

Company Registration No:

8326708

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

LOGICOR EUROPE LTD



Logicor Europe LTD

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Logicor Europe LTD

COMPANY INFORMATION

Directors	Gordon McKie Mohammed Barzegar William Starn Michael Slattery
Secretary	Intertrust (UK) Limited
Registered Office	40 Berkeley Square London United Kingdom W1J 5AL
Company Number	8326708
Auditors	Deloitte LLP 2 New Street Square London EC4A 3BZ

Logicor Europe LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The Directors present the report and the financial statements for the year ended 31 December 2014.

Logicor Europe Ltd (the Company) qualifies as a small company and a small group under section 382 and section 383 respectively of the Companies Act 2006 and accordingly has not produced a Strategic Report.

Principal activities

The principal activity of the Company is to provide consultancy services to logistics property companies throughout Europe as well as asset management services to logistics property companies in the United Kingdom. The subsidiaries of the company provide asset management services to logistics property companies within Europe excluding the United Kingdom.

Review of the business and future developments

On 1 January 2014 the Company commenced providing asset management services to logistics property companies in the United Kingdom. Subsequently, during the year, the German, Italian, Spanish and Polish subsidiaries also commenced providing asset management services in their relevant jurisdictions.

Logicor Gestion SAS, which provides asset management services in France, and its subsidiary Logicor Property France S.A., which provides property management services in France, were acquired on 31 October 2014 for €1,400,000 (£1,097,600) from sister company Logicor Topco Sarl. Subsequent to the transaction Logicor Topco Sarl converted its balance with the Company to share capital of £1 and share premium of £1,097,599, thereby acquiring 50% of the Company. There is no impact on the ultimate controlling party as both immediate shareholders are indirectly held by BRE Europe 6Q Sarl. The transaction generated other reserves of £832,223 in accordance with the Group accounting policies set out in note 4 to the financial statements.

In the periods to 31 December 2014 the Company, Logicor Beheer B.V., Logicor Deutschland GmbH and Logicor España S.L. charge for their services based on a 10% mark up on expenses incurred. Logicor Italia S.R.L. charges for its services based on a fixed fee as set out in its contract with the property fund it supplies services to. Logicor Management Polska SP. z o.o., which commenced charging fees from 17 December 2014, charged fees based on 5% of the net operating income of the property company receiving the services. However, the Polish operation commenced trading in September 2014 and as a result expenses have significantly exceeded income in the period of operation. Logicor Gestion SAS charges for its services based on a 5% mark up on expenses incurred and Logicor Property France S.A. charges fees dependent on the type of service provided. From 1 January 2015 asset management fees (with the exception of Italy which is expected to maintain its current structure) will be billed to property companies based on 5% of the net operating income of the property company receiving the services. Consultancy fees charged by the Company will be charged with a 5% mark up directly to its subsidiaries.

The Directors consider that the Company's principal risks are a reduction in the number of properties managed which might result from a sale of properties or a downturn in the property market and tenant credit risk which could have a direct impact on the ability of the logistics property companies to pay their consultancy and asset management fees.

Key Performance Indicators

The Directors consider the key performance indicator to be the maintaining of the budget to ensure the Company remains in line with budgeted cost approved by the asset manager of the property portfolios to which services are provided. As the Company continues in its start up phase no set performance indicators have been established at this time.

Logicor Europe LTD

DIRECTORS' REPORT (Continued)

Results and Distributions

The results for the year are shown on page 8. No dividends have been declared. The Directors do not recommend a final dividend.

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 adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 4: Significant Accounting Policies.

Directors and Directors' Interests

The following Directors held office during the year:

Gordon McKie	Appointed 11 December 2012
Peter Stoll	Appointed 11 December 2012, resigned 13 May 2014
Farhad Karim	Appointed 11 December 2012, resigned 13 May 2014
Jonathan Lurie	Appointed 11 December 2012, resigned 13 May 2014
Mohammed Barzegar	Appointed 16 July 2013
William Starn	Appointed 13 May 2014
Michael Pegler	Appointed 13 May 2014, resigned 31 July 2015
Michael Slattery	Appointed 31 July 2015

None of the Directors hold a beneficial interest in the ordinary share capital of the Company.

Statement of director's responsibilities in respect of the financial statements

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 they have elected to prepare the group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and have also chosen to prepare the parent company financial statements under IFRSs adopted by the European Union. The financial statements are required by law to 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 the directors to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed; 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 proper 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 and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Logicor Europe LTD

DIRECTORS' REPORT (Continued)

Statement of director's responsibilities in respect of the financial statements (continued)

Disclosure of information to Auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware, having taken all the steps the Director's ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given in accordance with S.418 of the Companies Act 2006.

Auditors

During the year, Deloitte LLP were re-appointed as auditors of the Company for the year ended 31 December 2014.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

On behalf of the Board



W R Starn
Director
30 September 2015

Logicor Europe LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOGICOR EUROPE LTD

We have audited the group financial statements of Logicor Europe LTD for the year ended 31 December 2014 which comprise the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Cash Flow Statement and the related notes 1 to 22. 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the group 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 group financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the group financial statements are prepared is consistent with the group financial statements.

Logicor Europe LTD

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 requires us to report to you if, in our opinion:

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report or from preparing a strategic report.

Other matter

We have reported separately on the parent company financial statements of Logicor Europe Limited for the year ended 31 December 2014.

Philip Doherty

Philip Doherty FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

30 September 2015

Logicor Europe LTD

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

		2014	11 December 2012 to 31 December 2013
	Note	£	£
Revenue	6		
Consultancy fees		3,815,299	2,107,465
Asset management fees		2,039,953	105,228
Acquisitions team fees		203,306	-
Other management fees		116,773	-
		<u>6,175,331</u>	<u>2,212,693</u>
Expenses			
Salaries	9	(3,617,616)	(867,853)
Professional fees		(954,639)	(768,575)
Legal fees		(211,277)	(230,957)
Branding and marketing		(89,250)	(30,556)
Office costs		(555,367)	(23,086)
Travel		(417,085)	(57,157)
IT costs		(109,057)	(31,353)
General expenses		(60,363)	(11,434)
Foreign exchange	7	(19,195)	6,443
Bank charges		(11,778)	(2,445)
Depreciation		(41,709)	-
Other taxes		(12,637)	-
		<u>(6,099,973)</u>	<u>(2,016,973)</u>
Operating profit before interest and taxation		75,358	195,720
Interest receivable		16	-
Finance costs		(177)	-
Profit on ordinary activities before taxation		<u>75,197</u>	<u>195,720</u>
Taxation charge on profit on ordinary activities	10	(24,610)	(60,668)
Profit for the year		<u><u>50,587</u></u>	<u><u>135,052</u></u>

The income statement has been drawn up on the basis that all activities are continuing.

The notes on pages 12 to 36 form part of these financial statements.

Logicor Europe LTD

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	11 December 2012 to 31 December 2013
	£	£
Profit for the year/period	50,587	135,052
Exchange differences on translation of foreign operations	12,977	(201)
Other comprehensive income for the year/period net of tax	<u>63,564</u>	<u>134,851</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital £	Share premium £	Other reserves £	Profit and loss reserve £	Foreign currency translation reserve £	Total equity £
Balance at 11 December 2012	-	-	-	-	-	-
Profit for the period	-	-	-	135,052	-	135,052
Foreign currency translation	-	-	-	-	(201)	(201)
Total comprehensive profit for the year	-	-	-	135,052	(201)	134,851
Issue of share capital	1	-	-	-	-	1
Balance as at 31 December 2013	<u>1</u>	<u>-</u>	<u>-</u>	<u>135,052</u>	<u>(201)</u>	<u>134,852</u>
Profit for the year	-	-	-	50,587	-	50,587
Foreign currency translation	-	-	-	-	12,977	12,977
Total comprehensive profit for the year	-	-	-	50,587	12,977	63,564
Issue of share capital (note 18)	1	1,097,599	-	-	-	1,097,600
Legal reserve	-	-	2,772	-	-	2,772
Acquisition of Gestion (note 12,13)	-	-	(832,223)	-	-	(832,223)
Balance as at 31 December 2014	<u>2</u>	<u>1,097,599</u>	<u>(829,451)</u>	<u>185,639</u>	<u>12,776</u>	<u>466,565</u>

The notes on pages 12 to 36 form part of these financial statements.

Logicor Europe LTD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	31 December 2014 £	31 December 2013 £
ASSETS			
Fixed Assets			
Property, plant and equipment	14	750,301	-
Current Assets			
Trade and other receivables	15	2,965,686	1,503,743
Cash and cash equivalents		1,929,523	33,953
Total Current Assets		4,895,209	1,537,696
Total Assets		5,645,510	1,537,696
LIABILITIES			
Current Liabilities			
Trade and other payables	16	5,153,296	1,342,206
Current tax payable		25,649	60,638
Total Liabilities		5,178,945	1,402,844
Net Current (Liabilities) / Assets		(283,736)	134,852
Net Assets		466,565	134,852
Equity			
Share capital	18	2	1
Share premium		1,097,599	-
Other reserves		(829,451)	-
Profit and loss reserve		185,639	135,052
Foreign currency translation reserve		12,776	(201)
Total Equity and Reserves		466,565	134,852

The financial statements and notes thereto were approved and authorised for issue by the Board of Directors on 30 September 2015 and are signed on its behalf by:



W R Starn
Director

Company Number 8326708

The notes on pages 12 to 36 form part of these financial statements.

Logicor Europe LTD

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

		31 December 2014	31 December 2013
	Note	£	£
Net cash from operating activities	19	2,177,313	33,952
Cash flows from investing activities			
Purchase of property, plant and equipment		(622,794)	-
Acquisitions of subsidiaries net of cash received		344,431	-
Net cash used in investing activities		<u>(278,363)</u>	<u>-</u>
Cash flows from financing activities			
Interest paid		(161)	-
Proceeds from issue of shares		-	1
Net cash from financing activities		<u>(161)</u>	<u>1</u>
Net increase in cash and cash equivalents		<u>1,898,789</u>	<u>33,953</u>
Cash and cash equivalents at beginning of year		33,953	-
Foreign exchange movements in cash		(3,219)	-
Cash and cash equivalents at end of year		<u>1,929,523</u>	<u>33,953</u>

The notes on pages 12 to 36 form part of these financial statements.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1. GENERAL INFORMATION

Logicor Europe Ltd is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 2. The nature of the group's operations and its principal activities are to provide consultancy advice and asset management services to property companies within Europe.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the group operates. Foreign operations are included in accordance with the policies set out in note 4.

2. BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention, in accordance with International Financial Reporting Standards as adopted by the European Union. The principal accounting policies adopted have been applied consistently to the Group's financial statements and are set out below.

3. ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the following new and revised Standards and Interpretations have been adopted, however these have not affected the amounts reported in these financial statements:

IFRS 10	Consolidated Financial Statements
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities
IFRS 12	Disclosure of Interest in Other Entities
Transition Guidance	Amendments to IFRS 10, IFRS 11 and IFRS 12
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets

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 EU):

Improvements 2012	Annual improvements to IFRSs: 2010-2012 cycle
Improvements 2013	Annual improvements to IFRSs: 2011-2013 cycle
Amendments to IAS 16 and IAS 38	Clarification of acceptable methods of appreciation and amortisation
IFRS 15	Revenue from Contracts with Customers
Improvements 2014	Annual improvements to IFRSs: 2012-2014 cycle
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities
Amendments to IAS 1	Disclosure initiative

The Directors do not expect that the adoption of the Standards and Interpretations listed above will have a material impact on the financial statements of the Group in future periods, though note a thorough analysis of the likely impacts of IFRS 15 is yet to be undertaken.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

4. SIGNIFICANT ACCOUNTING POLICIES

Going concern

In preparing the financial statements as at 31 December 2014, the Directors have reviewed the ability of the Company and the Group to meet its obligations over 12 months following the date of signature of these financial statements. The Company and the Group is expected to be cash positive and profit generating for the foreseeable future and will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the financial statements.

Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the company and entities controlled by the Company (its subsidiaries) as at 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable profits and losses from its involvement with the investee; and
- has the ability to use its power to affect its returns

Consolidation of the subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary. All intragroup assets and liabilities, equity, income, expenses and cashflows relating to transactions between the members of the Group are eliminated on consolidation.

Business combinations under common control

Business combinations under common control are transactions involving the acquisition and sale of different entities owned and controlled by the same ultimate party. The accounting treatment for such transactions is not dealt with under IFRS. The directors have given consideration of IAS 8 paragraph 10 when adopting the policy below based on the pooling of interests method.

Transactions involving the acquisition of other group entities under common control are accounted from the date of acquisition by combining the book value of the entities at the date of acquisition.

The comparative figures have not been restated. As the entity is privately owned and the ultimate controlling party is party to any transaction, the restating of comparatives was not considered to be necessary for the users to understand the financial statements and was not considered misleading.

Any surplus or deficit between the transaction price and the net book value of the assets acquired is transferred to reserves.

Property, plant and equipment

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following basis:

Leasehold improvements	Over the life of the lease
IT	4 years
Fixtures and fittings	4 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

Revenue

Revenue represents consultancy fee income, asset management fee income, acquisition team fee income and other management fee income, receivable at invoiced amounts exclusive of Value Added Tax. Income is measured at the fair value of the consideration received or receivable and represents amounts for services provided in the normal course of business.

Interest income

Interest income is recognised when it is probable that economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis with reference to the principal outstanding and the rate of interest to be applied.

Receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as receivables. Receivables are measured at amortised cost using the effective interest method, less any impairment. Receivables are impaired when there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Financial liabilities and equity

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

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value.

Benefit schemes

Payments to defined contribution pension schemes are recognised as an expenses when employees have rendered services entitling them to the contributions

Exchange differences

Exchange differences are recognised in the income statement in the year in which they arise.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

For the purpose of preparing Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations are translated at the exchange rate prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising on consolidation are, if any, recognised in other comprehensive income and accumulated in equity.

Current tax

The tax currently payable is based on taxable profit for the year. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF UNCERTAINTY

Due to the cost plus nature of profit generation within the Company there are no significant areas of judgement and uncertainty.

6. REVENUE

Revenue for the year is derived from UK consultancy fees, UK, Dutch, French, Spanish, Italian and Polish asset management fees, UK acquisitions team fees and French other management fees.

7. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging/(crediting):

	2014	Period to 31 December 2013
	£	£
Staff costs	3,617,616	867,853
Exchange losses / (gains)	19,195	(6,443)
Fees payable to the company's auditors and their associates for the audit of the company's annual accounts.	27,150	7,500

8. DIRECTORS' REMUNERATION

Remuneration in respect of directors was as follows:

	2014	Period to 31 December 2013
	£	£
Aggregate remuneration comprised:		
Emoluments	520,748	-
Pension contributions to money purchase pension schemes	14,400	-
	<u>535,148</u>	<u>-</u>

During the year 1 director (2013: nil) participated in money purchase pension schemes.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

8. DIRECTORS' REMUNERATION (continued)

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2014	Period to 31 December 2013
	£	£
Aggregate remuneration comprised:		
Emoluments	302,381	-
Pension contributions to money purchase pension schemes	14,400	-
	<u>316,781</u>	<u>-</u>

9. STAFF COSTS

	2014 No. of employees	Period to 31 December 2013 No. of employees
Senior Management/Finance	8	1
Management/Investment	8	-
Employees/Other	5	-
	<u>21</u>	<u>1</u>

	2014	Period to 31 December 2013
	£	£
Aggregate remuneration comprised:		
Wages and salaries	3,082,388	237,056
Social security costs	186,219	24,180
Other benefits	139,239	-
	<u>3,407,846</u>	<u>261,236</u>
Staff costs recharged to Logicor Europe Ltd by affiliated company	<u>209,770</u>	<u>606,617</u>
	<u>3,617,616</u>	<u>867,853</u>

The company's first employee joined in November 2013. Previously staff costs were paid by an affiliated company and their costs recharged to Logicor Europe Ltd.

From 1 January 2014 the company operated a defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £139,239 (2013: nil)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2014**

10. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2014	Period to 31 December 2013
	£	£
Current tax	3,534	58,755
UK corporation tax charge	851	
Underprovision from previous year	17,533	1,913
Overseas corporation tax charge	2,692	-
Underprovision from previous year	<u>24,610</u>	<u>60,668</u>
Current tax on profit for the year		

Corporation Tax is calculated at 21.50% (23.19%) of the estimated taxable profit for the year.

The tax assessed for the year is different to the standard rate of corporation tax in the UK. The differences are explained below.

	2014	Period to 31 December 2013
	£	£
Profit on ordinary activities before tax	75,197	195,720
Profit on ordinary activities at the standard rate of corporation tax in the UK of 21.50% (2013:23.19%)	16,167	45,387
<i>Effect of:</i>		
Items disallowable for tax purposes	6,865	15,177
Capital allowances in excess of depreciation	(95,583)	-
Marginal relief	-	(851)
Impact of overseas tax rate	(1,436)	(297)
Overseas tax losses carried forward net of losses utilised	95,054	1,252
Underprovision from prior year	3,543	-
	<u>24,610</u>	<u>60,668</u>

11. DIVIDENDS

No dividends to shareholders have been paid or declared in the year.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

12. SUBSIDIARIES

The subsidiaries of the group are as follows:	Incorporated/ acquired	Country	% ownership
Logicor Beheer B.V.	23 July 2013	Netherlands	100
Logicor Management Polska Sp. z o.o	16 April 2013	Poland	100
Logicor Deutschland GmbH	19 December 2013	Germany	100
Logicor Italia S.R.L.	4 February 2014	Italy	100
Logicor España S.L.	4 April 2014	Spain	100
Logicor Gestion SAS	31 October 2014	France	100
Logicor Property France SA*	31 October 2014	France	100

*Indirectly owned through Logicor Gestion SAS

All subsidiaries have been included in the Consolidated Financial Statements. Logicor Gestion SAS and its subsidiary Logicor Property France SA were acquired on 31 October 2014 and provide asset management services and property management services respectively to logistics properties in France, .

Logicor Gestion SAS was acquired by a multilateral set-off and assignment agreement between Logicor Topco SARL, Logicor Europe Ltd, and Logicor Europe Holdings SARL.

In return for the transfer of share capital in Logicor Gestion SAS from Logicor Topco SARL, Logicor Europe Ltd offered consideration of £1.09m. The resulting receivable held by Logicor Topco SARL was assigned by Logicor Topco SARL to Logicor Europe Holdings SARL. In settlement of the receivable due, Logicor Europe Ltd issued a single share, nominal value of £1, at a premium of £1.1m.

13. ACQUISITIONS

Logicor Gestion SAS and its subsidiary Logicor Property France SA were acquired on 31 October 2014 from another company under common control. In line with the accounting policy adopted by the directors, the difference between the net assets acquired and the consideration paid is credited directly to the reserves.

	2014 £
Net assets acquired	(265,377)
Consideration	1,097,600
Transfer to equity	<u>832,223</u>

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

14. PROPERTY, PLANT AND EQUIPMENT

	£ Leasehold improvements	£ Fixtures & fittings	£ IT equipment	£ Total
Cost				
At 1 January 2014	-	-	-	-
Additions	151,267	103,657	367,870	622,794
Acquisitions	-	2,165	205,862	208,027
At 31 December 2014	151,267	105,822	573,732	830,821
Depreciation				
At 1 January 2014	-	-	-	-
Depreciation	16,806	9,304	15,599	41,709
Acquisitions	-	-	38,811	38,811
At 31 December 2014	16,806	9,304	54,410	80,520
Net book amount at 31 December 2014	134,461	96,518	519,322	750,301
Net book amount at 31 December 2013	-	-	-	-

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

15. TRADE AND OTHER RECEIVABLES

	2014 £	2013 £
Trade receivables	1,182,075	227,789
Prepayments	173,368	23,252
Amounts receivable from affiliated companies	1,373,547	-
Accrued income	-	1,067,124
Other debtors	236,696	185,578
	<u>2,965,686</u>	<u>1,503,743</u>

All trade receivables are held with affiliated companies which are not within the Logicor Europe Ltd group. All amounts shown under debtors fall due for payment within one year.

The directors consider that the carrying amount of trade and other receivables approximates their fair value. There are no past due or impaired receivable balances, accordingly no provision for doubtful debts is required.

Of the trade debtors outstanding at the end of the year £243,967 is due from The Blackstone Group International Partners LLP, £118,305 from Logicor I SAS and £205,339 from Logicor (Loren) Garanor II SAS. There are no other customers who represent more than 5% of trade debtors at the year end.

Amounts receivable from affiliated companies and other debtors with related parties are further disclosed in Note 21.

16. TRADE AND OTHER PAYABLES

	2014 £	2013 £
Trade payables	433,494	4,387
Other payables	889,819	16,131
Accruals and deferred income	285,595	265,470
Amounts payable to affiliated companies	3,544,388	1,056,218
	<u>5,153,296</u>	<u>1,342,206</u>

The directors consider that the carrying amount of trade payables approximates to their fair value.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

17. FINANCIAL INSTRUMENTS

Categorisation of financial instruments:

	Carrying Amount 31 December 2014 £	Carrying Amount 31 December 2013 £
Trade and other receivables	2,965,686	1,503,743
Cash and cash equivalents	1,929,523	33,953
Receivables	4,895,209	1,537,696
Trade and other payables	5,153,296	1,342,206
Current tax payable	25,649	60,638
Liabilities	5,178,945	1,402,844

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss for the Group. The Group only transacts with related parties, as such, the credit risk is reduced compared to non-related counterparty risk. The Group continually monitors the underlying tenant credit ratings on behalf of the managed property companies to ensure that they are within the recommended limits to minimise the risk of default and ensure adequate ownership.

Amounts receivable from affiliated companies consists of a large number of customers, who are all related parties, in the real estate industry throughout Europe. Ongoing monitoring and evaluation is performed on the financial condition of accounts receivable to ensure cash is available to pay invoices.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk as no collateral or other credit enhancements are held.

Market risk

The Group's activities expose it primarily to the financial risks of downturns in the logistics market that could result in the inability of managed property portfolios to meet debt service payments and breach debt covenants. The Group takes appropriate steps to monitor and manage such risks in a variety of ways including:

- actively monitoring the logistics market through research and use of experts
- continually monitoring the covenants placed on tenants
- meeting with tenants and inspecting properties
- setting budgets based on expectation of the market trajectory

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

17. FINANCIAL INSTRUMENTS (continued)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the equity balance.

The capital structure of the Group consists solely of equity (comprising issued capital as disclosed in note 18).

The Group is not subject to any externally imposed capital requirements.

18. SHARE CAPITAL

	2014 £	2013 £
Authorised:		
2 (2013:1) ordinary shares of £1	<u>2</u>	<u>1</u>
Issued and fully paid:		
2 (2013:1) ordinary shares of £1	<u>2</u>	<u>1</u>

The Company issued one additional share in the year in exchange for the conversion of a liability of £1,097,600 to equity on 11 November 2014.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

19. NOTES TO THE CASH FLOW STATEMENT

	2014 £	2013 £
Reconciliation of profit to cash generated by operations:		
Profit for the year	50,587	135,052
Adjustments for:		
Income tax expense	24,610	60,638
Finance costs	161	-
Depreciation	41,709	-
Operating cash flows before movements in working capital	117,067	195,690
Increase in trade and other receivables	(847,456)	(1,503,743)
Increase in trade and other payables	2,997,326	1,342,005
Cash generated by operations	2,266,937	33,952
Income taxes paid	(89,624)	-
Net cash from operating activities	2,177,313	33,952
Cash and cash equivalents		
	2014 £	2013 £
As at 31 December		
Cash and bank balances	1,929,523	34,040
Bank overdraft	-	(87)
	1,929,523	33,953

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts. The carrying amount of these assets is approximately equal to their fair value.

In 2014 invoicing to our customers was based on budgeted costs in line with our cost plus contracts in place. The costs that we incurred for 2014 ended up lower than budgeted and as a result we will credit our customers in 2015 for the difference. The amount of excess billing has been shown as a creditor and will be repaid to the customers in line with the contractual arrangements. We have shown the excess receipts of cash from customers as operating cash flows in line with the nature of the invoicing.

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

20. EVENTS AFTER THE REPORTING YEAR

No post reporting events are present that require adjustment to the financial statements.

Logicor Portugal SUL was established as a subsidiary within the group on 28 May 2015. This company has been established to perform asset management services to property portfolios situated in Portugal. This entity will form part of future consolidated financial statements.

21. RELATED PARTY TRANSACTIONS

Balances and transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the group and its associates are disclosed below. All related party transactions are conducted on an arm's length basis in accordance with the relevant agreements in place between the group companies and related parties.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

Trading transactions

During the year, group companies entered into the following transactions with related parties who are not members of the group. Amounts outstanding at the balance sheet date are also disclosed:

2014

Logicor Europe LTD

The Company related party transactions comprise the following:

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Amounts receivable from subsidiary companies £	Balance at 31 December 2014 £
Logicor Deutschland GmbH	-	-	-	-	12,515	12,515
Logicor Beheer B.V.	-	-	-	-	18,155	18,155
Logicor Italia S.R.L.	-	-	-	-	21,767	21,767
Logicor España S.L.	-	-	-	-	194,083	194,083
Logicor Management Polska SP. z o.o.	-	-	-	-	538,034	538,034
Blackstone Property Management Ltd	-	-	-	(129,423)	-	(129,423)
Arrow France Isle D'Abeau SNC	68,940	20,431	-	(42,113)	-	(21,682)
Arrow France Lille SNC	22,636	6,708	-	(13,644)	-	(6,936)
Arrow France Strasbourg SNC	32,006	9,485	-	(19,291)	-	(9,806)
Arrow Avignon EURL	31,235	9,257	-	(18,827)	-	(9,570)
Arrow Macon EURL	34,905	10,344	-	(21,038)	-	(10,694)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2014**

21. RELATED PARTY TRANSACTIONS (continued)

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Amounts receivable from subsidiary companies £	Balance at 31 December 2014 £
Arrow Dax EURL	10,678	3,164	-	(6,436)	-	(3,272)
Arrow Grenoble EURL	31,316	9,281	-	(18,876)	-	(9,595)
Arrow Orleans SCI	9,339	2,768	-	(5,629)	-	(2,861)
Arrow Vatry I EURL	34,732	10,293	-	(20,935)	-	(10,642)
Arrow Vatry II EURL	16,572	4,911	-	(9,989)	-	(5,078)
Arrow Le Havre I EURL	6,069	1,799	-	(3,659)	-	(1,860)
Arrow Le Havre II EURL	6,370	1,888	-	(3,840)	-	(1,952)
Arrow Holding XXI EURL	88,559	26,245	-	(53,379)	-	(27,134)
SCI Camargue Logistics	24,594	-	-	(15,367)	-	(15,367)
Logicor Quartz Tigery SARL	17,252	-	-	(10,990)	-	(10,990)
Quartz Moissy I SARL	8,351	-	-	(5,322)	-	(5,322)
Logicor Quartz Moissy II SARL	24,861	-	-	(15,841)	-	(15,841)
Quartz Saint Witz SARL	16,781	-	-	(10,693)	-	(10,693)
Logicor I SAS	397,315	118,305	-	(262,876)	-	(144,571)
Logicor (Curve) France SNC	14,820	-	-	(23)	-	(23)
Logicor (Loren) Carvin SNC	11,885	6,036	1,599	-	-	7,635
Logicor (Loren) Corbas SNC	6,517	3,310	877	-	-	4,187
Logicor (Loren) Garonor II SAS	203,563	103,331	26,413	-	-	129,744
Logicor (Loren) Garonor SNC	6,520	3,311	877	-	-	4,188
Logicor (Loren) Libercourt SNC	8,419	4,275	1,139	-	-	5,414
Logicor (Loren) Reventin SNC	15,510	7,876	2,086	-	-	9,962
Logicor (Loren) Roissy SNC	5,629	2,858	757	-	-	3,615
Logicor (Curve) Germany B.V.	13,566	-	240	-	-	240
Logicor South (Gomaringen) B.V.	8,276	-	-	(873)	-	(873)
Logicor South (Schwaig) B.V.	24,352	-	-	(2,568)	-	(2,568)
Logicor (Loren) Bingen GmbH	12,985	-	1,747	-	-	1,747
Logicor (Loren) Duisberg B.V.	29,460	-	3,963	-	-	3,963
Logicor (Loren) Frankfurt SARL	13,815	-	1,859	-	-	1,859
Logicor (Loren) Kassel GmbH	21,491	-	2,891	-	-	2,891
Logicor (Loren) Nuremberg SARL	7,963	-	1,071	-	-	1,071
Logicor (Loren) Wuppertal SARL	11,465	-	1,542	-	-	1,542
Logicor (Curve) Enns GmbH	8,164	8,173	-	(9)	-	8,164
Logicor (Curve) WE Eins GmbH	6,239	2,908	3,331	-	-	6,239
Logicor (Curve) WE Zwei GmbH	5,607	3,938	1,669	-	-	5,607

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Amounts receivable from subsidiary companies £	Balance at 31 December 2014 £
Logicor (Lima 1) B.V.	38,530	-	-	(8,502)	-	(8,502)
Logicor (Lima 2) B.V.	21,822	-	-	(4,816)	-	(4,816)
Aralog Inversiones y Desarrollo S.L.	15,502	-	-	(9,344)	-	(9,344)
Cabin Investments SP. z o.o.	50,195	-	-	(31,991)	-	(31,991)
Cabin Investments II SP. z o.o.	49,594	-	-	(32,638)	-	(32,638)
Carles Industrial SP. z o.o.	178,437	-	-	(93,914)	-	(93,914)
Fusion Industrial SP. z o.o.	150,791	-	-	(90,889)	-	(90,889)
Como Development 7 SP. z o.o.	14,815	-	1,405	-	-	1,405
Logicor (Husarian 1) SP. z o.o.	112,407	-	17,470	-	-	17,470
Logicor (President Polska) SP. z o.o.	55,403	-	22,655	-	-	22,655
WFL Park II Sro	21,033	-	8,996	-	-	8,996
WFL Park III Sro	5,261	-	2,250	-	-	2,250
Logicor (Curve) Hungary Kft	7,034	7,096	-	(62)	-	7,034
Logicor (Alovera 1) S.L.	36,465	-	-	(23,513)	-	(23,513)
Logicor (Alovera 2) S.L.	27,147	-	-	(17,504)	-	(17,504)
Logicor (Atlas 1) S.L.	42,112	-	-	(28,349)	-	(28,349)
Logicor (Atlas 2) S.L.	30,249	-	-	(20,362)	-	(20,362)
Logicor (Atlas 3) S.L.	13,984	-	-	(9,387)	-	(9,387)
Logicor (Curve) AC S.L.	13,846	14,014	-	(167)	-	13,847
Logicor (Curve) Cabanillas I S.L.	25,840	-	7,690	-	-	7,690
Logicor (Curve) Cabanillas 2 S.L.	5,083	-	1,513	-	-	1,513
Logicor (Curve) Ciempzuelos I S.L.	11,187	11,077	110	-	-	11,187
Logicor (Curve) Ciempzuelos II S.L.	8,461	8,373	88	-	-	8,461
Logicor (Curve) Fontanar S.L.	14,879	-	4,428	-	-	4,428
Logicor (Curve) Torija 1 S.L.	36,182	-	10,768	-	-	10,768
Logicor (Curve) Torija 2 S.L.	15,135	-	15,135	-	-	15,135
Perfectautonomy- Invetimentos Inmobiliarios S.A.	14,117	-	14,117	-	-	14,117
Italian Logistics Holdco B.V.	331,825	-	-	(68,015)	-	(68,015)
Logicor (Steen) B.V.	141,192	-	-	(90,551)	-	(90,551)
Logicor (Hattrick) B.V.	37,403	-	-	(9,886)	-	(9,886)
Logicor (Curve) Netherlands B.V.	10,860	-	-	(17)	-	(17)
Logicor (Curve) Regnbueveien AS	3,581	2,515	1,066	-	-	3,581
Diamond Ten SARL	103,681	-	-	(36,533)	-	(36,533)
The Lymedale Park Unit Trust	44,735	-	-	(32,714)	-	(32,714)
Diamond Eight SARL	14,874	-	-	(10,877)	-	(10,877)
Diamond Nine SARL	38,938	-	-	(28,475)	-	(28,475)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Amounts receivable from subsidiary companies £	Balance at 31 December 2014 £
Diamond One SARL	24,413	-	-	(17,854)	-	(17,854)
Diamond Seven SARL	21,269	-	-	(15,554)	-	(15,554)
Diamond Three SARL	24,125	-	-	(17,642)	-	(17,642)
Diamond Two SARL	25,247	-	-	(18,462)	-	(18,462)
Rhombus Eight SARL	32,093	-	-	(23,470)	-	(23,470)
Rhombus Eleven SARL	9,684	-	-	(7,082)	-	(7,082)
Rhombus Five SARL	94,159	-	-	(68,859)	-	(68,859)
Rhombus Four SARL	13,692	-	-	(10,118)	-	(10,118)
Rhombus Fourteen SARL	20,833	-	-	(15,235)	-	(15,235)
Rhombus No.3 Limited	55,009	13,104	-	(40,228)	-	(27,124)
Rhombus One SARL	24,852	-	-	(18,175)	-	(18,175)
Rhombus Seven SARL	13,687	-	-	(10,009)	-	(10,009)
Rhombus Six SARL	22,764	-	-	(10,005)	-	(10,005)
Rhombus Ten SARL	23,339	-	-	(17,068)	-	(17,068)
Rhombus Thirteen SARL	14,508	-	-	(10,609)	-	(10,609)
Rhombus Twelve SARL	27,628	-	-	(20,204)	-	(20,204)
Rhombus Nine SARL	24,217	-	-	(17,668)	-	(17,668)
Rhombus Two SARL	35,514	-	-	(25,971)	-	(25,971)
Teal Doncaster SARL	90,736	-	13	(66,356)	-	(66,343)
Teal Brackmills SARL	55,887	-	-	(40,829)	-	(40,829)
Teal Corby SARL	116,903	-	13	(83,680)	-	(83,667)
Teal Darlaston SARL	28,011	-	-	(20,485)	-	(20,485)
Teal Glasshoughton SARL	30,014	-	13	(21,761)	-	(21,748)
Teal Hams Hall SARL	9,706	-	-	(7,098)	-	(7,098)
Teal Huntington SARL	72,313	-	-	(52,848)	-	(52,848)
Teal Houghton Main SARL	75,981	-	-	(51,217)	-	(51,217)
Teal Kingston Park Limited	21,515	-	13	(15,734)	-	(15,721)
Teal Rugeley SARL	80,242	-	13	(58,680)	-	(58,667)
Teal Voltaic SARL	26,423	-	-	(19,322)	-	(19,322)
Teal Wakefield 1 Limited	-	-	13	-	-	13
Teal Wakefield 2 Limited	-	-	13	-	-	13
Teal Hardwick Limited	-	-	13	-	-	13
Logicor (Curve) MK SARL	17,237	15,464	2,999	-	-	18,463
Logicor (Ellipsis) SARL	62,232	-	-	(11,700)	-	(11,700)
Logicor (River) SARL	31,614	-	31,614	-	-	31,614
Max Industrial LP	178,227	-	2,117	(16,253)	-	(14,136)
Multi Corporation B.V.	-	2,110	-	-	-	2,110
The Blackstone Group International Partners LLP	203,306	243,967	-	-	-	243,967
	4,668,737	698,615	196,586	(2,170,323)	784,554	(490,568)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

Logicor Beheer B.V.

Logicor Beheer B.V. related party transactions comprise the following:

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Balance at 31 December 2014 £
Logicor (Alovera 1) S.L.	18,892	7,885	-	(14,162)	(6,277)
Logicor (Alovera 2) S.L.	14,064	-	-	(10,543)	(10,543)
Logicor (Atlas 1) S.L.	21,817	-	-	(7,711)	(7,711)
Logicor (Atlas 2) S.L.	15,672	-	-	(510)	(510)
Logicor (Atlas 3) S.L.	7,245	-	-	(5,103)	(5,103)
Logicor (Steen) B.V.	108,094	-	-	(57,783)	(57,783)
Logicor (Hattrick) B.V.	28,635	-	-	(4,137)	(4,137)
Logicor (Curve) Netherlands B.V.	8,314	-	-	(1,513)	(1,513)
Logicor (Curve) Regnbueveien AS	2,742	2,217	412	-	2,629
	225,475	10,102	412	(101,462)	(90,948)

Logicor Management (Polska) SP. z o.o.

Logicor Management (Polska) SP. z o.o. related party transactions comprise the following:

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Balance at 31 December 2014 £
Carles Industrial SP. z o.o.	14,759	-	14,068	-	14,068
Fusion Industrial SP. z o.o.	15,775	-	15,037	-	15,037
Cabin Investments SP. z o.o.	4,732	-	4,511	(2,576)	1,935
Cabin Investments II SP. z o.o.	3,460	-	3,298	-	3,298
Como Development 7 SP. z o.o.	2,522	-	2,404	-	2,404
Logicor (Husarian I) SP. z o.o.	13,668	-	13,029	-	13,029
Logicor (President Polska) SP. z o.o.	10,281	-	9,800	-	9,800
	65,197	-	62,147	(2,576)	59,571

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

Logicor Deutschland GmbH

Logicor Deutschland GmbH related party transactions comprise the following:

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Balance at 31 December 2014 £
Logicor (Curve) Germany B.V.	24,204	28,456	-	(162)	28,294
Logicor (Curve) Enns GmbH	14,559	-	-	(380)	(380)
Logicor (Curve) WE Eins GmbH	11,130	-	5,704	-	5,704
Logicor (Curve) WE Zwei GmbH	10,002	-	2,749	-	2,749
Logicor (Lima 1) B.V.	68,735	-	-	(15,912)	(15,912)
Logicor (Lima 2) B.V.	38,930	-	-	(62,359)	(62,359)
Logicor (Loren) Bingen GmbH	23,165	9,667	2,776	-	12,443
Logicor (Loren) Duisberg B.V.	52,555	21,932	6,299	-	28,231
Logicor (Loren) Frankfurt SARL	24,646	25,267	2,954	-	28,221
Logicor (Loren) Kassel GmbH	38,338	39,304	4,595	-	43,899
Logicor (Loren) Nuremburg SARL	14,206	14,564	1,703	-	16,267
Logicor (Loren) Wuppertal SARL	20,453	20,968	2,451	-	23,419
Logicor South (Gomaringen) B.V.	14,763	5,639	-	(14,428)	(8,789)
Logicor South (Schwaig) B.V.	43,442	16,592	-	(42,803)	(26,211)
	399,128	182,389	29,231	(136,044)	75,576

Logicor Italia S.R.L.

Logicor Italia S.R.L. related party transactions comprise the following:

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Balance at 31 December 2014 £
BNP Paribas REIM SGR p.A. (Mazer Fund)	188,270	-	54,249	-	54,249
	188,270	-	54,249	-	54,249

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

Logicor España S.L.

Logicor España S.L. related party transactions comprise the following:

	Trading in the period to 31 December 2014 £	Trade receivables £	Amounts receivable from affiliated companies £	Amounts payable to affiliated companies £	Balance at 31 December 2014 £
Logicor (Alovera 1) S.L.	8,191	8,658	797	-	9,455
Logicor (Alovera 2) S.L.	6,098	6,446	594	-	7,040
Logicor (Atlas 1) S.L.	9,460	9,999	921	-	10,920
Logicor (Atlas 2) S.L.	6,795	7,183	663	-	7,846
Logicor (Atlas 3) S.L.	3,141	3,320	306	-	3,626
Logicor (Curve) Torija 1 S.L.	19,264	20,362	1,876	-	22,238
Logicor (Curve) Torija 2 S.L.	10,260	15,738	-	(3,045)	12,693
Logicor (Curve) Fontanar S.L.	7,922	8,374	771	-	9,145
Logicor (Curve) Cabanillas S.L.	13,757	14,542	1,339	-	15,881
Logicor (Curve) Cabanillas S.L.	2,706	2,861	263	-	3,124
Logicor (Curve) AC S.L.	9,551	11,228	-	(6)	11,222
Logicor (Curve) Ciempzuelos I S.L.	7,637	8,978	-	(5)	8,973
Logicor (Curve) Ciempzuelos II S.L.	5,775	6,789	-	(3)	6,786
Perfectautonomy- Invetimentos Imobiliarios S.A.	9,440	-	9,167	-	9,167
	119,997	124,478	16,697	(3,059)	138,116

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

Logicor Gestion SAS

Logicor Gestion SAS related party transactions comprise the following:

	Trading in the period to 31 December 2014	Trade receivables	Amounts receivable from affiliated companies	Amounts payable to affiliated companies	Balance at 31 December 2014
	£	£	£	£	£
Aralog Inversiones y Desarrollo S.L.	4,530	-	4,697	-	4,697
Arrow Avignon EURL	12,167	-	17,137	(8,609)	8,528
Arrow France Isle D'Abeau SNC	26,859	-	37,824	(19,566)	18,258
Arrow France Lille SNC	8,819	-	12,419	(6,261)	6,158
Arrow France Strasbourg SNC	12,469	-	17,560	(8,609)	8,951
Arrow Macon EURL	13,599	-	19,151	(9,392)	9,759
Arrow Dax EURL	4,160	-	5,858	(3,131)	2,727
Arrow Grenoble EURL	12,201	-	17,182	(8,609)	8,573
Arrow Orleans SCI	3,638	-	5,124	(2,348)	2,776
Arrow Vatry I EURL	13,531	-	19,056	(9,392)	9,664
Arrow Vatry II EURL	6,456	-	9,092	(5,479)	3,613
Arrow Le Havre I EURL	2,365	-	3,330	(1,565)	1,765
Arrow Le Havre II EURL	2,482	-	3,495	(1,565)	1,930
Arrow Holding XXI EURL	34,502	-	48,588	(23,480)	25,108
SCI Camargue Logistics	9,582	(11,279)	13,494	-	2,215
Logicor Quartz Tigery SARL	6,302	38,827	7,106	-	45,933
Quartz Moissy I SARL	3,263	-	4,595	-	4,595
Logicor Quartz Moissy II SARL	9,686	-	13,640	-	13,640
Quartz Saint Witz SARL	6,538	-	9,207	-	9,207
Logicor I SAS	155,554	-	220,977	(105,658)	115,319
Logicor (Loren) Carvin SNC	1,984	6,402	5,003	(5,479)	5,926
Logicor (Loren) Corbas SNC	1,088	3,511	2,744	(3,913)	2,342
Logicor (Loren) Garonor II SAS	31,606	102,008	79,710	(93,918)	87,800
Logicor (Loren) Garonor SNC	3,443	11,111	8,683	(11,740)	8,054
Logicor (Loren) Libercourt SNC	1,402	4,525	3,536	-	8,061
Logicor (Loren) Reventin SNC	2,589	8,355	6,529	(7,044)	7,840
Logicor (Loren) Roissy SNC	939	3,031	2,369	(2,347)	3,053
Logicor Topco SARL	-	-	-	(156,530)	(156,530)
	391,754	166,491	598,106	(494,635)	269,962

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

Logicor Property France SAS

Logicor Property France SAS related party transactions comprise the following:

	Trading in the period to 31 December 2014	Trade receivables	Amounts receivable from affiliated companies	Amounts payable to affiliated companies	Balance at 31 December 2014
	£	£	£	£	£
Arrow Avignon EURL	862	-	1,865	(783)	1,082
Arrow France Isle D'Abeau SNC	1,621	-	3,873	(1,957)	1,916
Arrow France Lille SNC	762	-	1,591	(1,174)	417
Arrow France Strasbourg SNC	730	-	1,637	(861)	776
Arrow Macon EURL	915	-	1,002	(1,174)	(172)
Arrow Dax EURL	358	-	801	-	801
Arrow Grenoble EURL	893	-	1,920	(1,096)	824
Arrow Orleans SCI	255	-	552	-	552
Arrow Vatry I EURL	843	-	1,872	(783)	1,089
Arrow Vatry II EURL	584	-	1,211	(1,017)	194
Arrow Le Havre I EURL	181	-	1,555	-	1,555
Arrow Le Havre II EURL	191	-	407	-	407
Arrow Holding XXI EURL	2,722	-	6,026	(2,661)	3,365
SCI Camargue Logistics	805	-	1,195	(1,565)	(370)
Logicor Quartz Tigery SARL	564	-	1,183	-	1,183
Quartz Moissy I SARL	153	-	405	-	405
Logicor Quartz Moissy II SARL	726	-	1,554	(1,174)	380
Quartz Saint Witz SARL	585	-	1,298	(1,565)	(267)
Logicor I SAS	11,123	-	25,085	(13,305)	11,780
Logicor (Loren) Carvin SNC	761	-	2,776	(939)	1,837
Logicor (Loren) Corbas SNC	362	-	1,330	-	1,330
Logicor (Loren) Garonor II SAS	84,025	-	337,404	(596,115)	(258,711)
Logicor (Loren) Garonor SNC	1,909	-	7,743	(3,488)	4,255
Logicor (Loren) Libercourt SNC	616	-	2,235	(939)	1,296
Logicor (Loren) Reventin SNC	867	-	3,182	(1,174)	2,008
Logicor (Loren) Roissy SNC	1,638	-	6,417	(4,519)	1,898
Logicor Gestion SAS	1,722	-	-	-	-
	116,773	-	416,119	(636,289)	(220,170)

Total Group related party transactions

	Trading in the period to 31 December 2014	Trade receivables	Amounts receivable from affiliated companies	Amounts payable to affiliated companies	Balance at 31 December 2014
	£	£	£	£	£
Total Group related party transactions	6,175,331	1,182,075	1,373,547	(3,544,388)	(988,766)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

Remuneration of key management personnel

Key management personnel comprise the senior management team of the Company.

Aggregate remuneration comprised:	2014 £
Emoluments	686,126
Pension contributions to money purchase pension schemes	18,189
	<u>704,315</u>

2013

Logicor Europe LTD

The Company related party transactions comprise the following:

	Trading in the period to 31 December 2013 £	Amounts receivable from affiliated companies £	Accrued income £	Payables £	Balance at period end 2013 £
Blackstone Property Management Ltd	-	-	-	(648,015)	(648,015)
BRE/6Q Holdings SARL	-	-	-	(325,618)	(325,618)
Logicor Polska SP. z o.o.	-	-	-	(1)	(1)
Logicor Beheer B.V.	-	-	-	(83)	(83)
Arrow France Isle D'Abeau SNC	66,635	9,095	28,594	-	37,689
Arrow France Lille SNC	21,879	2,966	9,318	-	12,284
Arrow France Strasbourg SNC	30,936	4,193	13,175	-	17,368
Arrow Avignon EURL	30,191	4,093	12,858	-	16,951
Arrow Macon EURL	33,738	4,573	14,543	-	19,116
Arrow Dax EURL	10,321	1,399	4,395	-	5,794
Arrow Grenoble EURL	30,269	4,103	12,891	-	16,994
Arrow Orleans SCI	9,027	1,224	3,844	-	5,068
Arrow Vatry I EURL	33,571	4,551	14,297	-	18,848
Arrow Vatry II EURL	16,018	2,171	6,822	-	8,993
Arrow Le Havre I EURL	5,867	795	2,498	-	3,293
Arrow Le Havre II EURL	6,157	835	2,622	-	3,457
Arrow Holding XXI EURL	85,597	11,603	36,503	-	48,106
SCI Camargue Logistics	23,772	57,952	(55,325)	-	2,627
Logicor Quartz Tigery SARL	8,879	2,260	6,619	-	8,879
Quartz Moissy I SARL	4,299	1,094	3,204	-	4,298
Logicor Quartz Moissy II SARL	12,797	3,257	9,540	-	12,797
Quartz Saint Witz SARL	8,638	2,199	6,439	-	8,638

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

	Trading in the period to 31 December 2013	Amounts receivable from affiliated companies	Accrued income	Payables	Balance at period end 2013
	£	£	£	£	£
Logicor 1 SAS	395,747	-	233,719	-	233,719
Aralog Inversiones y Desarrollo S.L.	14,983	-	6,404	(5,109)	1,295
Cabin Investments SP. z o.o.	24,049	6,567	17,482	-	24,049
Cabin Investments II SP. z o.o.	13,020	6,513	6,507	-	13,020
Carles Industrial SP. z o.o.	176,518	-	79,090	-	79,090
Fusion Industrial SP. z o.o.	145,750	-	62,104	-	62,104
Logicor (Alovera 1) S.L.	15,120	-	10,342	-	10,342
Logicor (Alovera 2) S.L.	11,257	-	7,700	-	7,700
Logicor (Atlas 1) S.L.	1,806	-	1,806	-	1,806
Logicor (Atlas 2) S.L.	1,298	-	1,298	-	1,298
Logicor (Atlas 3) S.L.	599	-	599	-	599
Logicor (Steen) B.V.	65,005	18,499	46,506	-	65,005
Diamond Bidco SARL	21,738	21,738	-	-	21,738
Diamond Ten SARL	32,143	5,375	27,664	-	33,039
Lymedale Park Unit Trust	28,964	4,711	12,331	-	17,042
Diamond Eight SARL	9,630	-	4,100	-	4,100
Diamond Nine SARL	25,210	-	10,733	-	10,733
Diamond One SARL	15,806	-	6,729	-	6,729
Diamond Seven SARL	13,771	-	5,863	-	5,863
Diamond Three SARL	15,620	-	6,650	-	6,650
Diamond Two SARL	16,346	-	6,959	-	6,959
Rhombus Bidco SARL	21,738	21,738	-	-	21,738
Rhombus Eight SARL	20,778	-	12,044	-	12,044
Rhombus Eleven SARL	6,270	-	2,669	-	2,669
Rhombus Five SARL	60,964	-	25,954	-	25,954
Rhombus Four SARL	8,865	-	(1,453)	-	(1,453)
Rhombus Fourteen SARL	13,488	-	3,812	-	3,812
Rhombus No.3 Limited	35,616	-	15,163	-	15,163
Rhombus One SARL	16,091	-	6,850	-	6,850
Rhombus Seven SARL	8,862	-	3,773	-	3,773
Rhombus Six SARL	10,296	-	4,383	-	4,383
Rhombus Ten SARL	15,111	-	6,433	-	6,433
Rhombus Thirteen SARL	9,393	-	3,999	-	3,999
Rhombus Twelve SARL	17,888	-	5,375	-	5,375
Rhombus Nine SARL	15,660	2,547	6,667	-	9,214
Rhombus Two SARL	22,994	-	15,988	-	15,988
Teal Bidco SARL	21,738	21,738	-	-	21,738
Teal Doncaster SARL	58,747	-	24,922	-	24,922
Teal Brackmills SARL	36,184	-	15,444	-	15,444
Teal Corby SARL	75,645	-	36,095	-	36,095
Teal Darlaston SARL	18,136	-	7,721	-	7,721
Teal Glasshoughton SARL	19,433	-	8,455	-	8,455
Teal Hams Hall SARL	6,284	-	(1,207)	-	(1,207)

Logicor Europe LTD

Teal Huntington SARL 46,819 - 19,966 - 19,966

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

	Trading in the period to 31 December 2013	Amounts receivable from affiliated companies	Accrued income	Payables	Balance at period end 2013
	£	£	£	£	£
Teal Houghton Main SARL	40,419	-	17,966	-	17,966
Teal Kingston Park Limited	13,929	-	5,938	-	5,938
Teal Rugeley SARL	51,952	-	21,868	-	21,868
Teal Voltaic Teal	17,106	-	7,284	-	7,284
	2,173,377	227,789	963,532	(978,826)	212,495

Logicor Beheer B.V.

Logicor Beheer B.V. related party transactions comprise the following:

	Trading in the period to 31 December 2013	Amounts receivable from affiliated companies	Accrued income	Payables	Balance at year end 2013
	£	£	£	£	£
Logicor (Alovera 1) S.L.	17,185	-	17,185	-	17,185
Logicor (Alovera 2) S.L.	12,793	-	12,793	-	12,793
Logicor (Atlas 1) S.L.	3,452	-	3,452	-	3,452
Logicor (Atlas 2) S.L.	2,479	-	2,479	-	2,479
Logicor (Atlas 3) S.L.	1,144	-	1,144	-	1,144
Logicor (Steen) B.V.	66,539	-	66,539	(74,888)	(8,349)
	103,592	-	103,592	(74,888)	28,704

Logicor Management (Polska) SP. z o.o.

Logicor Management (Polska) SP. z o.o. related party transactions comprise the following:

	Trading in the period to 31 December 2013	Amounts receivable from affiliated companies	Accrued income	Payables	Balance at year end 2013
	£	£	£	£	£
Carles Industrial SP. z o.o.	-	-	-	(218)	(218)
Fusion Industrial SP. z o.o.	-	-	-	(2,370)	(2,370)
	-	-	-	(2,588)	(2,588)

Logicor Europe LTD

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

21. RELATED PARTY TRANSACTIONS (continued)

Total Group related party transactions

	Trading in the period to 31 December 2013 £	Amounts receivable from affiliated companies £	Accrued income £	Payables £	Balance at year end 2013 £
Total Group related party transactions	2,276,969	227,789	1,067,124	(1,056,302)	238,611

22. CONTROLLING PARTY INFORMATION

The immediate holding company and controlling party is BRE Europe 6Q Sarl, an entity registered in Luxembourg. Copies of the financial statements for BRE Europe 6Q Sarl are available from its registered office, 2-4 rue Eugene Ruppert, Luxembourg, L-2453.

On 1 July 2014 the immediate parent of the Company changed to Logicor Europe Holdings Sarl with registered offices at 2-4 rue Eugene Ruppert, Luxembourg, L-2453. BRE Europe 6Q remains the ultimate parent of the group and wholly owns Logicor Europe Holdings Sarl.

Logicor Europe LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOGICOR EUROPE LTD

We have audited the parent company financial statements of Logicor Europe LTD for the year ended 31 December 2014 which comprise the Income Statement, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Equity and the related notes 1 to 38. 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the parent company 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 parent company financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the parent company financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the parent company financial statements.

Logicor Europe LTD

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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report or from preparing a strategic report.

Other matter

We have reported separately on the group financial statements of Logicor Europe Limited for the year ended 31 December 2014.

Philip Doherty

Philip Doherty FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

30 September 2015

Logicor Europe LTD

PARENT COMPANY INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

		2014	Period 11 December 2012 to 31 December 2013
	Note	£	£
Revenue			
Consultancy fees	25	3,815,299	2,107,465
Asset management fees		650,132	-
Acquisitions team fees		203,306	-
		<u>4,668,737</u>	<u>2,107,465</u>
Expenses			
Salaries	27	(2,767,948)	(812,424)
Professional fees		(423,904)	(755,979)
Legal fees		(100,434)	(218,946)
Branding and marketing		(82,230)	(30,556)
Office costs		(382,540)	(9,055)
Travel		(284,049)	(51,027)
IT costs		(107,201)	(31,353)
General expenses		(61,101)	(11,189)
Foreign exchange		(3,138)	6,443
Bank charges		(7,965)	(1,791)
Depreciation		(25,544)	-
		<u>(4,246,054)</u>	<u>1,915,877</u>
Operating profit before interest and taxation		422,683	191,588
Interest receivable		6,011	-
Profit on ordinary activities before taxation		<u>428,694</u>	<u>191,588</u>
Taxation on profit on ordinary activities	29	(4,385)	(58,755)
Profit for the year		<u><u>424,309</u></u>	<u><u>132,833</u></u>

The income statement has been drawn up on the basis that all activities are continuing. There are no other activities of the company to report on and therefore a statement of other comprehensive income has not been produced.

The notes on pages 43 to 48 form part of these financial statements.

Logicor Europe LTD

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 2014

	Share capital £	Share premium £	Profit and loss reserve £	Total equity £
Balance at 11 December 2012	-	-	-	-
Profit for the period	-	-	132,833	132,833
Total comprehensive income for the year	-	-	132,833	132,833
Issue of share capital	1	-	-	1
Balance as at 31 December 2013	1	-	132,833	132,834
Profit for the year	-	-	424,309	424,309
Total comprehensive income for the year	-	-	424,309	424,309
Issue of share capital	1	1,097,599	-	1,097,600
Balance as at 31 December 2014	2	1,097,599	557,142	1,654,743

The notes on pages 43 to 48 form part of these financial statements.

Logicor Europe LTD

PARENT COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

		31 December 2014	31 December 2013
	Note	£	£
ASSETS			
Non-Current Assets			
Property, plant and equipment	31	593,546	-
Investment in Subsidiaries	30	1,130,313	21,987
		<u>1,723,859</u>	<u>21,987</u>
Current Assets			
Trade and other receivables	32	1,936,806	1,386,294
Cash and cash equivalents		843,269	12,835
		<u>2,780,075</u>	<u>1,399,129</u>
Total Assets		<u>4,503,934</u>	<u>1,421,116</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	33	2,845,657	1,229,527
Current tax payable		3,534	58,755
		<u>2,849,191</u>	<u>1,288,282</u>
Net Current (Liabilities) /Assets		<u>(69,116)</u>	<u>110,847</u>
Net Assets		<u>1,654,743</u>	<u>132,834</u>
Share capital	36	2	1
Share premium		1,097,599	-
Profit and loss reserve		557,142	132,833
Total Equity		<u>1,654,743</u>	<u>132,834</u>

The financial statements and notes thereto were approved and authorised for issue by the Board of Directors on 30 September 2015 and are signed on its behalf by:



W R Starn
Director

The notes on pages 43 to 48 form part of these financial statements.

Registered company no: 8326708

Logicor Europe LTD

PARENT COMPANY CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 2014

	Note	31 December 2014 £	31 December 2013 £
Net Cash from Operating Activities	34	1,460,250	34,821
Cash flows from investing activities			
Acquisition of a subsidiary, net of cash acquired		(10,726)	(21,987)
Purchase of property, plant and equipment		(619,090)	-
Net cash used in investing activities		<u>(629,816)</u>	<u>(21,987)</u>
Cash flows from financing activities			
Proceeds from issue of shares		-	1
Net cash used in financing activities		<u>-</u>	<u>1</u>
Net increase in cash and cash equivalents		<u>830,434</u>	<u>12,835</u>
Cash and cash equivalents at beginning of year		<u>12,835</u>	<u>-</u>
Cash and cash equivalents at end of year		<u>843,269</u>	<u>12,835</u>

The notes on pages 43 to 48 form part of these financial statements.

Logicor Europe LTD

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

For the year ended 31 December 2014

23. BASIS OF ACCOUNTING

The separate financial statements of the company are presented as required by the Companies Act 2006. As permitted by that Act, the separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the European Union.

24. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are the same as those set out in note 4 to the consolidated financial statements except as noted below:

Investments

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

25. REVENUE

Revenue for the year is derived from UK consultancy fees, UK asset management fees and UK acquisitions team fees.

26. DIRECTORS' REMUNERATION

	Period to 31 December 2014 £	Period to 31 December 2013 £
Aggregate remuneration comprised:		
Emoluments	520,748	-
Pension contributions to money purchase pension schemes	14,400	-
	<u>535,148</u>	<u>-</u>

Logicor Europe LTD

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

27. STAFF COSTS

The average monthly number of employees (including executive directors) was 14. The company's first employee joined in November 2013. Prior to this date, staff costs were paid by an affiliated company and their costs recharged to Logicor Europe Ltd.

	Period to 31 December 2014	Period to 31 December 2013
Senior Management/Finance	5	1
Management/Investment	6	-
Employees/Other	3	-
	<u>14</u>	<u>1</u>
	Period to 31 December 2014	Period to 31 December 2013
Aggregate remuneration comprised:	£	£
Wages and salaries	2,089,697	181,627
Social security costs	270,829	24,180
Other benefits	197,652	-
	<u>2,558,178</u>	<u>205,807</u>
Staff costs recharged to Logicor Europe Ltd by affiliated company	209,770	606,617
	<u>2,767,948</u>	<u>812,424</u>

Logicor Europe LTD

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

28. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging/(crediting):

	Period to 31 December 2014 £	Period to 31 December 2013 £
Staff costs	2,767,948	812,424
Exchange losses / (gains)	3,138	(6,443)
Auditor's remuneration	<u>27,150</u>	<u>7,500</u>

29. TAXATION ON YEAR ON ORDINARY ACTIVITIES

	Period to 31 December 2014 £	Period to 31 December 2013 £
Current tax		
UK corporation tax charge	<u>4,385</u>	<u>58,755</u>

Corporation Tax is calculated at 21.50% of the estimated taxable profit for the year.

The tax assessed for the year is different to the standard rate of corporation tax in the UK. The differences are explained below.

	Period to 31 December 2014 £	Period to 31 December 2013 £
Profit on ordinary activities before tax	<u>428,694</u>	<u>191,588</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 21.50% (2013: 23.19%)	92,169	44,429
<i>Effect of:</i>		
Items disallowable for tax purposes	6,948	15,177
Capital allowances in excess of depreciation	(95,583)	-
Marginal relief	-	(851)
Prior year underprovision	<u>851</u>	<u>-</u>
	<u>4,385</u>	<u>58,755</u>

Logicor Europe LTD

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2014

30. INVESTMENTS

Details of the company's investments as at 31 December 2014 are set out in note 12 to the consolidated financial statements. The investments in subsidiaries are all stated at cost.

31. PROPERTY, PLANT AND EQUIPMENT

	£ Leasehold improvements	£ Fixtures & fittings	£ IT equipment	£ Total
Cost				
At 1 January 2014	-	-	-	-
Additions	151,267	99,953	367,870	619,090
At 31 December 2014	151,267	99,953	367,870	619,090
Depreciation				
At 1 January 2014	-	-	-	-
Depreciation	16,806	8,738	-	25,544
At 31 December 2014	16,806	8,738	-	25,544
Net book amount at 31 December 2014	134,461	91,215	367,870	593,546
Net book amount at 31 December 2013	-	-	-	-

32. TRADE AND OTHER RECEIVABLES

	2014 £	2013 £
Trade receivables	698,615	-
Amounts receivable from affiliated companies	196,586	227,789
Amounts receivable from subsidiary companies	784,554	-
Prepayments	136,685	10,000
Accrued income	-	963,533
Other debtors	120,366	184,972
	1,936,806	1,386,294

All amounts receivable from affiliated companies are held with affiliated companies but are not subsidiaries of Logicor Europe Ltd.

All amounts shown under trade and other receivables fall due for payment within one year. There are no past due or impaired receivable balances, accordingly no provision for doubtful debts is required.

Of the amounts receivable from affiliated companies balance at the end of the year £243,967 is due from The Blackstone Group International Partners LLP, £118,305 from Logicor I SAS and £103,331 from Logicor (Loren) Garanor II SAS. There are no other customers who represent more than 5% of the total balance of amounts due from affiliated companies.

Logicor Europe LTD

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

33. TRADE AND OTHER PAYABLES

	2014 £	2013 £
Trade payables	212,263	2,000
Other payables	305,173	83
Accruals and deferred income	157,898	248,701
Amounts payable to affiliated companies	2,170,323	978,743
	<u>2,845,657</u>	<u>1,229,527</u>

The directors consider that the carrying amount of trade payables approximates to their fair value.

34. NOTES TO THE CASH FLOW STATEMENT

	2014 £	2013 £
Profit for the year	424,309	132,833
Adjustments for:		
Income Tax Expense	4,385	58,755
Interest receivable	(6,011)	-
Depreciation and amortisation	25,544	-
Operating cash flows before movements in working capital	<u>448,227</u>	<u>191,588</u>
Increase in trade and other receivables	(544,501)	(1,386,294)
Increase in trade and other payables	<u>1,616,130</u>	<u>1,229,527</u>
Cash generated by operations	1,519,856	34,821
Income taxes paid	<u>(59,606)</u>	<u>-</u>
Net cash from operating activities	<u>1,460,250</u>	<u>34,821</u>

Cash and cash equivalents

	2014 £	2013 £
As at 31 December		
Cash and bank balances	<u>843,269</u>	<u>12,835</u>

Logicor Europe LTD

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS (continued) For the year ended 31 December 2014

35. FINANCIAL INSTRUMENTS

	Carrying Amount 31 December 2014	Carrying Amount 31 December 2013
Categorisation of financial instruments:		
Trade and other receivables	1,936,806	1,386,294
Cash and cash equivalents	843,269	12,835
Receivables	2,780,075	1,399,129
Trade and other payables	2,845,657	1,229,527
Current tax payable	3,534	58,755
Liabilities	2,849,191	1,288,282

The risks for the company are the same as the risks for the group as set out in note 17.

36. SHARE CAPITAL

	2014 £	2013 £
Authorised:		
1 ordinary share of £1	2	1
Issued and fully paid:		
1 ordinary share of £1	2	1

The Company issued one additional share in the year in exchange for the conversion of a liability of £1,097,600 to equity on 11 November 2014.

37. RELATED PARTY TRANSACTIONS

The Company has conducted related party transactions in the year and this note is presented in accordance with IFRS. The details of the Company related party transactions are disclosed in note 21 of the consolidated financial statements.

38. EVENTS AFTER THE REPORTING YEAR

The financial statements were authorised for issue on 30 September 2015. No post reporting events are present that require adjustment to the financial statements.

Logicor Portugal SUL was established as a subsidiary within the group on 28 May 2015. This company has been established to perform asset management services to property portfolios situated in Portugal. This entity will form part of future consolidated financial statements.