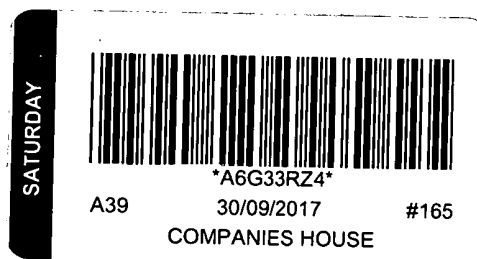


Ellesmere Manchester Operations Limited

Unaudited

Directors' report and financial statements

For the period ended 31 December 2016



Ellesmere Manchester Operations Limited

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Ellesmere Manchester Operations Limited

Company information

Directors Nicolas Edwards (appointed 31 May 2016)
Charles Ferguson-Davie (appointed 31 May 2016)
Marc Gilbard (appointed 31 May 2016)

Registered number 10207965

Registered office Moorfield Group
10 Grosvenor Street
London
W1K 4QB

Ellesmere Manchester Operations Limited

Directors' report For the period ended 31 December 2016

The directors present their report and the audited financial statements of the Ellesmere Manchester Operations Limited (the "Company") for the period ended 31 December 2016.

Principal activity

The Company's principal activity during the period was that of a property operator.

Incorporation

The company was incorporated on 31 May 2016 and signed an agreement for lease on 18 July 2016.

Results

The Company has not traded during the period. During the period the Company received no income and incurred no expenditure and therefore made no profit or loss.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

Nicolas Edwards (appointed 31 May 2016)
Charles Ferguson-Davie (appointed 31 May 2016)
Marc Gilbard (appointed 31 May 2016)

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors 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 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 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.

Ellesmere Manchester Operations Limited

Directors' report
For the period ended 31 December 2016

Statement of directors' responsibilities (continued)

Small companies' exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the board on **29 SEPTEMBER 2017** and signed on its behalf.



Charles Ferguson-Davie
Director

Ellesmere Manchester Operations Limited

**Statement of income and retained earnings
For the period ended 31 December 2016**

During the period, the Company received no income and incurred no expenditure and therefore made no profit or loss.

The Company has no recognised gains and losses, and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 6 to 9 form part of these financial statements.

Ellesmere Manchester Operations Limited
Registered number: 10207965

Balance sheet
As at 31 December 2016

	Note	2016 £
Current assets		
Debtors	4	1
Net assets		<u>1</u>
Capital and reserves		
Called up share capital	5	1
Total shareholders' funds		<u>1</u>

For the period ended 31 December 2016 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 accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements; and
- the financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



Charles Ferguson-Davie
Director

Date: **29 SEPTEMBER 2017.**

The notes on pages 6 to 9 form part of these financial statements.

Ellesmere Manchester Operations Limited

Notes to the financial statements For the period ended 31 December 2016

1. General information

The Company's principal activity during the financial year was that of a property operator. The Company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is Moorfield Group, 10 Grosvenor Street, London, W1K 4QB.

The Company was incorporated on 31 May 2016 and signed an agreement for lease on 18 July 2016.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. No critical judgments have been applied to these financial statements.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company; and
- from disclosing the Company's key management personnel compensation as required by FRS 102 para 33.7.
- under paragraph 33.1A from the provisions of FRS 102, on the grounds that at 31 December 2016 it was a wholly owned subsidiary.

2.3 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Notes to the financial statements
For the period ended 31 December 2016**

2. Summary of significant accounting policies (continued)

2.4 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets' original effective interest rate. The impairment loss is recognised in the statement of comprehensive income. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in statement of income and retained earnings.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Ellesmere Manchester Operations Limited

**Notes to the financial statements
For the period ended 31 December 2016**

3. Employees and directors' remuneration

The Company had no employees other than the directors, who did not receive any remuneration.

There were no retirement benefits accruing to the directors.

4. Debtors

**2016
£**

Amounts owed to Group Undertakings

1

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

5. Called up share capital

**2016
£**

Allotted and fully paid

1 Ordinary share of £1

1

6. Related party transactions

The Company is exempt under the terms of Financial Reporting Standard 102 (FRS 102) paragraph 33.1, from disclosing related party transactions with other group companies, on the grounds that 100% of the voting rights in the company are controlled within the group and the company is included in consolidated financial statements prepared by the Group.

The Company has identified the following transactions which fall to be disclosed under the terms of FRS 102.

Ellesmere Manchester Operations Limited

Notes to the financial statements For the period ended 31 December 2016

7. Immediate and ultimate parent undertaking and controlling parties

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

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

At 31 December 2016 the Company's ultimate controlling parties are Moorfield Real Estate Fund III "A" Limited Partnership, Moorfield Real Estate Fund III "B" Limited Partnership and Moorfield Real Estate Fund "PC" Limited Partnership which are limited partnerships registered in England and Wales.