

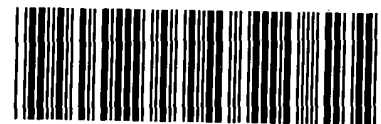
Company Registration No. 8747288

Goresbrook Property Limited

Financial Statements

For the period ended 31 March 2015

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Goresbrook Property Limited

Financial statements for the period ended 31 March 2015

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Goresbrook Property Limited

Financial statements for the period ended 31 March 2015

Company information

Directors

Martin McGann (appointed 23 January 2015)

Andrew Jones (appointed 23 January 2015)

Valentine Beresford (appointed 23 January 2015)

Mark Stirling (appointed 23 January 2015)

Trevor Silver (appointed 24 October 2013, resigned 23 January 2015)

Gareth Dufton (appointed 15 November 2013, resigned 23 January 2015)

Simon Holley (appointed 27 November 2013, resigned 23 January 2015)

Sheikh Farouq Rashid (appointed 27 November 2013, resigned 23 January 2015)

Company Secretary

Jadzia Duzniak (appointed 23 January 2015)

Bob Newsholme (appointed 24 October 2013, resigned 23 January 2015)

Registered Office

One Curzon Street
London
W1J 5HB

Auditor

BDO LLP
2 City Place
Beehive Ring Road
Gatwick
West Sussex
RH6 0PA

Goresbrook Property Limited

Directors' report

The directors present their report with the audited financial statements for the period from incorporation to 31 March 2015. The Company qualifies as a small company under section 382 of the Companies Act 2006 and accordingly has not produced a Strategic Report.

Incorporation

The Company was incorporated on 24 October 2013 as Meaalofa Developments Limited.

Change of name

On 22 January 2015 the Company changed its name to Goresbrook Property Limited.

Business review and principal activities

The principal activity of the Company is property investment. The Company acquired a distribution centre in Dagenham on 27 November 2013 which it subsequently refurbished in part and re-let. The Company was sold to LondonMetric Property Plc on 23 January 2015 and the asset was subsequently transferred to another group company, LMP Dagenham Limited at market value on 17 March 2015.

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

The results for the Company show a pre-tax profit of £10,630,475. No dividends were paid during the period. The Company has net assets of £10,630,476 which includes an amount due from the ultimate parent company of £9,588,150. The financial statements have been prepared on a going concern basis.

Directors

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

The Group has arranged insurance cover in respect of legal action against the Company's current 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

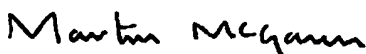
BDO LLP have been appointed as the auditor of the Company. They have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

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.

This report has been prepared in accordance with the small companies provisions of the Companies Act 2006.

On behalf of the Board



Martin McGann
Director
24 July 2015

Goresbrook Property 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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including 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 accounting 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.

Independent auditor's report to the members of Goresbrook Property Limited

We have audited the financial statements of Goresbrook Property Limited for the 17 month period ended 31 March 2015 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of the audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 2015 and of its profit for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period 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.

BDO LLP

Anna Draper (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick, United Kingdom
24 July 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Goresbrook Property Limited

Profit and loss account Period ended 31 March 2015

	Notes	Period ended 31 March 2015 £
Gross rental income		1,539,544
Other property income		496,000
Property operating expenses		(179,061)
Net rental income		1,856,483
Administration expenses	2	(2,621,576)
Gain arising on valuation of investment property	6	23,567,865
Operating profit		22,802,772
Finance income	3	588
Finance costs	4	(12,172,885)
Profit before tax		10,630,475
Tax	5	-
Profit after tax		10,630,475

All activities during the period are derived from discontinuing operations.

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

The notes on pages 8 to 14 form part of these financial statements

Goresbrook Property Limited

Balance sheet As at 31 March 2015

	Notes	As at 31 March 2015 £
Non-current assets		
Investment property	6	-
Total non-current assets		-
Current assets		
Trade and other receivables	7	10,677,405
Cash at bank and in hand		521
Total current assets		10,677,926
Total assets		10,677,926
Current liabilities		
Trade and other payables	8	(47,450)
Total current liabilities		(47,450)
Total net current assets		10,630,476
Net assets		10,630,476
Equity		
Share capital	9	1
Retained profit		10,630,475
Total shareholders' funds		10,630,476

The financial statements of Goresbrook Property Limited (registered number 8747288) were approved by the Board of Directors and authorised for issue on 24 July 2015 and signed on its behalf by:

Martin McGann

Martin McGann
Director

The notes on pages 8 to 14 form part of these financial statements

Goresbrook Property Limited

Statement of changes in equity Period ended 31 March 2015

	Share capital £	Retained profit £	Total £
At incorporation	-	-	-
Shares issued in the period	1	-	1
Profit for the period	-	10,630,475	10,630,475
Total equity attributable to equity shareholders	1	10,630,475	10,630,476

The notes on pages 8 to 14 form part of these financial statements

Goresbrook Property Limited

Notes to the financial statements Period ended 31 March 2015

1. Accounting policies

a) General Information

Goresbrook Property Limited is a limited company incorporated in England under the Companies Act 2006. 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 Director's Report 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. The financial statements have been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a cash-flow statement, standards not yet effective, impairment of assets and disclosures of related party transactions with other wholly owned group undertakings.

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 10.

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, except for the revaluation of property as explained in the accounting policies below. 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 leasing transactions that are within the scope of IAS 17.

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.

However, the Company had no assets or liabilities carried at fair value at the balance sheet date.

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

Goresbrook Property Limited

Notes to the financial statements (continued) **Period ended 31 March 2015**

1. Accounting policies (continued)

d) Estimates and Judgements

The preparation of financial statements in conformity with FRS 101 requires the directors 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 property. 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.

e) Property portfolio

i) Investment property

Investment property is property owned or leased which is 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 is initially recognised at cost, including related transaction costs. It is subsequently carried at fair value on an open market basis as determined by professionally qualified independent external valuers. Investment property is revalued at each published balance sheet date and at other times during a period if fair value is readily ascertainable (e.g. in the case of a change of ownership transaction). 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.

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 rental income, current market rental yields, future development costs and the appropriate discount rate. In addition, to the extent possible, the valuers make reference to market evidence of transaction prices for similar properties. Gains or losses arising from changes in the fair value of investment properties are recognised in the income statement in the period in which they arise.

In accordance with IAS 40 "Investment Property", no depreciation is provided in respect of investment property.

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 Company
- There are no material conditions precedent which could prevent completion
- The cost of the investment property can be measured reliably

All costs directly associated with the purchase of an investment 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 capitalised in the carrying value of the property.

Goresbrook Property Limited

Notes to the financial statements (continued) **Period ended 31 March 2015**

1. Accounting policies (continued)

II) 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 property leased to tenants and has determined that such leases are operating leases.

III) Net rental income

Revenue comprises 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, are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

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.

IV) Surplus on sale of investment property

Surpluses on sale of investment property are calculated by reference to the carrying value at the previous valuation date, adjusted for subsequent capital expenditure.

f) Finance costs

Net finance costs include interest payable on borrowings, net of interest capitalised and finance costs amortised.

Interest is capitalised if it is directly attributable to the acquisition, construction or redevelopment of development properties from the start of the development work until practical completion of the property. Capitalised interest is calculated with reference to the actual interest rate payable on specific borrowings for the purposes of development or, for that part of the borrowings financed out of general funds, with reference to the Company's weighted average cost of borrowings.

g) Dividends

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

h) Tax

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

Goresbrook Property Limited

Notes to the financial statements (continued) Period ended 31 March 2015

2. Administration expenses

Employees

The Company had an average of one employee during the period, who received a total salary of £33,973 on which the Company paid social security costs of £969. There were no pension costs. At 31 March 2015, the Company had no employees.

Audit fees

The auditor's remuneration for the audit of these financial statements was £4,500. There were no non-audit fees payable to BDO LLP and its associates in the current period.

Directors' remuneration

The former and current directors received no remuneration in respect of their services to the Company during the period. All of the current 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.

Management fees

Included within administrative expenses are management fees of £1,091,020 payable to Aequitas Estates Limited, see note 4, and £1,230,089 payable to Meaalofa Asset Management Limited. Meaalofa Asset Management Limited is a company controlled by Trevor Silver.

3. Finance income

	Period ended 31 March 2015 £
Bank interest receivable	588
	<u>588</u>

4. Finance costs

	Period ended 31 March 2015 £
Interest payable on bank and shareholder loans	10,941,602
Interest payable on intercompany loans	305,875
Amortisation of loan issue costs	925,408
	<u>12,172,885</u>

Included within the above finance costs are an amount of £89,113 payable to Aequitas Estates Limited and £79,869 payable to Fale Limited, companies that jointly controlled the Company prior to its acquisition by LondonMetric Property Plc on 23 January 2015. Further interest of £124,556 and £124,920 was paid to these companies during the period in which the property was being refurbished and was capitalised as part of the property cost.

Goresbrook Property Limited

Notes to the financial statements (continued) Period ended 31 March 2015

5. Tax

	Period ended 31 March 2015 £
Current tax	
Current tax on profit for the period	-
Total tax on ordinary activities	-

Factors affecting tax for the period

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

	Period ended 31 March 2015 £
Profit on ordinary activities before tax	10,630,475
Tax on profit on ordinary activities at the standard rate of corporation tax in the UK of 21%	2,232,400
Effects of:	
Income not subject to tax	(4,949,252)
Expenses not deductible for tax	2,062,029
Losses carried forward	590,564
REIT tax exemption	64,259
Total tax on ordinary activities	-

Factors that may affect future tax charges

The Company is a member of a REIT group, as part of the LondonMetric Property Plc group. As a result, no UK corporation tax should be due on future income or capital gains in respect of investment properties within the REIT group. Accordingly, no deferred tax asset or provision has been recognised at 31 March 2015.

6. Investment property

On 27 November 2013 the Company acquired a distribution centre in Dagenham which it subsequently refurbished. Interest totalling £1,347,759 was capitalised during the period of refurbishment.

On 23 January 2015 the Company was sold to LondonMetric Property Plc in a market transaction that valued the property at £52.5 million. The Company therefore revalued the property to this value at this date.

On 17 March 2015, the Company disposed of the property for its market value of £52.5 million to LMP Dagenham Limited whose ultimate parent undertaking is also LondonMetric Property Plc.

Goresbrook Property Limited

Notes to the financial statements (continued) Period ended 31 March 2015

6. Investment property (continued)

	31 March 2015 £
At Incorporation	-
Acquisitions at cost	21,894,131
Subsequent additions at cost	5,505,301
Tenant incentives and accrued rental income	1,530,125
Revaluation gain	23,567,865
Disposal	(52,497,422)
At 31 March	-

7. Trade and other receivables

	31 March 2015 £
VAT recoverable	1,089,255
Amount due from ultimate parent company	9,588,150
	<u>10,677,405</u>

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

At 31 March 2015 there were no trade receivables which were overdue and considered at risk.

8. Trade and other payables

	31 March 2015 £
Trade creditors	31,316
Accruals	16,134
	<u>47,450</u>

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

Goresbrook Property Limited

Notes to the financial statements (continued)

Period ended 31 March 2015

9. Share capital

	31 March 2015 £
Allotted, called up and fully paid	
1 ordinary share of £1	<u>1</u>

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

On incorporation, the Company had 1 ordinary share of £1, which was transferred to Meaalofa Developments Holdings Limited and subsequently sold to LondonMetric Property Plc on 23 January 2015.

10. Controlling party information

The intermediate and ultimate parent company is LondonMetric Property Plc. Copies of the consolidated accounts of LondonMetric Property Plc can be obtained from One Curzon Street, London W1J 5HB or downloaded from its website www.londonmetric.com.