

Registered number: 10366824

**MREF III PRESTON OPERATIONS LIMITED**

**UNAUDITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED  
31 DECEMBER 2019**



## **MREF III PRESTON OPERATIONS LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	Marc Gilbard Nicholas Edwards (resigned 30 October 2019) Charles Ferguson-Davie
<b>Registered number</b>	10366824
<b>Registered office</b>	Moorfield Group 10 Grosvenor Street London W1K 4QB

## **MREF III PRESTON OPERATIONS LIMITED**

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## **MREF III PRESTON OPERATIONS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present their report and the financial statements for the year ended 31 December 2019.

#### **Principal activity**

The Company's principal activity during the year was that of letting and operating student accommodation.

#### **Results and dividends**

The Company's profit for the financial year was £Nil (2018 - £37,000).

No dividends were declared or paid in either the current or prior periods.

#### **Directors**

The Directors who served during the year were:

Marc Gilbard  
Nicholas Edwards (resigned 30 October 2019)  
Charles Ferguson-Davie

#### **Going concern**

The financial statements have been prepared on the going concern basis. The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of MREF III Preston Property Sarl. The Directors have received confirmation that MREF III Preston Property Sarl intends to support the Company for at least 12 months from the date these financial statements are approved.

#### **Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



**Charles Ferguson-Davie**  
Director

Date: 13/12/21

**MREF III PRESTON OPERATIONS LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
Turnover		-	1,396
Cost of sales		-	(1,257)
<b>Gross profit</b>		-	139
Administrative expenses		-	(102)
<b>Operating profit</b>		-	37
Tax on profit	4	-	-
<b>Profit after tax</b>		-	37
Retained earnings at the beginning of the year		(188)	(225)
(Loss)/profit for the year		-	37
<b>Retained earnings at the end of the year</b>		(188)	(188)

The notes on pages 4 to 7 form part of these financial statements.

**MREF III PRESTON OPERATIONS LIMITED**  
**REGISTERED NUMBER: 10366824**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
<b>Current assets</b>			
Cash at bank and in hand		-	43
Creditors: amounts falling due within one year	5	(188)	(231)
<b>Net current liabilities</b>		(188)	(188)
<b>Total assets less current liabilities</b>		(188)	(188)
<b>Net liabilities</b>		(188)	(188)
<b>Capital and reserves</b>			
Called up share capital	6	-	-
Profit and loss account	7	(188)	(188)
		(188)	(188)

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



**Charles Ferguson-Davie**  
Director

Date: 13/12/21

The notes on pages 4 to 7 form part of these financial statements.

## **MREF III PRESTON OPERATIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **1. General information**

The Company's principal activity during the financial year was that of letting and operating student accommodation. The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Moorfield Group, 10 Grovesnor Street, London, W1K 4QB. The company's registered number is 10366824.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

There were no material departures from the standard.

These financial statements are presented in sterling, which is the functional currency of the Company and rounded to the nearest £1,000.

The following principal accounting policies have been applied:

##### **2.2 Going concern**

The financial statements have been prepared on the going concern basis. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of MREF III Preston Property Sarl. The directors have received confirmation that MREF III Preston Property Sarl intends to support the Company for at least 12 months from the date these financial statements are approved.

##### **2.3 Related party transactions**

The Company discloses transactions with related parties which are not wholly owned within the same group.

##### **2.4 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 the proceeds.

##### **2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

##### **2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## **MREF III PRESTON OPERATIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **2. Accounting policies (continued)**

##### **2.8 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

#### **3. Employees**

The Company has no employees other than the Directors, who did not receive any remuneration (2018 - £NIL).



**MREF III PRESTON OPERATIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**4. Taxation**

	2019 £000	2018 £000
Current tax on profits for the year	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £000	2018 £000
Profit on ordinary activities before tax	-	37
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	-	7
<b>Effects of:</b>		
Prior year losses	-	(7)
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**5. Creditors: Amounts falling due within one year**

	2019 £000	2018 £000
Amounts owed to group undertakings	188	83
Accruals and deferred income	-	148
	<u>188</u>	<u>231</u>

**6. Share capital**

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
1 (2018 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

## **MREF III PRESTON OPERATIONS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **7. Reserves**

##### **Profit and loss account**

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

#### **8. Related party transactions**

The Company operates a student accommodation scheme which is leased from its immediate parent entity. During the year a rental expense of £Nil (2018 - £730,000) in respect of this lease was recognised in the accounts. The Company has also received funding from its immediate parent entity. At the balance sheet date an amount of £188,000 (2018 - £83,000) was owed to the immediate parent entity.

#### **9. Immediate and ultimate parent undertaking and ultimate controlling party**

The Company's immediate parent entity is MREF III Preston Property Sarl, which is registered in Luxembourg.

The Company's ultimate parent undertaking is MREF III Student Holdings Sarl, which is registered in Luxembourg.

At 31 December 2019 the Company's ultimate controlling parties are Moorfield Real Estate Fund III "A" Limited Partnership, Moorfield Real Estate Fund III "B" Limited Partnership and Moorfield Real Estate Fund "PC" Limited Partnership which are limited partnerships registered in England and Wales.