

**Anglo Scandinavian Estates 4
LLP**

Report and Financial Statements

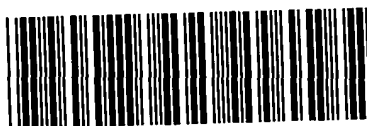
Period Ended

31 January 2015

Registered Number OC390365

Registered in England and Wales

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Anglo Scandinavian Estates 4 LLP

Annual report and financial statements
for the period ended 31 January 2015

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Designated Members

Anglo Scandinavian Estates Company Limited
Anglo Scandinavian Estates LLP

Registered office

Sloane Square House, 1 Holbein Place, London SW1W 8NS

Registered number

OC390365

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Anglo Scandinavian Estates 4 LLP

Members' report for the period ended 31 January 2015

The limited liability partnership ("LLP") members ("members") present their report together with the audited financial statements for the LLP's initial period of account from its incorporation on 15 January 2014 to 31 January 2015.

Results and members' capital

The statement of comprehensive income is set out on page 6 and shows the result for the period.

The members do not propose the withdrawal of capital.

Principal activity

The LLP's principal activity is that of owning and renting investment property in the UK.

Review of business, key performance indicators and future developments

The LLP was established on 15 January 2014 with the purpose of investing in UK investment property.

During the period one asset was acquired for a total consideration of £16.8m.

The LLP made a profit of £97,114 in the period with an increase in the fair value of the investment property being substantially offset by a loss from operating activities less the cost of the finance incurred.

Principal risks, uncertainties and financial instruments

The LLP's income derives from a wide tenant base. This diversifies the principal risks which arise in the LLP's business.

The LLP's current borrowings are at fixed rates therefore interest rate risk is substantially mitigated.

The members monitor the business performance of the group of which the LLP is a member on a quarterly basis in detail. This includes 5 year rolling cash flow forecasts, detailed management information for the rental business and banking covenants reports. This allows the members to ensure that appropriate facilities and internal resource are available, and where necessary further funds are made available from members.

Anglo Scandinavian Estates 4 LLP

Members' report for the period ended 31 January 2015 (Continued)

Designated Members

The following were Designated Members, (as defined by the Limited Liability Partnerships Act 2000) during the period:

Anglo Scandinavian Estates Company Limited (appointed 15 January 2014)
Anglo Scandinavian Estates LLP (appointed 15 January 2014)

Statement of members' responsibilities in respect of the financial statements

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

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial period. Under these regulations the members have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under these regulations the members 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 LLP and of the profit or loss of the LLP for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions, disclose with reasonable accuracy at any time the financial position of the LLP, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Policies in relation to drawings, capital and profits

The policy for members' drawings is that they are determined by the members on a quarterly basis in line with the terms of the Limited Liability Partnership Deed dated 5 February 2014. These drawings are determined by taking into account the need to retain sufficient funds to finance the working capital and other needs of the business. Drawings will only be taken after these requirements have been met.

Individual members' capital contributions are also determined on a quarterly basis by the members' having regard to the short, medium and long term needs of the business.

Profits and losses of the LLP which are not yet divided among the members are reflected under 'Other reserves'. These reserves are allocated once all criteria have been met in accordance with the Limited Liability Partnership Deed.

Anglo Scandinavian Estates 4 LLP

Members' report
for the period ended 31 January 2015 (Continued)

Auditors

BDO LLP have been appointed as auditors to the LLP and have expressed their willingness to continue in office.

Both of the current members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the LLP's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The members are not aware of any relevant audit information of which the auditors are unaware.

On behalf of the members



Jaysal Atara

Signed on behalf of

Anglo Scandinavian Estates Company Limited
Designated Member

Date: 21/12/15

Anglo Scandinavian Estates 4 LLP

Report of the independent auditors

To the members of Anglo Scandinavian Estates 4 LLP

We have audited the financial statements of Anglo Scandinavian Estates 4 LLP for the period ended 31 January 2015 which comprise the statement of comprehensive income, the statement of changes in members' interests, the statement of financial position, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the limited liability partnership's members, as a body, in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 January 2015 and of its profit for the period then ended; and
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

Opinion on other matters

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


Anglo Scandinavian Estates 4 LLP

Report of the independent auditors (Continued)

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the limited liability partnership or returns adequate for our audit have not been received from branches not visited by us; or
- the limited liability partnership 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.


Russell Field (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU
United Kingdom

Date: 21 December 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Anglo Scandinavian Estates 4 LLP

Statement of comprehensive income for the period ended 31 January 2015

| | Note | Period ended 31 January 2015 £ |
|---|----------|---|
| Revenue | 4 | 1,547,369 |
| Operating expenses | 5 | (1,228,250) |
| Gross profit | | 319,119 |
| Administrative expenses | | (249,293) |
| Change in fair value of investment property | 10 | 902,497 |
| Operating profit | 6 | 972,323 |
| Finance revenue | 7 | 2,226 |
| Finance costs | 8 | (877,435) |
| Income and total comprehensive income for the financial period attributable to members | | 97,114 |

The notes on pages 10 to 22 form part of these financial statements.

Anglo Scandinavian Estates 4 LLP

Statement of changes in members' interests for the period ended 31 January 2015

| | Members' capital £ | Other reserves £ | Total £ |
|--|--------------------------|------------------------|------------------|
| Balance at incorporation on 15 January 2014 | - | - | - |
| Capital introduced by members | 2,090,000 | - | 2,090,000 |
| Distributions to members | - | (17,563) | (17,563) |
| Comprehensive income for the period | - | 97,114 | 97,114 |
| Amounts due to members on 31 January 2015 | 2,090,000 | 79,551 | 2,169,551 |

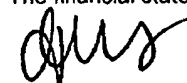
The notes on pages 10 to 22 form part of these financial statements.

Anglo Scandinavian Estates 4 LLP

Statement of financial position at 31 January 2015

| | Note | 31 January 2015 £ | 31 January 2015 £ |
|---------------------------------|------|-------------------------|-------------------------|
| ASSETS | | | |
| Non current assets | | | |
| Investment properties | 10 | | 16,903,361 |
| Current assets | | | |
| Trade and other receivables | 11 | 2,225,575 | |
| Cash and cash equivalents | 14 | 29,057 | |
| | | | <u>2,254,632</u> |
| Total assets | | | <u>19,157,993</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 13 | | (1,812,442) |
| Non current liabilities | | | |
| Loans and borrowings | 12 | | (15,176,000) |
| Total liabilities | | | <u>(16,988,442)</u> |
| NET ASSETS | | | <u>2,169,551</u> |
| Represented by: | | | |
| Members' other interests | | | <u>2,169,551</u> |
| TOTAL MEMBERS' INTERESTS | | | <u>2,169,551</u> |

The financial statements were approved by the members and authorised for issue on 21/12/15



Jaysal Atara
Signed on behalf of
Anglo Scandinavian Estates Company Limited
Designated Member

Registered Number OC390365

The notes on pages 10 to 22 form part of these financial statements.

Anglo Scandinavian Estates 4 LLP

Statement of cash flows for the period ended 31 January 2015

| | Period ended 31 January 2015 £ |
|---|---|
| Operating activities | |
| Income for the financial period | 97,114 |
| Adjustments for: | |
| Change in fair value of investment property | (902,497) |
| Finance revenue | (2,226) |
| Finance costs | 877,435 |
| Changes in working capital: | |
| Trade and other receivables | (2,225,575) |
| Trade and other payables | 1,812,442 |
| Net cash outflows from operating activities | (343,307) |
| Investing activities | |
| Purchase of investment properties | (16,000,864) |
| Finance revenue | 2,226 |
| Net cash outflows from investing activities | (15,998,638) |
| Financing activities | |
| Proceeds from borrowings | 15,176,000 |
| Members' capital introduced | 2,090,000 |
| Distributions to members | (17,563) |
| Finance costs | (877,435) |
| Net cash inflows from financing activities | 16,371,002 |
| Net movement in cash and cash equivalents | 29,057 |
| Cash and cash equivalents at the beginning of the period | - |
| Cash and cash equivalents at the end of the period | 29,057 |

The notes on pages 10 to 22 form part of these financial statements

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015

1 Accounting policies

1.1 Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to the period presented, unless otherwise stated.

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union ("adopted IFRS").

The financial statements have been prepared on the historical cost basis except that investment properties are stated at fair value.

The LLP's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except where otherwise indicated.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires the members to exercise their judgement in the most appropriate application in applying the LLP's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

1.2 Changes in accounting policies

The following new standards, interpretations and amendments issued by the International Accounting Standards Board (IASB) or the IFRS Interpretations Committee (IFRIC) have applied during the current period, but have not had a material impact on the financial statements other than in respect of presentation and disclosures:

- IFRS 10: Consolidated Financial Statements
- IFRS 11: Joint Arrangements
- IFRS 12: Disclosure of Interests in Other Entities
- IAS 27 (Amendment): Separate Financial Statements
- IAS 28 (Amendment): Investments in Associates and Joint Ventures
- IAS 32 (Amendment): Offsetting Financial Assets and Financial Liabilities
- IAS 36 (Amendment): Recoverable Amounts Disclosures for Non-Financial Assets

The IASB and IFRIC have also issued or made amendments to IAS 39 and IFRIC 21 that are effective for the current period but which are not relevant to the current operations of the LLP.

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 (Continued)

1.2 Changes in accounting policies (Continued)

Standards and interpretations in issue not yet adopted

The IASB and IFRIC have issued or amended the following standards and interpretations that are mandatory for later accounting periods and which have not been adopted early:

| | Mandatory effective date (periods commencing from) |
|--|--|
| • IFRS 11 (Amendment): Accounting for Acquisitions of Interests in Joint Ventures | 01-Jan-16* |
| • IAS 16 and IAS 38 (Amendments): Clarification of Acceptable Methods of Depreciation and Amortisation | 01-Jan-16* |
| • IFRS 15: Revenue from Contracts with Customers | 01-Jan-18* |
| • IFRS 9: Financial Instruments | 01-Jan-18* |

* Subject to endorsement for use in the EU.

It is not anticipated that the adoption of these standards and interpretations will have a material impact on the financial statements in the period of initial application, other than on presentation and disclosure.

The IASB and IFRIC have also issued or made other amendments to IAS 19, IFRS 14 and IAS 41, but these are not relevant to the current operations of the LLP.

1.3 Revenue recognition

Revenue represents rental income receivable from external customers at invoiced amounts less value added tax or other taxes on sales.

Rental income from operating leases is recognised in income on a straight-line basis over the lease term. When the LLP provides incentives to customers, the cost of incentives are recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Income from property, which is derived from the rental of property held in Great Britain, is accounted for on an accruals basis.

Interest revenue and costs are recognised in the statement of comprehensive income for all interest-bearing instruments on an accruals basis, unless collectability is in doubt.

1.4 Borrowing costs

Interest costs are charged against income without restriction. The LLP does not incur any other interest costs that qualify for capitalisation under IAS 23 Borrowing costs.

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 (*Continued*)

1.5 Investment property

Property held for long term rental yields which is not occupied by the LLP is classified as investment property. Investment property principally comprises land and buildings. Investment property is treated as a long term investment and is carried at fair value, determined annually. Fair value is the estimated price that should be received for selling an investment property in an orderly transaction between market participants at the measurement date and is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Under IAS 40: Investment Property, changes in fair values are recorded in the statement of comprehensive income.

When the LLP decides to dispose of an investment property without development it continues to treat the property as an investment property. Similarly, if the LLP begins to redevelop or refurbish an existing investment property for continued future use as investment property, it remains an investment property.

Depreciation is not provided in respect of investment properties.

Acquisitions and disposals of investment properties are recognised on unconditional exchange of contracts where it is reasonable to assume at the balance sheet date that completion of the acquisition or disposal will occur. Gains on disposal are determined as the difference between net disposal proceeds and the carrying value of the asset in the previous published balance sheet adjusted for any subsequent capital expenditure or capital receipts.

1.6 Financial assets

The LLP classifies its financial assets into the categories listed below, depending on the purpose for which the asset was acquired. The LLP has not classified any of its financial assets as held to maturity.

The LLP's accounting policy for each category is as follows:

Receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through rental and service charge income from tenants (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the LLP will be unable to collect all the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within revenue in the statement of comprehensive income. On confirmation that the trade receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision.

The LLP's receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and for the purpose of the statement of cash flows, bank overdrafts. Cash and cash equivalents are carried in the statement of financial position at face value. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 (Continued)

1.7 Impairment of assets

Assets including land that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less cost to sell and value in use. For the purpose of assigning impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

1.8 Financial liabilities

The LLP classifies its financial liabilities into the category listed below:

Other financial liabilities

Other financial liabilities include the following items:

- Other loans are initially recognised at fair value net of any transaction costs directly attributable to the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. Interest expense in this context includes initial transaction costs as well as any interest payable while the liability is outstanding.
- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

1.9 IFRS 13 fair value measurement hierarchy

IFRS 13: Fair Value Measurement requires certain disclosures which require the classification of assets and liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement (see notes 3 and 10). The fair value hierarchy has the following levels:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within which the fair value asset or liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement. Fair value assets and liabilities are classified in their entirety into only one of the three levels.

1.10 Members' capital

Financial instruments issued by the LLP are treated as equity only to the extent that they do not meet the definition of a financial liability.

1.11 Taxation

The financial statements do not incorporate any charge or liability for taxation on the results of the LLP. The relevant income tax is the responsibility of the members of the LLP.

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 *(Continued)*

1.12 Provisions

Provisions are recognised for liabilities of uncertain timing or amount that have arisen as a result of past transactions and are discounted at a pre-tax rate reflecting current market assessments of the time value of money and the risk specific to the liability.

2 Critical accounting estimates and judgements

The LLP makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

Estimates and assumptions

(a) Valuation of Investment properties

The LLP obtains valuations performed by external valuers or its managing agent, Commercial Estates Group Limited, in order to determine the fair value of its investment properties. These valuations are based upon assumptions including future rental income, anticipated maintenance costs, future development costs and the appropriate discount rate. The valuers also make reference to market evidence of transaction prices for similar properties.

Further information in relation to the valuation of investment property is disclosed in note 10.

(b) Fair value of loans and borrowings

The LLP determines the fair value of its loans and borrowings at the date of drawdown using valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. In that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets.

The methods and assumptions applied, and the valuation techniques used, are disclosed in note 12.

3 Financial instruments - Risk management

3.1 Financial risk factors

The LLP is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk
- Interest rate risk

In common with all other businesses, the LLP is exposed to risks that arise from its use of financial instruments. This note describes the LLP's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements
for the period ended 31 January 2015 (Continued)

3.1 Financial risk factors (Continued)

There have been no substantive changes in the LLP's exposure to financial instruments risks, its objectives, policies and processes for managing those risks or the methods used to measure during the course of the period unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the LLP, from which financial instrument risk arises are as follows:

- Trade and other receivables
- Cash at bank
- Trade and other payables
- Other loans

A summary of the financial instruments held by category is provided below:

| | |
|--|--|
| Financial assets | 31 January 2015 £ |
| Loans and receivables: | |
| Trade and other receivables – maturity within one year | 630,710 |
| Cash and cash equivalents – maturity within one year | 29,057 |
| | <hr/> |
| | 659,767 |
| | <hr/> |
| Financial liabilities | |
| | Financial liabilities at amortised cost 31 January 2015 £ |
| Trade and other payables – maturity within one year | 1,446,437 |
| Other loans – maturity after five years | 15,176,000 |
| | <hr/> |
| | 16,622,437 |
| | <hr/> |

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 (Continued)

3.1 Financial risk factors (Continued)

The members have overall responsibility for the determination of the LLP's risk management objectives and policies. The members receive quarterly reports through which they review the effectiveness of the processes put in place and the appropriateness of the objectives and policies they set.

The overall objective of the members is to set policies that seek to reduce risks as far as possible without unduly affecting the LLP's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Credit risk

The LLP's exposure to credit risk arises from the potential financial loss if a tenant or counterparty to a financial instrument fails to meet its contractual obligations. It relates principally to the LLP's receivables from tenants and other third parties.

Trade and other receivables

The LLP's activities focus exclusively in Great Britain and its exposure to credit risk, arising from trade and other receivables, is influenced by the individual characteristics of each tenant. The LLP operates a policy whereby the credit worthiness of each tenant is assessed prior to lease or pre-lease terms being agreed. The process includes reviewing financial information in the public domain. In certain cases, the LLP will require collateral in order to support these lease obligations. This usually takes the form of a rent deposit, parent company guarantee or bank guarantee. The LLP regularly receives reports on payment performance and intelligence on the continuing financial viability of tenants where rent collections are outsourced to managing agents. Arrears are monitored on a weekly basis and a strategy for dealing with significant potential defaults is presented on a timely basis to the members. Outstanding tenant balances are reviewed on a quarterly basis for impairment.

(ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The LLP aims to maintain flexibility in funding by keeping committed credit lines available.

The LLP's liquidity position is monitored on a daily basis. The liquidity position is reviewed quarterly by the members.

| 31 December 2014 | Carrying amounts | Contractual cash flows | Due in 2015 | Due in 2016 | Due in 2017 | Due after 2017 |
|--------------------------|---------------------|---------------------------|------------------|------------------|------------------|-------------------|
| | £ | £ | £ | £ | £ | £ |
| Related party loans | 15,176,000 | 28,737,107 | 1,821,120 | 1,821,120 | 1,821,120 | 23,273,747 |
| Trade and other payables | 1,446,437 | 1,446,437 | 1,446,437 | - | - | - |
| | 16,622,437 | 30,183,544 | 3,267,557 | 1,821,120 | 1,821,120 | 23,273,747 |

(iii) Interest rate risk

The LLP uses fixed rate borrowings to manage its exposure to interest rate fluctuations.

3.2 Capital risk management

The members monitor the capital needs of the LLP on an ongoing basis and formally on a quarterly basis the equity, debt and overall capital position of the LLP.

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 (Continued)

4 Segmental information and revenue

During the period, the LLP operated in and was managed as one business segment, being property investment, with all investment properties located in Great Britain. The members review quarterly reports which are prepared on a basis that aggregates the performance of all properties and focuses on total returns on members' capital. Revenue consists of rental income receivable from third parties in Great Britain.

| | Period ended 31 January 2015 £ |
|----------------------|---|
| Income from property | 1,547,369 |

5 Operating expenses

| | Period ended 31 January 2015 £ |
|-------------------------|---|
| Empty property expenses | 1,191,266 |
| Marketing | 36,894 |
| | 1,228,250 |

6 Operating profit

The auditors' remuneration for audit services has been borne by a fellow group undertaking.

The LLP had no employees during the period. Other than a £20,000 management fee paid to Anglo Scandinavian Estates Company Limited, no member received any remuneration during the period. The average number of members in the period was 2.

7 Finance revenue

| | Period ended 31 January 2015 £ |
|--|---|
| Bank interest receivable | 253 |
| Intercompany interest receivable (see note 17) | 1,973 |
| | 2,226 |

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 (Continued)

8 Finance costs

Period ended
31 January
2015
£

| | |
|---|---------|
| Interest on loans from group undertakings (see note 17) | 877,435 |
|---|---------|

9 Taxation

The financial statements do not include any charges or liabilities for taxation on the results of the LLP as the relevant income tax and any tax on capital gains is the responsibility of the individual partners.

10 Investment properties

| | Freehold investment properties £ | Total £ |
|---|---|------------|
| Period ended 31 January 2015 | | |
| At incorporation on 15 January 2014 | - | - |
| Additions | 16,000,864 | 16,000,864 |
| Change in fair value | 902,497 | 902,497 |
| | <hr/> | <hr/> |
| Carrying value at 31 January 2015 | 16,903,361 | 16,903,361 |
| | <hr/> | <hr/> |
| Lease incentives granted to tenants included within debtors | 778,653 | 778,653 |
| | <hr/> | <hr/> |
| Portfolio valuation at 31 January 2015 | 17,682,014 | 17,682,014 |
| | <hr/> | <hr/> |

Investment properties held at 31 January 2015 have been valued at fair value by the Investment Director of Commercial Estates Group Limited, the LLP's managing agent, who is a member of the Royal Institute of Chartered Surveyors. As at 31 January 2015, the total fair value of the property was estimated to amount to £17,682,014.

The investment property has been valued using a yield methodology approach using unobservable inputs (level 3). The significant unobservable inputs used in the valuation at 31 January 2015 are the estimated rental value (ERV) of the property and the market capitalisation rate (yield). The ERV has been determined by reference to rents currently achieved on existing leases and the rents being asked by landlords advertising properties of a similar specification in that geographical region. The market capitalisation rate has been determined by reference to actual market transactions for properties in that region, with adjustment made to reflect the particular characteristics of the LLP's property. The resulting valuations are then cross checked against the initial yields and the fair market values per square foot derived from these actual market transactions.

A decrease in the ERV or an increase in the market capitalisation rate will decrease the fair value of the investment property.

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements
for the period ended 31 January 2015 (Continued)

| | |
|--|----------------------------------|
| 11 Trade and other receivables | 31 January 2015 £ |
| Amounts falling due within one year: | |
| Trade receivables – gross | 759,330 |
| Less provision for impairment | (128,620) |
| | <hr/> |
| Trade receivables – net | 630,710 |
| | <hr/> |
| Total financial assets other than cash and cash equivalents classified as loans and receivables | 630,710 |
| | <hr/> |
| Tax and social security | 315,468 |
| Prepayments and accrued income | 1,279,397 |
| | <hr/> |
| Total trade and other receivables | 2,225,575 |
| | <hr/> |

Fair value approximates to book value at 31 January 2015 as credit risk has been addressed as part of the impairment provisioning and due to the receivables not being subject to ongoing fluctuations in market rates as a result of their short term nature.

As at 31 January 2015, trade receivables of £630,710 were past due but not impaired. They relate to tenants with no default history. The ageing analysis of these receivables is as follows:

| | |
|----------------|----------------------------------|
| | 31 January 2015 £ |
| Up to 3 months | 630,710 |
| | <hr/> |

As at 31 December 2015, trade receivables of £128,620 were past due and impaired.

| | |
|----------------|----------------------------------|
| | 31 January 2015 £ |
| Up to 3 months | 128,620 |
| | <hr/> |

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements for the period ended 31 January 2015 (Continued)

12 Loans and borrowings

The book value of loans and borrowings are as follows: 31 January
2015
£

Non-current

Loans from group undertakings 15,176,000

Total loans and borrowings **15,176,000**

The ageing analysis of these loans and borrowings is as follows: 31 January
2015
£

After five years 15,176,000

Fair value approximates to book value at 31 January 2015 as the interest payments on the loans and borrowings are based on commercial terms and market rates which are not considered to have substantially changed since the loan agreements were entered into. The loans from group undertakings attract interest at a fixed rate of 12% and are repayable on 12 June 2022.

13 Trade and other payables

31 January
2015
£

Trade payables 1,123,006
Other payables 323,431

**Total financial liabilities, excluding loans and borrowings,
classified as financial liability measured at amortised cost** **1,446,437**

Deferred income 366,005

Total trade and other payables **1,812,442**

Due to the short term nature of the payables, they are not subject to ongoing fluctuations in market rates, and so the fair value approximates to book value at 31 January 2015.

Maturity analysis of the financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost, is as follows (the amounts shown are undiscounted and represent the contractual cash flows):

31 January
2015
£

Up to one year 1,446,437

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

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements
for the period ended 31 January 2015 (Continued)

14 Cash and cash equivalents

| | 31 January 2015 £ |
|--------------------------|-------------------------|
| Cash available on demand | 29,057 |

15 Reserves

| <i>Reserves</i> | <i>Description and purpose</i> |
|-----------------|--|
| Members capital | Amount subscribed for capital in line with the LLP agreement. |
| Other reserves | Other cumulative net gains and losses recognised in the statement of comprehensive income less amounts distributed to members. |

16 Leases

Operating leases - lessor

The LLP earns rental income by leasing its investment properties to tenants under non-cancellable operating leases. The properties are let to tenants for a fixed period at a market rate. Standard lease provisions include service charge recovery and rent reviews. On review, rents are increased either by contractual formulae or to current market rent (estimated rental value or ERV). Typically, single let properties are leased on terms where the tenant is responsible for repairs, insurance and running costs, while multi-let properties are leased on terms which include recovery of share of service charge, expenditure and insurance.

Future minimum lease payments receivable by the LLP under such leases were as follows:

| | 2015 £ |
|---------------------------|-----------|
| Minimum rents receivable: | |
| Within one year | 687,612 |
| From one to five years | 1,988,701 |
| After five years | 1,217,827 |
| | <hr/> |
| | 3,894,140 |

Anglo Scandinavian Estates 4 LLP

Notes to the financial statements
for the period ended 31 January 2015 (Continued)

17 Related party transactions

Entities forming part of the group headed by ASE Holdings S.A.R.L, the ultimate parent company of the LLP, are considered by the members to be related parties.

Transactions with related parties are entered into on a regular basis as a result of normal commercial transactions. The following significant transactions were carried out by the LLP with related parties during the current period:

| | Net interest payable to related parties during the period ended 31 January 2015 £ | Amounts owed to related parties as at 31 January 2015 £ |
|---|--|--|
| ASE Finance S.A.R.L (Incorporated in Luxembourg) | 875,462 | 15,176,000 |

During the period the LLP incurred management fees of £20,000 from Anglo Scandinavian Estates Company Limited.

The entities listed above are all members of the group headed by ASE Holdings S.A.R.L. (see note 18).

18 Controlling party information

The immediate controlling member is Anglo Scandinavian Estates LLP, an LLP incorporated in England and Wales. There is no single ultimate controlling party.

ASE Holdings S.A.R.L is the parent of the largest and smallest group for which consolidated accounts are publically available and in which the results of the LLP are consolidated. These accounts are available from that company's registered address which is 68-70 Boulevard de la Petrusse, Luxembourg, L-2320.