

GL Europe Blandford Square UK Limited

Annual Report and Financial Statements

For the year ended 27 December 2016

Registered number: 09328427



GL Europe Blandford Square UK Limited

Annual report and financial statements 2016

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GL Europe Blandford Square UK Limited

Officers and professional advisers

Directors

Tim Butler
Jason Ross
Kevin O'Donnell McCrain (appointed 29 April 2016)
Natalie Adomait (appointed 25 November 2016)

Secretary

Intertrust (UK) Limited

Registered Office

35 Great St Helen's
London
EC3A 6AP

Bankers

Barclays Bank Plc
1 Churchill Place
Leicestershire
LE87 2BB

Solicitors

Mishcon de Reya LLP
Africa House
70 Kingsway
London
WC2B 6AH

Independent auditor

Deloitte LLP
Statutory Auditor
Crawley
United Kingdom

GL Europe Blandford Square UK Limited

Strategic report

The directors, in preparing this strategic report, have complied with s414c of the Companies Act 2006.

Principal activity

The company's principal activity is to operate and manage student accommodation.

Review of the business

The business began trading on 2 February 2015 but at this point the parent company, GL Europe Blandford Square Sarl, had not completed the development of the asset with which the company would be granted an operating lease. On 7 August 2015, the parent company bought a partially developed asset in Blandford Square, Newcastle and continued to develop the asset until its full completion on 28 October 2015. The parent company granted an operating lease to the company and started trading on 12 September 2015. Following the liquidation of GL Europe Blandford Square Sarl in November 2016 the property and operating lease was transferred to PBSA 1 Sarl and the ownership of GL Europe Blandford Square UK Limited was transferred on 15 December 2016 to GL Europe RE1 Holdings Sarl. The company continued to operate throughout the year. The changes in ownership structure had no effect on the day to day running of the asset.

GL Europe Blandford Square UK manages the assets on a day to day basis, using Derwent Facilities Management Limited to operate the asset. The primary objectives of the company are to run a profitable business for its stakeholders by maximising student occupancy across the academic year, whilst controlling costs.

In the year ended 27 December 2016, the business generated £2,105,000 (2015 – £434,000) of turnover and generated an operating profit of £32,000 (2015 – loss £714,000). The loss in 2015 was largely driven by exceptional costs of housing the students who were unable to move into their accommodation on the given dates, due to development overruns.

The business is forecast to remain profitable throughout 2017.

Key performance indicators

Financial performance is measured against annual objectives which focus on deliverables in support of both short term results and overall longer term strategy. The main key performance indicator is occupancy rates, Blandford Square had 94% occupancy for 2016 having only opened in October 2015. The directors expect the occupancy rates to be close to 100% in 2017 as the site is now established in the student accommodation market in Newcastle. Other key performance indicators include turnover growth year on year, internal rent growth and labour as a percentage of turnover. All these indicators will be comparable next year.

Principal risks and uncertainties

The principal risk facing the company is credit risk and this is detailed in the Director Report on page 3.

The directors have assessed the possible risks relating to the UK exit from the European Union and do not consider this will have a material impact on the company or its operations.

Future developments

The directors expect the business to continue to trade profitably in the future.

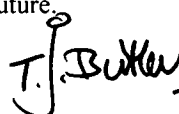
Approved by the Board and signed on its behalf by:



Kevin McCrain
Director

19 June 2017

Registered Office:
35 Great St Helen's
London
EC3A 6AP



Tim Butler
Chief Executive Officer

19 June 2017

GL Europe Blandford Square UK Limited

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 27 December 2016.

The comparative period relates to the period from 2 February 2015 to 27 December 2015.

Future developments

Details of future developments can be found in the Strategic Report on page 2.

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in note 15 to the financial statements.

Directors

The directors, who served throughout the year except as noted, were as follows:

Tim Butler

Jason Ross

Vikram Aneja (appointed 29 April 2016, resigned on 25 November 2016)

Kevin O'Donnell McCrain (appointed 29 April 2016)

Natalie Adomait (appointed 25 November 2016)

Jonathan David Ford (resigned 29 April 2016)

Padraig James Moore (resigned 29 April 2016)

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including liquidity risk, credit risk and capital management risk.

The company has no material exposure to interest rate or foreign exchange risk.

The principal risk facing the company is credit risk.

Liquidity risk

The Directors regularly review the company's financial position and actively discuss matters to ensure that there are sufficient funds available to continue in operational existence and meet liabilities as and when they fall due.

Credit risk

Credit risk arises from cash and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The company's credit risk is primarily attributed to its trade debtors. The amounts presented in the balance sheet are net of allowance for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Capital management risk

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

GL Europe Blandford Square UK Limited

Directors' report (continued)

Dividends

The directors do not recommend the payment of a dividend (2015 - £nil).

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate on the basis that the directors have received confirmation from GL Europe REI Holdings Sarl, an intermediate parent company, stating they will continue to support the Company for a period of at least 12 months from the date that these financial statements are approved.

Auditor

During the year Deloitte LLP was appointed in office, as auditor of the company and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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.

Approved by the Board and signed on its behalf by:



Kevin McCrain
Director

19 June 2017



Tim Butler
Chief Executive Officer

19 June 2017

Registered Office:

35 Great St Helen's
London
EC3A 6AP

GL Europe Blandford Square UK Limited

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 result 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 judgements 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; 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.

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

Independent auditor's report to the members of GL Europe Blandford Square UK Limited

We have audited the financial statements of GL Europe Blandford Square UK Limited for the year ended 27 December 2016, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, Statement of Cash Flow and the related notes 1 to 17. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 27 December 2016 and of its profit 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.

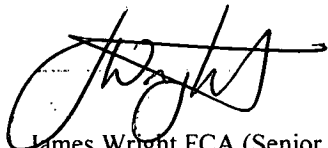
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.



James Wright FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Crawley, United Kingdom

19 June 2017

GL Europe Blandford Square UK Limited

Statement of Comprehensive Income For the year ended 27 December 2016

		For the year ended 27 December 2016 £'000	For the period ended 27 December 2015 £'000
	Note		
Turnover	3	2,105	434
Cost of sales		(1,988)	(1,137)
Gross profit/(loss)		117	(703)
Administrative expenses		(85)	(11)
Profit/(loss) on ordinary activities before taxation	4	32	(714)
Tax on profit/(loss) on ordinary activities	8	(4)	-
Profit/(loss) for the financial year/period		28	(714)
Other Comprehensive income		-	-
Total Comprehensive income for the year/period		28	(714)

All the results derive from continuing operations.

GL Europe Blandford Square UK Limited

Balance Sheet At 27 December 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Tangible assets	9	43	30
		<u>43</u>	<u>30</u>
Current assets			
Debtors	10	1,013	107
Cash at bank and in hand		372	768
		<u>1,385</u>	<u>875</u>
Creditors: amounts falling due within one year	11	(2,114)	(1,619)
Net current liabilities		<u>(729)</u>	<u>(744)</u>
Total assets less current liabilities		<u>(686)</u>	<u>(714)</u>
Net liabilities		<u>(686)</u>	<u>(714)</u>
Capital and reserves			
Called-up share capital	12	-	-
Retained losses		(686)	(714)
Total shareholders' deficit		<u>(686)</u>	<u>(714)</u>

The financial statements of GL Europe Blandford Square UK Limited (registered number 09328427) were approved by the board of directors and authorised for issue on 19 June 2017.

They were signed on its behalf by:



Kevin McCrain
Director



Tim Butler
Chief Executive Officer

GL Europe Blandford Square UK Limited

Statement of Changes in Equity At 27 December 2016

	Called-up share capital £'000	Retained losses £'000	Total £'000
At 2 February 2015	-	-	-
Loss for the financial period	-	(714)	(714)
Total comprehensive income for the period	-	(714)	(714)
At 27 December 2015	-	(714)	(714)
Profit for the financial year	-	28	28
Total comprehensive income for the year	-	28	28
At 27 December 2016	-	(686)	(686)

GL Europe Blandford Square UK Limited

Statement of Cash Flow For the year ended 27 December 2016

	2016 £'000	2015 £'000
Cash flows from operating activities		
Profit/(loss) for the financial year	28	(714)
Adjustments for:		
- Depreciation of tangible assets	16	4
- Taxation	4	-
- Increase in debtors	(41)	(107)
- Increase in creditors	98	1,097
- Corporation tax paid	(74)	-
- Increase in amounts owed to group undertakings	397	522
Net cash generated from operating activities	<u>428</u>	<u>802</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(29)	(34)
Increase in amounts owed from group undertakings	(795)	-
Net cash flows from investing activities	<u>(824)</u>	<u>(34)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(396)</u>	<u>768</u>
Cash and cash equivalents at beginning of year	768	-
Cash and cash equivalents at end of year	<u><u>372</u></u>	<u><u>768</u></u>
Reconciliation to cash at bank and in hand:		
Cash at bank and in hand	<u>372</u>	<u>768</u>
Cash and cash equivalents	<u><u>372</u></u>	<u><u>768</u></u>

GL Europe Blandford Square UK Limited

Notes to the financial statements For the year ended 27 December 2016

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

GL Europe Blandford Square UK Limited ('the Company') is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate on the basis that the directors have received confirmation from GL Europe Holdings Sarl, an intermediate parent company, stating they will continue to support the Company for a period of at least 12 months from the date that these financial statements are approved.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Office equipment 3 years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts and value added taxes.

Rental income from property leased out under operating leases (comprised direct lets to students and leases to Universities) is recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives are recognised as an integral part of the total rental income and spread over the term of the lease.

Revenue in relation to ancillary services, such as laundry and car parking, is recognised in the accounting period in which the services are rendered.

Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

GL Europe Blandford Square UK Limited

Notes to the financial statements (continued) For the year ended 27 December 2016

1. Accounting policies (continued)

Financial instruments

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by 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 the 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 the 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 liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

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 the timing difference.

GL Europe Blandford Square UK Limited

Notes to the financial statements (continued) **For the year ended 27 December 2016**

1. Accounting policies (continued)

Taxation (continued)

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 expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Leased assets

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

Payments under operating leases relating to motor vehicles are charged to the profit and loss account on a straight-line basis over the period of the lease term.

Payments under operating leases relating to the lease of the property are charged to the profit and loss account based on the financial performance of the company in the year. The charge is calculated as 97% of profit before depreciation and tax in the year, over the lease term.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments and original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

2. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

(i) Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors and including the ageing profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors and associated impairment provision.

GL Europe Blandford Square UK Limited

Notes to the financial statements (continued) For the year ended 27 December 2016

3. Turnover and revenue

The total turnover of the company for the year has been derived from its principal activity, wholly undertaken in the United Kingdom.

4. Profit/(loss) on ordinary activities before taxation

	2016 £'000	2015 £'000
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Depreciation of tangible fixed assets (note 9)	16	4
Operating lease rentals:		
- Land and buildings	1,561	-
	<u>1,561</u>	<u>-</u>

5. Auditor's remuneration

Fees payable to Deloitte LLP for the audit of the Company's annual accounts were borne by a fellow group company, GL Europe Portfolio Advisor Limited and not recharged. These amounted to £11,000.

6. Staff numbers and costs

The average monthly number of employees was:

	2016 Number	2015 Number
Management	1	1
Administration including selling	2	1
Cleaning	4	1
Maintenance	1	1
Security	1	1
	<u>10</u>	<u>5</u>

	2016 £'000	2015 £'000
Their aggregate remuneration comprised:		
Wages and salaries	213	109
Social security costs	16	12
	<u>229</u>	<u>121</u>

GL Europe Blandford Square UK Limited

Notes to the financial statements (continued) For the year ended 27 December 2016

7. Directors' remuneration

The remuneration of the Directors is borne by a fellow group company. They do not consider it practical to allocate their remuneration between the various subsidiary entities and no recharge is made for their services.

8. Tax on loss on ordinary activities

The tax charge comprises:

	2016 £'000	2015 £'000
Current tax on loss on ordinary activities		
Current tax on loss for the year		
UK corporation tax	4	-
Total current tax	4	-
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Total tax on loss on ordinary activities	4	-

The standard rate of tax applied to reported profit on ordinary activities is 20% (2015: 20%)

The effect of changes to the corporation tax rates substantively enacted as part of the Finance Bill 2015 (On 26 October 2015) and Finance Bill 2016 (On 7 September 2016) includes reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. There were no other factors that may affect future tax charges. These rate reductions have been reflected in the calculation of deferred tax at the balance sheet date.

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2016 £'000	2015 £'000
Profit/(loss) on ordinary activities before tax	32	(714)
Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of 20% (2015: 20%).	6	(143)
Effects of:		
- Expenses not deductible for tax purposes	(2)	143
Total tax charge for year	4	-

GL Europe Blandford Square UK Limited

Notes to the financial statements (continued) For the year ended 27 December 2016

9. Tangible assets

	Office equipment £'000
Cost	
At 28 December 2015	34
Additions	29
	<hr/>
At 27 December 2016	63
	<hr/>
Depreciation	
At 28 December 2015	4
Charge for the year	16
	<hr/>
At 27 December 2016	20
	<hr/>
Net book value	
At 27 December 2016	43
	<hr/> <hr/>
At 27 December 2015	30
	<hr/> <hr/>

10. Debtors

	2016 £'000	2015 £'000
Amounts falling due within one year		
Trade debtors	65	59
Prepayments and accrued income	83	48
Amounts owed by group undertakings	795	-
Corporation tax refundable	70	-
	<hr/>	<hr/>
	1,013	107
	<hr/> <hr/>	<hr/> <hr/>

11. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	68	33
Amounts owed to group undertakings	919	522
Other taxation and social security	6	9
Accruals and deferred income	1,121	1,055
	<hr/>	<hr/>
	2,114	1,619
	<hr/> <hr/>	<hr/> <hr/>

The amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment.

GL Europe Blandford Square UK Limited

Notes to the financial statements (continued) For the year ended 27 December 2016

12. Called up share capital

	2016 £	2015 £
Allotted, called-up and fully-paid		
1 ordinary shares of £1 each (2015 – 1)	1	1

On incorporation one ordinary share was issued for £1 to the immediate parent undertaking. No expenses were incurred on issue of the share.

The Company has one class of ordinary shares.

There are no restrictions on the distribution of dividends and the repayment of capital.

13. Capital and other commitments

The Company has entered into an operating lease with the immediate parent company, GL Blandford Square Sarl, for the lease of the property that it operates. The asset was transferred to PBSA 1 Sarl in the year and the lease was transferred. The lease is due to expire in 2021. Annual charges under the lease are determined based on the financial performance of the company as defined in the lease contract.

Total future minimum lease payments under non-cancellable operating leases relating to motor vehicles are as follows:

	2016 £'000	2015 £'000
Leases expiring:		
- within one year	3	-
- between one and five years	8	-
	11	-

14. Financial instruments

The carrying values of the Company's financial assets and liabilities are summarised by category below:

	2016 £'000	2015 £'000
Financial assets		
Measured at amortised costs		
• Trade debtors (see note 10)	65	59
• Accrued income	40	-
• Amount owed by group undertakings	795	-
	900	59
Financial liabilities		
Measured at amortised cost		
• Trade Creditors and Accruals (see note 11)	147	116
• Amount owed to group undertakings	919	522
	1,066	638

GL Europe Blandford Square UK Limited

Notes to the financial statements (continued) **For the year ended 27 December 2016**

15. Subsequent events

On 07 March 2017, a parent undertaking in the group, GL Europe RE Holdings Sarl, raised £215m through the issuance of a new bond. Also on this date a further parent company, BSREP II PBSA Mezz Borrower Sarl, raised a £65m Mezz loan. As part of the financing for both the bond and Mezz loan, this company, along with further group companies, has been registered as an obligor. No adjustments to these financial statements have been made as a result of the event.

16. Related party transactions

The company has identified the following related party transactions for disclosure:

An operating lease charge in respect of the property payable to PBSA 1 Sarl of £1,561,000 (2015 - £nil) has been recognised in the year. PBSA 1 Sarl is a 100% owned subsidiary of the immediate parent company GL Europe RE1 Holdings Sarl. An amount of £895,000 (2015 - £324,000) was owed to PBSA 1 Sarl at the year end.

A short-term interest free loan of £795,000 is due to the company from GL Europe RE Holdings Sarl, an intermediate group undertaking, and is payable within one year.

The company was charged a management fee of £ 79,000 (2015 - £10,000) by GL Europe Portfolio Advisor Limited in the year. An amount of £23,000 (2015 - £198,000) was owed to GL Europe Portfolio Advisor Limited at the year end.

17. Ultimate controlling parties

The immediate parent undertaking is GL Europe RE1 Holdings Sarl.

The ultimate controlling party is Brookfield Asset Management Inc.