

**BRAEBURN ESTATES B5 (GP) LIMITED**

Registered number: 8756883

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

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## **BRAEBURN ESTATES B5 (GP) LIMITED**

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## **BRAEBURN ESTATES B5 (GP) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors present their report and the financial statements for the year ended 31 December 2015

In preparing this report, the directors have taken advantage of the small companies exemptions

#### **PRINCIPAL ACTIVITY**

The company acts as the general partner to Braeburn Estates (B5) Limited Partnership

#### **RESULTS AND DIVIDENDS**

The loss for the year, after taxation, amounted to £3 (2014 - profit £NIL)

No dividends have been paid or proposed

#### **DIRECTORS**

The directors who served during the year were

K M E Al-Sayed  
Sheikh J H Al-Thani  
R D S Archer  
Sir George Iacobescu CBE  
A J S Jordan (appointed 9 December 2015)  
G A Pagano (resigned 27 November 2015)  
M A Patrizio (resigned 30 January 2015)  
F L Toscano (appointed 30 January 2015, resigned 9 February 2016)

J M Holmes was appointed as an alternate director to Sheikh J H Al-Thani on 26 November 2015 and as a director on 9 February 2016, subsequent to the year end

The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during the year ended 31 December 2015 and at the time of the approval of this Directors' Report. Neither the indemnity nor the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

#### **DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information

This report was approved by the board on 4 May 2016 and signed on its behalf



J R Garwood  
Secretary

## **BRAEBURN ESTATES B5 (GP) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors are responsible for preparing the Directors' 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 applicable law and International Financial Reporting Standards. Under company law the directors must not approve the financial statements unless 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, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

## **BRAEBURN ESTATES B5 (GP) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEBURN ESTATES B5 (GP) LIMITED**

We have audited the financial statements of Braeburn Estates B5 (GP) Limited for the year ended 31 December 2015, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ('IFRS') as adopted by the European Union.

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 Directors' 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 December 2015 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRS as adopted by the European Union, 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.

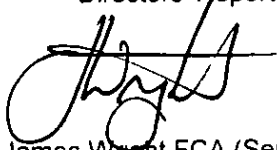
## **BRAEBURN ESTATES B5 (GP) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRAEBURN ESTATES B5 (GP) LIMITED**

#### **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 in preparing the Directors' Report or from the requirement to prepare a Strategic Report



James Wright FCA (Senior Statutory Auditor)  
for and on behalf of  
**Deloitte LLP**  
Chartered Accountant and Statutory Auditor  
London, UK

4 May 2016

**BRAEBURN ESTATES B5 (GP) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

		Period ended
		31
	December	December
	2015	2014
Note	£	£
Income from fixed assets investments	(4)	-
<b>(Loss)/profit before tax</b>	(4)	-
Tax on (loss)/profit	5 1	-
<b>(Loss)/profit for the year</b>	(3)	-
<b>Other comprehensive income for the year</b>		
Unrealised surplus on revaluation of fixed asset investments	1,893	-
Tax on revaluation of fixed asset investments	(341)	-
<b>Other comprehensive income for the year</b>	1,552	-
<b>Total comprehensive income for the year</b>	1,549	-

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

**BRAEBURN ESTATES B5 (GP) LIMITED**  
**REGISTERED NUMBER 8756883**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Non current assets</b>			
Investments	6	1,891	2
		<u>1,891</u>	<u>2</u>
<b>Current assets</b>			
Trade and other receivables	7	1	1
		<u>1</u>	<u>1</u>
Current liabilities	8	(2)	(2)
<b>Non current liabilities</b>			
Deferred tax	10	(340)	-
		<u>(340)</u>	<u>-</u>
<b>Net assets</b>		<u>1,550</u>	<u>1</u>
<b>Equity</b>			
Called up share capital	11	1	1
Revaluation reserve		1,552	-
Profit and loss account		(3)	-
		<u>1,550</u>	<u>1</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 May 2016

  
**A J S Jordan**  
 Director

  
**J M Holmes**  
 Director

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

# **BRAEBURN ESTATES B5 (GP) LIMITED**

## **STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2015**

	Share capital	Revaluation reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2015	1	-	-	1
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(3)	(3)
Surplus on revaluation of other fixed assets	-	1,552	-	1,552
<b>Other comprehensive income for the year</b>	-	1,552	-	1,552
<b>Total comprehensive income for the year</b>	-	1,552	(3)	1,549
<b>At 31 December 2015</b>	<b>1</b>	<b>1,552</b>	<b>(3)</b>	<b>1,550</b>

## **STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2014**

	Share capital	Total equity
	£	£
<b>Contributions by and distributions to owners</b>		
Shares issued during the period	1	1
<b>Total transactions with owners</b>	<b>1</b>	<b>1</b>
<b>At 31 December 2014</b>	<b>1</b>	<b>1</b>

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

## **BRAEBURN ESTATES B5 (GP) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

#### **1. ACCOUNTING POLICIES**

##### **1.1 General information**

Braeburn Estates B5 (GP) Limited is an English Limited Company registered at One Canada Square, Canary Wharf, London, E14 5AB

The nature of the company's operations and its principal activities are set out in the Directors Report

##### **1.2 Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee interpretations as adopted by the EU

At the date of authorisation 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 9 Financial Instruments, and  
IFRS 15 Revenue from contracts with customers  
IFRS 16 Leases,  
IAS 16 and IAS 38 (amendments) Clarification of acceptable methods of depreciation and amortisation,  
IAS 16 and IAS 41 (amendments) Agriculture bearer plants,  
IAS 19 (amendments) Defined benefit plans employee contributions,  
IAS 27 (amendments) Equity method in separate financial statements,  
IFRS 10 and IAS 28 (amendments) Sale or contribution of assets between an investor and its associate or joint venture,  
IFRS 11 (amendments) Accounting for acquisitions of interests in joint operations, and  
Annual improvements to IFRSs 2012–2014, and Amendments to  
IFRS 5 – Non-current assets held for sale and discontinued operations,  
IFRS 7 – Financial instruments disclosures,  
IAS 19 – Employee benefits, and  
IAS 34 – Interim financial reporting

The directors anticipate that the adoption of these standards in future periods will not have a material impact on the financial statements of the company

These financial statements have been prepared under International Financial Reporting Standards  
The financial statements for the period ended 31 December 2014 were prepared under UK GAAP

The adoption of IFRS has resulted in no material adjustments to the accounting policies used by the company

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Partnership's accounting policies (see Note 2)

The principal accounting policies are summarised below

##### **1.3 Going concern**

At the year end, the company is in a net asset position

Having made the requisite enquiries and assessed the resources at the disposal of the company, the directors have a reasonable expectation that the company will have adequate resources to continue its operation for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.4 Cash flow statement**

The company had no cash flows during the year or prior period and accordingly, has not produced a cash flow statement

**1.5 Investments**

Investments in subsidiaries are stated at cost less any provision for impairment

Investments in partnerships are stated at fair value, with changes recognised in other comprehensive income unless the carrying amount of the investment falls below its original cost, after which the deficit is recognised in the income statement

Income from investments is recognised as the company becomes entitled to receive payment. Dividend income from investments in companies is recognised when received or irrevocably declared. Revenue profits and losses in partnerships are recognised on an accruals basis.

**1.6 Financial instruments**

**Trade and other receivables**

Trade and other receivables are recognised initially at fair value. A provision for impairment is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtor concerned.

**Trade and other payables**

Trade and other payables are stated at cost.

**1.7 Taxation**

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing difference. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to the sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expenses or income.

## **BRAEBURN ESTATES B5 (GP) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

#### **2 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

##### **Valuation of investments**

Investments in partnerships are carried at fair value. The directors have valued the investment at the company's share of the partnership's net asset value, as adjusted for the fair value of the partnership's property interest.

##### **Valuation of development properties**

The company uses valuations performed by independent valuers as the fair value of properties. The valuations are based upon assumptions including future rental income, anticipated void costs, the appropriate discount rate or yield and the estimated costs to completion. The valuers also make reference to market evidence of transaction prices for similar properties.

#### **3. AUDITOR'S REMUNERATION**

Auditor's remuneration of £555 (2014 - £550) for the audit of the company has been borne by Braeburn Estates Limited Partnership.

#### **4. EMPLOYEES**

The company has no employees other than the directors, who did not receive any remuneration (2014 - £NIL).

## BRAEBURN ESTATES B5 (GP) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 5. TAXATION

	Period ended 31 December 2015 £	31 December 2014 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1)	-
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(1)</u>	<u>-</u>

#### FACTORS AFFECTING TAX CHARGE FOR THE YEAR/PERIOD

There were no factors that affected the tax charge for the year/period which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 20 25% (2014 - 21 5%)

#### FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The tax rate of 20 25% has been calculated by reference to the current corporation tax rate of 20% which was in effect for the final three quarters of the year and the previous rate of 21% which was in effect for the first quarter of the year

## BRAEBURN ESTATES B5 (GP) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 6. INVESTMENTS

	Investments in subsidiary companies £	Investment in partnership £	Total £
<b>Cost or valuation</b>			
At 1 January 2015	2	-	2
Revaluations	-	1,893	1,893
<b>At 31 December 2015</b>	<u>2</u>	<u>1,893</u>	<u>1,895</u>
<b>Share of loss</b>			
Charge for the period	-	4	4
<b>At 31 December 2015</b>	<u>-</u>	<u>4</u>	<u>4</u>
<b>At 31 December 2015</b>	<u>2</u>	<u>1,889</u>	<u>1,891</u>

As a general partner, the company has contributed 1p of the capital of the Braeburn Estates (B5) Limited Partnership, an English Limited Partnership, which equates to 0.01% of the Partnership capital. The Partnership was established to develop one of the buildings at Southbank Place in London.

#### SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company

Name	Country of incorporation	Class of shares	Holding	Principal activity
Braeburn Estates (B5) T1 Limited	England and Wales	ordinary £1 shares	100 %	Trustee company
Braeburn Estates (B5) T2 Limited	England and Wales	ordinary £1 shares	100 %	Trustee company

## BRAEBURN ESTATES B5 (GP) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 7. TRADE AND OTHER RECEIVABLES

	2015 £	2014 £
Amounts owed by Braeburn Estates Limited Partnership	1	1
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

Amounts owed by Braeburn Estates Limited Partnership are interest free and repayable on demand

#### 8. CURRENT LIABILITIES

	2015 £	2014 £
Amounts owed to group undertakings	2	2
	<u>2</u>	<u>2</u>
	<u><u>2</u></u>	<u><u>2</u></u>

Amounts owed by group undertakings are interest free and repayable on demand

#### 9 FINANCIAL INSTRUMENTS

	2015 £	2014 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	1	1
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(2)	(2)
	<u>(2)</u>	<u>(2)</u>
	<u><u>(2)</u></u>	<u><u>(2)</u></u>

Financial assets measured at amortised cost comprise group receivables

Financial Liabilities measured at amortised cost comprise group payables

# **BRAEBURN ESTATES B5 (GP) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

### **10. DEFERRED TAXATION**

	Deferred tax £
Charged to the profit or loss	1
Charged to other comprehensive income	(341)
	<u>(340)</u>
<b>At 31 December 2015</b>	<b><u>(340)</u></b>

The deferred taxation balance is made up as follows

	2015 £	2014 £
Tax losses carried forward	1	-
Revaluation of fixed asset investment	(341)	-
	<u>(340)</u>	<u>-</u>

### **11. SHARE CAPITAL**

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
1 ordinary share of £1	<u>1</u>	<u>1</u>

### **12. CONTROLLING PARTY**

The company's immediate parent undertaking is Braeburn Estates (GP) Limited for and on behalf of Braeburn Estates Limited Partnership

As at 31 December 2015, the smallest and largest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Braeburn Estates Limited Partnership. Braeburn Estates Limited Partnership is a joint venture between Project Russet Property Unit Trust and Canary Wharf (PB) Unit Trust

**BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**  
**Registered Number: LP15868**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

THESE PARTNERSHIP  
ACCOUNTS FORM  
PART OF THE ACCOUNTS  
OF COMPANY  
No 8756883

# **BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

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# **BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

## **STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

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The Braeburn Estates (B5) Limited Partnership was registered as an English limited partnership on 7 January 2014 and comprises one General Partner and one Limited Partner. The Partners are incorporated in England and Wales.

The Limited Partnership Deed dated 3 January 2014 requires that the General Partner prepares financial statements for each financial period. In preparing these financial statements, the General Partner is 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 the Partnership will continue in existence.

The General Partner is also responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Partnership.

The General Partner is responsible for ensuring that the Partnership has complied at all times with its obligations under the Agreement and has a general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Partnership and to prevent and detect fraud, errors and other irregularities.

These financial statements have been prepared under Regulation 7 of the Partnerships (Accounts) Regulations 2008.

# **BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

## **INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

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We have audited the non-statutory financial statements of Braeburn Estates (B5) Limited Partnership ("the Partnership") for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and the related Notes 1 to 9. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards ('IFRS') as adopted in the European Union.

This report is made solely for the exclusive use of the Partners, as a body, and solely for the purpose of reporting to the Partners those matters we are required to state to them in an auditor's report. Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement.

### **Respective responsibilities of the General Partner and auditor**

As explained more fully in the Statement of General Partner's Responsibilities, the General Partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). 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 partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the General Partner, and the overall presentation of the financial statements.

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.

# **BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

## **INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

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### **Opinion on financial statements**

In our opinion the financial statements

give a true and fair view of the Partnership's affairs as at 31 December 2015 and of its loss for the year then ended

have been properly prepared in accordance with IFRS as adopted in the European Union, and

have been properly prepared in accordance with the Limited Partnership Deed



**Deloitte LLP**  
**Chartered Accountants**  
**London, UK**  
**4 May 2016**

# BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

		Year ended 31 December 2015 £	Period from 7 January 2014 to 31 December 2014 £
	Note		
Administrative expenses		(35,366)	—
<b>Operating loss</b>	<b>3</b>	(35,366)	—
Tax on loss	<b>4</b>	—	—
<b>Loss for the year/period</b>		(35,366)	—
<b>Other comprehensive income</b>		—	—
<b>Total comprehensive income</b>		(35,366)	—

All amounts relate to continuing activities in the United Kingdom

The Notes on pages 8 to 11 form an integral part of these financial statements


# BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	31 December 2015 £	31 December 2014 £
<b>Fixed assets</b>			
Investments	5	1	1
<b>Current assets</b>			
Work in progress	6	86,771,391	–
Trade and other receivables	7	663	52,369
Cash and cash equivalents		591,364	–
<b>Total current assets</b>		<b>87,363,418</b>	<b>52,369</b>
<b>Total assets</b>		<b>87,363,419</b>	<b>52,370</b>
<b>Current liabilities</b>	8	<b>(87,398,685)</b>	<b>(52,270)</b>
<b>Non current liabilities</b>		<b>–</b>	<b>–</b>
<b>Total liabilities</b>		<b>(87,398,685)</b>	<b>(52,270)</b>
<b>Net (liabilities)/assets</b>		<b>(35,266)</b>	<b>100</b>
<b>Equity</b>			
Capital accounts	9	100	100
Current accounts	9	(35,366)	–
		<b>(35,266)</b>	<b>100</b>

The Notes on pages 8 to 11 form an integral part of these financial statements

Approved by the General Partner on 4 May 2016 and signed on its behalf by

  
A J S JORDAN  
DIRECTOR

  
J M HOLMES  
DIRECTOR

On behalf of Braeburn Estates B5 (GP) Limited

# BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Capital accounts £	Current accounts £	Total equity £
Profit for the financial period	–	–	–
Total comprehensive income	–	–	–
Issue of share capital	100	–	100
Other reserves movements	100	–	100
<b>At 31 December 2014</b>	<b>100</b>	<b>–</b>	<b>100</b>
Loss for the financial year	–	(35,366)	(35,366)
Total comprehensive income	–	(35,366)	(35,366)
<b>At 31 December 2015</b>	<b>100</b>	<b>(35,366)</b>	<b>(35,266)</b>

The Notes on pages 8 to 11 form an integral part of these financial statements

# BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	Year ended 31 December 2015 £	Period from 7 January 2014 to 31 December 2014 £
<b>Operating loss</b>	(35,366)	–
Decrease/(increase) in receivables	51,706	(52,369)
Increase in payables	87,346,415	52,270
Increase in work in progress	(86,771,391)	–
<b>Net cash flows from operating activities</b>	<u>591,364</u>	<u>(99)</u>
<b>Cash flows from investing activities</b>		
Other investments	–	(1)
<b>Net cash flows from investing activities</b>	<u>–</u>	<u>(1)</u>
<b>Cash flows from financing activities</b>		
Issue of share capital	–	100
<b>Net cash flows from financing activities</b>	<u>–</u>	<u>100</u>
<b>Net movement in cash and cash equivalents</b>	<u>591,364</u>	<u>–</u>
<b>Cash and cash equivalents at the end of the year/period</b>	<u>591,364</u>	<u>–</u>

The Notes on pages 8 to 11 form an integral part of these financial statements

# **BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

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### **1. PRINCIPAL ACCOUNTING POLICIES**

#### **General Information**

Braeburn Estates (B5) Limited Partnership is an English Limited Partnership registered at One Canada Square, Canary Wharf, London E14 5AB

The Partnership is the developer for a residential development at Southbank Place, London

#### **Accounting convention**

The financial statements have been prepared in accordance with International Financial Reporting Standards and International Financial Reporting Interpretations Committee interpretations as adopted by the EU ('IFRS')

At the date of authorisation 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 9 Financial Instruments, and  
IFRS 15 Revenue from contracts with customers  
IFRS 16 Leases,  
IAS 16 and IAS 38 (amendments) Clarification of acceptable methods of depreciation and amortisation,  
IAS 16 and IAS 41 (amendments) Agriculture bearer plants,  
IAS 19 (amendments) Defined benefit plans employee contributions,  
IAS 27 (amendments) Equity method in separate financial statements,  
IFRS 10 and IAS 28 (amendments) Sale or contribution of assets between an investor and its associate or joint venture,  
IFRS 11 (amendments) Accounting for acquisitions of interests in joint operations, and  
Annual improvements to IFRSs 2012–2014, and Amendments to  
IFRS 5 – Non-current assets held for sale and discontinued operations, IFRS 7 – Financial instruments disclosures,  
IAS 19 – Employee benefits, and  
IAS 34 – Interim financial reporting

Management anticipate that the adoption of these standards in future periods will not have a material impact on the financial statements of the company

These financial statements have been prepared under International Financial Reporting Standards. The financial statements for the period ended 31 December 2014 were prepared under UK GAAP

The adoption of IFRS has resulted in no material adjustments to the accounting policies used by the Partnership

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Partnership's accounting policies (see Note 2)

The principal accounting policies are summarised below

# **BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

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### **Going Concern**

The Partnership is in a net liability position at the year end

Braeburn Estates Limited Partnership has expressed its intention to provide or procure adequate financial resources to allow the Partnership to continue its operations and to make available any funds that may be required for the Partnership to enable it to meet its obligations as they fall due for a period of not less than 12 months from the signing date of the financial statements

Having made the requisite enquiries and assessed the resources at the disposal of the Partnership, the Partners have a reasonable expectation that the Partnership will have adequate resources to continue its operation for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements

### **Revenue**

Revenue from property sales is recognised, net of VAT, on completion, when the significant risks and returns pass to the acquirer

### **Investments**

Investments are stated at cost less any provision for impairment

Income from investments is recognised as the Partnership becomes entitled to receive payment

### **Work in progress**

Work in progress is stated at the lower of cost and net realisable value. Cost includes construction costs and development expenditure directly related to the development, including attributable employee and related costs

Net realisable value is calculated as the amount estimated to be recovered from the development once development work has been completed and the development leased, less costs to complete

### **Financial instruments**

#### **(i) Trade and other receivables**

Debtors are recognised initially at fair value. A provision for impairment is established where there is objective evidence that the Partnership will not be able to collect all amounts due according to the original terms of the debtor concerned

#### **(ii) Trade and other payables**

Trade and other creditors are stated at cost

# BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 2. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

For the year ended 31 December 2015, there were no items which the directors believe are significant to the financial statements.

### 3. OPERATING LOSS

No staff were employed by the Partnership during the year or the prior period.

The auditor's remuneration of £555 (2014 £550) for the audit of the Partnership has been borne by Braeburn Estates Limited Partnership.

### 4. TAXATION

No provision for tax has been made as the income earned by the Partnership is taxable in the accounts of the partners.

### 5. INVESTMENTS

#### Other investments

	£
<b>COST</b>	
At 1 January 2015	1
At 31 December 2015	1

On 12 September 2014, the Partnership subscribed for 1 A Share in Braeburn Estates Management Company Limited, a company registered in England and Wales. Braeburn Estates Management Company Limited is jointly owned by members of the Braeburn Estates Limited Partnership group.

### 6. WORK IN PROGRESS AT COST

	31 December 2015 £	31 December 2014 £
Work in progress at cost	86,771,391	—

The Partnership and its partners are wholly owned subsidiaries of Braeburn Estates Limited Partnership. In July 2015, Braeburn Estates Limited Partnership acquired a 5.25 acre site at Southbank Place on a 999 year lease. The Partnership then acquired from Braeburn Estates Limited Partnership a 999 year lease over a residential development site for a consideration of £64,622,267. The building will comprise 108 apartments for private sale.

# BRAEBURN ESTATES (B5) LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 7. TRADE AND OTHER RECEIVABLES

	31 December 2015 £	31 December 2014 £
Other debtors	663	8,728
Prepayments and accrued income	—	43,641
	<u>663</u>	<u>52,369</u>

### 8. CREDITORS: Amounts falling due within one year

	31 December 2015 £	31 December 2014 £
Trade creditors	4,640	—
Owed to associated entities		
Braeburn Estates Limited Partnership	82,243,860	52,269
Braeburn Estates Development Management Limited	1,884,507	—
Braeburn Estates Developments (Infrastructure) Limited	3,265,078	—
Braeburn Estates Management Company Limited	1	1
Canary Wharf Contractors Limited	599	—
	<u>87,398,685</u>	<u>52,270</u>

All amounts owed to associated entities are interest free and repayable on demand

### 9. CAPITAL AND RESERVES

	%	Capital Account £	Current Account £	Total £
Braeburn Estates B5 (LP) Limited	99 990	100	(35,362)	(35,262)
Braeburn Estates B5 (GP) Limited	0 010	—	(4)	(4)
		<u>100</u>	<u>(35,366)</u>	<u>(35,266)</u>

Braeburn Estates B5 (LP) Limited holds its investment in the Partnership on trust for Braeburn Estates Limited Partnership