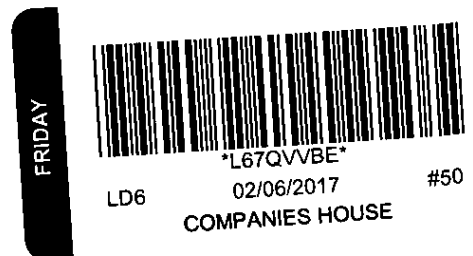


Registered Number: 09917455

URBANEST UK VINE STREET GP1 LIMITED

REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD 15 DECEMBER 2015 TO 31 DECEMBER 2016



**Urbanest UK Vine Street GP1 Limited**  
**Directors' Report for the period 15 December 2015 to 31 December 2016**

---

The directors submit their report with the financial statements of the Company for the period ended 31 December 2016.

**RESULTS FOR THE PERIOD**

The company is dormant and did not trade during the period.

**PRINCIPAL ACTIVITIES**

The Company's principal activity in the period under review was that of acting as a General Partner to Urbanest UK Vine Street Limited Partnership, a fellow subsidiary of Urbanest UK Limited Partnership, registered in the United Kingdom. No changes in the Company's principal activity are anticipated in the foreseeable future.

**DIRECTORS**

The directors who held office during the period and at the date of signing this report were:

J.R. Manns (resigned 20 January 2016)  
M. Morgan  
V. Skinner (appointed 28 January 2016)

On behalf of the Board

A handwritten signature in black ink, appearing to be 'M. Morgan', with a long horizontal stroke extending to the right.

M. Morgan  
Director  
Urbanest UK Vine Street GP1 Limited  
Date: 30 May 2017

Registered in England and Wales  
Registered number: 09917455

## Urbanest UK Vine Street GP1 Limited

### Profit and Loss for the period ended 31 December 2016

The Company is dormant and did not trade during the period, and hence incurred no profit or loss (2015 nil profit or loss).

### Balance Sheet as at 31 December 2016

|                                              | Note | 31 December<br>2016<br>£ | 31 December<br>2015<br>£ |
|----------------------------------------------|------|--------------------------|--------------------------|
| <b>Current assets</b>                        |      |                          |                          |
| Debtors                                      | 2    | 2                        | 2                        |
|                                              |      | <u>2</u>                 | <u>2</u>                 |
| <b>Net current assets</b>                    |      | <u>2</u>                 | <u>2</u>                 |
| <b>Total assets less current liabilities</b> |      | <u>2</u>                 | <u>2</u>                 |
| <b>Net assets</b>                            |      | <u>2</u>                 | <u>2</u>                 |
| <b>Capital and reserves</b>                  |      |                          |                          |
| Called up share capital                      | 3    | 2                        | 2                        |
| <b>Total shareholder's funds</b>             |      | <u>2</u>                 | <u>2</u>                 |

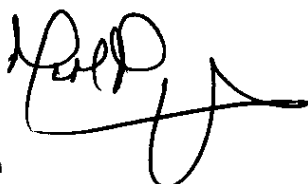
Notes 1 to 4 form part of these financial statements.

The company is exempt from the requirements relating to preparing audited accounts in accordance with section 480 of the Companies Act 2006.

The members have not required the company to obtain an audit of the accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements on pages 2 to 3 were approved by the Board of Directors on 30 May 2017 and signed on its behalf by



M Morgan  
Director:  
Urbanest UK Vine Street GP1 Limited

**Urbanest UK Vine Street GP1 Limited**  
**Notes to the financial statements**  
**for the period 15 December 2015 to 31 December 2016**

**1. Accounting Policies**

The financial statements have been prepared in accordance with applicable law and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and applicable accounting standards.

**2. Debtors**

|                                    | 2016     | 2015     |
|------------------------------------|----------|----------|
|                                    | £        | £        |
| Amounts owed by group undertakings | 2        | 2        |
|                                    | <u>2</u> | <u>2</u> |

**3. Called up share capital**

|                            | Authorised<br>2016<br>No. | 2015<br>No. | Allotted and fully paid<br>2016<br>£ | 2015<br>£ |
|----------------------------|---------------------------|-------------|--------------------------------------|-----------|
| Ordinary shares of £1 each | <u>2</u>                  | <u>2</u>    | <u>2</u>                             | <u>2</u>  |

**4. Ultimate Controlling Party**

The immediate parent company is Urbanest UK Holdco Limited, a company registered in Jersey. The immediate parent of Urbanest UK Holdco Limited is Urbanest UK Limited Partnership an entity registered in Jersey.

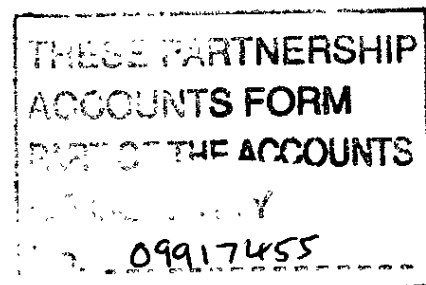
Urbanest UK Limited Partnership heads the smallest and the largest group, for which the consolidated financial statements are prepared.

The immediate controlling party of Urbanest UK Limited Partnership and the group is Evergreen Other Portfolio Investments LLC an entity registered in Delaware.

At 31 December 2016, the Company considered the ultimate controlling party to be Evergreen Real Estate Partners LLC.

Registered Number: LP017172

URBANEST UK VINE STREET LIMITED PARTNERSHIP  
REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD 21 DECEMBER 2015 TO 31 DECEMBER 2016



## **Urbanest UK Vine Street Limited Partnership**

### **General Partners' Report for the period 21 December 2015 to 31 December 2016**

---

The Directors of the General Partners ("the Directors") submit their report with the audited financial statements of Urbanest UK Vine Street Limited Partnership ("the Limited Partnership") for the period 21 December 2015 to 31 December 2016.

#### **RESULTS FOR THE PERIOD**

The results are set out in the Statement of total comprehensive income shown on page 5.

#### **PRINCIPAL ACTIVITIES**

The Limited Partnership was established on 21 December 2015 and is registered as a Limited Partnership in England under company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

The principal place of business of the Limited Partnership is 55 Strand, London, WC2N 5LR.

In accordance with the amended Limited Partnership Agreement dated 21 December 2015 ("LPA"), the principal activity of the Limited Partnership is that of property development and investment. No changes in the Limited Partnership's principal activity are anticipated in the foreseeable future.

No strategic report has been prepared as the Limited Partnership has elected to make use of the disclosure exemption for small qualifying partnerships under Companies Act 2006, s.414B and the Partnerships (Accounts) Regulations 2008.

#### **PARTNERS**

Urbanest UK Vine Street GP1 Limited and Urbanest UK Vine Street GP2 Limited, with no direct interest in the Limited Partnership, act as the General Partners to the Limited Partnership. The Limited Partners and their respective percentage holdings are shown below:

|                                    |      |
|------------------------------------|------|
| Urbanest UK Vine Street Unit Trust | 100% |
|------------------------------------|------|

#### **GOING CONCERN**

The General Partners of the Limited Partnership believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the parent Urbanest UK Limited Partnership. The General Partners have received confirmation from the General Partner of Urbanest UK Limited Partnership that Urbanest UK Limited Partnership intends to support the Limited Partnership for at least 12 months after these financial statements are signed.

#### **SUBSEQUENT EVENTS**

On 5 January 2017 Urbanest UK Vine Street Limited Partnership completed on the acquisition of a property in central London.

#### **INDEPENDENT AUDITORS**

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

**Urbanest UK Vine Street Limited Partnership**  
**General Partners' Report for the period 21 December 2015 to 31 December 2016**

---

**GENERAL PARTNERS' RESPONSIBILITIES STATEMENT**

The General Partners are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partners to prepare financial statements for each financial year. Under that law the General Partners have prepared the Limited Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law as applied to qualifying partnerships the General Partners 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 Limited Partnership and of the profit or loss of the Limited Partnership for that period. In preparing these financial statements, the General Partners are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101 'Reduced Disclosure Framework' have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership and group will continue in business.

The General Partners are 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 Companies Act 2006 as applied to qualifying partnerships by the Regulations. 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

**DISCLOSURE OF INFORMATION TO THE AUDITORS**

So far as each director of the General Partners is aware, there is no relevant audit information of which the Limited Partnership's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Limited Partnership's auditors are aware of that information.

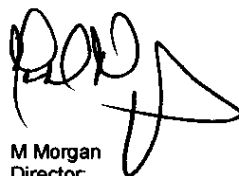


M Morgan  
Director:

For and on behalf of the General Partner,  
Urbanest UK Vine Street GP1 Limited

Date: 30 May 2017

Registered Number LP017172



M Morgan  
Director:

For and on behalf of the General Partner,  
Urbanest UK Vine Street GP2 Limited

Date: 30 May 2017

**Urbanest UK Vine Street Limited Partnership**  
**Independent Auditors' Report to the Members of Urbanest UK Vine Street Limited Partnership**

---

## **Report on the financial statements**

### **Our opinion**

In our opinion, Urbanest UK Vine Street Limited Partnership's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2016 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

### **What we have audited**

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Statement of Total comprehensive income for the period then ended;
- the Statement of Changes in Equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the General Partners have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

## **Other matters on which we are required to report by exception**

### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

### **General Partners' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of General Partners' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the General Partners were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

# Urbanest UK Vine Street Limited Partnership

## Independent Auditors' Report to the Members of Urbanest UK Vine Street Limited Partnership

---

### Responsibilities for the financial statements and the audit

#### Our responsibilities and those of the General Partners

As explained more fully in the General Partners' Responsibilities Statement set out on page 2, the General Partners are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### What an audit of financial statements involves

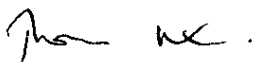
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the General Partners; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the General Partners' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Thomas Norrie (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
30 May 2017

**Urbanest UK Vine Street Limited Partnership**  
**Statement of total comprehensive income for the period 21 December 2015 to 31 December 2016**

---

|                                                                                                                                                     | Note | Period 21 December 2015<br>to 31 December 2016<br>£ |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------------------------------------------------|
| Administrative expenses                                                                                                                             | 3    | (5,000)                                             |
| Property development costs                                                                                                                          | 4    | (1,732,971)                                         |
| <b>Operating Loss</b>                                                                                                                               |      | <b>(1,737,971)</b>                                  |
| <b>Loss and total comprehensive expense for the financial period attributable to the Limited Partners transferred to Partners' current accounts</b> |      | <b>(1,737,971)</b>                                  |

All amounts arise from continuing operations. There is no material difference between reported loss and historical cost loss on ordinary activities before taxation. There are no recognised gains and losses other than those shown in the Statement of total comprehensive income above.

Notes 1 to 15 form part of these financial statements.

There are no items which would be recognised in a separate statement of comprehensive income other than the net loss for the financial period and therefore the Limited Partnership has adopted the approach allowable in IAS1.81(c) to present one statement of comprehensive income.

**Urbanest UK Vine Street Limited Partnership**  
**Statement of Changes in Equity for the period 21 December 2015 to 31 December 2016**

|                                    | Loans contributed<br>by<br>Partners | Partners'<br>Capital<br>accounts | Partners'<br>Current<br>accounts | Total Partners'<br>funds |
|------------------------------------|-------------------------------------|----------------------------------|----------------------------------|--------------------------|
|                                    | £                                   | £                                | £                                | £                        |
| <b>At 21 December 2015</b>         | -                                   | 100                              | -                                | 100                      |
| Loss for the financial period      | -                                   | -                                | (1,737,971)                      | (1,737,971)              |
| Other comprehensive income         | -                                   | -                                | -                                | -                        |
| <b>Total comprehensive expense</b> | -                                   | -                                | <b>(1,737,971)</b>               | <b>(1,737,971)</b>       |
| Loans contributed in the period    | 7,032,527                           | -                                | -                                | 7,032,527                |
| <b>At 31 December 2016</b>         | <b>7,032,527</b>                    | <b>100</b>                       | <b>(1,737,971)</b>               | <b>5,294,656</b>         |

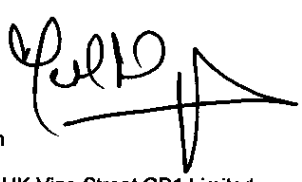
**Urbanest UK Vine Street Limited Partnership**  
**Balance Sheet as at 31 December 2016**

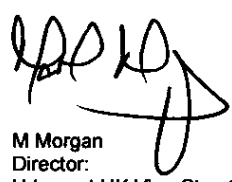
|                                                            | Note | 31 December<br>2016<br>£ |
|------------------------------------------------------------|------|--------------------------|
| <b>Current assets</b>                                      |      |                          |
| Debtors                                                    | 5    | 85,077                   |
| Deposit on property                                        |      | 6,513,500                |
|                                                            |      | <b>6,598,577</b>         |
| <b>Creditors: amounts falling due within one year</b>      | 6    | (1,303,921)              |
| <b>Net current assets</b>                                  |      | <b>5,294,656</b>         |
| <b>Net assets attributable to Partners represented by:</b> |      | <b>5,294,656</b>         |
| Loans contributed by Partners                              | 9    | 7,032,527                |
| Partners' capital accounts                                 | 10   | 100                      |
| Partners' current accounts                                 | 11   | (1,737,971)              |
| <b>Total Partners' funds</b>                               |      | <b>5,294,656</b>         |

Notes 1 to 15 form part of these financial statements.

The financial statements on pages 5 to 13 were approved by the General Partners on 30 May 2017.

Signed on behalf of the General Partners

  
M Morgan  
Director:  
Urbanest UK Vine Street GP1 Limited

  
M Morgan  
Director:  
Urbanest UK Vine Street GP2 Limited

# Urbanest UK Vine Street Limited Partnership

## Notes to the financial statements

### for the period 21 December 2015 to 31 December 2016

#### 1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Urbanest UK Vine Street Limited Partnership ("the Limited Partnership") for the period 21 December 2015 to 31 December 2016 were authorised for issue by the Directors of the General Partners ("the Directors") on 30 May 2017 and the balance sheet was signed on behalf of the Directors by M Morgan. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with applicable accounting standards. The Limited Partnership's financial statements are presented in Sterling and all values are rounded to the nearest pound except when otherwise indicated.

The principal accounting policies adopted by the Limited Partnership are set out in note 2.

#### 2. Accounting policies

##### a) Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period 21 December 2015 to 31 December 2016.

The financial statements have been prepared in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and in accordance with the Limited Partnership Agreement.

The Limited Partnership has taken advantage of the following disclosure exemptions under FRS 101:

(a) the requirements of IFRS 7 *Financial Instruments*

(b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*

(c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of IAS 16 *Property, Plant and Equipment*, IAS 40 *Investment Property*

(d) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements*

(e) the requirements of IAS 7 *Statement of Cash Flows*

(f) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*

(g) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*

(h) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into 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

(i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*

(j) the requirements of IAS 8 *IFRSs issued but not effective*

The financial statements have been prepared on the historical cost basis, as modified by revaluation of investment properties, which have been measured at fair value.

The financial statements are presented in sterling, the functional currency which is the currency of the primary economic environment in which the Limited Partnership operates.

##### (b) Going Concern

The Directors of the General Partners have reviewed the current and projected financial position of the Limited Partnership, making reasonable assumptions about future trading performance and believe that the Limited Partnership has adequate financial resources and is well placed to manage its business risks successfully to meet liabilities as they fall due and continue in operation for the foreseeable future.

##### (c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

##### (d) Fair value measurement

The Limited Partnership measures its investment properties at fair value at each balance sheet date, with changes in fair value being recognised in the statement of comprehensive income

##### (e) Taxation

The Limited Partnership is an English Limited Partnership. As such, the Limited Partnership is not subject to taxes in the United Kingdom, but rather the results of the Limited Partnership will be allocated to the Partners who may be taxed on their share of the results of the Limited Partnership, depending on their own tax status.

##### (f) Trade and other debtors

Trade and other debtors are amounts due from tenants for services provided in the ordinary course of business. Trade debtors, which generally have 0 - 30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision for impairment is made through profit and loss when there is objective evidence that the Limited Partnership will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

##### (g) Vine Street Agreement

Other interests in property include the cost and related fees in respect of land options, which are initially capitalised and regularly tested for impairment. The impairment review includes consideration of the resale value of the option and likelihood of achieving planning consent.

##### (h) Cash

Cash consists of cash in hand and deposits held with banks, which are instantly available.

##### (i) Trade and other creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade and other creditors are recognised initially at fair value and subsequently at amortised cost using effective interest methods.

Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

##### (j) Financial Instruments

###### (i) Financial assets

###### Initial Recognition and measurement

Financial assets within the scope of IAS 39 are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, Available for sale (AFS) financial assets, or as derivatives designated as hedging instruments in an effective hedge. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are

**Urbanest UK Vine Street Limited Partnership**  
**Notes to the financial statements**  
**for the period 21 December 2015 to 31 December 2016**

**2. Accounting policies (continued)**

attributable to the acquisition of the financial asset.

The Limited Partnership determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus directly attributable transaction costs. The Limited Partnership's financial assets include cash and short-term deposits, trade and other debtors, including current and non-current rent deposits.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified as

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

This category generally applies to trade and other debtors

*(ii) Financial liabilities*

*Initial recognition and measurement*

Financial liabilities within the scope of IAS 39 are classified as financial

liabilities at fair value through profit or loss, loans and borrowings, derivatives at fair value through profit or loss or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Limited Partnership determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs are also included.

**(k) Impairment of assets**

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

**(l) Allocation of profits/ losses**

Profits or losses made by the Limited Partnership are allocated to individual Partners' current accounts in proportion to capital and loan contributions made by the Partners, levels of which are determined by the General Partners.

**(m) Partners' capital accounts**

Partners' capital accounts comprise of capital contributions in the period net of any capital repayments in the form of distributions made by the Limited Partnership.

There is no interest accruing on the Partners' capital accounts pursuant to Clause 9.5 of the LPA.

**(n) Partners' current accounts**

Partners' current accounts comprise of allocation of profits or losses made by the Limited Partnership net of any distributions made to Partners, which are not treated as capital or loan repayments.

There is no interest accruing on credit balances in the Partners' current accounts pursuant to Clause 10.5 of the LPA.

**(o) Loans from Partners**

Loan contributions to the Limited Partnership by the Partners are interest free and have no fixed repayment date, in accordance with Clauses 10.5 and 17.5 of the LPA.

The loan contributions are treated as equity because in accordance with the Limited Partnership Agreement there is no contractual obligation to deliver cash or to exchange financial assets or financial liabilities with the partner under conditions that are potentially unfavourable to the Limited Partnership. There is fixed repayment date and there is no interest accruing on the loan.

**Urbanest UK Vine Street Limited Partnership**  
**Notes to the financial statements**  
**for the period 21 December 2015 to 31 December 2016**

---

**Changes in accounting policy and disclosures**

**New and amended standards adopted by the Partnership**

The following standards and amendments have been adopted by the Partnership for the first time for the financial year beginning on 1 January 2016:

- Accounting for acquisitions of interests in joint operations – Amendments to IFRS 11
- Clarification of acceptable methods of depreciation and amortisation – Amendments to IAS 16 and IAS 38
- Annual improvements to IFRSs 2012 – 2014 cycle, and
- Disclosure Initiative: Amendments to IAS 1.

The adoption of these amendments did not have any impact on the financial statements of the Partnership for the current period or any prior period and is not likely to affect future periods.

**3. Administrative expenses**

Administrative expenses consist of all costs of running the Limited Partnership. No staff costs or overheads are capitalised.

**(a) Auditors' remuneration**

The auditors' remuneration for the period amounts to £4,682 in relation to the audit of the financial statements. The auditors did not provide any non-audit services to the Limited Partnership during the period.

**(b) Employees**

The Limited Partnership had no employees during the period.

**(c) Directors' emoluments / Corporate Services**

The Directors received no emoluments for their services to the Limited Partnership. However there are Directors who receive salaries from another group undertaking in respect of their employment by that entity.

**4. Property development costs**

Property development costs comprise of professional and legal fees in relation to the acquisition of land.

**5. Debtors**

|               | 2016<br>£     |
|---------------|---------------|
| Other Debtors | 85,077        |
|               | <u>85,077</u> |

**6. Creditors: amounts falling due within one year**

|          | 2016<br>£        |
|----------|------------------|
| Accruals | 1,303,921        |
|          | <u>1,303,921</u> |

**Urbanest UK Vine Street Limited Partnership**  
**Notes to the financial statements**  
**for the period 21 December 2015 to 31 December 2016**

**7. Fair value measurement of financial instruments**

The accounting policies for financial instruments have been applied to the line items below:

|                                               | Loans and<br>receivables | Total            |
|-----------------------------------------------|--------------------------|------------------|
|                                               | 2016                     | 2016             |
|                                               | £                        | £                |
| <b>Assets per the balance sheet</b>           |                          |                  |
| Trade and other debtors excluding prepayments | 6,598,577                | 6,598,577        |
|                                               | <b>6,598,577</b>         | <b>6,598,577</b> |

|                                             | Other financial<br>liabilities at<br>amortised cost | Total    |
|---------------------------------------------|-----------------------------------------------------|----------|
|                                             | 2016                                                | 2016     |
|                                             | £                                                   | £        |
| <b>Liabilities as per the balance sheet</b> |                                                     |          |
| Trade and other payables excluding accruals | -                                                   | -        |
|                                             | <b>-</b>                                            | <b>-</b> |

The carrying value of short term receivables and payables are assumed to approximate their fair values where discounting is not material. There are no assets or liabilities at fair value through the profit and loss.

**8. Financial instruments risk management objectives and policies**

The Limited Partnership has identified exposure to the following financial risks:

- Credit risk
- Liquidity risk

The policies for managing each of these risks and the principal effects of these policies on the results for the year are summarised below:

**Credit risk**

The Limited Partnership's main financial assets are deposits and other receivables. Credit risk is the risk of financial loss of a counterparty, if a financial instrument counterparty fails to meet its contractual obligations. The Limited Partnership's exposure to this risk principally relates to the receivables from deposits held with counterparties.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

|                         | 2016             |
|-------------------------|------------------|
|                         | £                |
| Trade and other debtors | 6,598,577        |
|                         | <b>6,598,577</b> |

**Urbanest UK Vine Street Limited Partnership**  
**Notes to the financial statements**  
**for the period 21 December 2015 to 31 December 2016**

**Liquidity risk**

Liquidity risk is the risk that the Limited Partnership will not be able to meet its financial obligations as they fall due.

The Limited Partnership's approach to managing liquidity is to ensure that it will always have sufficient funds to meet obligations as they fall due.

The following is an analysis of the contractual undiscounted cash flows payable under financial liabilities existing at the balance sheet date

| Period ended 31 December 2016 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | >5 years | Total |
|-------------------------------|-----------|--------------------|----------------|--------------|----------|-------|
|                               | £000      | £000               | £000           | £000         | £000     | £000  |
| Trade and other payables      | -         | -                  | -              | -            | -        | -     |
|                               | -         | -                  | -              | -            | -        | -     |

**9. Loans contributed by Partners**

|                                 |                         |
|---------------------------------|-------------------------|
|                                 | £                       |
| At 21 December 2015             | -                       |
| Loans contributed in the period | 7,032,527               |
| <b>At 31 December 2016</b>      | <b><u>7,032,527</u></b> |

**10. Partners' capital accounts**

|                            |                   |
|----------------------------|-------------------|
|                            | £                 |
| At 21 December 2015        | 100               |
| <b>At 31 December 2016</b> | <b><u>100</u></b> |

**11. Partners' current accounts**

|                               |                           |
|-------------------------------|---------------------------|
|                               | £                         |
| At 21 December 2015           | -                         |
| Loss for the financial period | (1,737,971)               |
| <b>At 31 December 2016</b>    | <b><u>(1,737,971)</u></b> |

**12. Cash flow statement exemption**

No cash flow statement has been prepared as the Limited Partnership has elected to make use of the disclosure exemption under Financial Reporting Standard 101 with regards to the requirements of IAS 7 Statement of Cash Flows.

**Urbanest UK Vine Street Limited Partnership**  
**Notes to the financial statements**  
**for the period 21 December 2015 to 31 December 2016**

---

**13. Related party transactions**

The Limited Partnership is a wholly owned subsidiary in the Urbanest UK Limited Partnership group ("the group"), and has therefore elected to make use of the exemption provided in Financial Reporting Standard 8 (revised 2008) "Related Party Disclosures" not to disclose transactions with the wholly owned members of the group, apart from those required by Section 15 of Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements of Urbanest UK Limited Partnership are available upon request from 3rd Floor, 37 Esplanade, St Helier, Jersey, JE2 3QA.

The Limited Partnership did not enter into any transactions with related parties outside the group during the period.

**14. Ultimate controlling party**

The immediate controlling parties of the Limited Partnership are considered to be the General Partners: Urbanest UK Vine Street GP1 Limited and Urbanest UK Vine Street GP2 Limited, both companies registered in the United Kingdom. The immediate parent of Urbanest UK Vine Street GP1 Limited and Urbanest UK Vine Street GP2 Limited is Urbanest UK Holdco Limited, a company registered in Jersey.

Urbanest UK Vine Street Limited Partnership is owned by Urbanest UK Vine Street Unit Trust, an entity registered in Jersey, whose immediate parent company is Urbanest UK Holdco Limited, a company registered in Jersey.

The immediate parent of Urbanest UK Holdco Limited is Urbanest UK Limited Partnership an entity registered in Jersey.

Urbanest UK Limited Partnership heads the smallest and the largest group, for which the consolidated financial statements are prepared.

The immediate controlling party of Urbanest UK Limited Partnership and the group is considered to be its General Partner, Urbanest UK GP Limited. The immediate parent of Urbanest UK Limited Partnership is Evergreen Other Portfolio Investments LLC, an entity registered in Delaware.

At 31 December 2016, the Limited Partnership considered the ultimate controlling party to be Evergreen Real Estate Partners LLC.

**15. Subsequent events**

On 5 January 2017 Urbanest UK Vine Street Limited Partnership completed on the acquisition of a property in central London.