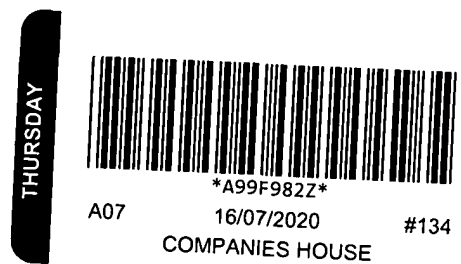


NBIM Elizabeth GP Limited

Annual Report and Financial Statements

For the year ended 31 December 2019



Company Registration No. 10436062 (England and Wales)



NBIM Elizabeth GP Limited

Company Information

Directors	E Stryse J Patel R Peel
Company number	10436062
Registered office	Queensberry House 3 Old Burlington Street London W1S 3AE
Independent Auditor	Deloitte LLP Hill House 1 Little New Street London EC4A 3TR
Bankers	Citi Bank 33 Canada Square London E14 5LB



NBIM Elizabeth GP Limited

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NBIM Elizabeth GP Limited

Directors' Report

For the year ended 31 December 2019

The Directors present their report and the audited financial statements of NBIM Elizabeth GP Limited (the "Company") for the year ended 31 December 2019.

Incorporation

The Company was incorporated in England and Wales on 19 October 2016 with registered No. 10436062 and is limited by shares.

Principal activities

The principal activity of the Company is to act as General Partner to NBIM Elizabeth Partners LP (the "Partnership") whose main activity consists of investing directly in property, and also to act as holding company and immediate parent to NBIM Elizabeth 1 Nominee Limited and NBIM Elizabeth 2 Nominee Limited (the "Subsidiaries").

The Subsidiaries act as Trustees and hold an investment property on trust solely for the Partnership.

Results and dividends

The profit for the year ended 31 December 2019 amounted to £8,596 (31 December 2018: £1,257).

The Company's expenses and costs are borne by the Partnership under an administrative costs deed signed by all parties in 2016, and as such, no expenses have been reported in the statement of comprehensive income of these financial statements.

The Directors do not recommend a dividend for the year ended 31 December 2019 (31 December 2018: £nil).

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and for a minimum of 12 months from the date of signing the financial statements. Thus, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the impact of Coronavirus disease Covid-19 Pandemic (hereafter Pandemic) on the entity and adoption of the going concern basis can be found in Note 1 to the financial statements.

Subsequent Events

Subsequent events have been evaluated up to the date the audited financial statements were approved and authorised for issue by the Directors. The Directors recognise the breakout of the Pandemic as a subsequent event that can impact the entity financially. As the Pandemic arose after the financial reporting year-end for 2019, the Directors consider the matter to be a non-adjusting event. The Directors have carefully assessed the impact on the Company and no material adjustments has been recognised in these audited financial statements. We expect that the Pandemic will have an impact in 2020 and going forwards on the investment in Partnership and its future valuation as well as distributions to be received from the Partnership as a result of its underlying cashflows. The Directors will monitor the impact and continue to assess any actions for the long-term strategy of the Company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

E Stryse
J Patel
R Peel



NBIM Elizabeth GP Limited

Directors' Report (Continued)

For the year ended 31 December 2019

Qualifying third party indemnity provisions

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 reporting date.

Principal Risks and Uncertainty

The Directors carry out the risk management function in respect of risks within the Company. The primary objectives of the risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Financial Risk Management

Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting year. Financial risk comprises market risk (including currency rate risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's financial instruments consist of the investment in the Partnership, the investments in the Subsidiaries, trade and other receivables and trade and other payables.

The main risks arising from the Company's financial instruments are liquidity risk and market risk. The Directors review and agree policies for managing the Company's risk exposure. These policies are described in more detail in Note 3 and have remained unchanged for the year under review.

Brexit

Following UK's departure from EU on the 31 January 2020, uncertainty remains. The Directors has considered the potential impact on the Company and continue to monitor this closely, however no negative impact on the operations or the strategy of the Company has been identified.

Future developments

The Company will continue to act as General Partner to the Partnership and also to act as holding company and immediate parent to the Subsidiaries.

Auditor

Deloitte LLP has expressed its willingness to continue in office.

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 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. Where the Company will hold an Annual General Meeting, a resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

NBIM Elizabeth GP Limited

Directors' Report (Continued)

For the year ended 31 December 2019

Statement of directors' responsibilities

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 year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). 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 year.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS.

In preparing these financial statements, the Directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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.

In preparing the Directors' Report, the Directors have taken advantage of the exemptions available for small companies in accordance with Section 415(A) of the Companies Act 2006. They have also taken the exemption to not prepare a strategic report.

The Directors confirm that they have complied with the above requirements throughout the year and subsequently.

On behalf of the board



.....
E Stryse
Director
Date: 24 June 2020



.....
J Patel
Director
Date: 24 June 2020

NBIM Elizabeth GP Limited

Independent Auditor's Report

To the Members of NBIM Elizabeth GP Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of NBIM Elizabeth GP Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1-15.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

NBIM Elizabeth GP Limited

Independent Auditor's Report (Continued)

To the Members of NBIM Elizabeth GP Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

NBIM Elizabeth GP Limited

Independent Auditor's Report (Continued)

To the Members of NBIM Elizabeth GP Limited

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

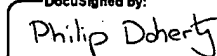
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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

DocuSigned by:

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Philip Doherty FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
Date: 24 June 2020

NBIM Elizabeth GP Limited

Statement of Comprehensive Income

For the year ended 31 December 2019

	2019	2018 as restated
	£	£
INCOME		
Investment income	8,545	1,253
Finance income	51	4
Fair value loss in the year	-	(500)
	<u> </u>	<u> </u>
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>8,596</u>	<u>757</u>

Continuing operations

All items dealt with in arriving at the results for the year ended 31 December 2019 and period ended 31 December 2018 relate to continuing operations.

Other comprehensive income

No other comprehensive income was derived during the year ended 31 December 2019 and period ended 31 December 2018.



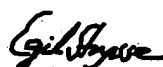
NBIM Elizabeth GP Limited

Statement of Financial Position

As at 31 December 2019

		2019	2018
	Notes	£	as restated £
ASSETS			
Investments in Subsidiaries	6	2	2
		<u>2</u>	<u>2</u>
CURRENT ASSETS			
Trade and other receivables	7	500	500
Cash and cash equivalents		9,853	1,257
		<u>10,353</u>	<u>1,757</u>
TOTAL ASSETS		<u>10,355</u>	<u>1,759</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	502	502
		<u>502</u>	<u>502</u>
TOTAL LIABILITIES		<u>502</u>	<u>502</u>
EQUITY			
Called up share capital	10	500	500
Retained earnings		9,353	757
		<u>9,853</u>	<u>1,257</u>
TOTAL EQUITY		<u>9,853</u>	<u>1,257</u>
TOTAL LIABILITIES AND EQUITY		<u>10,355</u>	<u>1,759</u>

The audited financial statements were approved by the board of directors and authorised for issue on 22 June 2020 and are signed on its behalf by:



.....
E Stryse
Director
24 June 2020



.....
J Patel
Director
24 June 2020

Company Registration No. 10436062

NBIM Elizabeth GP Limited

Statement of Changes in Equity

For the year ended 31 December 2019

		Share capital £	Retained earnings as restated £	Total £
Balance at 1 January 2018		500	-	500
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	1257	1257
Balance at 31 December 2018		500	1,257	1,757
Prior period adjustment	15	-	(500)	(500)
Balance at 31 December 2018 as restated		500	757	1,257
Year ended 31 December 2019:				
Profit and total comprehensive income for the year		-	8,596	8,596
Balance at 31 December 2019		500	9,353	9,853

NBIM Elizabeth GP Limited

Statement of Cash Flows

For the year ended 31 December 2019

	2019	2018 as restated
	£	£
Cash flows from operating activities		
Profit for the year	8,596	757
Adjustments for:		
Fair value loss in the year	-	500
Finance income	(51)	(4)
	<u> </u>	<u> </u>
Net cash inflow from operating activities	8,545	1,253
Investing activities		
Interest received	<u>51</u>	<u>4</u>
Net cash generated from investing activities	51	4
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	8,596	1,257
Cash and cash equivalents at beginning of year	<u>1,257</u>	<u>-</u>
Cash and cash equivalents at end of year	<u><u>9,853</u></u>	<u><u>1,257</u></u>

The 2018 figures have been represented to be consistent with the current year.

NBIM Elizabeth GP Limited

Notes to the Financial Statements

For the year ended 31 December 2019

1 Accounting policies

Company information

The Company was incorporated in England and Wales on 19 October 2016 with registered No. 10436062 and is limited by shares.

The principal accounting policies applied in the preparation of these financial statements are set out below.

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a going concern basis, applying the historical cost convention, except for the revaluation of the investment in the Partnership and the investments in the Subsidiaries.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the year the assumptions changed.

A prior year restatement has occurred in respect of fair value of Investment in Partnership as disclosed in note 15.

Consolidation

The Company is considered to meet the definition of an investment entity. As a result, the Company applies the mandatory exception for consolidation and instead measures its Subsidiaries in accordance with IFRS 9 'Financial Instruments: recognition and measurement'.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Going concern

The Company has a net asset position of £9,853 as at 31 December 2019 (31 December 2018: £1,257) and all expenses and costs are borne by the Partnership under an administrative costs deed. Accordingly, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The breakout of the Coronavirus disease Covid-19 Pandemic is recognised as a subsequent event. The Directors' have carefully assessed the impact on the entity financially and operationally and concluded that the events have no material bearing on the ability to continue as a going concern. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Pounds Sterling, which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2019

- IFRS 16 'Leases' was issued in January 2016 and has been adopted for the year ended 31 December 2019. This has not given rise to any changes.

New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2020

- No new standards, interpretations and amendments, which are effective for periods beginning on or after 1 January 2020, have been adopted or are expected to have a material effect on the Company's future financial statements.

Segmental information

In accordance with IFRS 8, the Company is organised into one main operating segment, being investment in investment property, in the UK. The Company considers investment in investment property represents the only reportable operating segment.

Statement of comprehensive income and statement of cash flows

The Company presents its statement of comprehensive income by function of expense. The Company reports cash flows using the indirect method.

The acquisition of investments is classified as cash flows from investing activities as the Directors consider that this most appropriately reflects the Company's business activities.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

Revenue recognition

Investment income represents income from the Company's investment in Partnership. The investment income is recognised in the statement of comprehensive income on receipt of the distributions from the Partnership.

Financial assets

Financial assets are classified as financial assets measured at amortised cost, fair value through profit and loss, or fair value through OCI, as appropriate. The Directors determine the classification of the Company's financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial assets expire or the Company transfers substantially all risks and rewards of ownership.

The Company's financial assets consist of the investment in the Partnership, the investments in the Subsidiaries, trade and other receivables and cash and cash equivalents.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

Investment in Partnership

The investment in the Partnership is accounted for at fair value through profit or loss. Gains or losses arising from the fair value are recognised in the statement of comprehensive income. Where a Partnership's losses equal or exceed the Company's investment in the Partnership, the Company does not recognise further losses unless it has legal or constructive obligations to make payments on behalf of the Partnership.

Investments in Subsidiaries

The investments in the Subsidiaries are accounted for at fair value through profit or loss. There have been no gains or losses arising from the fair value.

Fair value measurement

The investments in the Partnership and the Subsidiaries are classified as financial assets at fair value through profit or loss in accordance with the provisions set out in IFRS 9. This classification more fully explains the nature of the investments. The Directors designate the classification of the investments at the time of purchase.

IFRS 9 requires financial assets to be held at fair value, except only in rare circumstances where the fair value cannot be reliably measured in which case it allows the financial asset to be carried at cost less provision for impairment. IFRS 13 'Fair Value Measurement' defines fair value as 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 (an exit price).

The fair valuation of the unquoted investments is the key source of estimation uncertainty at the date of the statement of financial position that has a significant risk of causing a material adjustment in the financial statements.

The fair value hierarchy has been disclosed in Note 3.

The fair value of the investments as at 31 December 2019 amounted to £2 (31 December 2018: £2).

Financial liabilities

Liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or other liabilities, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. If the due date of the liability is less than one year, discounting is omitted.

Trade and other receivables

Trade and other receivables are composed of trade receivables with due dates of less than one year.

Trade and other receivables are recognised initially at fair value. Subsequently they are measured at amortised cost with a recognised loss allowance for expected credit losses which is measured at an amount equal to the lifetime expected credit loss. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

Trade and other payables

Current liabilities are composed of trade payables with due dates of less than one year.

Expenses

The company's expenses and costs are borne by the Partnership under an amended and restated administrative costs deed signed by all parties in 2018.

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. In the Directors' opinion for the year ended 31 December 2019 there are no accounting judgements that are material to the financial statements. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

Valuation of investment

The Company's investment in the Partnership is equal to its capital contributed and 0.5% of the retained earnings of the Partnership, which is considered by the Directors to be the best reflection of the fair value available to the Company.

Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors believe that critical accounting judgement has been applied in the preparation of these financial statements in respect of the valuation of the investment in the Partnership and the investments in the Subsidiaries, see Notes 5 and 6 for further details.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

The Directors carry out the risk management function in respect of financial risks within the Company. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting year. Financial risk comprises market risk (including currency rate risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The Company's financial instruments consist of the investment in the Partnership, the investments in the Subsidiaries, trade and other receivables, cash and cash equivalents and trade and other payables.

The Company's financial instruments and how they are measured in the statement of financial position are summarised as follows:

As at 31 December 2019

	Assets at fair value through profit or loss	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total
	£	£	£	£
Financial assets				
Investment in Partnership	-	-	-	-
Investments in Subsidiaries	2	-	-	2
Trade and other receivables	-	500	-	500
Cash and cash equivalents	-	9,853	-	9,853
Financial liabilities				
Trade and other payables	-	-	(502)	(502)
	<u>2</u>	<u>10,353</u>	<u>(502)</u>	<u>9,853</u>

As at 31 December 2018 as restated

	Assets at fair value through profit or loss	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total
	£	£	£	£
Financial assets				
Investment in Partnership	-	-	-	-
Investments in Subsidiaries	2	-	-	2
Trade and other receivables	-	500	-	500
Cash and cash equivalents	-	1,257	-	1,257
Financial liabilities				
Trade and other payables	-	-	(502)	(502)
	<u>2</u>	<u>1,757</u>	<u>(502)</u>	<u>1,257</u>

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

The main risks arising from the Company's financial instruments are liquidity risk and market risk. The Director reviews and agrees policies for managing the Company's risk exposure. These policies are described below.

The Company has minimal credit risk as its receivables consist only of an intercompany receivable outstanding as at the statement of financial position date.

a) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through intercompany and banking arrangements.

The table below summarises the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments:

	On demand £	More than 3 Months £	Total £
31 December 2019			
Trade and other receivables	500	-	500
Cash and cash equivalents	9,853	-	9,853
	<u>10,353</u>	<u>-</u>	<u>10,353</u>
Trade and other payables	<u>(502)</u>	<u>-</u>	<u>(502)</u>
31 December 2018			
Trade and other receivables	500	-	500
Cash and cash equivalents	1,257	-	1,257
	<u>1,757</u>	<u>-</u>	<u>1,757</u>
Trade and other payables	<u>(502)</u>	<u>-</u>	<u>(502)</u>

b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risks arise from its investment in the Partnership and investments in the Subsidiaries. The Company holds an investment in the Partnership which directly holds an investment property. The property is exposed to general and specific market movements. The Directors review these risks on a quarterly basis.

i) Foreign exchange risk

The Company has no exposure to foreign exchange risk as its operational activities and investments are conducted in its functional currency.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

ii) Price risk

The Company is not exposed to the market risk with respect to its financial instruments as it does not hold any marketable equity securities.

iii) Cash flow risk and interest rate risk

The Company is not exposed to cash flow risk or interest rate risk as its receivables and payables consist only of an intercompany receivable and intercompany payables as at the statement of financial position date.

iv) Fair value

The cost and the corresponding fair value of the Company's financial instruments are as follows:

	2019		2018 as restated	
	Cost	Fair Value	Cost	Fair Value
	£	£	£	£
Investment in Partnership	500	-	500	-
Investments in Subsidiaries	2	2	2	2
Trade and other receivables	500	500	500	500
Cash and cash equivalents	9,853	9,853	1,257	1,257
Trade and other payables	(502)	(502)	(502)	(502)

Sensitivity in the fair value of the investment in the Partnership is derived directly and proportionally from the fair value of the investment property held directly by the Partnership.

Fair value hierarchy

The Company has adopted the amendment to International Financial Reporting Standard No. 13 'Fair Value Measurement' ("IFRS 13") for financial instruments that are measured at fair value. IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - 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 for the asset or liability that are not based on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

The table below analyses the financial instruments measured at fair values as at the statement of financial position date by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 December 2019	Level 1	Level 2	Level 3
	£	£	£
Investment in Partnership	-	-	-
Investments in Subsidiaries	-	-	2
Trade and other receivables	-	500	-
Cash and cash equivalents	9,853	-	-
Trade and other payables	-	(502)	-

As at 31 December 2018 as restated	Level 1	Level 2	Level 3
	£	£	£
Investment in Partnership	-	-	-
Investments in Subsidiaries	-	-	2
Trade and other receivables	-	500	-
Cash and cash equivalents	1,257	-	-
Trade and other payables	-	(502)	-

In the opinion of the Directors there are no observable inputs relating to the valuation of the Partnership and the Subsidiaries hence level 3 is the appropriate classification of the investments.

For further information on the fair value technique of the investment in the Partnership and the investments in the Subsidiaries please refer to Notes 5 and 6 respectively.

c) Capital management

The capital of the Company consists of equity (comprising issued share capital and retained earnings). The Company's objective when managing capital is to maintain an appropriate capital structure for the Company to discharge its responsibilities as General Partner in the group structure. The Company is not subject to externally imposed capital requirements.

4 Employees

The Company has no employees. The key management personnel have been identified as the Directors of the Company. During the year, the Directors received no remuneration (31 December 2018: £nil).

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

5 Investment in Partnership

	2019 £	2018 as restated £
Cost at the start of the year	500	500
Capital contributed during the period	-	-
Cost at the end of the year	500	500
Fair value loss at the start of the year	(500)	-
Fair value loss for the year	-	(500)
Fair value loss at the end of the year	(500)	(500)
Fair value	-	-

The investment is accounted for at fair value through profit or loss. Changes in fair value in the table above are recognised in the statement of comprehensive income.

On 15 November 2016, the Company made an investment in the capital of the Partnership representing 0.50% of the total capital of the Partnership. As at 31 December 2019, the Partnership has a net asset value of £277,226,233 (31 December 2018: £274,570,163).

The Company acts as the General Partner of the Partnership whose registered address is Queensberry House, 3 Old Burlington Street, London, W1S 3AE. The Partnership qualifies as a qualifying partnership under the Partnership (Accounts) Regulation 2008 and accordingly, the Partnership's financial statements are appended to the Company's financial statements.

The prior year balance has been restated as the fair value of the investment in the Partnership was below the original cost. As detailed in note 1, the investment in the Partnership is held at fair value. There are no stipulations in the Partnership Agreement that the fair value is restricted to cost, however the General Partner is not responsible for the share of the Partnerships losses and is therefore shown as nil in the current and prior year. The impact on the Statement of Comprehensive Income, Statement of Financial Position and relevant notes is shown in note 15.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

6 Investments in Subsidiaries

	2019 £	2018 £
Cost at the start of the year	2	2
Cost at the end of the year	2	2
Fair value	2	2

The Company has investments in ordinary shares of £1 in each of the Subsidiaries' share capital which represents 100% interest in these Subsidiaries. The Subsidiaries are NBIM Elizabeth Nominee 1 Limited and NBIM Elizabeth Nominee 2 Limited whose registered office addresses are Queensberry House, 3 Old Burlington Street, London, W1S 3AE. These Subsidiaries have remained dormant during the year.

7 Trade and other receivables

	2019 £	2018 £
Amounts due from related parties	500	500

Trade and other receivables are neither past due nor impaired.

8 Trade and other payables

	2019 £	2018 £
Amounts due to related parties	502	502

Trade and other payables are interest free and have settlement dates within one year.

There are no non-cash movements in the year relating to financing activities.

9 Taxation

The Company did not generate any taxable income during the year. Its expenses and costs are borne by the Partnership under an administrative costs deed. Accordingly, no taxation has been recognised in the financial statements during the year ended 31 December 2019 (31 December 2018: £nil).

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

10	Share capital	2019 £	2018 £
	Ordinary share capital		
	Authorised		
	500 ordinary shares of £1 each	500	500
		<u> </u>	<u> </u>
	Issued and fully paid		
	500 ordinary shares of £1 each	500	500
		<u> </u>	<u> </u>

11 Related party transactions

The Company's immediate parent is NBIM Burlington Holdings Limited (the "Parent Company"). The Company acts as General Partner to the Partnership.

At 31 December 2019, an amount of £500 (31 December 2018: £500) was receivable by the Company from NBIM Burlington Holdings Limited in respect of 500 ordinary shares at £1 each.

At 31 December 2019, a total amount of £2 (31 December 2018: £2) was payable by the Company to the Subsidiaries at £1 each.

At 31 December 2019, a total amount of £500 (31 December 2018: £500) was payable by the Company to the Partnership, for the initial capital contribution.

During the year, expenses of £25,798 (2018: £21,578) were borne by the Partnership on behalf of the Company under an administrative costs deed signed in 2018. This amount included £11,777 (31 December 2018: £13,508), which represented the company's tax charge for the year.

12 Controlling party

The immediate controlling party and sole shareholder is NBIM Burlington Holdings Limited, a subsidiary of Norges Bank.

Norges Bank, as the sole shareholder of the Parent Company, is considered the ultimate controlling party and is the smallest and largest entity which consolidates these financial statements. Norges Bank was established in Norway and its financial statements are available from Bankplassen 2, 0151 Oslo, Norway.

13 Auditor's remuneration

Audit fees of £3,988 (31 December 2018: £2,991) were borne by another group company in the accounting year. No non-audit fees were payable to the auditor in the current or preceding year.

14 Events after the reporting date

The breakout of the Coronavirus disease Covid-19 Pandemic is recognised as a subsequent event that can impact the Company financially. As the Pandemic arose after the financial reporting period end for 2019, the Company consider the matter to be a non-adjusting event. The Directors have carefully assessed the impact on the Company and concluded that the events have no bearing on the understanding of these financial statements. The assessment of the impact of the going concern assumption has been disclosed as appropriate in note 1 Accounting policies.

NBIM Elizabeth GP Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

15 Prior period adjustment

The following table summarises the impact of the prior period adjustment on the financial statements of the Company.

	31 December 2018 £
Statement of profit or loss	
Decrease in profit for the financial year	(500)
	<u> </u>
Statement of financial position	
Decrease in investments	(500)
	<u> </u>

The fair value of the financial instrument, which comprises the Company's investment in the Partnership, has been restated as the fair value of the investment in the Partnership was below the original cost. As detailed in note 1 investment in partnership is held at fair value. There are no stipulations in the Partnership Agreement that the fair value is restricted to cost, however the General Partner is not responsible for the share of the Limited Partners losses and is therefore shown as nil in the current and prior year.

NBIM Elizabeth Partners LP

Annual Report and Financial Statements

For the year ended 31 December 2019

Registration No. LP017654 (England and Wales)



NBIM Elizabeth Partners LP

Partners, Advisors and Other Information

General Partner	NBIM Elizabeth GP Limited
Limited Partner	NBIM BTLP Limited
Directors of the General Partner	E Stryse J Patel R Peel
Registration number	LP017654
Registered office	Queensberry House 3 Old Burlington Street London W1S 3AE
Independent Auditor	Deloitte LLP Hill House 1 Little New Street London EC4A 3TR
Bankers	Citi Bank 33 Canada Square London E14 5LB



NBIM Elizabeth Partners LP

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Statement of financial position	10
Statement of changes in Partners' interest	11
Statement of cash flows	12
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NBIM Elizabeth Partners LP

Strategic Report

For the year ended 31 December 2019

NBIM Elizabeth GP Limited (the "General Partner") presents its strategic report of NBIM Elizabeth Partners LP (the "Partnership") for the year ended 31 December 2019.

Principal activities

The principal activity of the Partnership is to invest directly in property on Oxford Street, London, W1 (the "Investment Property"). The property is a mixed-use office and retail building.

Review of the business

The Partnership's profit for the year amounted to £9,316,070 (31 December 2018: loss of £2,714,057).

The business review is required to contain financial and where applicable, non-financial key performance indicators ("KPIs"). The General Partner considers that, in line with the activities and objectives of the business, the financial KPIs set out below are those which communicate the performance of the Partnership as a whole. These KPIs comprise of:

	2019	2018
	£	£
Net asset value (NAV)	277,226,233	274,570,163
Market value of Investment Property	277,500,000	274,800,000

Principal risks and uncertainty

The General Partner carries out the Risk Management function within the Partnership. The primary objectives of the risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Financial risk management

Financial risks are risks arising from financial instruments to which the Partnership is exposed during or at the end of the reporting year.

The main risks arising from the Partnership's financial instruments are credit risk, liquidity risk and market risk (including interest rate risk and other price risk). The General Partner reviews and agrees policies for managing the Partnership's risk exposure. These policies are described in more detail in Note 3 and have remained unchanged for the year under review.

Subsequent to 31 December 2019 the breakout of the Coronavirus disease Covid-19 Pandemic (hereafter the "Pandemic") occurred identifying a further risk and uncertainty for the business. The General Partner continues to assess and monitor the impact of the Pandemic on the operations of the entity. The impact to date only affected the retail operator tenants (63% of the passing rent). Communication with the affected tenants is ongoing, with the purpose of seeking agreements on concessions or deferrals of rental payments where this is feasible. We expect that the Pandemic will continue to have an impact for 2020 on the ability of tenants to pay rent and on the valuation of the Investment Property. The General Partner will monitor the impact and continue to assess any actions for the long-term strategy of the Partnership.

Brexit

Following UK's departure from EU on the 31 January 2020, uncertainty remains. The General Partner has considered the potential impact on the entity and continue to monitor this closely, however no negative impact on the operations or the strategy of the Partnership has been identified.

NBIM Elizabeth Partners LP

Strategic Report (Continued)

For the year ended 31 December 2019

Sustainability

The Partnership's objective is to manage the Investment Property in a responsible and environmentally sustainable manner. The Partnership aims to achieve this objective by implementing measures that focus on improving energy, water and waste performance. The Partnership measure the progress against the objective by way of third-party certification (such as BREEAM) and the Global Real Estate Sustainability Benchmark (GRESB) assessment.

The Partnership achieved BREEAM New Construction 'Excellent' certification following the Investment Property construction. The Partnership will continue to work with the main tenants to ensure sustainability considerations are incorporated into the decisions relating to, and operations of, the Investment Property.

Employees

The Partnership has no employees (31 December 2018: nil).

Future developments

The Partnership will continue to hold the Investment Property to earn property income and for capital appreciation.



.....
J Patel
24 June 2020
Signed for and on behalf of
NBIM Elizabeth GP Limited
as General Partner of NBIM
Elizabeth Partners LP



.....
E Stryse
24 June 2020
Signed for and on behalf of
NBIM Elizabeth GP Limited
as General Partner of NBIM
Elizabeth Partners LP

NBIM Elizabeth Partners LP

Report of the General Partner

For the year ended 31 December 2019

The General Partner presents its report and the audited financial statements of the Partnership for the year ended 31 December 2019.

Partnership Establishment

The Partnership was established in England and Wales on 21 October 2016 with registered No. LP017654.

Partners and Partners' Interest

The Partnership's profit for the period amounted to £9,316,070 (31 December 2018: loss of £2,714,057) with a net asset value of £277,226,233 (31 December 2018: £274,570,163). During the year, the General Partner proposed the payment of a distribution totalling £1,709,000 (31 December 2018: £250,527).

The Partners as at 31 December 2019 and their interests in the capital and current accounts were as follows:

	Capital account £	Loan advances £	Current account £
NBIM Elizabeth GP Limited	500	-	(10,252)
NBIM BTLP Limited	99,500	279,176,597	(2,040,112)
	<u>100,000</u>	<u>279,176,597</u>	<u>(2,050,364)</u>

Financial risk management

The main risks arising from the Partnership's financial instruments are credit risk, liquidity risk and market risk. Please see further details of the financial risk management in Note 3 to the financial statements.

Going Concern

The General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future and for a minimum of 12 months from the date of signing the financial statements. Thus, it continues to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the impact of the Pandemic on the entity and adoption of the going concern basis can be found in Note 1 to the financial statements.

Subsequent Events

Subsequent events have been evaluated up to the date the audited financial statements were approved and authorised for issue by the General Partner. The General Partner recognise the breakout of the Coronavirus disease Covid-19 Pandemic as a subsequent event that can impact the entity financially. As the Pandemic arose after the financial reporting year-end, the board of managers consider the matter to be a non-adjusting event. The General Partner have carefully assessed the impact on the entity and no material adjustments have been recognised in these audited financial statements. We expect that the Pandemic will have an impact in 2020 on the ability of tenants to pay rent and on the valuation of the Investment Property. The General Partner will monitor the impact and continue to assess any actions for the long-term strategy of the Partnership.

NBIM Elizabeth Partners LP

Report of the General Partner (Continued)

For the year ended 31 December 2019

Auditor

The General Partner appointed Deloitte LLP as auditors, they have expressed their willingness to continue in office.

Each of the persons who is a Director of the General Partner 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 Partnership's auditor is unaware; and
- the Director has taken all 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 Partnership'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.



NBIM Elizabeth Partners LP

Report of the General Partner (Continued)

For the year ended 31 December 2019

Statement of General Partner's responsibilities

Company law as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008 (the "Regulations") and the terms of the Limited Partnership Agreement (the "LPA") require the General Partner to prepare financial statements which shall be in accordance with generally accepted accounting principles. In accordance with the LPA the General Partner has elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and part VII of the Companies Act 2006, as required by the Regulations. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that year.

International Accounting Standard 1 requires that financial statements present fairly for each financial period the Partnership's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS.

In preparing these financial statements, the General Partner is required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Limited Partnership's ability to continue as a going concern.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and to enable it to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner confirms that it has complied with the above requirements throughout the year and subsequently.



J Patel
24 June 2020

For and on behalf of
NBIM Elizabeth GP Limited
as General Partner of NBIM
Elizabeth Partners LP



E Stryse
24 June 2020

For and on behalf of
NBIM Elizabeth GP Limited
as General Partner of NBIM
Elizabeth Partners LP

NBIM Elizabeth Partners LP

Independent Auditor's Report

To the Members of NBIM Elizabeth Partners LP

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of NBIM Elizabeth Partners LP (the 'qualifying partnership'):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in partners' interests;
- the statement of cash flows; and
- the related notes 1-18.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the general partners' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the general partner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

NBIM Elizabeth Partners LP

Independent Auditor's Report (Continued)

To the Members of NBIM Elizabeth Partners LP

Other information

The general partner is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of the General Partner

As explained more fully in the statement of the 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, and for such internal control as the general partner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

NBIM Elizabeth Partners LP

Independent Auditor's Report (Continued)

To the Members of NBIM Elizabeth Partners LP

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the report of the general partner and the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the general partner and the strategic report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the report of the general partner.

Matters on which we are required to report by exception

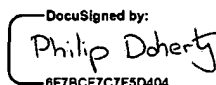
Under the Companies Act 2006 as applied to qualifying partnerships we are required to report in respect of the following matters if, in our opinion:

- 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
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the general partner, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships. Our audit work has been undertaken so that we might state to the general partner 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 qualifying partnership and the general partner as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Philip Doherty FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

Date: 24 June 2020



NBIM Elizabeth Partners LP

Statement of Comprehensive Income

For the year ended 31 December 2019

	Notes	2019 £	2018 £
INCOME			
Property income	13	9,911,440	9,695,794
TOTAL INCOME		9,911,440	9,695,794
EXPENSES			
Property expenses	14	(1,219,969)	(971,586)
Administrative expenses	8	(72,500)	(88,002)
OPERATING PROFIT	4	8,618,971	8,636,206
Finance income	6	5,167	2,059
Gain/(loss) on revaluation of Investment Property	7	691,932	(11,352,322)
PROFIT/(LOSS) FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME/(LOSS)		9,316,070	(2,714,057)

Continuing operations

All items dealt with in arriving at the results for the year to 31 December 2019 and year ended 31 December 2018 relate to continuing operations.

Other comprehensive income

No other comprehensive income was derived during the year to 31 December 2019 and the year ended 31 December 2018.

NBIM Elizabeth Partners LP

Statement of Financial Position

As at 31 December 2019

	Notes	2019 £	£	2018 £	£
ASSETS					
NON-CURRENT ASSETS					
Investment Property	7	277,500,000		274,800,000	
CURRENT ASSETS					
Trade and other receivables	9	5,563,674		6,337,503	
Cash and cash equivalents	10	2,990,418		1,182,066	
		8,554,092		7,519,569	
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	11	(8,827,859)		(7,749,406)	
NET CURRENT (LIABILITIES)/ASSETS			(273,767)		(229,837)
NET ASSETS			277,226,233		274,570,163
Represented by:					
AMOUNTS ATTRIBUTABLE TO THE PARTNERS					
Partners' capital	18	100,000		100,000	
Partners' loans	18	279,176,597		284,127,597	
Partners' current account	18	(2,050,364)		(9,657,434)	
		277,226,233		274,570,163	

The audited financial statements were approved by the Board of Directors of the General Partner and authorised for issue on 22 June 2020 and are signed on their behalf by:



J Patel
24 June 2020
Signed for and on behalf of
**NBIM Elizabeth GP Limited as
General Partner of NBIM Elizabeth Partners LP
Registration No. LP017654**



E Stryse
24 June 2020
Signed for and on behalf of
**NBIM Elizabeth GP Limited as
General Partner of NBIM Elizabeth Partners LP
Registration No. LP017654**

NBIM Elizabeth Partners LP

Statement of Changes in Partners' Interest

For the year ended 31 December 2019

	General Partner £	Limited Partner £	Total £
Balance at 1 January 2018	(32,964)	281,757,180	281,724,216
Loans repaid to the Limited Partner	-	(4,189,469)	(4,189,469)
Loss and total comprehensive loss for the period	(13,570)	(2,700,487)	(2,714,057)
Distributions	(1,253)	(249,274)	(250,527)
Balance at 31 December 2018	(47,787)	274,617,950	274,570,163
Loans repaid to the Limited Partner	-	(4,951,000)	(4,951,000)
Profit and total comprehensive income for the year	46,580	9,269,490	9,316,070
Distributions	(8,545)	(1,700,455)	(1,709,000)
Balance at 31 December 2019	(9,752)	277,235,985	277,226,233

NBIM Elizabeth Partners LP

Statement of Cash Flows

For the year ended 31 December 2019

	2019	2018
	£	£
Cash flows from operating activities		
Profit/(loss) for the year	9,316,070	(2,714,057)
Adjustments for:		
Finance income	(5,167)	(2,059)
Straight line rent adjustment	(2,082,407)	(8,018,446)
Amortisation of letting costs	25,172	17,665
Amortisation of tenant improvements	3,756	-
(Gain)/loss on revaluation of Investment Property	(691,932)	11,352,322
Decrease in trade and other receivables	773,829	1,375,252
Increase in trade and other payables	1,078,453	2,719,860
Net cash inflow from operating activities	8,417,774	4,730,537
Investing activities		
Development cost reduction	45,411	-
Capitalised lease renewal fees	-	(125,941)
Capital expenditure	-	(25,600)
Finance income received	5,167	2,059
Net cash generated from/(used in) investing activities	50,578	(149,482)
Financing activities		
Repayment of the Limited Partner's loan	(4,951,000)	(4,189,469)
Distributions paid to Partners	(1,709,000)	(250,527)
Net cash used in financing activities	(6,660,000)	(4,439,996)
Net increase in cash and cash equivalents	1,808,352	141,059
Cash and cash equivalents at beginning of year	1,182,066	1,041,007
Cash and cash equivalents at end of year	2,990,418	1,182,066

NBIM Elizabeth Partners LP

Notes to the Financial Statements

For the year ended 31 December 2019

1 Accounting policies

Nature of the Partnership

The Partnership is a limited partnership registered in England and Wales which prepares its financial statements under the Company law as applied to qualifying partnerships by the Partnership (Accounts) Regulations 2008 (the "Regulations"). The nature of the Partnership's operations and its principal activities are disclosed in the Strategic Report. The General Partner is NBIM Elizabeth GP Limited which has ultimate responsibility for the management and control of the Partnership in accordance with, and subject to, the Limited Partnership Agreement (the "LPA") and applicable law and regulation:

Basis of preparation

The financial statements of the Partnership have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), as well as interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and part VII of the Companies Act 2006, as required by the Regulations. The financial statements have been prepared on a going concern basis, applying the historical cost convention as modified by the revaluation of the Investment Property.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The General Partner believes that the underlying assumptions are appropriate and that the Partnership's financial statements therefore fairly present the financial position and results.

Going concern

The Partnership has a net asset position of £277,226,233 (31 December 2018: £274,570,163) and a net current liabilities position of £273,767 as at 31 December 2019 (31 December 2018: £229,837). Partners' loans of £279,176,597 were outstanding as at 31 December 2019 (31 December 2018: £284,127,597). The loans are repayable to the Lender after a twelve month written notice period given by the Lender. No such demand was received by the Partnership to the date of the signing of the financial statements.

Income generated from the retailers constitutes 63% of the passing rent (£6.2m). In the next 12 months the Partnership assesses the risk of loss of income to mainly relate to the retail tenants, whose shops have been closed following the breakout of the Pandemic. The Partnership is in constant dialogue with the tenants that are facing difficulties and are considering concessions and/or deferrals of rent payments. The Partnership has access to funding for operating expenses by calling down on the loan from the Lender. The Partnership has reviewed expected cash flow for the coming 12 months and are satisfied that ongoing commitments can be met as they fall due.

The breakout of the Pandemic is recognised as a subsequent event. The General Partner have carefully assessed the impact on the entity financially and operationally and has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Thus, it continues to adopt the going concern basis in preparing the annual financial statements.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

Functional and presentational currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Pounds Sterling, which is the Partnership's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the period end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income.

New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2019

- IFRS 16 'Leases' was issued in January 2016 and has been adopted for the year ended 31 December 2019. This has not given rise to any changes.

New standards, amendments and interpretations issued and effective for the financial year beginning 1 January 2020

- No new standards, interpretations and amendments, which are effective for periods beginning on or after 1 January 2020, have been adopted or are expected to have a material effect on the Company's future financial statements.

Segmental information

In accordance with IFRS 8, the Partnership is organised into one main operating segment, being investment in investment property, in the UK.

Statement of comprehensive income and statement of cash flows

The Partnership presents its statement of comprehensive income by function of expense. The Partnership reports cash flows using the indirect method.

The acquisition of investments is classified as cash flows from investing activities as the General Partner considers that this most appropriately reflects the Partnership's business activities.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

Revenue recognition

Revenue comprises rental income, service charge income and other operating income.

Rental income represents income from the Partnership's Investment Property leased out under operating lease agreements. Rental income from operating leases is recognised in the statement of comprehensive income on a straight-line basis over the lease term. When the Partnership provides incentives to its tenants, the cost of the incentives is recognised over the lease term, on a straight-line basis, as reduction in rental income.

Service charge income and other operating income are recognised as revenue in the period to which it relates.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

Finance income

Finance income comprises deposit interest income and interest income. Finance income is recognised in the statement of comprehensive income on an accruals basis.

Financial assets

Financial assets are classified as financial assets measured at amortised cost, fair value through profit and loss, or fair value through OCI, as appropriate. The General Partner determines the classification of the Partnership's financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial assets expire or the Partnership transfers substantially all risks and rewards of ownership.

The Partnership's financial assets consist of the Investment Property, trade and other receivables and cash and cash equivalents.

Investment Property

Investment Property is property which is held to either earn rental income or for capital appreciation or for both.

Investment Property is initially recognised on acquisition at cost and is revalued annually to reflect fair value. Fair value is determined by external professional independent valuation specialist.

Gains or losses arising on the revaluation of the Investment Property are included in the statement of comprehensive income in the accounting period in which they arise. Depreciation is not provided in respect of the Investment Property.

The Investment Property will be derecognised either when it has been disposed of or when the Investment Property is permanently withdrawn from use and no future benefit is expected.

Fair value measurement

The Investment Property is measured at fair value at the statement of financial position date in accordance with the provisions set out in IAS 40.

IFRS 13 'Fair Value Measurement' defines fair value as 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 (an exit price).

Fair valuation of the Investment Property is the key source of estimation uncertainty at the date of the statement of financial position that has a significant risk of causing a material adjustment in the financial statements. For further information on the valuation technique and estimation uncertainty, please refer to Note 2.

The fair value hierarchy has been disclosed in Note 3.

The fair value of the Investment Property as at 31 December 2019 amounted to £277,500,000 (31 December 2018: £274,800,000).



NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

Trade receivables

Trade and other receivables are composed of trade receivables with due dates of less than one year.

Trade and other receivables are recognised initially at fair value. Subsequently they are measured at amortised cost with a recognised loss allowance for expected credit losses which is measured at an amount equal to the lifetime expected credit loss. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and amounts held by property managers on behalf of the Partnership which are available on demand. Due to the short-term nature of these instruments, the carrying value equals fair value.

Financial liabilities

Liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or other financial liabilities, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

All borrowings are classified as other financial liabilities. Initial recognition is at fair value less directly attributable transaction costs incurred. After initial recognition, the borrowings are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost. If the due date of the liability is less than one year, discounting is omitted.

Trade and other payables

Trade and other payables are composed of trade payables with due dates of less than one year.

Expenses

All expenses are recognised on an accruals basis in the statement of comprehensive income in the year in which they arise.

Transactions costs

Transaction costs are defined as all costs directly attributable to corporate real estate transactions and will typically include fees to advisors, lawyers and valuation experts, and stamp duty. Transaction costs are capitalised when incurred.

Partners' loans

Partners' loans are composed of non-interest bearing borrowings from the Limited Partner and are treated as loans.

Partners' loans are recognised initially at fair value, net of transaction costs incurred. Partners' loans are subsequently stated at amortised cost.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

1 Accounting policies

(Continued)

Taxation

Each Partner is exclusively liable for any tax liabilities arising out of its interest in the Partnership. Under the administrative costs deed, the Partnership has undertaken to pay the tax due on behalf of each Partner and, accordingly, this cost is recorded in these financial statements.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the statement of financial position date. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

2 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the General Partner to exercise its judgement in the process of applying the Partnership's accounting policies. In the General Partners' opinion for the year ended 31 December 2019 there are no accounting judgements that are material to the financial statements. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The General Partner believes that the underlying assumptions are appropriate.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are summarised as below:

Investment property valuation

In relation to the valuation of the Investment Property, an independent valuation specialist in the United Kingdom was appointed to provide independent comprehensive annual and quarterly valuation services.

The valuation was prepared in accordance with the IFRS together with the RICS Valuation — Global Standards, which incorporate the International Valuation Standards ("IVS") and the RICS UK Valuation Standards (the "RICS Red Book"). The valuation was prepared in accordance with IFRS, whereby the fair value is defined as 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.

At each reporting date the Investment Property's carrying amount is adjusted to reflect its fair value as estimated by an external independent valuation specialist by reference to market evidence of transactions for similar properties.

The fair value of investment properties is principally determined using the income capitalisation approach. Under this approach, forecast net cash flows, based upon current market derived estimated rental values (market rents) together with estimated costs, are discounted at market derived capitalisation rates to produce the independent valuation specialist's opinion of fair value. The average discount rate, which, if applied to all cash flows would produce the fair value, is described as the equivalent yield.

Where applicable, development properties, are valued using a residual valuation method. Under this methodology, the independent valuation specialist assesses the completed development value using income and yield assumptions. Deductions are then made for estimated costs to complete, including finance and developer's profit, to arrive at the valuation. As the development approaches completion, the independent valuation specialist may consider the income capitalisation approach to be more appropriate.

The key assumptions which have been used in determining the fair value of the Investment Property are as follows:

- a. assessment of current and future income, and liabilities deriving from the ownership of the Investment Property;
- b. an equivalent yield of 3.36% (31 December 2018: 3.36%); and
- c. in addition, various assumptions have been made in consideration of non-recoverable running costs and likely future capital expenditure.

The General Partner has approved the valuation report prepared by the external professional independent valuation specialist following a review of the assumptions used, as well as the resulting valuations.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

The General Partner carries out the risk management function in respect of financial risks within the Partnership. Financial risks are risks arising from financial instruments to which the Partnership is exposed during or at the end of the reporting year. Financial risk comprises market risk (including interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The Partnership's financial instruments consist of the investment property, trade and other receivables, cash and cash equivalents and trade and other payables and borrowings (loans from Partners).

The Partnership's financial instruments and how they are measured in the statement of financial position are summarised as follows:

As at 31 December 2019

	Assets at fair value through profit or loss	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total
	£	£	£	£
Financial assets				
Investment property	277,500,000	-	-	277,500,000
Trade and other receivables	-	5,563,674	-	5,563,674
Cash and other cash equivalents	-	2,990,418	-	2,990,418
Financial liabilities				
Trade and other payables	-	-	(8,827,859)	(8,827,859)
Partners' loans	-	-	(279,176,597)	(279,176,597)
	<u>277,500,000</u>	<u>8,554,092</u>	<u>(288,004,456)</u>	<u>(1,950,364)</u>

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

As at 31 December 2018

	Assets at fair value through profit or loss	Other financial assets at amortised cost	Other financial liabilities at amortised cost	Total
	£	£	£	£
Financial assets				
Investment property	274,800,000	-	-	274,800,000
Trade and other receivables	-	6,337,503	-	6,337,503
Cash and other cash equivalents	-	1,182,066	-	1,182,066
Financial liabilities				
Trade and other payables	-	-	(7,749,406)	(7,749,406)
Partners' loans	-	-	(284,127,597)	(284,127,597)
	<u>274,800,000</u>	<u>7,519,569</u>	<u>(291,877,003)</u>	<u>(9,557,434)</u>

The main risks arising from the Partnership's financial instruments are credit risk, liquidity risk and market risk. The General Partner reviews and agrees policies for managing the Partnership's risk exposure. These policies are described below and have remained unchanged for the year under review.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The primary source of credit risk to which the Partnership is exposed is through its investment property. Defaults by the tenants who occupy the property may result in a loss occurring in respect of the Partnership's investment. The General Partner monitors the performance on a regular basis through review of the quarterly property and financial reports. Credit risk also arises from cash and cash equivalents, both within the Partnership and the Investment Property. Cash balances are deposited with approved financial institutions of a rating deemed appropriate by the General Partner.

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The Partnership's liquidity position is monitored regularly by the General Partner.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

The table below summarises the maturity profile of the Partnership's financial assets and financial liabilities based on contractual undiscounted payments:

	Less than 1 year	1 to 5 years	More than 5 years	Total
	£	£	£	£
As at 31 December 2019				
Trade and other receivables	5,563,674	-	-	5,563,674
Cash and other cash equivalents	2,990,418	-	-	2,990,418
Total financial assets	8,554,092	-	-	8,554,092
Trade and other payables	(8,827,859)	-	-	(8,827,859)
Partners' loans	-	(279,176,597)	-	2
Total financial liabilities	(8,827,859)	(279,176,597)		(288,004,4)

	Less than 1 year	1 to 5 years	More than 5 years	Total
	£	£	£	£
As at 31 December 2018				
Trade and other receivables	6,337,503	-	-	6,337,503
Cash and other cash equivalents	1,182,066	-	-	1,182,066
Total financial assets	7,519,569	-	-	7,519,569
Trade and other payables	(7,749,406)	-	-	(7,749,406)
Partners' loans	-	-	(284,127,597)	(284,127,597)
Total financial liabilities	(7,749,406)	-	(284,127,597)	(291,877,003)

The Partners' loans are repayable after a twelve month written notice period given by the Lender.

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Partnership's market risks arise from its investment in the investment property, to the extent that this is exposed to general and specific market movements due to the volatility of the property market. The General Partner reviews these risks on a quarterly basis.

i) Foreign exchange risk

The Partnership has no exposure to foreign exchange risk as its operational activities and investments are conducted in its functional currency.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

ii) Price risk

The Partnership is exposed to property price risk including property rentals risk. The Partnership is not exposed to the market risk with respect to financial instruments as it does not hold any marketable equity securities.

Political and economic uncertainties continue to exist following the UK's referendum decision to leave the EU. Until the UK's future exit arrangements have been negotiated, it is not possible to quantify the potential impact that the referendum will have on the investment property value going forward. The General Partner continues to closely monitor this emerging issue.

Further details regarding the uncertainty involved in valuing the investment property are provided in Notes 2 and 7.

iii) Cash flow and interest rate risk

Interest rate risk is the risk that future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Partnership has no significant exposure to interest rate risk.

Trade and other receivables and trade and other payables are interest-free and have settlement dates within one year.

iv) Fair value

The cost and the corresponding fair value of the Partnership's investment property and financial instruments are as follows:

	2019		2018	
	Cost £	Fair Value £	Cost £	Fair Value £
Investment property	292,022,559	277,500,000	292,022,559	274,800,000
Trade and other receivables	5,563,674	5,563,674	6,337,503	6,337,503
Cash and cash equivalents	2,990,418	2,990,418	1,182,066	1,182,066
Trade and other payables	(8,827,859)	(8,827,859)	(7,749,406)	(7,749,406)
Partners' loans	(279,176,597)	(279,176,597)	(284,127,597)	(284,127,597)

The Partnership's Investment Property has been valued by a professionally qualified independent valuation specialist. The valuation is based on an analysis of recent market transactions, market knowledge from the independent valuation specialist's agency experience and the use of a discounted cash flow technique. The fair value of all other financial assets and financial liabilities approximates their carrying value.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

Fair value hierarchy

The Partnership has adopted the amendment to International Financial Reporting Standard No. 13 'Fair Value Measurement' ("IFRS 13") for financial instruments that are measured at fair value. IFRS 13 requires the Partnership to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - 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 for the asset or liability that are not based on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The table below analyses the financial instruments measured at fair values as at the statement of financial position date by the level in the fair value hierarchy into which the fair value measurement is categorised:

31 December 2019	Level 1	Level 2	Level 3
	£	£	£
Investment property	-	-	277,500,000
Trade and other receivables	-	5,563,674	-
Cash and cash equivalents	2,990,418	-	-
Trade and other payables	-	(8,827,859)	-
Partners' loans	-	(279,176,597)	-

31 December 2018	Level 1	Level 2	Level 3
	£	£	£
Investment property	-	-	274,800,000
Trade and other receivables	-	6,337,503	-
Cash and cash equivalents	1,182,066	-	-
Trade and other payables	-	(7,749,406)	-
Partners' loans	-	(284,127,597)	-

For further information on the fair value technique of the Investment Property, please refer to Note 7.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

3 Financial risk management

(Continued)

d) Capital management

The Partnership's objectives when managing capital are to safeguard the Partnership's ability to continue as a going concern. Furthermore, the Partnership manages its capital in order to provide the Partners with above average returns over the medium to long term through income and capital appreciation. The Partnership aims to deliver this objective through the purchase of investments that will provide the Partnership with the right to receive cash flows from a property portfolio. The Partnership is not subject to externally imposed capital requirements.

4 Operating profit

	2019	2018
Operating profit for the year is stated after charging:	£	£
Fees payable to auditors	17,389	11,081
Tax fees	11,777	13,508
Amortisation of letting costs	25,172	17,665

5 Auditor's remuneration

	2019	2018
The analysis of the auditor's remuneration is as follows:	£	£
For audit services		
Audit of the financial statements of the Partnership	12,356	8,090
Audit of the financial statements of related parties	5,033	2,991
	17,389	11,081

No non-audit fees were payable to the auditor in the current or preceding year.

6 Finance income

	2019	2018
	£	£
Interest income		
Other interest income	5,167	2,059

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

7 Investment Property

	2019 £	2018 £
1 Dean Street and 73-89 Oxford Street, London, W1D 2EP		
Fair value brought forward	274,800,000	278,000,000
Development costs reduction	(45,411)	-
Capital expenditure	-	29,019
Capitalised lease renewal fees	-	125,941
Amortisation of tenant improvements	(3,756)	(3,419)
Amortisation of letting costs	(25,172)	(17,665)
Straight line rent adjustment	2,082,407	8,018,446
Gain/(loss) on revaluation	691,932	(11,352,322)
Fair value at the end of the year	277,500,000	274,800,000

The Partnership's Freehold Investment Property was valued at 31 December 2019 at £277,500,000 (31 December 2018: £274,800,000) by a professional qualified independent valuation specialist. The valuation of the Investment Property was prepared using the Royal Institution of Chartered Surveyors' ("RICS") valuation standards in the United Kingdom.

The external professional independent valuation specialist used an analysis of recent market transactions on arm's length terms and market knowledge from the independent valuation specialist's agency experience when evaluating the freehold property. By necessity a valuation requires the independent valuation specialist to make subjective judgements that, even if logical and appropriate may differ from those made by a purchaser, or another independent valuation specialist. Freehold property values can change substantially over short periods of time.

Sensitivity analysis

The sensitivity analysis for the investment was prepared in consideration of expected market return and level of income and is based on historical experience of management. Considering the +/- movement in the yield of up to 20 basis points and a +/- movement in income/ERV of up to 10%, the maximum change in value of the investment is approximately +17.3% / -12.8% or a range in value of investment of £242.0 million to £325.5 million.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

8 Administrative expenses

The administrative expenses include tax fees, the details of which are as follows:

	2019 £	2018 £
Partnership profit/(loss) for the year	9,316,070	(2,714,057)
Add tax fees for the year	11,777	13,508
Partnership profit/(loss) for the year before taxation	9,327,847	(2,700,549)
Add/(deduct) adjusting items:		
(Gain)/loss on revaluation of Investment Property	(691,932)	11,352,322
Non-deductible expenses	6,780	7,973
Taxable income for the year	8,642,695	8,659,746
Share of General Partner in %	0.50%	0.50%
	43,213	43,299
Corporation tax	19.00%	19.00%
Tax fees	8,211	8,227
Prior period adjustment	3,566	5,281
Tax fees for the year	11,777	13,508

The tax fees during the year represent the General Partner's share of the tax due calculated on the taxable income of the Partnership which the Partnership pays on behalf of the General Partner in accordance with the administrative costs deed.

The standard rate of Corporation tax in the UK was reduced to 19% with effect from 1 April 2017. Accordingly, the effective rate of tax for the year is 19%. In the 2016 Budget presentation, it was announced that the standard rate of Corporation tax is to be reduced to 17% from 1 April 2020.

Legislation was subsequently enacted on 19 March 2020 to amend the rate of corporation tax from 1 April 2020 to 19%.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

9 Trade and other receivables

	2019 £	2018 £
Rent and service charge receivable	743,909	1,583,871
Deposits of tenant guarantees receivable	4,392,827	4,381,501
Amounts due from related parties	100,000	100,000
Other receivables	290,723	238,685
Prepayments and accrued income	36,215	33,446
	<u>5,563,674</u>	<u>6,337,503</u>

Trade and other receivables are neither past due nor impaired.

10 Cash and cash equivalents

	2019 £	2018 £
Cash	21,231	100,587
Cash equivalents	2,969,187	1,081,479
	<u>2,990,418</u>	<u>1,182,066</u>

Cash equivalents is received rental payment from tenants and the balance of the property manager account. The cash is deposited in a bank account under the control of the property manager. The cash is owned by the Partnership and available upon notification.

11 Trade and other payables

	2019 £	2018 £
Deposits of tenant guarantees payable	4,392,827	4,381,501
Trade payables	19,366	72,580
Service charge payable	-	91,510
Acquisition costs payable	1,368,539	1,413,950
Other taxation and social security	438,146	262,232
Deferred income	2,577,881	1,436,862
Accrued expenses	31,100	90,771
	<u>8,827,859</u>	<u>7,749,406</u>

Trade and other payables are interest free and have settlement dates within one year.

There are no non-cash movements in the year relating to financing activities.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

12 Operating lease commitments

The Partnership leases out its Investment Property under operating leases with average lease terms of 14 years to expiry. The future aggregate minimum rental income, excluding contingent rents receivable, under the non-cancellable leases is as follows:

	2019 £	2018 £
Within 1 year	9,797,492	9,095,890
Within 2 years	9,797,492	8,949,946
Within 3 years	9,797,492	8,949,946
Within 4 years	9,797,492	8,949,946
Within 5 years	9,797,492	8,946,447
More than 5 years	92,269,946	90,486,922
	<u>141,257,406</u>	<u>135,379,098</u>

13 Property income

	2019 £	2018 £
Rental income	6,953,497	1,023,285
Service charge income	831,534	606,309
Insurance recharge income	47,758	43,759
Straight line adjustment	2,078,651	8,018,446
Other operating income	-	3,995
	<u>9,911,440</u>	<u>9,695,794</u>

14 Property expenses

	2019 £	2018 £
Service charge expenses	831,535	606,309
Asset management fees	273,400	161,700
Void service charge	5,955	26,999
Business rates	375	375
Insurance costs	49,493	47,608
Other property expenses	59,211	128,595
	<u>1,219,969</u>	<u>971,586</u>

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

15 Related party transactions

The General Partner controls the day-to-day operations of the Partnership in accordance with the LPA.

The Limited Partner acts as Bare Trustee on behalf of its parent Norges Bank. Transactions entered into by the Limited Partner in its capacity as Bare Trustee have been excluded from the financial statements of the Limited Partner on the basis that they are included within the financial statements of Norges Bank which owns any beneficial interest or obligation arising from these transactions.

The Partnership bears expenses and costs on behalf of other related parties under an administrative costs deed signed by all parties in 2018. Under this deed the following costs have been included in the Partnership's expenses for the year:

- NBIM Elizabeth GP Limited £25,798 (2018: £21,578)
- NBIM Elizabeth 1 Nominee Limited £202 (2018: £2,541)
- NBIM Elizabeth 2 Nominee Limited £202 (2018: £2,541)
- NBIM Burlington Holdings Limited £1,535 (2018: £1,204)
- NBIM BTLP Limited £4,651 (2018: £5,779)

Included in the amount above for NBIM Elizabeth GP Limited is an amount of £11,777 (31 December 2018: £13,508), which represented the company's tax charge for the year.

Included in the amount above for NBIM BTLP Limited is an amount of £2,731 (31 December 2018: £4,575), which represented the NBIM BTLP Limited's directors emoluments charge.

At 31 December 2019, a total amount of £500 (31 December 2018: £500) was receivable from the General Partner for an initial capital contribution and £99,500 (31 December 2018: £99,500) from NBIM BTLP Limited in its capacity as nominee of Norges Bank.

During the period, NBRE Management Europe Limited, a subsidiary of Norges Bank, provided Asset Management services to the Partnership and these services were invoiced on an arms length basis. The expense excluding VAT for the year is £273,400 (31 December 2018: £161,700) which a total amount of £nil (31 December 2018: £nil) was payable at the statement of financial position date.

During the period a total loan of £nil (31 December 2018: £nil) was advanced to the Partnership by the Limited Partner in a nominee capacity. Repayments to the Limited Partner in its nominee capacity totalled £4,951,000 (31 December 2018: £4,189,469). As at 31 December 2019 an amount of £279,176,597 (31 December 2018: £284,127,597) remains outstanding and payable to the Limited Partner.

16 Controlling party

NBIM Elizabeth GP Limited as General Partner of the Partnership is the immediate controlling party.

Norges Bank is considered to be the ultimate controlling party and is the smallest and largest entity which consolidates these financial statements. Norges Bank was established in Norway and its financial statements are available from Bankplassen 2, 0151 Oslo, Norway.

NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

17 Events after the reporting date

The breakout of the Coronavirus disease Covid-19 Pandemic is recognised as a subsequent event that can impact the entity financially. As the Pandemic arose after the financial reporting period end for 2019, the Partnership consider the matter to be a non-adjusting event. The General Partner has carefully assessed the impact on the entity and concluded that the events have no bearing on the understanding of these financial statements. The assessment of the impact of the going concern assumption has been disclosed as appropriate in note 1 Accounting policies.



NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

18 Amounts attributable to the Partners

a) Movements in Partners' Accounts

31 December 2019	Balance brought forward	Loans advanced during the year	Loans repaid during the year	Distributions	Profit for the year	Balance carried forward
	£	£	£	£	£	£
General Partner	(47,787)	-	-	(8,545)	46,580	(9,752)
Limited Partner	274,617,950	-	(4,951,000)	(1,700,455)	9,269,490	277,235,985
	<u>274,570,163</u>	<u>-</u>	<u>(4,951,000)</u>	<u>(1,709,000)</u>	<u>9,316,070</u>	<u>277,226,233</u>
 31 December 2018	 Balance brought forward	 Loans advanced during the year	 Loans repaid during the year	 Distributions	 Loss for the year	 Balance carried forward
	£	£	£	£	£	£
General Partner	(32,964)	-	-	(1,253)	(13,570)	(47,787)
Limited Partner	281,757,180	-	(4,189,469)	(249,274)	(2,700,487)	274,617,950
	<u>281,724,216</u>	<u>-</u>	<u>(4,189,469)</u>	<u>(250,527)</u>	<u>(2,714,057)</u>	<u>274,570,163</u>



NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)
For the year ended 31 December 2019

18 Amounts attributable to the Partners

(Continued)

b) Cumulative Partners' Accounts

31 December 2019

	Capital account £	Loan advances £	Current account £	Total £
General Partner	500	-	(10,252)	(9,752)
Limited Partner	99,500	279,176,597	(2,040,112)	277,235,985
	<u>100,000</u>	<u>279,176,597</u>	<u>(2,050,364)</u>	<u>277,226,233</u>

31 December 2018

	Capital account £	Loan advances £	Current account £	Total £
General Partner	500	-	(48,287)	(47,787)
Limited Partner	99,500	284,127,597	(9,609,147)	274,617,950
	<u>100,000</u>	<u>284,127,597</u>	<u>(9,657,434)</u>	<u>274,570,163</u>



NBIM Elizabeth Partners LP

Notes to the Financial Statements (Continued)

For the year ended 31 December 2019

18 Amounts attributable to the Partners

(Continued)

c) Loan advances

The details of the Partners' loan advances were as follows:

	2019 £	2018 £
Balance brought forward	284,127,597	288,317,066
Drawdowns during the year	-	-
Repayments during the year	(4,951,000)	(4,189,469)
	<u>279,176,597</u>	<u>284,127,597</u>

The loan advances are non-interest bearing and shall be repayable to the Lender after a twelve month written notice period given by the Lender. No such demand was received by the Partnership to the date of signing of the financial statements.

