:

	2018	2017
	£000	£000
Auditor's remuneration	**2**	2
Depreciation	**414**	379

Directors' remuneration

The Directors are remunerated for their services to their respective parent groups, or advisors thereto, as a whole. Their total remuneration is not allocated between the services they provide to this joint venture company and the various other joint ventures in their respective parent groups. Consequently, the Directors received no remuneration or reimbursements from the Company.

5. Net interest payable and similar costs

	2018	2017
	£000	£000
Profit payable on Murabaha loan	**1,349**	1,349
Change in fair value of derivatives	**(638)**	(218)
Interest payable on intercompany loan	**976**	976
Amortised arrangement fees	**44**	44
Finance lease charges	**191**	186
Other finance cost	**6**	2
	1,928	2,339

Notes to the financial statements (continued)

6. Taxation

	2018	2017
	£000	£000
Current tax charge	-	-
Deferred tax charge/(credit)	355	(432)
Tax charge/(credit)	355	(432)

	2018	2017
	£000	£000
Factors affecting the tax charge/(credit) for the year:		
Loss before taxation	(430)	(628)
Loss before taxation multiplied by standard rate of UK corporation tax of 19% (2017: 20%)	(82)	(126)
Effect of:		
Excess of capital allowances recognised over depreciation	79	76
Non-deductible expenses	1	2
Difference between accounting and tax base cost of investment properties	(273)	(257)
Other differences	510	139
Effects of movement in future tax rates	(1)	(96)
Utilisation of losses brought forward	(208)	(219)
Movement in recognised losses	438	49
Group relief	(109)	-
Tax charge/(credit)	355	(432)

Deferred tax is recognised at a rate of 17% (2017:17%). The Finance (No.2) Act 2015 was enacted on 18 November 2015, which introduced a reduction in the headline rate of corporation tax from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. The Finance Act 2016 was enacted on 15 September 2016, and introduced a further reduction of the headline rate of corporation tax to 17% from 1 April 2020.

The Company received group relief from other entities within the group. The Company does not make payments for the group relief received.

Notes to the financial statements (continued)

6. Taxation (continued)

	2018	2017
	£000	£000
Deferred tax liabilities		
At 1 April	1,259	1,691
Charged/(credited) to the statement of comprehensive income	355	(432)
At 31 March	**1,614**	1,259

	2018	2017
	£000	£000
Deferred tax liability comprises		
Revaluation of investment property	2,120	2,204
Unutilised tax losses and other temporary differences	(506)	(945)
	1,614	1,259

7. Investment property

	2018	2017
	£000	£000
At 1 April	74,828	74,755
Provision for additional acquisition cost (ODA overage)	-	(79)
Fair value adjustments	57	152
At 31 March	**74,885**	74,828

	2018	2017
	£000	£000
Fair value	71,289	71,326
Finance lease separately recognised	3,596	3,502
At 31 March	**74,885**	74,828

The fair value of investment property of £71.3m (2017: £71.3m) principally includes leasehold residential property.

The fair values of these leasehold residential properties are Directors valuations, after consideration of a third party valuation of the freehold site containing the property held by this Company at 31 March 2018 in accordance with RICS Valuation Standards, Sixth Edition in the United Kingdom. That amount is allocated to this property based on the size of the building, less an amount, estimated by the Directors, representing the value of the head lease payments due to the head lease holder. All investment properties are held under lease agreements of 125 years.

The comparable cost of investment property determined under historical cost is £54.3m (2017: £54.3m).

Notes to the financial statements (continued)

8. Tangible fixed assets

	Residential Fixture & Fittings	Retail Assets	Total
	£000	£000	£000
At Cost			
At 1 April 2016	582	772	1,354
Additions in the year	4	276	280
Disposals	(3)	-	(3)
At 31 March 2017	583	1,048	1,631
Additions in the year	15	99	114
At 31 March 2018	**598**	**1,147**	**1,745**
Depreciation			
At 1 April 2016	(185)	(90)	(275)
Charge for the year	(146)	(233)	(379)
Disposals	1	-	1
As at 31 March 2017	(330)	(323)	(653)
Charge for the year	(147)	(267)	(414)
As at 31 March 2018	**(477)**	**(590)**	**(1,067)**
Net Book values			
At 31 March 2018	**121**	**557**	**678**
At 31 March 2017	253	725	978

Notes to the financial statements (continued)

9. Debtors

	2018	2017
	£000	£000
Trade debtors	**55**	42
Allowance for doubtful debts	**(10)**	(16)
	45	26
Prepayments	**29**	13
Accrued income	**31**	59
Amounts due from group undertakings	**19**	19
	124	117

Trade debtors are non-interest bearing.

Trade debtors are provided for as follows:

- 50% for debts over 1 month old (but less than 2 months)
- 100% for debts over 2 months old. At this point, legal proceedings will commence.

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10. Creditors: amounts falling due within one year

	2018	2017
	£000	£000
Trade creditors	**165**	111
Deferred income	**296**	350
Other creditors	**376**	587
Other taxes	**1**	4
Loan from parent	**15,768**	14,792
Amounts due to group undertakings	**3,941**	4,010
	20,547	19,854

Trade creditors are non-interest bearing and are normally settled in accordance with the Company's terms of business.

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. The loan from parent includes £8.1m (2017: £8.1m) which is interest bearing at 12%, £4.1m (2017: £4.1m) which is interest free and accrued interest of £3.6m (2017: £2.6m). The loan from parent is repayable on demand.

Notes to the financial statements (continued)

11. Creditors: amounts falling due after more than one year

	2018	2017
	£000	£000
Finance lease liability – non-current (note 12)	**3,596**	3,502
Murabaha loan	**28,472**	28,472
Deferred Murabaha loan arrangement fees	**(69)**	(114)
Derivative financial instruments	**442**	1,080
	32,441	32,940

In the year ended 31 March 2015, the Company entered into a Murabaha loan to part-finance the purchase of the investment property. The quarterly profit element payable on this transaction is treated as interest payable within these financial statements.

The Murabaha loan is non-amortising and due for repayment in September 2019. Profit payable on the Murabaha loan is calculated based on LIBOR+ 2.60%. The floating rate is hedged by a derivative.

The Murabaha loan is served by fixed and floating charges over certain investment properties.

In the year ended 31 March 2015 the Company entered into a swap arrangement to swap floating rate profit payable on its Murabaha loan to a fixed rate. The swap has a non-amortising notional principal of £28.4m from inception in August 2014 through to maturity in September 2019 and fixes the profit payable on the Murabaha loan at an effective rate of 4.67%.

The fair value of the derivative is calculated using the present value of the estimated future cash flows and the credit quality of counterparties.

12. Finance lease liabilities

The Company holds leasehold property that it classifies as investment property. The leases are accounted for as finance leases. These leases have lease terms of 125 years and rent increases by 33% every ten years. Future minimum lease payments under finance leases are as follows:

	2018		2017	
	Gross investment	**Present value**	Gross investment	Present value
	£000	**£000**	£000	£000
Future minimum lease payments due:				
Within one year	**96**	-	96	-
Between one to two years	**96**	-	96	-
After two years but not more than five years	**289**	-	289	-
More than five years	**104,107**	**3,596**	104,203	3,502
	104,588	**3,596**	104,684	3,502
Less: finance charges allocated to future periods	**(100,992)**	-	(101,182)	-
Present value of minimum lease payments	**3,596**	**3,596**	3,502	3,502

Notes to the financial statements (continued)

13. Share capital

	2018	2017
	£	£
Allotted, called up share capital		
1 Ordinary Shares of £1 each	**1**	1
	1	1

Holders of Ordinary Shares are entitled to one vote per share.

14. Capital contribution

The capital contribution of £13.9m (2017: £13.9m) relates to funding received from the parent company, QDD Athletes Village UK Limited, for the initial acquisition of East Village from the Olympic Development Authority (ODA) in 2014. This is treated as capital contribution as there was no issue of shares, no interest payments and no repayment obligation on the funding received from the parent company.

15. Related party disclosures

The Company's immediate and ultimate parent undertakings were Get Living London EV Holdco Limited and East Village London LLP respectively.

At 31 March 2018, East Village London LLP was ultimately jointly controlled as follows:

(i) By DV4 Limited, a company registered and incorporated in the British Virgin Islands; and
(ii) By Qatari Diar Real Estate Investment Company QSC, a company registered and incorporated in the State of Qatar and being a direct subsidiary of Qatar Investment Authority, a governmental authority established by the Emir of the State of Qatar; and
(iii) By Stichting Depositary APG Strategic Real Estate Pool, a pension fund asset manager based in the Netherlands.

QDD Athletes Village UK Limited is the smallest and East Village London LLP (a limited liability partnership registered in England & Wales) is the largest group to consolidate these financial statements.

Transactions between the Company and its group entities are summarised in note 5, 9, 10 and 11. The Company's finance lease liabilities are with a company under common control (see note 12).

16. Commitments

There were no commitments as at 31 March 2018 (2017: £nil).

17. Contingent liabilities

There were no contingent liabilities as at 31 March 2018 (2017: £nil).

18. Subsequent events

On 30 August 2018, DV4 Limited completed contracts with Oxford Properties, a Canadian global real estate investor, to form a co-investment vehicle called Delancey Oxford Residential ("DOOR"). Following this transaction, the shareholders of East Village London LLP (the ultimate parent undertaking of the company) are DOOR (39% shareholding), Stichting Depositary APG Strategic Real Estate Pool (39% shareholding) and QD UK Holdings LP (replacing QD Triangle (East Village) Limited) (22% shareholding).