Company No. 12288831

HE2 N1 TELFORD 1 LIMITED

Unaudited Directors' Report and Financial Statements

For the period from 29 October 2019 (date of incorporation) to 31 December 2019

CONTENTS

HE2 N1 TELFORD 1 LIMITED
Directors and other information
For the period from 29 October 2019 (date of incorporation) to 31 December 2019

		Appointed on	**Resigned on**
Directors	Paul Cooper	29 October 2019	
	David Rudge	29 October 2019	24 August 2020
	Eugenia Schroeder	29 October 2019	27 May 2020
	Robert Vicente	29 October 2019	
	Caterina Juer	27 May 2020	
	Hannah Dove	24 August 2020	
		Appointed on	
Company Secretary	Accomplish Secretaries Limited 3rd Floor, 11-12, St. James's Square, London, United Kingdom, SW1Y 4LB	29 October 2019	

Registered office
3rd Floor,
11-12, St. James's Square,
London,
United Kingdom,
SW1Y 4LB

Corporate Administrator
Vistra (UK) Limited
3rd Floor,
11-12, St. James's Square,
London,
United Kingdom,
SW1Y 4LB

Directors' report

The directors present their report and the unaudited financial statements of HE2 N1 Telford 1 Limited (the "Company") for the period ended 31 December 2019.

Incorporation and principal activity

The Company was incorporated in the United Kingdom on 29 October 2019 as a private limited company and £1 ordinary share was issued at par on that date.

The principal activity of the Company is to acquire property on behalf of HE2 Telford 1 Limited Partnership (formerly HE2 UK Enterprises 4 Limited Partnership) (the "Partnership") registered as a limited partnership in the United Kingdom under the Limited Partnerships Act 1907 with registered number LP20129. The Company acts as nominee to the Partnership and has transferred the beneficial ownership of the property to the Partnership. The Company has legal ownership of the property but the beneficial ownership is held by the Partnership.

Results and dividends

The Company was entitled to exemption to present income statement under section 480 of the Companies Act 2006.

The directors do not recommend the payment of dividend for the year under review.

Going concern

The financial statements of the Company are prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future.

At reporting date, the Company is dormant. The ultimate parent company has confirmed its intention to provide financial support to the Company to meet any future financial obligations as and when they fall due.

Strategic report

As the Company qualifies as a small company under the Companies Act 2006, the Company is exempt from the requirement to prepare the strategic report as permitted by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Post balance sheet events

Since the announcement of the COVID-19 Global Pandemic by the World Health Organisation on 11 March 2020, there has been significant market volatility and economic disruption. The directors are closely monitoring the evolution of this pandemic, including how it may affect the economy and general population. The economic implications of the COVID-19 may have a negative impact on the Company's ability to meet its financial targets, although the prevailing uncertainty prevents the Company from estimating any reliable forecasts of the effects. Thus, as at the date of this report, it is not possible to quantify the effect (if any) of the COVID-19 pandemic on the operations the Company. The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. The Company continues to maintain a recovery and resolution planning framework designed to anticipate, identify, mitigate and manage in a timely and coordinated manner the impact of adverse events on their Company and its ability to continue as a going concern.

Directors and their interests

The following directors were appointed during the period:

- Paul Cooper
- David Rudge (Resigned on 24 August 2020)
- Eugenia Schroeder (Resigned on 27 May 2020)
- Robert Vicente
- Caterina Juer (Appointed 27 May 2020)
- Hannah Dove (Appointed 24 August 2020)

The directors did not have any interest in the shares or options of the Company at any time during the period ended 31 December 2019.

Political contributions

The Company did not make any political donations during the period.

DocuSigned by:

Paul Cooper

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Paul Cooper
Director

Sep-30-2020

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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 period. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU").

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, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs as adopted by the EU have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the board

DocuSigned by:

Paul Cooper

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Paul Cooper

Director

Date: Sep-30-2020

HE2 N1 TELFORD 1 LIMITED
Statement of financial position
As at 31 December 2019

	Note	31 December 2019 £
ASSETS		
Current assets		
Other receivables	3	1
Total assets		1
EQUITY		
Equity		
Share capital	4	1
Total equity		1

For the period ended 31 December 2019, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors responsibilities:

• The members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476; and

• The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 4 to 10 were approved by the Board of Directors on Sep-30-2020 and were signed on its behalf by:

DocuSigned by:

Paul Cooper

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Paul Cooper
Director
Company No. 12288831

Sep-30-2020

The notes on pages 6 to 10 form part of these unaudited financial statements.

HE2 N1 TELFORD 1 LIMITED
Statement of changes in shareholder's equity
For the period from 29 October 2019 (date of incorporation) to 31 December 2019

	Share Capital	Total equity
	£	£
At 29 October 2019	-	-
Issuance of ordinary shares	1	1
At 31 December 2019	**1**	**1**

All equity is attributable to the holder of the ordinary shares in the Company.

The notes on pages 6 to 10 form part of these unaudited financial statements.

1. General information

HE2 N1 Telford Limited (the "Company") was incorporated on 29 October 2019 in the United Kingdom (UK) with registered number 12288831. The registered office of the Company is 3rd Floor 11-12, St James's Square, London, United Kingdom, SW1Y 4LB.

The principal activity of the Company is to acquire property on behalf of HE2 Telford 1 Limited Partnership (formerly HE2 UK Enterprises 4 Limited Partnership) (the "Partnership") registered as a limited partnership in the United Kingdom under the Limited Partnerships Act 1907 with registered number LP20129. The Company acts as nominee to the Partnership and has transferred the beneficial ownership of the property to the Partnership. The Company has legal ownership of the property but the beneficial ownership is held by the Partnership.

The Company has no direct employees.

2. Significant accounting policies

Basis of preparation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretation Committee (IFRIC) as adopted by the European Union ("EU") and as applied in accordance with the Companies Act 2006, IFRSs applied by the Company in the preparation of these financial statements and those that were effective at 31 December 2019. The principal accounting policies adopted by the Company are set out below.

The Company's financial statements have been prepared under the historic cost basis.

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. The directors believe that the underlying assumptions are appropriate.

Income statement and cash flow statement
The Company has not presented any income statement and cash flow statement as there were no transactions to report.

Administrative expenses incurred in the period have been paid on behalf of the company by HE2 Telford 1 Limited Partnership

(formerly HE2 UK Enterprises 4 Limited Partnership), and have not been recognised in these financial statements.

Changes in accounting policy and disclosures

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

All new and amended accounting standards which have become effective for the current period and applicable to the Company have been adopted. These standards have not been listed separately.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2019 and not early adopted.

The following new and amended standards and interpretations have been issued and are mandatory for the Company's accounting periods beginning on or after 1 January 2020 or later periods and are expected to be relevant to the Company.

Standard / interpretation	Content	Applicable for financial years on/after
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an investor and its Associate or Joint Venture	deferred
Amendments to IFRS 9 and IFRS 7	Interest Rate Benchmark Reform	01/01/2020
Amendments to IAS 1 and IAS 8	Definition of Material	01/01/2020
Amendments to IFRS 3	Definition of a business	01/01/2020

2. Significant accounting policies (continued)

Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2019 and not early adopted (continued)

The directors do not expect that the adoption of the above standards will have a material impact on the financial statements of the Company in future periods.

Going concern
The financial statements of the Company are prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future.

At reporting date, the Company is dormant. The ultimate parent company has confirmed its intention to provide financial support to the Company to meet any future financial obligations as and when they fall due.

Functional and presentation currency
The financial statements are presented in Pound Sterling (£), which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The Company's main transactions are denominated in £. The directors of the Company believe that £ most faithfully represents the economic effects of the underlying transactions, events and conditions.

Other receivables
Other receivables are recognised on an accruals basis.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

Financial instruments

i. Recognition and initial measurement

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii. Classification and subsequent measurement

Classification
The Company classifies its financial assets in the following measurement category:
-those to be measured subsequently at fair value (either through OCI or through profit or loss), and
-those to be measured at amortised cost

The Company's financial assets are other receivables which are classified at financial assets at amortised cost.

2. Significant accounting policies (continued)

Financial instruments (continued)

iii. Derecognition

Financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

iv. Impairment

The Company holds only other receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECL") under IFRS 9 to all its other receivables. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date. No loss allowance was recognised at the reporting date as the balance of receivable is considered to be insignificant.

3. Other receivables

	31 December 2019
	£
Amount due from related party	1
	1

The amount due from related party is interest free, unsecured and receivable on demand.

4. Share capital

	31 December 2019
	£
Opening share capital	-
Share capital issued	1
Closing share capital	1

The authorised share capital of the Company consists of 1 share of £1 each. As at 31 December 2019, 1 share was in issue amounting to £1.

5. Directors' remuneration

The directors did not receive any remuneration in respect of their services to the Company.

6. Financial risk management

Financial risk factors

The Company has exposure to the following risks from its use of financial instruments:
- credit risk
- liquidity risk
- market risk (including currency risk, interest rate risk and other price risk)

The directors of the Company review and agree policies for managing its risk exposure. The primary objectives of the financial risk management function are to establish appropriate risk limits, and then ensure that exposure to risks stays within these limits. The Company's financial assets comprise other receivables that arise directly from its operations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables.

The Company's maximum exposure to credit risk by class of financial asset is as follows:-

	31 December 2019
	£
Other receivables	1
	1

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's position.

At reporting date, the Company is dormant. The ultimate parent company has confirmed its intention to provide financial support to the Company to meet any future financial obligations as and when they fall due.

As at 31 December 2019, the Company does not have any financial liabilities and hence is not exposed to liquidity risk.

6. Financial risk management (continued)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risk arises from open positions in interest bearing assets and liabilities, to the extent that these are exposed to general and specific market movements.

IFRS 7 requires disclosure of sensitivity analysis for each type of market risk to which the entity is exposed at the report date showing how profit or loss and equity would have been affected by changing the relevant risk variables that were reasonably possible at that date.

The Company does not have significant exposure to price risk or cashflow and fair value interest rate risk and therefore no sensitivity analysis for those risks has been disclosed.

Capital management

The primary objective of the Company's management of capital is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the entity may requisite new shares, sell assets or return capital to shareholders.

The Company considers that capital is composed of equity share capital and retained earnings. The Company closely monitors the gearing ratio which involves any net debt and equity. The Company is not subject to externally imposed capital requirements.

7. Holding and ultimate parent company

One £1 ordinary share issued is held by HE2 Telford 1 GP Limited (formerly HE2 UK Enterprises 4 GP Limited). The ultimate parent of the Company is EU Industrial Club II UK AIV SCSp ("SCSp"). The majority interest of SCSp is held by First State Superannuation Scheme and Future Fund Board of Guardians.

8. Related party transactions

At 31 December 2019, the Company had amount receivable of £1 from HE2 Telford 1 GP Limited (formerly HE2 UK Enterprises 4 GP Limited).

9. Post balance sheet events

Since the announcement of the COVID-19 Global Pandemic by the World Health Organisation on 11 March 2020, there has been significant market volatility and economic disruption. The directors are closely monitoring the evolution of this pandemic, including how it may affect the economy and general population. The economic implications of the COVID-19 may have a negative impact on the Company's ability to meet its financial targets, although the prevailing uncertainty prevents the Company from estimating any reliable forecasts of the effects. Thus, as at the date of this report, it is not possible to quantify the effect (if any) of the COVID-19 pandemic on the operations the Company. The spread and impact of COVID-19 is considered as a non-adjusting event after the reporting period. The Company continues to maintain a recovery and resolution planning framework designed to anticipate, identify, mitigate and manage in a timely and coordinated manner the impact of adverse events on their Company and its ability to continue as a going concern.