

**Brookfield Strategic Real Estate  
Partners III Limited**

Directors' report and financial  
statements

Registered number 11097856  
For the year ended 31 December 2021



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## Directors' report

The Directors present their report and the financial statements of Brookfield Strategic Real Estate Partners III Limited (the "Company") for the year ended 31 December 2021. The Directors' report has been prepared in accordance with the special provisions relating to small companies under s415A of the Companies Act 2006.

### Principal activities

The Company has not traded since the date of establishment on 5 December 2017.

### Business review

Brookfield Strategic Real Estate Partners III Limited was incorporated on 5 December 2017. The Company was dormant from the date of incorporation to the end of the period on 31 December 2021.

### Directors

Set out below are the directors who held office during the period and up to the date of this report, except as noted:

J Hyler  
R Meller  
V Theaker                      resigned 5<sup>th</sup> November 2021  
B Annable

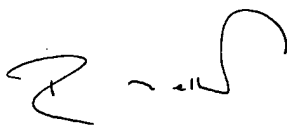
None of the Directors who held office at the end of the period and up to the date of this report held any disclosable interest in group undertakings as recorded in the register of directors' interests.

### Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the significant accounting policies note in the financial statements.

Approved by the board and signed on its behalf by:



R Meller  
Director

Level 25, 1 Canada Square  
London  
E14 5AA  
8 September 2022

## Statement of directors' responsibilities

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- 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 to 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.

## Statement of financial position

As at 31 December 2021

	Notes	31 December 2021 £	31 December 2020 £
<b>Current assets</b>			
Trade and other receivables	5	1	1
<b>Total current assets</b>		<u>1</u>	<u>1</u>
<b>Net assets</b>		<u>1</u>	<u>1</u>
<b>Equity</b>			
Called up share capital	8	1	1
<b>Total equity</b>		<u>1</u>	<u>1</u>

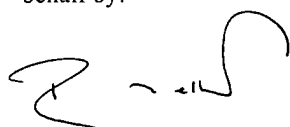
The Company received no income and incurred no expense in the year. Accordingly a statement of comprehensive income is not presented.

- a) For the year ended 31 December 2021 the Company was entitled to exemption from audit under section 480(1) of the Companies Act 2006 relating to dormant companies.
- b) The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- c) The Directors acknowledge their responsibility for:
  - a. Ensuring the Company keeps accounting records which comply with section 386; and
  - b. Preparing accounts in accordance with section 394, which give a true and fair view of the statement of affairs of the Company as at the end of the financial period, and of its profit or loss for the financial period, in accordance with the requirements of section 396, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the Company.

The statement of financial position should be read in conjunction with the notes to the financial statements on pages 5 to 9.

These accounts have been prepared in accordance with the provisions applicable to companies subject to small companies' regime.

These financial statements of Brookfield Strategic Real Estate Partners III Limited, registered number 11097856, were approved and authorised for issue by the board of directors on 6 September 2022 and were signed on its behalf by:



R Meller  
Director

**Statement of changes in equity**  
**For the period ended 31 December 2021**

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
As at 1 January 2020	1	-	1
	<hr/>	<hr/>	<hr/>
<b>As at 31 December 2020</b>	<b>1</b>	<b>-</b>	<b>1</b>
	<hr/>	<hr/>	<hr/>
As at 1 January 2021	1	-	1
	<hr/>	<hr/>	<hr/>
<b>As at 31 December 2021</b>	<b>1</b>	<b>-</b>	<b>1</b>
	<hr/>	<hr/>	<hr/>

The statement of changes in equity should be read in conjunction with the notes to the financial statements on pages 5 to 9.

## Notes to the financial statements

### 1. General information

Brookfield Strategic Real Estate Partners III Limited ("the Company") is a private company limited by shares, incorporated in England and Wales and domiciled in the United Kingdom. The address of its registered office is Level 25, 1 Canada Square, London, E14 5AA.

### 2. Adoption of new and revised standards

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the UK):

Standard/Amendment	Description	Effective for periods beginning on or after
IFRS 17 (including amendments)	Insurance Contracts	1 January 2023 [*]
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023 [*]
Amendments to IAS 8	Definition of Accounting Estimates	1 January 2023 [*]
Amendments to IAS 1 and IFRS Practice Statement 2)	Disclosure of Accounting Policies	1 January 2023 [*]
Amendments to IFRS 3, IAS 16, IAS 37 and Annual Improvements 2018-2020	Amendments to: <ul style="list-style-type: none"> <li>• Business Combinations</li> <li>• Property Plant &amp; Equipment</li> <li>• Provisions, Contingent Liabilities &amp; Contingent Assets</li> <li>• First-time Adoption of IFRS</li> <li>• Financial Instruments</li> <li>• Leases</li> <li>• Agriculture</li> </ul>	1 January 2022 [**]
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current	1 January 2023 [***]

[\*subject to UK endorsement]

[\*\*subject to UK endorsement]

[\*\*\*exposure draft published proposing deferral of effective date to 2024, and subject to UK endorsement]

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company aside from additional disclosures.

## Notes to the financial statements *(continued)*

### 2. Adoption of new and revised standards *(continued)*

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the balance sheet and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether the Company will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted. An exposure draft was published proposing deferral of the effective date to January 1, 2024 in November 2021. The Company does not anticipate any impact of the amendments on its financial statements.

The Company had also applied the following amendments for the first time during the annual reporting period presented in these financial statements:

#### **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (issued on 27 August 2020)**

The Company adopted Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 ("Phase 2 Amendments"), issued by the IASB in August 2020 as of January 1, 2021, its mandatory effective date. The Phase 2 Amendments provide additional guidance to address issues that will arise during the transition of benchmark interest rates. The Company does not anticipate any impact of the amendments on its financial statements.

#### **Amendments to IFRS 16 Leases: Covid-19- Related Rent Concessions beyond 30 June 2021 (issued on 31 March 2021)**

The Company adopted COVID-19 Related Rent Concessions beyond June 30 2021, Amendment to IFRS 16 – Leases ("2021 IFRS 16 Amendment") as of January 1, 2021 in advance of its April 1, 2021 mandatory effective date. The 2021 IFRS 16 Amendment provides the Company as lessee only with an extension to the scope of the exemption from assessing whether rent concessions related to COVID-19 meeting certain conditions are lease modifications. Such qualifying rent concessions are accounted for as if they are not lease modifications, generally resulting in the effects of rent abatements being recognized as variable lease payments. The Company has applied the practical expedient to all such qualifying rent concessions. The Company does not anticipate any impact of the adoption of the 2021 IFRS 16 Amendment on its financial statements.

### 3. Significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

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

The statement of financial position has been prepared under the historical cost accounting convention and in accordance with International Financial Reporting Standards (IFRSs) adopted by the United Kingdom.

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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.



## Notes to the financial statements *(continued)*

### 3. Significant accounting policies *(continued)*

#### *Going concern*

The Directors have prepared the financial statements on a going concern basis as this is a dormant company.

#### *Financial instruments – accounting policy applied from 1 January 2018*

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

#### Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'at fair value through other comprehensive income' (FVTOCI), or 'amortised cost'. The classification depends on whether contractual cash flows are considered to represent solely payments of principal and interest and the business model of the Company and is determined at the time of initial recognition.

#### Amortised cost

All assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest (SPPI) and that are not designated at FVPL, are measured at amortised cost. This is the case for the Company's amounts owed by related parties.

#### Impairment of financial assets

For financial assets held at amortised cost, IFRS 9 requires the Company's financial assets to be subject to a forward-looking expected credit loss model.

#### Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

#### *Cash flow statement*

The company has no cash balances or bank account, therefore no statement of cash flow has been prepared.

### 4. Critical accounting estimates and judgements

The preparation of the financial report in conformity with the International Financial Reporting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. However, management do not consider there to be any critical estimates and judgements pertinent to the preparation of these financial statements.

## Notes to the financial statements *(continued)*

### 5. Trade and other receivables

	31 December 2021	31 December 2020
	£	£
Amounts owed by related parties	1	1
	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

The carrying amount of these assets approximates to their fair value. Loans receivable from related parties are unsecured, non-interest bearing and repayable on demand.

### 6. Related party transactions

At the of the period, the Company had the following receivables from related parties:

Related Party	Relationship	Amounts owed by related parties 31 December 2021	Amounts owed by related parties 31 December 2020
		£	£
Brookfield Property Group Limited	Parent	1	1

### 7. Financial instruments

#### Categories of financial instruments

The following table summarises the fair values of the financial assets and liabilities recorded in the Company's financial statements.

	Current 31 December 2021	Current 31 December 2020
	£	£
<b>Financial assets</b>		
Trade and other receivables	1	1
	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

## Notes to the financial statements *(continued)*

### 7. Financial instruments *(continued)*

#### Capital risk management

The capital structure of the Company is managed by Brookfield Asset Management Inc. Group Treasury. Brookfield Asset Management Inc. manages its capital to ensure that entities in the Group will be able to continue as a going concern.

#### Externally imposed capital requirement

The Company is not subject to externally imposed capital requirements.

#### Financial risk management objectives

The Company is ultimately controlled by the Brookfield Asset Management Inc. Group. The Group seeks to minimise the effects of floating interest rate risk by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on interest rate risk and the use of financial derivatives. Compliance with policies is reviewed by the internal auditor on a quarterly basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

#### Market risk

The Company is not directly exposed to foreign exchange movements.

### 8. Called up share capital

	31 December 2021 £	31 December 2020 £
<i>Issued</i>		
1 ordinary share of £1	1	1
	<hr/>	<hr/>
<i>Allotted, called up and fully paid:</i>		
1 ordinary share of £1	1	1
	<hr/>	<hr/>

### 9. Ultimate parent undertaking and parent undertaking of larger group of which the company is a member

At the balance sheet date the immediate parent company is Brookfield Property Group Limited. The ultimate parent and ultimate controlling party is Brookfield Asset Management Inc., a company incorporated in Canada.

The smallest and largest group in which the results of the company are consolidated is that headed by Brookfield Asset Management Inc, incorporated in Canada. The consolidated financial statements of Brookfield Asset Management Inc are available to the public and may be obtained from Brookfield Place, Suite 300, 181 Bay Street, Toronto, ON M5J 2T3.