

Company Registration No. 08999021 (England and Wales)

GS Woodland Court Management GP Limited

Directors' Report and Financial Statements

For the year ended 31 December 2018



GS Woodland Court Management GP Limited
Company Information

Directors	Angela Russell
	Joshua Carper
	Wesley Fuller
	Mark Allnutt
	Isabel Peacock
	Derek Ramsey
Company number	08999021
Registered office	Asticus Building
	2 nd Floor, 21 Palmer Street
	London
	SW1H 0AD

GS Woodland Court Management GP Limited

Contents

	Page
Directors' Report	1
Income Statement	3
Balance Sheet	4
Notes to the <i>financial statements</i>	5

GS Woodland Court Management GP Limited

Directors' Report

The Directors present their report and financial statements for GS Woodland Court Management GP Limited (the "Company") for the year ended 31 December 2018.

Principal activities

The principal activity of the Company is that of a General Partner in the GS Woodland Court Management Limited Partnership, (the "Limited Partnership"), a UK registered limited partnership. The Limited Partnership manages Chapter Islington, a well located, direct let student accommodation property. The Directors do not recommend the payment of a dividend for the year.

Directors

The following Directors have held office or been appointed since 1 January 2018:

Mark Allnutt
Joshua Carper
Wesley Fuller
Isabel Peacock
Derek Ramsey
Angela Russell

Events since the balance sheet date

There have been no significant events since the balance sheet date.

Statement of Directors' responsibilities in respect of the Director's Report and the financial statements

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

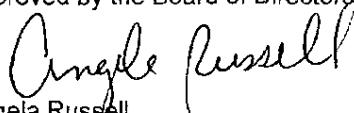
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 102 Section 1A Small Entities Regime. Under company law the Directors must not approve 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 for the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable Financial Reporting Standard 102 Section 1A Small Entities Regime has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

GS Woodland Court Management GP Limited
Directors' Report (continued)

Approved by the Board of Directors and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'Angela Russell', written in a cursive style.

Angela Russell
Director
15 July 2019

GS Woodland Court Management GP Limited
Income Statement
For the year ended 31 December 2018

During the current and comparative years there were no income or expense items and therefore a detailed income statement has not been prepared.

All of the activities of the Company are classed as continuing.

There were no recognised gains or losses other than those included in the Income Statement and as a result no separate Statement of Comprehensive Income is disclosed.

GS Woodland Court Management GP Limited
Balance Sheet
At 31 December 2018

	Notes	2018 £	2017 £
Non-current assets			
Investments in subsidiary		1	1
Current assets			
Trade and other receivables	3	1	1
Current liabilities			
Trade and other payables	4	(1)	(1)
Net current assets		-	-
Net assets		1	1
Equity			
Share capital	5	1	1
Retained earnings		-	-
Total equity attributable to the owners of the Company		1	1

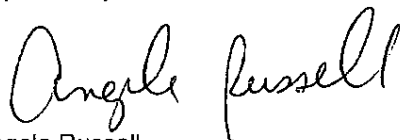
For the financial year ending 31 December 2018, the Company was entitled to an exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

No members have required the Company to obtain an audit of its accounts for the year ending 31 December 2018 in accordance with section 476 of the Companies Act 2006.

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

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

Approved by the Board and authorised for issue on 15 July 2019.



Angela Russell
Director

Company Registration No. 08999021

GS Woodland Court Management GP Limited
Notes to the financial statements
For the year ended 31 December 2018

1. Accounting policies

1.1 General information

The Company is a company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The principal activity of the Company is that of a General Partner in the GS Woodland Court Management Limited Partnership (the "Limited Partnership"), a UK registered limited partnership. The Limited Partnership manages Chapter Islington, a well located, direct let student accommodation property.

The principal accounting policies adopted by the Company are set out below.

1.2 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A Small Entities, as issued by the Financial Reporting Council, and under the historical cost convention.

As a General Partner of GS Woodland Court Management Limited Partnership, the Company manages, on a day to day basis the Limited Partnership.

The Company has taken advantage of the exemption in FRS 102 from the requirement to produce a cash flow statement.

1.3 Going concern

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

1.4 Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be recovered or paid using the tax rates and laws that have been enacted or substantively enacted by the year end date.

2. Employees

During the year £nil was paid to the Directors of the Company (2017: £nil).

During the year there were no direct employees of the Company (2017: none).

3. Trade and other receivables

	2018 £	2017 £
Amounts owed by group undertakings	<u>1</u>	<u>1</u>

GS Woodland Court Management GP Limited
Notes to the financial statements
For the year ended 31 December 2018

4. Trade and other payables

	2018 £	2017 £
Amounts due to group undertakings	<u>1</u>	<u>1</u>

5. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1 (2017: 1) ordinary share of £1 each	<u>1</u>	<u>1</u>

6. Related parties

The Company has taken advantage of the disclosure exemption available under FRS 102 and has not disclosed related party transactions between two or more members of a group provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

7. Contingent liabilities

On 21 June 2018, GS Woodland Court Limited Partnership, a related company, entered into a credit facility agreement for £70 million. The debt is held with the lender Morgan Stanley N.A. and is secured through floating and fixed rate charges over all of the assets of the borrowers and obligors, including the company. The facility matures in August 2025.

8. Parent and ultimate controlling party

The Company's immediate parent undertaking is GS London Portfolio I Unit Trust acting through GREP Master Trustee Limited in its capacity as trustee. GREP Master Trustee Limited is incorporated in Jersey.

The parent undertaking of the smallest group of undertakings for which group financial statements are drawn up is Chapter Master Limited Partnership. The parent undertaking of the largest group of undertakings for which group financial statements are drawn up is Public Sector Pension Investment Board Canada and Allianz Real Estate Investment S.A.

9. Subsequent Events

All material events since the balance sheet have been considered.

GS Woodland Court Management Limited Partnership

Report and Audited Financial Statements
Registration No. LP013539

For the year ended 31 December 2018

GS Woodland Court Management Limited Partnership

Officers and Professional Advisers

Limited Partner

GS Woodland Court Limited Partnership

General Partner

GS Woodland Court Management GP Limited

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Property Manager

Greystar Europe Holdings Limited
15 Finsbury Circus
Finsbury Circus
London
EC2M 7EB

Registered Office

Asticus Building, 2nd Floor
21 Palmer Street
London
SW1H 0AD

GS Woodland Court Management Limited Partnership

Contents

General Partner's Report	1
Statement of General Partner's Responsibilities	3
Independent Auditor's Report	4
Income Statement	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Financial Statements	11

GS Woodland Court Management Limited Partnership

General Partner's Report

The General Partner presents its report for the year ended 31 December 2018.

GS Woodland Court Management Limited Partnership (the "Partnership") was established on 9 July 2009 and was registered as a Limited Partnership under the Limited Partnership Act 1907.

Principal activity

The principal activity of the Partnership during the year was the operation of a student accommodation property. The Partnership commenced activity in September 2010. The results for the year are shown on the Income Statement.

The Partnership leases Chapter Islington, a well located direct let property, from a related party and in turn leases the accommodation to university students.

Review of the business

The Partnership's key financial and other performance indicators during the year ended 31 December 2018 were as follows:

	2018 £000
Revenue	7,483
Operating profit	697
Net assets	<u>224</u>

Results and Distributions

The results of the year are set out in the accompanying Income Statement which shows an operating profit for the year ended 31 December 2018 of £697,000 (2017: £696,000).

Distributions of £1,186,000 were paid during the year (2017: £647,000) to the Limited Partner and General Partner in accordance with their sharing ratios per the amended and restated Limited Partnership Agreement.

Going concern

Note 2 sets out the basis upon which the General Partner believes that it remains appropriate to prepare the financial statements on a going concern basis.

Principal risks and uncertainties

The management of the business and execution of the strategy are subject to a number of risks. The principal risks affecting the Partnership are provided in Note 11.

General Partner

The General Partner during the year and up to the date of this report is GS Woodland Court Management GP Limited.

Future developments

The General Partner anticipate that the activity of the Partnership will continue for the foreseeable future.

Events since the statement of financial position date

The Limited Partnership has evaluated all material subsequent events through the date the financial statements were issued.

The Limited Partnership made distributions totalling £206,000 in April 2019.

GS Woodland Court Management Limited Partnership

General Partner's Report (continued)

Strategic Report

The Partnership has taken the exemption under section 414B of the Companies Act 2006 for the requirement to prepare a Strategic Report for the financial year.

General Partner and indemnity

Each Director of the General Partner shall be indemnified by the General Partner against all liabilities, costs and expenses incurred in the execution and discharge of their duties.

Disclosure of information to the auditor

So far as the General Partner at the date of approving the report is aware, there is no relevant audit information *being information needed by the auditor in connection with preparing its report, of which the auditor is unaware.* The General Partner has taken all the steps that they are obliged to take as a General Partner in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Ernst & Young LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Signed on behalf of the General Partner of GS Woodland Court Management Limited Partnership.



Angela Russell
Director, GS Woodland Court Management GP Limited

15 July 2019

GS Woodland Court Management Limited Partnership

Statement of General Partner's Responsibilities

The General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations.

The Partnership (Accounts) Regulations 2008 require the General Partner to prepare financial statements for each financial year. Under that law, the General Partner has elected to prepare financial statements under International Financial Reporting Standards as 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 Partnership at the end of the financial year and of the profit or loss for that year. In preparing those financial statements the General Partner is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable International Financial Reporting Standards as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Partnerships (Accounts) Regulations 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner is responsible for the maintenance and integrity of the corporate and financial information included on the Partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of GS Woodland Court Management Limited Partnership

Opinion

We have audited the financial statements of GS Woodland Court Management Limited Partnership for the year ended 31 December 2018 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and the related notes 1 to 15, including a summary of significant accounting policies. 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.

In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2018 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 as applied to qualifying partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership's ability to continue to adopt the going concern basis of accounting for a year of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 2, other than the financial statements and our auditor's report thereon. The members are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, accordingly, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of GS Woodland Court Management Limited Partnership (continued)

Opinion on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the General Partner's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the General Partner's Report have been prepared in accordance with applicable legal requirements;

Matters on which we are required to report by exception

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have identified no material misstatements in the General Partner's Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Respective responsibilities of members

As explained more fully in the General Partner's Responsibilities Statement set out on page 3, the General Partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the General Partner is responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless members either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships. Our audit work has been undertaken so that we might state to the qualifying partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the qualifying partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Independent Auditor's Report to the Members of GS
Woodland Court Management Limited Partnership
(continued)**

Ernst & Young LLP

Daniel Saunders (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

15 July 2019

GS Woodland Court Management Limited Partnership

Income Statement

for the year ended 31 December 2018

	Notes	2018 £000	2017 £000
Revenue	3	7,483	6,792
Property operating expenses		<u>(6,786)</u>	<u>(6,096)</u>
Operating profit	5	<u>697</u>	<u>696</u>
Profit for the year		<u>697</u>	<u>696</u>

All activities derive from continuing operations.

There were no recognised gains or losses other than those included in the Income Statement and as a result no separate Statement of Comprehensive Income is disclosed.

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

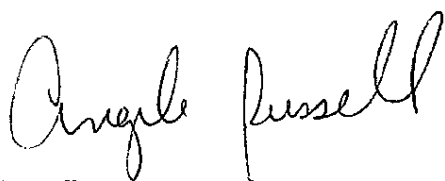
Statement of Financial Position

As at 31 December 2018

	Notes	31 December 2018 £000	31 December 2017 £000
ASSETS			
<i>Current assets</i>			
Trade and other receivables	7	1,695	187
Cash and cash equivalents		634	4,643
Restricted cash	6	1,816	36
Total assets		4,145	4,865
LIABILITIES			
<i>Current liabilities</i>			
Trade and other payables	8	3,921	4,152
Total liabilities		3,921	4,152
Net assets		224	713
Represented by:			
Partners' capital account	9	-	-
Partners' current accounts	9	224	713
Total Partner's accounts		224	713

The financial statements of GS Woodland Court Management Limited Partnership, were approved by the General Partner and authorised for issue on their behalf on 15 July 2019.

Signed on behalf of the General Partner by:



Angela Russell
Director, GS Woodland Court Management GP Limited

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

Statement of Changes in Equity

As at 31 December 2018

	Partners' capital Account £000	Partners' current Account £000	Total £000
At 1 January 2017	-	664	664
Profit for the year	-	696	696
Distributions during the year	-	(647)	(647)
At 31 December 2017	-	713	713
Profit for the year	-	697	697
Distributions during the year	-	(1,186)	(1,186)
At 31 December 2018	-	224	224

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

Cash Flow Statement

For the year ended 31 December 2018

	2018 £000	2017 £000
Cash flow from operating activities		
Profit for the year	697	696
	<u>697</u>	<u>696</u>
(Increase) / decrease in restricted cash	(1,780)	71
Increase in trade and other receivables	(1,509)	(110)
(Decrease) / increase in trade and other payables	<u>(231)</u>	<u>780</u>
Net cash flow (used) / provided by operating activities	<u>(2,823)</u>	<u>1,437</u>
Cash flows from financing activities		
Distributions	<u>(1,186)</u>	<u>(647)</u>
Net cash flow used by financing activities	<u>(1,186)</u>	<u>(647)</u>
(Decrease) / increase in cash and cash equivalents	(4,009)	790
Cash and cash equivalents at beginning of year	<u>4,643</u>	<u>3,853</u>
Cash and cash equivalents at end of year	<u><u>634</u></u>	<u><u>4,643</u></u>

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

1. General information

The principal accounting policies adopted by the Partnership during the year ended 31 December 2018 are set out in Note 2. The Partnership is incorporated and domiciled in England and Wales. The registered office of the Partnership is 2nd Floor, Asticus Building, 21 Palmer Street, London, SW1H 0AD.

The principal activity of the Partnership is the operation of a student accommodation property.

The financial statements and notes to the financial statements were approved and authorised by the General Partner.

2. Accounting policies

Statement of compliance

The Partnership has adopted International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and Regulation 4 of the Partnerships (Accounts) Regulations 2008 and in accordance with the Limited Partnership Agreement dated 11 March 2016. The financial statements have been prepared in accordance with IFRS-EU interpretations issued by the International Financial Reporting Interpretation Committee (IFRICs), as they apply to the financial statements of the Partnership for the year ended 31 December 2018.

Basis of preparation

The financial statements are prepared on the historical cost basis. The financial statements are presented in Great British Pounds which is also the functional currency.

New and amended standards and interpretations

The accounting policies adopted are consistent with IFRS-EU. During the year, the Partnership adopted the following standards or amended standards:

<i>Standard</i>	<i>Description</i>	<i>Period Adopted</i>
IFRS 9	Financial Instruments	Period ended 31 December 2018
IFRS 15	Revenue from contracts with customers	Period ended 31 December 2018

The adoption of IFRS 9 *Financial Instruments* did not have a material impact on the and partnership financial statements.

IFRS 15 *Revenue from contracts with customers* was adopted and details of revenues from contracts are disclosed in Note 3. Under IFRS 15 *Revenue from Contracts with Customers* revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The partnership intends to adopt these standards, if applicable, when they become effective.

<i>Standard</i>	<i>Description</i>	<i>Effective for periods commencing</i>
IFRS 3	Business combinations*	1 January 2019
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance contracts	1 January 2021
IAS 1	Presentation of financial statements*	1 January 2020
IAS 8	Accounting policies, changes in accounting estimates and error	1 January 2020

*Refers to an amendment to the existing standard

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

The above standards and interpretations are expected to be adopted in accordance with their effective dates and have not been adopted in the financial statements.

Going concern

The General Partner is required to make an assessment of the Partnership's ability to continue as a going concern for the foreseeable future and has assessed the Partnership's debt and cash position, including the Partnership's ability to meet its day to day working capital requirements and forecast cash flow requirements. At the balance sheet date the Limited Partnership has a net current asset position and the General Partner considers the Partnership to have sufficient funds to meet its liabilities as and when they fall due. Accordingly, the General Partner has concluded it is appropriate to prepare the financial statements on a going concern basis.

Partners' accounts

Under the Limited Partnership Agreement the Limited Partner shall be entitled to all of the profits of the Partnership. The General Partner determines the timing and amount of the distribution. Under IAS 32, the Partner's accounts are classified as equity. Distributions are recognised in the statement of changes in equity.

Partners' accounts comprise the following:

- Partners' capital accounts represent the nominal value of capital; and
- Partners' current accounts represent all Partnership income attributable to partners.

Financial instruments

Financial instruments recognised on the statement of financial position include trade and other receivables, cash and cash equivalents, restricted cash and trade and other payables.

Initial recognition and measurement

Financial assets and financial liabilities are recognised on the statement of financial position when the Partnership becomes party to the contractual provisions of the instrument. Financial instruments are initially recorded at fair value plus directly attributable transaction costs. Subsequent measurement and impairment for each classification is specified in the sections below.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Partnership commits to purchase or sell the financial asset.

De-recognition of financial assets and liabilities

A financial asset, or a portion of a financial asset, is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Partnership retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- The Partnership has transferred the rights to receive cash flows from the asset and either:

(i) has transferred substantially all the risks and rewards of the asset; or

(ii) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or has expired.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

Trade and other receivables

Trade and other receivables are recognised at their original invoiced value, deemed to be fair value. When the time value of money is material, trade and other receivables are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the receivables are derecognised or impaired, as well as through the amortisation process.

A provision is made when there is objective evidence that the Partnership will not recover balances in full. As of 31 December 2018 £3,000 has been recorded in the Statement of Financial Position (2017: £12,000).

The partnership has considered the impact of IFRS 9 *Financial Instruments* with regards to estimated credit losses for its trade and other receivables and no additional provisions have been recorded in the statement of financial position. The Partners have considered the impact of IFRS 9 with regards to estimated credit losses for its inter-group trade and other receivables and no additional provisions have been recorded in the statement of financial position.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that evidences a residual interest in the assets of the Partnership after deducting all liabilities. Any instrument that includes a repayment obligation is classified as a liability.

Trade and other accounts payables are classified as financial liabilities and are subsequently measured at amortised cost. Gains and losses are recognised in the income statement when the financial liabilities are derecognised or impaired as well as through the amortisation process.

Where the contractual liabilities of financial instruments are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities, and are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Cash and cash equivalents

Cash and cash equivalents include cash at banks with an original maturity of three months or less.

Tenant deposits

Tenant deposits are recognised at their original invoiced amounts. Tenant deposits are included within trade and other payables in the statement of financial position.

Revenue recognition

Revenue arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term and is included in revenue in the Income Statement. There are different types of rental agreements and related income:

- Direct let income agreements are directly made with an individual resident; the lessor assumes the leasing risk.
- Nomination agreements are agreements with a university or other institution for a group of rooms, whereby the lessee assumes the leasing risk for the associated rooms.

Revenue is recognised on an accruals basis, as amounts are contractually earned from the tenants.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

In applying IFRS 15 *Revenue from contracts with customers*, the partnership has considered the separately identifiable revenue streams included within rental agreements and separately disclosed in Note 3.

Taxation

The Partnership is regarded as transparent for UK tax purposes for the year ended 31 December 2018 and the Partner is responsible for its own tax liabilities. Accordingly, no provision for taxation has been made in these financial statements.

Impairment of financial assets

The Partnership's assets are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether or not there is any indication of impairment.

Assets carried at amortised cost

If there is objective evidence that an impairment loss has been incurred, it is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The loss is recognised in the income statement.

The Partnership first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date.

Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS-EU requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The most critical accounting policies and estimates in determining the financial condition and results of the Partnership are those requiring a greater degree of subjective or complete judgement.

Operating Lease contracts — the Partnership as a lessor

The Partnership has entered into residential property leases. The Partnership has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments, these leases to be operating lease arrangements.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

Operating Lease contracts – lessee

The Partnership has an operating lease agreement with its Intermediate Parent Company, GS Woodland Court Limited Partnership, in relation to land and buildings for an amount which is dependent on the performance of the business. The amount is calculated in accordance with the lease agreement.

3. Revenue

The Partnership recognises revenue from operating leases on its leased property. The amounts include revenue from contracts with customers relating to utilities and in-room services and commons area amenities included within lease contracts:

	2018 £000	2017 £000
Student accommodation	7,103	6,244
Utilities and in-room services	247	243
Common area amenities	65	209
Other income	68	96
	<u>7,483</u>	<u>6,792</u>

4. Operating leases — Partnership as lessor

The Partnership has entered into leases on its leased property.

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	31 December 2018 £000	31 December 2017 £000
Less than one year	2,539	3,816
After one year but not more than five years	-	-
More than five years	-	-
	<u>2,539</u>	<u>3,816</u>

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

5. Operating Profit

Operating Profit for the year ended 31 December 2018 is stated after charging:

	2018	2017
	£000	£000
Auditors remuneration - audit service	7	7
Operating lease payments - land and building	<u>4,914</u>	<u>4,365</u>

6. Restricted cash

The Partnership holds restricted cash totalling £1,816,000 on behalf of tenants and future revenue (2017:£36,000). The tenant deposits are held as security in respect of revenue in arrears and dilapidations caused by tenants. Non-current rent accounts are made up of revenue received relating to future periods and is restricted by credit facility agreements.

7. Trade and other receivables

	31 December 2018	31 December 2017
	£000	£000
Trade receivables	328	123
Amounts due from related entities	1,299	-
Prepayments and accrued income	25	20
Other receivables	43	44
	<u>1,695</u>	<u>187</u>

Trade and other receivables are presented net of a provision for doubtful accounts, which totalled £3,000 as at 31 December 2018 (2017: £12,000). The short term carrying values are considered to be a reasonable approximation of fair value.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. Tenant deposits are held which provide security against rental arrears and property dilapidations caused by the tenant. The Partnership does not hold any other collateral as security.

8. Trade and other payables

	31 December 2018	31 December 2017
	£000	£000
Trade payables	111	116
Amounts due to related entities	151	1,325
Accruals and deferred income	3,511	2,444
Other payables	<u>148</u>	<u>267</u>
	<u>3,921</u>	<u>4,152</u>

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

8. Trade and other payables (continued)

The short term carrying values are considered to be a reasonable approximation of fair value.

9. Partners' accounts

	GS Woodland Court Limited Partnership £000	GS Woodland Court Management GP Limited £000	Total £000
Capital Accounts			
At 31 December 2017 and 31 December 2018	-	-	-
Current Accounts			
At 1 January 2017	664	-	664
Distributions in the year	(647)	-	(647)
Profit in the year	696	-	696
At 31 December 2017	713	-	713
At 1 January 2018	713	-	713
Distributions in the year	(1,186)	-	(1,186)
Profit in the year	697	-	697
At 31 December 2018	224	-	224
Total Partners Accounts			
at 31 December 2018	224	-	224
at 31 December 2017	713	-	713

No interest is charged on the Partners' capital or current accounts.

The Limited Partnership Agreement specifies the provisions for capital contributions, distributions and allocations of profit and loss among the Partners. The Limited Partnership profit is distributed to the Limited Partner and General Partner in accordance with the ratios and provisions of the amended and restated Limited Partnership Agreement.

All profits of the Partnership shall be distributed in accordance with the Limited Partnership Agreement at such times and in such amounts as the General Partner shall determine.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

10. Related parties

Related Party	Relationship
Chapter Master Limited Partnership	Ultimate Controlling Party
Chapter Master Unit Trust	Intermediate Parent
Chapter Minority Holder 1 Limited	Intermediate Parent
Chapter Minority Holder 2 Limited	Intermediate Parent
GS London Portfolio 1 Unit Trust	Intermediate Parent
GS London Portfolio 1 Minority Holder, LLC	Intermediate Parent
GS Woodland Court Management GP Limited	General Partner
GS Woodland Court Limited Partnership	Limited Partner
GS Woodland Court Unit Trust	Intermediate parent
GS Woodland Court Management Nominee Limited	Fellow subsidiary
GS Woodland Court GP 1 Limited	Fellow subsidiary
GS Woodland Court GP 2 Limited	Fellow subsidiary
GS Wedgwood Court Management Limited Partnership	Fellow subsidiary
GS Wedgwood Court Unit Trust	Fellow subsidiary
GS Wedgwood Court Limited	Fellow subsidiary
GS Wedgwood Court Management GP Limited	Fellow subsidiary
GS Wedgwood Court Management Nominee Limited	Fellow subsidiary
Nido King's Cross Limited	Fellow subsidiary
GS Sherwood Court Limited Partnership	Fellow subsidiary
Greystar Europe Holdings Limited	Subsidiary of investor in Ultimate Controlling Party

Related party transactions

The Partnership had the following transactions with related parties during the year ended 31 December 2018.

2018

Description	Related Party	Fees charged £000	Due from related party at year end £000	Due to related party at year end £000
Payroll costs	Greystar Europe Holdings Limited	303	-	-
Property management fees and reimbursable expenses	Greystar Europe Holdings Limited	430	-	35
Net turnover rent	GS Woodland Court Limited Partnership	4,914	1,299	-
Working capital advance	Nido King's Cross Limited	-	-	90
Working capital advance	GS Sherwood Court Limited Partnership	-	-	26
		<u>5,647</u>	<u>1,299</u>	<u>151</u>

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

10. Related parties (continued)

2017

Description	Related Party	Fees charged £000	Due from related party at year end £000	Due to related party at year end £000
Payroll costs	Greystar Europe Holdings Limited	390	-	-
Property management fees and reimbursable expenses	Greystar Europe Holdings Limited	391	-	40
Net turnover rent	GS Woodland Court Limited Partnership	4,365	-	1,285
		<u>5,147</u>	<u>-</u>	<u>1,325</u>

Property Management Fees

On 14 November 2016, the General Partners appointed Greystar Europe Holdings Limited as the Partnership's Property Manager through a property management agreement. This agreement was terminated on 17 August 2018, and Greystar Europe Holdings was appointed as property manager by the General Partner through a new property management agreement on 17 August 2018. The Property Manager is entitled to a Property Management Fee of the higher of 4.25% of the monthly aggregate gross revenues collected from the investment property or £15,000 per month, and reimbursable expense fees. The total fees charged for the year ended 31 December 2018 amounted to £430,000 (2017: £391,000). At 31 December 2018, £35,000 was due to in relation to property management fees, the balance was paid subsequent to year end (2017: £40,000).

11. Financial risk management

Risk management objectives and policies

The Partnership's principal financial liabilities are trade and other payables that arise directly from its operations. The Partnership's financial assets include trade and other receivables, cash and restricted cash that arise directly from its operations.

The Partnership is exposed to market risk, credit risk, and liquidity risk. The Partnership's General Partners oversee the management of these risks by assessing by ensuring appropriate policies and procedures are in place to identify, measure and manage these financial risks.

Market Risk

Market risk is the risk that the Partnership leases its units at a sufficient price point and achieves sufficient occupancy to ensure that it meets its liabilities as they fall due. This risk is managed by active management of pricing strategy and marketing of the property by an experienced team.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

11. Financial risk management (continued)

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Partnership is exposed to credit risks from its leasing activities, including deposits held with banks.

Trade and other receivables

Tenants are assessed according to the Partnership's criteria prior to entering into lease arrangements. Credit risk is managed by requiring tenants to pay rentals in advance, performing credit checks on tenants, and through provision of guarantors for tenants that are deemed to be of higher risk. Outstanding trade receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual tenant basis. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Partnership's property manager, Greystar Europe Holdings Limited in accordance with its policies. Credit risk is also mitigated by the Partnership's use of reputable financial institutions. At 31 December 2018 and 2017, all of the Partnership's cash is held on account at HSBC Bank plc which is a Standard and Poor's credit rating of AA- at 31 December 2018. The Partnership's maximum exposure to credit risk in relation to its financial instruments and cash deposits is the carrying value at 31 December 2018 and 2017.

Liquidity Risk

The Partnership's objective is to maintain a balance between continuity of funding and flexibility through its financial instruments. The risk is that the Partnership will not be able to meet its obligations when and as they fall due. As at 31 December 2018 and 2017, all of the Partnership's financial instruments are due within one year. The Partnership manages its liquidity risk by monitoring operating budgets and by forecasting the Partnership's operating cash flows.

Set out below is a comparison by class of the carrying amounts and fair value of the Partnership's financial instruments included in the statement of financial position at 31 December 2018 and 2017.

31 December 2018	Carrying Amount £000	Fair Value £000
Financial Assets		
Trade and other receivables	1,695	1,695
Cash and cash equivalents	634	634
Restricted cash	1,816	1,816
Financial Liabilities		
Trade and other payables	3,921	3,921

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

11. Financial risk management (continued)

31 December 2017	Carrying Amount £000	Fair Value £000
Financial Assets		
Trade and other receivables	187	187
Cash and cash equivalents	4,643	4,643
Restricted cash	36	36
Financial Liabilities		
Trade and other payables	<u>4,152</u>	<u>4,152</u>

12. Controlling party

In the opinion of the General Partner, the immediate parent company of the Partnership is GS Woodland Court Limited Partnership at 31 December 2018 and 2017.

At 31 December 2017, the Partnership is ultimately controlled and consolidated into the Public Sector Pension Investment Board, a Canadian Crown corporation. On 17 August 2018, Chapter Master Limited Partnership acquired the ultimate parent of the Partnership. At 31 December 2018, the Partnership is ultimately controlled and consolidated into Chapter Master Limited Partnership, a UK limited partnership which prepares consolidated financial statements.

13. Contingencies

On 21 June 2018, GS London Portfolio II Unit Trust, GS Wedgwood Court Unit Trust and GS Woodland Court Limited Partnership (together, the "Borrowers") executed a credit facility agreement in the amount of £330 million. The Borrowers share an ultimate controlling party, Chapter Master Limited Partnership. This credit facility was secured through fixed rate charges over the assets of the Borrowers and their subsidiaries, including the Partnership. The credit facility matures in August 2025.

14. Capital Management

The primary objective of the Partnership's capital management is to ensure that it maintains a positive net asset value and has net current assets, which will allow the Partnership to meet its liabilities as they fall due. The Partnership does this by not distributing funds to the Partners unless the Partnership has sufficient cash to meet its ongoing obligations and commitments. The Partnership has no external capital requirements or obligations.

15. Subsequent events

The Partners have evaluated all material subsequent events from 31 December 2018 through the date the financial statements were issued.

The Limited Partnership made distributions totalling £206,000 in April 2019.

GS Woodland Court Management Limited Partnership

Report and Audited Financial Statements
Registration No. LP013539

For the year ended 31 December 2018

GS Woodland Court Management Limited Partnership

Officers and Professional Advisers

Limited Partner

GS Woodland Court Limited Partnership

General Partner

GS Woodland Court Management GP Limited

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Property Manager

Greystar Europe Holdings Limited
15 Finsbury Circus
Finsbury Circus
London
EC2M 7EB

Registered Office

Asticus Building, 2nd Floor
21 Palmer Street
London
SW1H 0AD

GS Woodland Court Management Limited Partnership

Contents

General Partner's Report	1
Statement of General Partner's Responsibilities	3
Independent Auditor's Report	4
Income Statement	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Cash Flow Statement	10
Notes to the Financial Statements	11

GS Woodland Court Management Limited Partnership

General Partner's Report

The General Partner presents its report for the year ended 31 December 2018.

GS Woodland Court Management Limited Partnership (the "Partnership") was established on 9 July 2009 and was registered as a Limited Partnership under the Limited Partnership Act 1907.

Principal activity

The principal activity of the Partnership during the year was the operation of a student accommodation property. The Partnership commenced activity in September 2010. The results for the year are shown on the Income Statement.

The Partnership leases Chapter Islington, a well located direct let property, from a related party and in turn leases the accommodation to university students.

Review of the business

The Partnership's key financial and other performance indicators during the year ended 31 December 2018 were as follows:

	2018 £000
Revenue	7,483
Operating profit	697
Net assets	<u>224</u>

Results and Distributions

The results of the year are set out in the accompanying Income Statement which shows an operating profit for the year ended 31 December 2018 of £697,000 (2017: £696,000).

Distributions of £1,186,000 were paid during the year (2017: £647,000) to the Limited Partner and General Partner in accordance with their sharing ratios per the amended and restated Limited Partnership Agreement.

Going concern

Note 2 sets out the basis upon which the General Partner believes that it remains appropriate to prepare the financial statements on a going concern basis.

Principal risks and uncertainties

The management of the business and execution of the strategy are subject to a number of risks. The principal risks affecting the Partnership are provided in Note 11.

General Partner

The General Partner during the year and up to the date of this report is GS Woodland Court Management GP Limited.

Future developments

The General Partner anticipate that the activity of the Partnership will continue for the foreseeable future.

Events since the statement of financial position date

The Limited Partnership has evaluated all material subsequent events through the date the financial statements were issued.

The Limited Partnership made distributions totalling £206,000 in April 2019.

GS Woodland Court Management Limited Partnership

General Partner's Report (continued)

Strategic Report

The Partnership has taken the exemption under section 414B of the Companies Act 2006 for the requirement to prepare a Strategic Report for the financial year.

General Partner and indemnity

Each Director of the General Partner shall be indemnified by the General Partner against all liabilities, costs and expenses incurred in the execution and discharge of their duties.

Disclosure of information to the auditor

So far as the General Partner at the date of approving the report is aware, there is no relevant audit information being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. The General Partner has taken all the steps that they are obliged to take as a General Partner in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Ernst & Young LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Signed on behalf of the General Partner of GS Woodland Court Management Limited Partnership.



Angela Russell
Director, GS Woodland Court Management GP Limited

15 July 2019

GS Woodland Court Management Limited Partnership

Statement of General Partner's Responsibilities

The General Partner is responsible for preparing the General Partner's Report and the financial statements in accordance with applicable law and regulations.

The Partnership (Accounts) Regulations 2008 require the General Partner to prepare financial statements for each financial year. Under that law, the General Partner has elected to prepare financial statements under International Financial Reporting Standards as 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 Partnership at the end of the financial year and of the profit or loss for that year. In preparing those financial statements the General Partner is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable International Financial Reporting Standards as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Partnerships (Accounts) Regulations 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Partner is responsible for the maintenance and integrity of the corporate and financial information included on the Partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of GS Woodland Court Management Limited Partnership

Opinion

We have audited the financial statements of GS Woodland Court Management Limited Partnership for the year ended 31 December 2018 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement and the related notes 1 to 15, including a summary of significant accounting policies. 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.

In our opinion the financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2018 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 as applied to qualifying partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership's ability to continue to adopt the going concern basis of accounting for a year of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 2, other than the financial statements and our auditor's report thereon. The members are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, accordingly, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of GS Woodland Court Management Limited Partnership (continued)

Opinion on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the General Partner's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the General Partner's Report have been prepared in accordance with applicable legal requirements;

Matters on which we are required to report by exception

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have identified no material misstatements in the General Partner's Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Respective responsibilities of members

As explained more fully in the General Partner's Responsibilities Statement set out on page 3, the General Partner is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the General Partner is responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless members either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the qualifying partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to qualifying partnerships. Our audit work has been undertaken so that we might state to the qualifying partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the qualifying partnership's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Independent Auditor's Report to the Members of GS
Woodland Court Management Limited Partnership
(continued)**

Ernst & Young LLP

Daniel Saunders (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

15 July 2019

GS Woodland Court Management Limited Partnership

Income Statement

for the year ended 31 December 2018

	Notes	2018 £000	2017 £000
Revenue	3	7,483	6,792
Property operating expenses		<u>(6,786)</u>	<u>(6,096)</u>
Operating profit	5	<u>697</u>	<u>696</u>
Profit for the year		<u>697</u>	<u>696</u>

All activities derive from continuing operations.

There were no recognised gains or losses other than those included in the Income Statement and as a result no separate Statement of Comprehensive Income is disclosed.

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

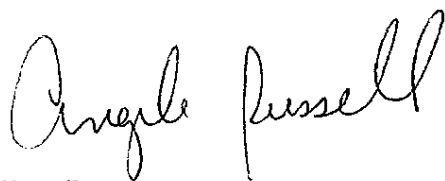
Statement of Financial Position

As at 31 December 2018

	Notes	31 December 2018 £000	31 December 2017 £000
ASSETS			
<i>Current assets</i>			
Trade and other receivables	7	1,695	187
Cash and cash equivalents		634	4,643
Restricted cash	6	1,816	36
Total assets		4,145	4,865
LIABILITIES			
<i>Current liabilities</i>			
Trade and other payables	8	3,921	4,152
Total liabilities		3,921	4,152
Net assets		224	713
Represented by:			
Partners' capital account	9	-	-
Partners' current accounts	9	224	713
Total Partner's accounts		224	713

The financial statements of GS Woodland Court Management Limited Partnership, were approved by the General Partner and authorised for issue on their behalf on 15 July 2019.

Signed on behalf of the General Partner by:



Angela Russell
Director, GS Woodland Court Management GP Limited

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

Statement of Changes in Equity

As at 31 December 2018

	Partners' capital Account £000	Partners' current Account £000	Total £000
At 1 January 2017	-	664	664
Profit for the year	-	696	696
Distributions during the year	-	(647)	(647)
At 31 December 2017	<u>-</u>	<u>713</u>	<u>713</u>
Profit for the year	-	697	697
Distributions during the year	-	(1,186)	(1,186)
At 31 December 2018	<u>-</u>	<u>224</u>	<u>224</u>

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

Cash Flow Statement

For the year ended 31 December 2018

	2018 £000	2017 £000
Cash flow from operating activities		
Profit for the year	697	696
	<u>697</u>	<u>696</u>
(Increase) / decrease in restricted cash	(1,780)	71
Increase in trade and other receivables	(1,509)	(110)
(Decrease) / increase in trade and other payables	<u>(231)</u>	<u>780</u>
Net cash flow(used) / provided by operating activities	<u>(2,823)</u>	<u>1,437</u>
Cash flows from financing activities		
Distributions	<u>(1,186)</u>	<u>(647)</u>
Net cash flow used by financing activities	<u>(1,186)</u>	<u>(647)</u>
(Decrease) / increase in cash and cash equivalents	(4,009)	790
Cash and cash equivalents at beginning of year	<u>4,643</u>	<u>3,853</u>
Cash and cash equivalents at end of year	<u><u>634</u></u>	<u><u>4,643</u></u>

The notes on pages 11 to 21 form part of these financial statements.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

1. General information

The principal accounting policies adopted by the Partnership during the year ended 31 December 2018 are set out in Note 2. The Partnership is incorporated and domiciled in England and Wales. The registered office of the Partnership is 2nd Floor, Asticus Building, 21 Palmer Street, London, SW1H 0AD.

The principal activity of the Partnership is the operation of a student accommodation property.

The financial statements and notes to the financial statements were approved and authorised by the General Partner.

2. Accounting policies

Statement of compliance

The Partnership has adopted International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and Regulation 4 of the Partnerships (Accounts) Regulations 2008 and in accordance with the Limited Partnership Agreement dated 11 March 2016. The financial statements have been prepared in accordance with IFRS-EU interpretations issued by the International Financial Reporting Interpretation Committee (IFRICs), as they apply to the financial statements of the Partnership for the year ended 31 December 2018.

Basis of preparation

The financial statements are prepared on the historical cost basis. The financial statements are presented in Great British Pounds which is also the functional currency.

New and amended standards and interpretations

The accounting policies adopted are consistent with IFRS-EU. During the year, the Partnership adopted the following standards or amended standards:

<i>Standard</i>	<i>Description</i>	<i>Period Adopted</i>
IFRS 9	Financial Instruments	Period ended 31 December 2018
IFRS 15	Revenue from contracts with customers	Period ended 31 December 2018

The adoption of IFRS 9 *Financial Instruments* did not have a material impact on the and partnership financial statements.

IFRS 15 *Revenue from contracts with customers* was adopted and details of revenues from contracts are disclosed in Note 3. Under IFRS 15 *Revenue from Contracts with Customers* revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The partnership intends to adopt these standards, if applicable, when they become effective.

<i>Standard</i>	<i>Description</i>	<i>Effective for periods commencing</i>
IFRS 3	Business combinations*	1 January 2019
IFRS 16	Leases	1 January 2019
IFRS 17	Insurance contracts	1 January 2021
IAS 1	Presentation of financial statements*	1 January 2020
IAS 8	Accounting policies, changes in accounting estimates and error	1 January 2020

*Refers to an amendment to the existing standard

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

The above standards and interpretations are expected to be adopted in accordance with their effective dates and have not been adopted in the financial statements.

Going concern

The General Partner is required to make an assessment of the Partnership's ability to continue as a going concern for the foreseeable future and has assessed the Partnership's debt and cash position, including the Partnership's ability to meet its day to day working capital requirements and forecast cash flow requirements. At the balance sheet date the Limited Partnership has a net current asset position and the General Partner considers the Partnership to have sufficient funds to meet its liabilities as and when they fall due. Accordingly, the General Partner has concluded it is appropriate to prepare the financial statements on a going concern basis.

Partners' accounts

Under the Limited Partnership Agreement the Limited Partner shall be entitled to all of the profits of the Partnership. The General Partner determines the timing and amount of the distribution. Under IAS 32, the Partner's accounts are classified as equity. Distributions are recognised in the statement of changes in equity.

Partners' accounts comprise the following:

- Partners' capital accounts represent the nominal value of capital; and
- Partners' current accounts represent all Partnership income attributable to partners.

Financial instruments

Financial instruments recognised on the statement of financial position include trade and other receivables, cash and cash equivalents, restricted cash and trade and other payables.

Initial recognition and measurement

Financial assets and financial liabilities are recognised on the statement of financial position when the Partnership becomes party to the contractual provisions of the instrument. Financial instruments are initially recorded at fair value plus directly attributable transaction costs. Subsequent measurement and impairment for each classification is specified in the sections below.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Partnership commits to purchase or sell the financial asset.

De-recognition of financial assets and liabilities

A financial asset, or a portion of a financial asset, is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Partnership retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- The Partnership has transferred the rights to receive cash flows from the asset and either:
 - (i) has transferred substantially all the risks and rewards of the asset; or
 - (ii) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or has expired.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

Trade and other receivables

Trade and other receivables are recognised at their original invoiced value, deemed to be fair value. When the time value of money is material, trade and other receivables are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in the income statement when the receivables are derecognised or impaired, as well as through the amortisation process.

A provision is made when there is objective evidence that the Partnership will not recover balances in full. As of 31 December 2018 £3,000 has been recorded in the Statement of Financial Position (2017: £12,000).

The partnership has considered the impact of IFRS 9 *Financial Instruments* with regards to estimated credit losses for its trade and other receivables and no additional provisions have been recorded in the statement of financial position. The Partners have considered the impact of IFRS 9 with regards to estimated credit losses for its inter-group trade and other receivables and no additional provisions have been recorded in the statement of financial position.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that evidences a residual interest in the assets of the Partnership after deducting all liabilities. Any instrument that includes a repayment obligation is classified as a liability.

Trade and other accounts payables are classified as financial liabilities and are subsequently measured at amortised cost. Gains and losses are recognised in the income statement when the financial liabilities are derecognised or impaired as well as through the amortisation process.

Where the contractual liabilities of financial instruments are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities, and are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Cash and cash equivalents

Cash and cash equivalents include cash at banks with an original maturity of three months or less.

Tenant deposits

Tenant deposits are recognised at their original invoiced amounts. Tenant deposits are included within trade and other payables in the statement of financial position.

Revenue recognition

Revenue arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term and is included in revenue in the Income Statement. There are different types of rental agreements and related income:

- Direct let income agreements are directly made with an individual resident; the lessor assumes the leasing risk.
- Nomination agreements are agreements with a university or other institution for a group of rooms, whereby the lessee assumes the leasing risk for the associated rooms.

Revenue is recognised on an accruals basis, as amounts are contractually earned from the tenants.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

In applying IFRS 15 *Revenue from contracts with customers*, the partnership has considered the separately identifiable revenue streams included within rental agreements and separately disclosed in Note 3.

Taxation

The Partnership is regarded as transparent for UK tax purposes for the year ended 31 December 2018 and the Partner is responsible for its own tax liabilities. Accordingly, no provision for taxation has been made in these financial statements.

Impairment of financial assets

The Partnership's assets are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether or not there is any indication of impairment.

Assets carried at amortised cost

If there is objective evidence that an impairment loss has been incurred, it is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The loss is recognised in the income statement.

The Partnership first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date.

Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS-EU requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The most critical accounting policies and estimates in determining the financial condition and results of the Partnership are those requiring a greater degree of subjective or complete judgement.

Operating Lease contracts — the Partnership as a lessor

The Partnership has entered into residential property leases. The Partnership has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and minimum lease payments, these leases to be operating lease arrangements.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

2. Accounting policies (continued)

Operating Lease contracts – lessee

The Partnership has an operating lease agreement with its Intermediate Parent Company, GS Woodland Court Limited Partnership, in relation to land and buildings for an amount which is dependent on the performance of the business. The amount is calculated in accordance with the lease agreement.

3. Revenue

The Partnership recognises revenue from operating leases on its leased property. The amounts include revenue from contracts with customers relating to utilities and in-room services and commons area amenities included within lease contracts:

	2018 £000	2017 £000
Student accommodation	7,103	6,244
Utilities and in-room services	247	243
Common area amenities	65	209
Other income	68	96
	<u>7,483</u>	<u>6,792</u>

4. Operating leases — Partnership as lessor

The Partnership has entered into leases on its leased property.

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	31 December 2018 £000	31 December 2017 £000
Less than one year	2,539	3,816
After one year but not more than five years	-	-
More than five years	-	-
	<u>2,539</u>	<u>3,816</u>

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

5. Operating Profit

Operating Profit for the year ended 31 December 2018 is stated after charging:

	2018	2017
	£000	£000
Auditors remuneration - audit service	7	7
Operating lease payments - land and building	<u>4,914</u>	<u>4,365</u>

6. Restricted cash

The Partnership holds restricted cash totalling £1,816,000 on behalf of tenants and future revenue (2017:£36,000). The tenant deposits are held as security in respect of revenue in arrears and dilapidations caused by tenants. Non-current rent accounts are made up of revenue received relating to future periods and is restricted by credit facility agreements.

7. Trade and other receivables

	31 December 2018	31 December 2017
	£000	£000
Trade receivables	328	123
Amounts due from related entities	1,299	-
Prepayments and accrued income	25	20
Other receivables	43	44
	<u>1,695</u>	<u>187</u>

Trade and other receivables are presented net of a provision for doubtful accounts, which totalled £3,000 as at 31 December 2018 (2017: £12,000). The short term carrying values are considered to be a reasonable approximation of fair value.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. Tenant deposits are held which provide security against rental arrears and property dilapidations caused by the tenant. The Partnership does not hold any other collateral as security.

8. Trade and other payables

	31 December 2018	31 December 2017
	£000	£000
Trade payables	111	116
Amounts due to related entities	151	1,325
Accruals and deferred income	3,511	2,444
Other payables	<u>148</u>	<u>267</u>
	<u>3,921</u>	<u>4,152</u>

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

8. Trade and other payables (continued)

The short term carrying values are considered to be a reasonable approximation of fair value.

9. Partners' accounts

	GS Woodland Court Limited Partnership £000	GS Woodland Court Management GP Limited £000	Total £000
Capital Accounts			
At 31 December 2017 and 31 December 2018	-	-	-
Current Accounts			
At 1 January 2017	664	-	664
Distributions in the year	(647)	-	(647)
Profit in the year	696	-	696
At 31 December 2017	713	-	713
At 1 January 2018	713	-	713
Distributions in the year	(1,186)	-	(1,186)
Profit in the year	697	-	697
At 31 December 2018	224	-	224
Total Partners Accounts			
at 31 December 2018	224	-	224
at 31 December 2017	713	-	713

No interest is charged on the Partners' capital or current accounts.

The Limited Partnership Agreement specifies the provisions for capital contributions, distributions and allocations of profit and loss among the Partners. The Limited Partnership profit is distributed to the Limited Partner and General Partner in accordance with the ratios and provisions of the amended and restated Limited Partnership Agreement.

All profits of the Partnership shall be distributed in accordance with the Limited Partnership Agreement at such times and in such amounts as the General Partner shall determine.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

10. Related parties

Related Party	Relationship
Chapter Master Limited Partnership	Ultimate Controlling Party
Chapter Master Unit Trust	Intermediate Parent
Chapter Minority Holder 1 Limited	Intermediate Parent
Chapter Minority Holder 2 Limited	Intermediate Parent
GS London Portfolio 1 Unit Trust	Intermediate Parent
GS London Portfolio 1 Minority Holder, LLC	Intermediate Parent
GS Woodland Court Management GP Limited	General Partner
GS Woodland Court Limited Partnership	Limited Partner
GS Woodland Court Unit Trust	Intermediate parent
GS Woodland Court Management Nominee Limited	Fellow subsidiary
GS Woodland Court GP 1 Limited	Fellow subsidiary
GS Woodland Court GP 2 Limited	Fellow subsidiary
GS Wedgwood Court Management Limited Partnership	Fellow subsidiary
GS Wedgwood Court Unit Trust	Fellow subsidiary
GS Wedgwood Court Limited	Fellow subsidiary
GS Wedgwood Court Management GP Limited	Fellow subsidiary
GS Wedgwood Court Management Nominee Limited	Fellow subsidiary
Nido King's Cross Limited	Fellow subsidiary
GS Sherwood Court Limited Partnership	Fellow subsidiary
Greystar Europe Holdings Limited	Subsidiary of investor in Ultimate Controlling Party

Related party transactions

The Partnership had the following transactions with related parties during the year ended 31 December 2018.

2018

Description	Related Party	Fees charged £000	Due from related party at year end £000	Due to related party at year end £000
Payroll costs	Greystar Europe Holdings Limited	303	-	-
Property management fees and reimbursable expenses	Greystar Europe Holdings Limited	430	-	35
Net turnover rent	GS Woodland Court Limited Partnership	4,914	1,299	-
Working capital advance	Nido King's Cross Limited	-	-	90
Working capital advance	GS Sherwood Court Limited Partnership	-	-	26
		<u>5,647</u>	<u>1,299</u>	<u>151</u>

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

10. Related parties (continued)

2017

Description	Related Party	Fees charged £000	Due from related party at year end £000	Due to related party at year end £000
Payroll costs	Greystar Europe Holdings Limited	390	-	-
Property management fees and reimbursable expenses	Greystar Europe Holdings Limited	391	-	40
Net turnover rent	GS Woodland Court Limited Partnership	4,365	-	1,285
		<u>5,147</u>	<u>-</u>	<u>1,325</u>

Property Management Fees

On 14 November 2016, the General Partners appointed Greystar Europe Holdings Limited as the Partnership's Property Manager through a property management agreement. This agreement was terminated on 17 August 2018, and Greystar Europe Holdings was appointed as property manager by the General Partner through a new property management agreement on 17 August 2018. The Property Manager is entitled to a Property Management Fee of the higher of 4.25% of the monthly aggregate gross revenues collected from the investment property or £15,000 per month, and reimbursable expense fees. The total fees charged for the year ended 31 December 2018 amounted to £430,000 (2017: £391,000). At 31 December 2018, £35,000 was due to in relation to property management fees, the balance was paid subsequent to year end (2017: £40,000).

11. Financial risk management

Risk management objectives and policies

The Partnership's principal financial liabilities are trade and other payables that arise directly from its operations. The Partnership's financial assets include trade and other receivables, cash and restricted cash that arise directly from its operations.

The Partnership is exposed to market risk, credit risk, and liquidity risk. The Partnership's General Partners oversee the management of these risks by assessing by ensuring appropriate policies and procedures are in place to identify, measure and manage these financial risks.

Market Risk

Market risk is the risk that the Partnership leases its units at a sufficient price point and achieves sufficient occupancy to ensure that it meets its liabilities as they fall due. This risk is managed by active management of pricing strategy and marketing of the property by an experienced team.

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

11. Financial risk management (continued)

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Partnership is exposed to credit risks from its leasing activities, including deposits held with banks.

Trade and other receivables

Tenants are assessed according to the Partnership's criteria prior to entering into lease arrangements. Credit risk is managed by requiring tenants to pay rentals in advance, performing credit checks on tenants, and through provision of guarantors for tenants that are deemed to be of higher risk. Outstanding trade receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual tenant basis. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Partnership's property manager, Greystar Europe Holdings Limited in accordance with its policies. Credit risk is also mitigated by the Partnership's use of reputable financial institutions. At 31 December 2018 and 2017, all of the Partnership's cash is held on account at HSBC Bank plc which is a Standard and Poor's credit rating of AA- at 31 December 2018. The Partnership's maximum exposure to credit risk in relation to its financial instruments and cash deposits is the carrying value at 31 December 2018 and 2017.

Liquidity Risk

The Partnership's objective is to maintain a balance between continuity of funding and flexibility through its financial instruments. The risk is that the Partnership will not be able to meet its obligations when and as they fall due. As at 31 December 2018 and 2017, all of the Partnership's financial instruments are due within one year. The Partnership manages its liquidity risk by monitoring operating budgets and by forecasting the Partnership's operating cash flows.

Set out below is a comparison by class of the carrying amounts and fair value of the Partnership's financial instruments included in the statement of financial position at 31 December 2018 and 2017.

31 December 2018	Carrying Amount £000	Fair Value £000
Financial Assets		
Trade and other receivables	1,695	1,695
Cash and cash equivalents	634	634
Restricted cash	1,816	1,816
Financial Liabilities		
Trade and other payables	3,921	3,921

GS Woodland Court Management Limited Partnership

Notes to the Financial Statements

For the year ended 31 December 2018

11. Financial risk management (continued)

31 December 2017	Carrying Amount £000	Fair Value £000
Financial Assets		
Trade and other receivables	187	187
Cash and cash equivalents	4,643	4,643
Restricted cash	36	36
Financial Liabilities		
Trade and other payables	<u>4,152</u>	<u>4,152</u>

12. Controlling party

In the opinion of the General Partner, the immediate parent company of the Partnership is GS Woodland Court Limited Partnership at 31 December 2018 and 2017.

At 31 December 2017, the Partnership is ultimately controlled and consolidated into the Public Sector Pension Investment Board, a Canadian Crown corporation. On 17 August 2018, Chapter Master Limited Partnership acquired the ultimate parent of the Partnership. At 31 December 2018, the Partnership is ultimately controlled and consolidated into Chapter Master Limited Partnership, a UK limited partnership which prepares consolidated financial statements.

13. Contingencies

On 21 June 2018, GS London Portfolio II Unit Trust, GS Wedgwood Court Unit Trust and GS Woodland Court Limited Partnership (together, the "Borrowers") executed a credit facility agreement in the amount of £330 million. The Borrowers share an ultimate controlling party, Chapter Master Limited Partnership. This credit facility was secured through fixed rate charges over the assets of the Borrowers and their subsidiaries, including the Partnership. The credit facility matures in August 2025.

14. Capital Management

The primary objective of the Partnership's capital management is to ensure that it maintains a positive net asset value and has net current assets, which will allow the Partnership to meet its liabilities as they fall due. The Partnership does this by not distributing funds to the Partners unless the Partnership has sufficient cash to meet its ongoing obligations and commitments. The Partnership has no external capital requirements or obligations.

15. Subsequent events

The Partners have evaluated all material subsequent events from 31 December 2018 through the date the financial statements were issued.

The Limited Partnership made distributions totalling £206,000 in April 2019.